Blackpool Teaching Hospitals NHS
NHS Foundation Trust


Community nursing


Children's clinic


Community dental staff


District nursing care


Medical ward


Neonatal outreach team

QUALITY

SAFETY

PEOPLE

DELIVERY

ENVIRONMENT

COST

Annual Report and Accounts
2012-2013


School nursing


Accident & Emergency - Minors


Women & children's ward

Blackpool Teaching Hospitals NHS Foundation Trust

Annual Report and Accounts 2012-13

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

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Chairman's and Chief Executive's Statement

We started the year as a new organisation responsible for hospital and community services following the transfer of community services from NHS Blackpool and NHS North Lancashire on 1st April 2012.

We see this as an extremely positive move which brings exciting opportunities for hospital and community services to work together to integrate and transform our services for the benefit of patients.

It has been a year of enormous challenge within the NHS and within our Trust but also a year of considerable achievement and one which our staff can be extremely proud of.

Quality and safety of patient care remained our key priority during the year and we are pleased to report that we have seen many improvements which have helped to raise standards.

We were delighted that our hard work to enhance patient safety and quality of care was recognised through a number of national awards. In July 2012 we were the proud winners of two prestigious patient safety awards. The End of Life Care team won the Cancer Care category of the Care Integration Awards for its work to improve the patient and carer experience in end of life care. The Trust's 'Knowing How We Are Doing' project, which ensures ward staff, patients and visitors are aware of the Ward's performance in safety areas such as infections, falls, untoward incidents and pressure ulcers, took the top prize in the Data and Information Management category of the Patient Safety Awards 2012. We also impressed the judges at the Nursing Times Awards with a scheme to help mums in Blackpool overcome post-natal depression which won the Child and Adolescent Services category.

Our Trust, like all NHS organisations, has faced significant financial challenge. Last year we reported that due to our financial position the regulator of Foundation Trusts, Monitor, had found us to be in significant breach of our Terms of Authorisation. The Trust worked extremely closely with the regulator to improve our position and we were delighted to receive official confirmation from Monitor in May 2012 that we have been de-escalated from significant breach. Whilst it has been a difficult year we ended the financial year in surplus of £3.2m. (For further detailed financial information see 'Our Finances' section).

Despite the financial challenges we have continued to invest in new developments to improve the working environment for staff and enhance the overall experience for our patients. Our Emergency Department underwent a £800,000 overhaul with new treatment rooms and an improved Majors treatment area to enhance privacy and dignity and provide a brighter and more spacious environment. A new observation ward has also been constructed as part of this work.

In January 2013 we saw the opening of a new £500,000 Oncology and Haematology Unit thanks to generous donations from the hospitals charity, Blue Skies Hospitals Fund, the League of Friends of Blackpool Victoria Hospital and the Kay Kendall Leukaemia Fund.

We also celebrated the news we had been successful in securing £680,000 of funding from the Department of Health to create a new midwife-led unit, which will improve birth choices for mums-to-be across the Fylde coast. Earlier in the month our Women and Children's services were delighted to receive a visit from Health Minister Dr Dan Poulter, who described them as "a shining example the rest of the country could learn from".

One of the highlights of the year was the official opening of the £13.5m Women and Children's unit by the League of Friends of Blackpool Victoria Hospital who donated an amazing £2m towards the scheme thanks to a legacy they received from two local brothers. We are extremely grateful to the League of Friends and all the charities who have supported us throughout the year to fund new equipment and schemes for the benefit of patients.

For those of you who have visited the Blackpool Victoria Hospital site recently you couldn't fail to notice the huge building project ongoing. We are delighted that work is now well underway on our new £16.5m main entrance scheme and multi-storey car park. We appreciate that this may cause some disruption to staff, patients and visitors in the short-term but once it is up and running at the end of the year will bring an end to car parking issues and the main entrance will create a much more pleasant environment for patients, staff and visitors.

A lot of work has been done to enhance quality of patient care and we are pleased the excellent progress we have made in driving down infections has continued with just two cases of MRSA bacteraemia between 1st April 2012 and 31st March 2013. We also saw rates of Clostridium Difference fall to 28 compared to 53 in the previous year. This is a great achievement and is thanks to the hard work of staff, patients and visitors who have really got behind our new hand hygiene campaign. We have also seen significant reductions in numbers of pressure ulcers and patient falls. You can read more about this important area of our work in our Quality Report at Appendix A.

February 2013 saw the publication of the Francis report into the Mid-Staffordshire Trust which made depressing reading for the NHS. Our Board has been working hard to ensure we have robust systems and processes in place to ensure our services are of high quality and are safe. Following the publication of the report it was announced our Trust was one of 14 organisations be reviewed for having high Standardised Hospital Mortality Indicators (SHMI).

The review will seek to determine whether there are any sustained failings in the quality of care and treatment being provided to patients at these trusts, in particular seeking to identify:

- whether existing action to improve quality is adequate and whether any additional steps should be taken;
- any additional external support that should be made available to aid improvement; and
- any areas that may require regulatory action in order to protect patients.

The review has been scheduled to be undertaken on the 17th June 2013 in which Professor Sir Bruce Keogh will publish a public report summarising the findings and actions. The Trust will produce an action plan based on the findings of the Keogh review, and will monitor the implementation of the action plan through the Board.

This is something the Trust was aware of and has already done considerable work in this area to understand why our rates are higher than the national average. In March 2012, we commissioned the Advancing Quality Alliance (AQuA), a healthcare improvement body, to review our mortality data and this concluded there was no cause for clinical concern relating to patient care. We welcome this further review of our mortality rates to give added assurance to our Trust, patients and the public.

We outlined in last year's report that the Fylde coast health economy would be holding a public consultation into older people's rehabilitation services. This consultation took place between 8th November 2012 and 31st January 2013 and eight public meetings took place. An independent company analysed the findings of the consultation which showed there was strong public support for the development of a dedicated consultation led rehabilitation service, however, some concerns were raised in relation to additional travelling time to Clifton Hospital and access for people who do not live close to public transport routes. The findings were considered by Blackpool Clinical Commissioning Group and Fylde and Wyre Clinical Commissioning Group who accept the proposal for the consultant led rehabilitation service to be developed at Clifton Hospital. This will result in the permanent relocation of rehabilitation services from Wesham Hospital to Clifton Hospital and the permanent relocation of rehabilitation services from Rossall Hospital to Clifton Hospital. The consultant-led service will be transferred from Rossall to the Clifton site on 1st August 2013.

It has been a very busy year overall but as always our staff have risen to the challenge and have remained dedicated and committed to providing best in NHS care to our patients. We are keen to ensure we continue to invest in our staff and provide the right training and support they need to carry out their roles effectively. Our commitment in this area was recognised with the reaccreditation of Investors in People Gold for the third year running and our Communications Team won a national award for 'Best Communications Team in the NHS' for their work around staff and community engagement.

We have also been carrying out a huge staff engagement exercise to refresh our vision and values and set our strategic aims for 2020 which focus on five key objectives: Zero inappropriate admissions, zero patient harms, zero delays, 100% of patient and carers involved in decisions about their care and 100% compliance with agreed patient pathways.

We will be working hard over the coming months to further improve engagement with our patients, stakeholders and local community. We have recently set up a quarterly Chief Executive's Question Time session where members of the public can meet the board and ask questions. We also use Facebook and Twitter to get key messages out to the public and encourage feedback. With the help of our Council of Governors we will also be looking at how we can continue to strengthen our public membership and better engage with our members to involve them more in decisions about our services. We are also looking to expand our growing number of volunteers who provide invaluable support in so many different ways to the running of the Trust. We are very grateful for all they do.

During the year there have been a number of changes to the Board of Directors, including the arrival of both of us as Chairman and Chief Executive. Full details of these arrangements are outlined in the 'Our Performance' section, however we would particularly like to place on record our thanks and best wishes to Chief Executive Aidan Kehoe who moved to a new Chief Executive post at the Royal Liverpool Hospital Trust, Deputy Chief Executive Tim Welch who moved to Cheshire and Wirral Partnership NHS Foundation Trust as Deputy Chief Executive, and Nick Grimshaw Director of HR and OD who has left the Trust to pursue new career opportunities. Between them they have worked at the Trust for more than 20 years and have made a huge contribution to the success of the Trust. It is also with sadness that we have to report the news of the death of Malcolm Faulkner, who had served as a non-executive director for seven years and passed away in December 2012 following a short illness.

Looking to the future we know that we are still in challenging economic times but it is also an exciting time as we look forward to the full integration and transformation of hospital and community services. Our focus will remain on providing high quality, safe care whilst reducing costs and improving efficiency.

Signed:
Date: 23rd May 2013
Ian Johnson
Chairman

Signed:
Date: 23rd May 2013
Gary Doherty
Chief Executive

Mr P Conway
Blackpool

"I owe my life to the staff at Blackpool Victoria Hospital and I am now hopeful that I will be able to lead a full life.

Just hours after receiving this new treatment I felt fine and my heart seems to be working well. I feel very confident now this device has been fitted."

Hospital Highlights

Over the past 12 months there have been many new developments which have helped to improve quality of care, patient safety and the overall patient experience. Here are just some of the notable achievements we have made in the past year.

End of Life Conference

In April 2012, more than 120 doctors, consultants and health specialists from across the Fylde coast attended an End of Life (EoL) Conference to discuss the best ways to ensure people across the area received the best care possible in their final days.

It was a rare opportunity for GPs and hospital doctors to come together to share some understanding of the different challenges faced and helped in the planning and clinical commissioning of future EoL care services for patients on the Fylde Coast.

Key messages were the importance of the identification of patients at EoL, advanced care and planning and communication with patients across services.

The conference highlighted how nationally 70% of people want to die in their own place of residence yet only 20% of people actually manage this and stressed the need to look for more partnership working to help people achieve their preferred place of care at the End of Life.

£100,000 Investment in Healthy Hearts

The Trust was awarded £100,000, in May 2012, by The British Heart Foundation (BHF) to improve the heart health of some of the town's poorest areas.

The investment is part of the BHF's UK-wide Hearty Lives programme to reduce geographical inequalities in heart disease.

Latest statistics show the health of people in Blackpool is generally worse than the England average. Deprivation is higher than average and a reported 9,070 children live in poverty. Life expectancy for both men and women is lower than the England average, 13.3 years lower for men and 8.3 years lower for women in the most deprived areas of Blackpool than in the least deprived areas of the country.

The best way to tackle heart health inequalities is to empower communities to make sustainable change for themselves. The funding will be used to extend and develop a network of volunteers who will encourage and motivate patients in leading a healthier lifestyle through providing information, resources and support around smoking, alcohol and obesity.

New Chemotherapy Unit in Fleetwood

A brand new chemotherapy service was opened in Fleetwood in June 2012, providing vital treatment for cancer patients in the local area.

The facility has been staffed by a team of clinicians from Blackpool Victoria Hospital, with facilities provided at the new site by Coastal Healthcare. In addition Coastal Healthcare will provide clinical support for patients, both before and after treatment.

The initiative was made possible through a grant from the Rosemere Cancer Foundation, the regional cancer charity which supports cancer treatment in Lancashire and South Cumbria. Additional funding was also provided by the Blue Skies Hospital Fund, Norcross Veterans Agency, Anchorsholme Masonic Lodge and local residents.

This new service has brought significant benefits to patients suitable for treatment at the new facility, particularly through the choice they have as to where they receive their treatment and ultimately making it a less disruptive experience for them.

£16.5m building project

In July 2012, plans were unveiled to create nearly 1,000 new parking spaces to help relieve traffic problems on the Blackpool Victoria Hospital site.

Building work started in late autumn to provide a three-storey car park along with a new main entrance for patients, visitors and staff. The main construction project will take a year to complete and give a total of 2056 available car parking spaces to meet the demand for all staff, patients and visitors.

Prominent from Whinney Heys Road, the new three-storey entrance will provide an impressive access to the hospital and include a pharmacy, retail units, café, main reception, waiting area and office accommodation.

The entrance will link into the main hospital and will be the main access point for most patients, visitors and staff apart from those using Accident and Emergency and the Delivery Unit which will continue to use present entry points.

Designed for easy flow for visitors, the car park will have a significant number of entry and exit routes and be covered by CCTV cameras. A redesigned bus terminal will also be incorporated into the plan. The Trust believes the plans will be of considerable benefit to patients and help them make Blackpool their first choice hospital.

Trust wins two National Patient Safety Awards

The Trust won two prestigious National Patient Safety Awards for the work it has been doing to improve quality and safety of care for patients in August 2012.

The End of Life Care team was named the overall winner in the Cancer Care category of the Care Integration Awards 2012. The team was awarded the accolade for the work it has been doing to introduce a rapid discharge pathway to improve the patient and carer experience in End of Life care.

The second award went to the Trust for its 'Knowing How We Are Doing' project which ensures ward staff, patients and visitors are aware of the ward's performance in key safety areas such as infections, falls, untoward incidents and pressure ulcers. The award winning project took the top prize in the Data and Information Management category of the Patient Safety Awards 2012.

Improving patient safety is the key objective of the Trust so it is a fantastic achievement to get such outstanding recognition for this important area of work which is leading to better care for our patients.

The Trust's Patient Safety Team has been shortlisted in the Improving Health Awards run by the British Medical Journal and the winner will be announced at a ceremony at Westminster Park Plaza, London in July 2013.

Alcohol Workshop

HEALTH professionals in Blackpool came together in September 2012 to discuss how to improve care for people with alcohol problems.

A workshop was held at Blackpool Victoria Hospital to discuss recent developments in care and how further improvements could be made to help the lives of local people with alcohol issues.

Blackpool has major problems with alcohol and that has a major effect on local healthcare provision. Massive strides have been made by the Trust in recent years and we have seen the importance of offering advice and support to patients while they are in the hospital setting using Appointed Alcohol Liaison Nurses. We have seen massive differences made to some people's lives.

Patient Environment Action Team (PEAT) Scores

The Trust received its best ever scores in this year's Patient Environment Action Team (PEAT) inspections in October 2012.

Under the PEAT programme, every in-patient healthcare facility in England with more than 10 beds is assessed annually with Blackpool Victoria Hospital, Clifton, Bispham Rehabilitation Unit and Rossall Rehabilitation Unit all included.

The Trust is reviewed for its standards of food, privacy and dignity and general environment across its four sites and all were recorded as being 'Excellent' in all categories.

It is the first time ever the Trust has received 'Excellent' in all categories across all sites.

Trust wins two National Awards

In November 2012, the Trust won two national awards.

The Community Midwife Team won the Child and Adolescent Services category, Nursing Times Awards with a scheme to help mums in Blackpool overcome perinatal depression.

The scheme, called 'Hello Baby', is an intensive five-week parent/infant interaction and attachment course aimed at mums with very young babies from birth to four months old who, were identified antenatally with perinatal depression (PND), had developed PND after birth or had identified attachment and bonding difficulties.

The programme has produced some excellent results in Blackpool and is something that other areas of the country are looking to implement as well.

The Trust's Communications team was named the best in the NHS for its work to improve staff and public engagement. The department was named 'Best Communications Team in the NHS' at the Association of Healthcare Communication and Marketing annual awards ceremony, beating off tough competition from across the UK.

The team was recognised for the outstanding work done over the past 12 months to improve communications through the use of social networking, video, web, media and staff and public engagement.

Flu Fighter Video goes National

The Trust's, Communications Assistant, Lee Rayner created a video to raise awareness about flu vaccinations. He came up with an innovative theme of a porter receiving adulation from his bosses and colleagues after having the jab. The result was the video received adulation worldwide!

In December 2012, the video depicting porter Phil Smith become a hero for a day after getting the vaccine, became a massive YouTube hit.

The video went viral and was seen by the NHS Commissioning Board. The film was re-launched and Phil Smith became the face for the national Flu fighter campaign advising all NHS staff to protect patients, family and themselves.

The video was subsequently shortlisted in the NHS Employers Flu Fighter Awards for both the Innovation and the Social and Digital categories.

Opening of new Haematology/Oncology Unit

January 2013 saw the first patients welcomed into the new Oncology and Haematology unit at the Trust. The unit officially opened on Monday 21st January 2013 and given the seal of approval by two patients, Shirley Lord and Anna Farrar and by staff members.

The unit, costing around £500,000 was funded by Blue Skies Hospitals Fund, the Trust's charity, putting £195,000 towards costs and the League of Friends of Blackpool Victoria Hospital who provided a further £125,000. The Kay Kendall Leukaemia Fund also contributed £21,373 towards the cost of furniture and equipment for the unit.

Midwife-Led Unit funding boost

In January 2013, the Trust was allocated funding to build a new £680,000 midwife-led unit at Blackpool Victoria Hospital and work commenced immediately on the development.

It will provide birthing pools and family facilities and vastly improve the choices available for mums-to-be across the Fylde coast. It is fantastic news for the Trust and for all those women who will benefit from the new unit. The unit will comprise of four spacious en-suite rooms, two with birthing pools, and provide one-to-one midwife care during labour. The unit will offer women a home-from-home environment which will also support birth partners who will be able to stay throughout the woman's time on the unit.

Thanks to the Blackpool Clinical Commissioning Group who were also involved in supporting the bid.

Observation Ward welcomes First Patients

The new £550,000 emergency department observation ward which opened at Blackpool Victoria Hospital in February 2013 began welcoming their first patients.

The unit took just seven weeks to complete, and will bring tremendous improvements for patients in terms of better facilities, improved patient privacy and dignity and advanced environmental conditions.

The first patient, Peggie Stott was delighted with the new surroundings. The ward consists of two four-bedded units and two single rooms all with en-suite facilities and will be used for patients needing observation over a 24 hour period.

Friends and Family Test

In March 2013, following a pilot scheme, the Trust rolled out the 'Friends and Family Test' across all adult inpatient wards (excluding Maternity). In April 2013, the 'Friends and Family Test' was launched nationally to adult inpatients and A&E patients in all hospitals in England. From October 2013. it will also cover maternity services and it will then it will be extended to all patients using NHS services both in hospital and other care settings.

The survey will ask the question: "How likely are you to recommend our Emergency Department / Ward to friends and family if they needed similar care or treatment?" The data from these surveys will be collated at ward level, collected from ballot boxes on each ward, so the Trust can identify who is performing efficiently. The Trust always encourages feedback from patients. This data will provide a much broader view of the care provided, help to identify and deal with concerns at an early stage and enable a comparison with other hospitals in the region.

Accreditations

Haematology Department – Joint Accreditation

The Department received the highest level of accreditation by an organisation called JACIE (Joint Accreditation Committee – ISCT and EBMT) in September 2012 following an inspection which took place in November 2011.

This means the Trust can continue to offer complex high dose chemotherapy and stem cell transplant treatments for patient from Lancashire and South Cumbria, with haematological cancer in a familiar environment, close to home. Patients can be assured that the quality of care delivered is consistent with the highest international quality standards.

Information Standards

The Trust is one of the first sites in the country to win an award for the quality of its patient information leaflets. The Trust is one of only a handful in the UK to be awarded the Information Standard - a national accreditation which has been developed to reassure people that the health and social care information they access is from a reliable source.

The award means the organisation will be able to display a 'Kite Mark' on patient information leaflets. This mark is a recognised external 'seal of quality' which has been granted through a process of external review and support to show the Trust is fully committed to producing information that meets all the standards defined.

Queen's Nurses

On 15th April 2013, the Family Nurse Partnership Team of Lynn McKinnon, Claire MacGregor, Diane Whatmough, Nicci Hurley and Helen Newton and also Joanne Braithwaite, District Nurse Sister at Garstang were awarded the title of Queen's Nurses. This means the Trust has been recognised by the Queen's Nursing Institute as having commitment to improving standards of care in the community and to learning and leadership.

Joanne Ashton
Clinical Nurse Specialist

The Swallows Head and Neck Cancer Support Group charity held its first awards evening and gave several awards to members of staff from the Trust.

"My award was a lovely surprise and I was honoured to receive it. I am lucky to work with a great team of people who are all dedicated to the care of our local head and neck cancer patients."

Directors' Report and Business Review

This section includes information about:

- **Our Trust**
- **Our Services**

This section also includes information about our achievements on performance on delivering our plans in the following areas:

- **Our Patients**
- **Our Staff**
- **Our Performance**
- **Our Environment**
- **Our Finances**
- **Our Future Business Plans**

Our Trust

Blackpool, Fylde and Wyre Hospitals NHS Foundation Trust was established on December 1st 2007 under the National Health Service (NHS) Act 2006. In October 2010, the Trust was awarded teaching hospitals status and changed its named to Blackpool Teaching Hospitals NHS Foundation Trust in recognition of this. On 1st April 2012, the Trust merged with the Community Health Services of NHS Blackpool and NHS North Lancashire.

The Acute Trust comprised of the following core sites prior to the merger with the Community Health Service of North Lancashire Primary Care Trust and NHS Blackpool.

- Blackpool Victoria Hospital
- Clifton Hospital
- Fleetwood Hospital
- Rossall Hospital Rehabilitation Unit
- Bispham Rehabilitation Unit
- Blenheim House Child Development Centre
- National Artificial Eye Service
- Poulton Offices

The Wesham Hospital Rehabilitation Unit had services transferred to other sites and was not operational at that time.

The Bispham Rehabilitation Unit became an asset belonging to Spiral Health CIC http://www.spiralhealthcic.co.uk/aboutus.asp on 1st April 2012.

The Trust now provides services, or staff bases from a multitude of locations including 70 treatment centres and six support facilities.

Most leases and freehold properties have been taken over by NHS Property Services Ltd http://www.property.nhs.uk/, although it is understood occupancy in other locations may be informal.

In addition to this school nursing is provided from over 200 schools.

The Trust has three main commissioners; NHS Blackpool, NHS North Lancashire and the North West Specialist Commissioners for tertiary cardiac services and haematology services. Further information on the funding streams of the Trust is provided in Our Finances section of this report.

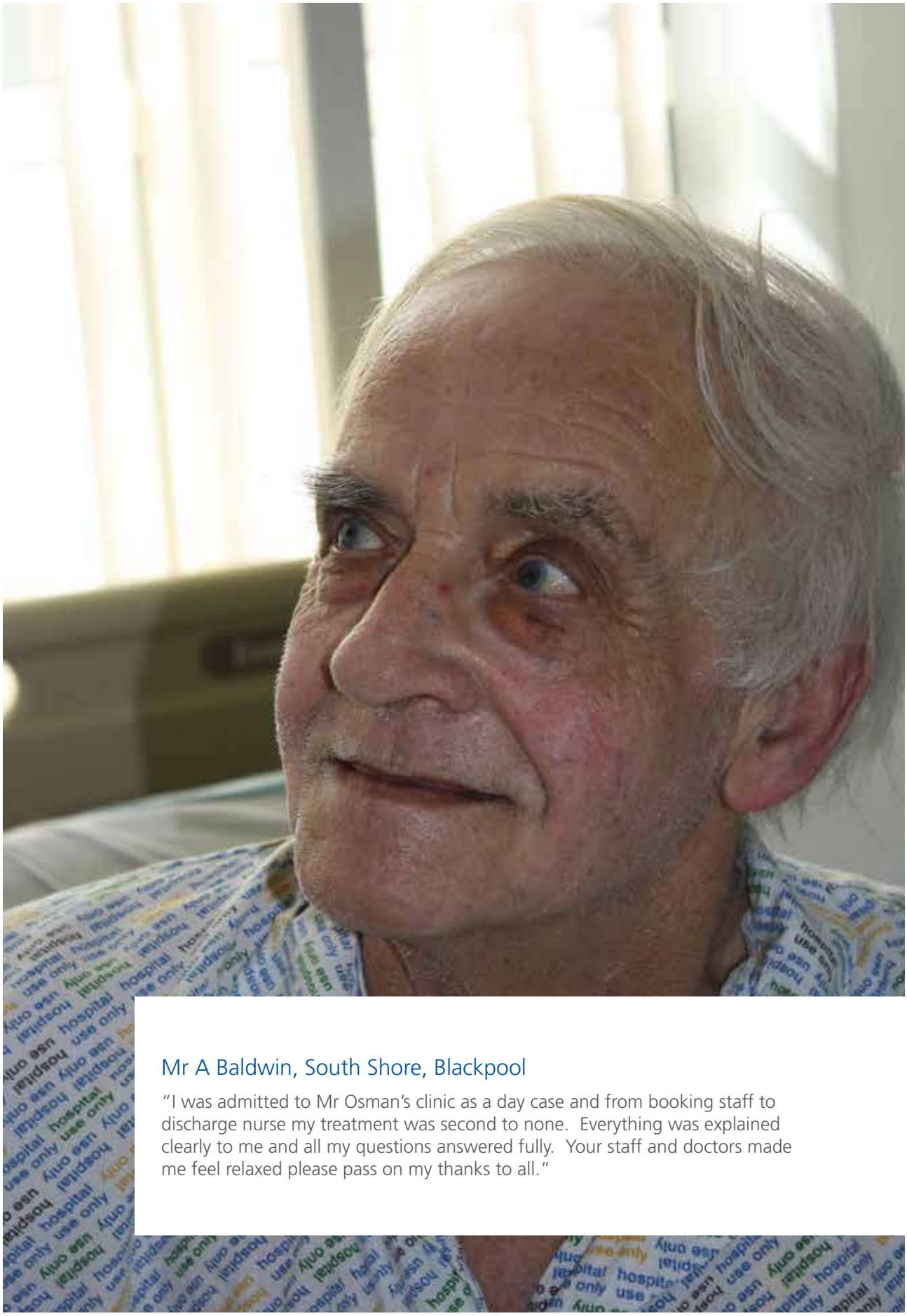
These arrangements will change in 2013/14 when our new commissioners will be:-
Blackpool Clinical Commissioning Group (CCG)
Fylde and Wyre Clinical Commissioning Group
Lancashire North Clinical Commissioning Group
Cheshire, Warrington and Wirral Area Team (for specialist areas)
Blackpool Council – Public Health
Lancashire County Council – Public Health
National Commissioning Board – Local Area Team

Our Services

As well as providing the full range of district hospital services and community health services, such as, adult and children's services, health visiting, community nursing, sexual health services and family planning, stop smoking services and palliative care, the Trust provides tertiary cardiac and haematology services to a 1.6m population catchment area covering Lancashire and South Cumbria.

The Trust provides a comprehensive range of acute hospital services to the population of the Fylde Coast, as well as the millions of holidaymakers that visit each year. From 1st April 2012, the Trust also now provides a wide range of community services to residents in Blackpool, Fylde, Wyre and North Lancashire. We employ 6,663 staff, had a turnover in excess of £360m in 2012/13 and have a total of 830 beds.

Between 1st April 2012 and 31st March 2013 we treated approximately 108,100 day cases and inpatients (elective and non elective), 296,917 outpatients and had 83,002 A&E attendances. The total number of community contacts was 934,740. Clinicians from Lancashire Teaching Hospitals NHS Foundation Trust provide onsite services for renal, neurology and oncology services. We utilise assets to the value of £183.8m to support our services.



Mr A Baldwin, South Shore, Blackpool

"I was admitted to Mr Osman's clinic as a day case and from booking staff to discharge nurse my treatment was second to none. Everything was explained clearly to me and all my questions answered fully. Your staff and doctors made me feel relaxed please pass on my thanks to all."

Our Patients

It is really important to us that we listen to our patients and make improvements to our services in response to their views.

Patient Experience Revolution

This exciting and unique training programme aims to support the organisation in its aim to become more patient and family centred and to deliver a better patient experience.

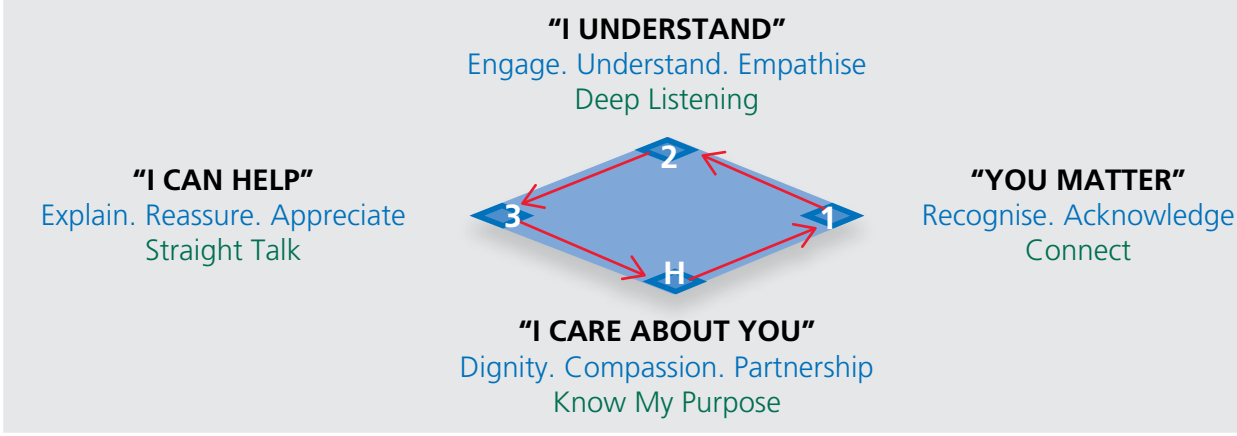
We have worked with an external training provider, Interaction UK (who have over 20 years experience of working with people in commercial, public and charitable sectors) and developed an approach to the patient experience that enables our employees to feel better able to care for themselves, work effectively together, feel proud of what they are doing and have processes to support the care they are offering.
This training recognises that staff attitude is a primary focus to drive behaviour, emotion and results, and works with the staff to address the deep rooted cause, supporting people to be at their best most of the time.

Post training coaching provided to all trainees ensures long term training benefits and gives a structured and focus to embedding new skills.

The training focuses on two key models, which will enable staff to be aware of a great patient experience, and holding a caring conversation.

Diagram: Key components of a great patient experience

Diagram: Indicating key components of a caring conversation



- During 2012/13, we have piloted the training programme and then delivered a proof of concept to four cohorts, overall 118 people have received the training, during 2013/14 we plan to deliver to a further 34 cohorts.
- We have developed comprehensive measures to ensure a return on investment, these measure cover six key areas around patient and staff experience.

Staff Feedback

We are constantly reviewing the training programme and staff feedback includes:

- What a difference you are making to people, both personally and professionally, it has helped me see how my attitude can have an impact on situations.
- The training was fantastic, they got the best out of me without me knowing and I have learnt so much to improve myself, my team and most importantly my patients.
- Before the training I was 'in the box' all day whilst dealing with angry patients. Post training I started using the tools and am now much calmer and happier with patients.

Supporting Carers

As part of our ongoing commitments to working with other organisations throughout 2012/13, the Trust has built relationships with Blackpool Carers Centre and Carers Point in order to ensure carers are supported in their role whether an established carer or those identified as hidden carers.

Education sessions have been held with staff across the Trust with the aim of raising awareness and understanding of who a carer is and what support can be provided, both on an individual and organisational level.

The objectives of the training are:

- Build knowledge and understanding of adult, parent, young and former carers
- Recognise the difference between paid and unpaid carers
- Build knowledge and understanding of issues faced by all carers
- Identify relevant legislation
- Discuss levels of support for carers and the role of a carers centre
- Identify what you and your organisation can do to support carers
- Share best practice, personal experience and expertise

The training has identified those hidden carers who need support within our community as well as raised awareness of the rights that carers have. This project will continue in order to ensure carers are able to identify and act on their own health needs as well as ensure we reduce the admissions and readmissions of those who are cared for in the community.

Working with Patient Representative Groups

During 2012, we have continued to build excellent working relationships with patient representative groups and involved groups in aspects of the Trust work, we see this link and partnership working as key to ensuring the patient voice is heard and that as a Trust we act and are responsive to patients needs, these groups include:

Patient Group	Involvement in
Blackpool LINk (now known as Healthwatch)	Trust wide Enter and Views audits Equality, Diversity and Human rights committee Visually impaired work Work to review complaints process Patient Experience Committee
Lancashire LINk (now known as Healthwatch)	Equality, Diversity and Human rights committee Patient Experience Committee
Motor Neurone Disease Association	Communication Pathway Trust training specific to MND
Age UK	Dementia Project Hospital Discharge Team
Alzheimer Society	Trust Dementia Project
Patients Association	Trust training around Dignity

Moving into 2013/14 we see more patient groups being involved in the Trusts work and look forward to working closely with colleagues involved in Healthwatch.

Patient Relations Team

Learning from Patients

We encourage patients to give us feedback, both positive and negative, on their experiences of our hospital services so that we can learn from them and develop our services in response to patients' needs. During the financial year 1st April 2012 to 31st March 2013 we received 3372 thank you letters and tokens of appreciation from patients and their families. The number of formal complaints received by the Trust during the same period was 457 this includes 376 written complaints registered via the Trust and 81 Community formal complaints. There were also 31 verbal complaints made. The overall numbers of formal complaints show a decrease of 23 for the Trust figures, however, including the Community figures show an overall increase of 26 compared to the previous year. (Further details are contained in the Quality Report at Annex A).

Enhancing Patient Safety

Patient Safety Walkabouts

Patient safety remains a priority for all staff within the Trust and is led by the Board of Directors demonstrating their continued commitment to improving patient safety.

The Executive Directors carry out adhoc Patient Safety Walkabouts on a weekly basis, averaging approximately 16 - 20 walkabouts per month together with a Structured Safety Walkabout to one specified ward or department on a monthly basis. All areas of the Trust, including those within Community Health Services are included in the annual programme of Patient Safety Walkabouts.

The benefit of Patient Safety Walkabouts is recognised by staff and patients and includes:

- An opportunity to truly engage staff and patients allowing the Executive Directors time to listen to any concerns the staff and patients may have.
- The inclusion of Non Executive Directors and Governors of the Trust on the Patient Safety Walkabout enables a wider assessment of the safety issues within the wards and departments.
- During Patient Safety Walkabouts the patient's views are sought to ensure any areas where they feel their experience could have been enhanced is shared with staff.
- The Patient Safety Walkabouts recognise good practice as well as areas where improvements may be considered and provides robust feedback to the Ward/Departmental Manager for dissemination to staff in the area and for further action.
- The Patient Safety Walkabout provides an opportunity for staff to discuss any concerns or complaints raised by patients with the Executive Team.
- Issues including numbers of slips, trips and falls, medication errors, pressure ulcers and untoward incidents, for the particular Service, Ward or Department, together with data relating to sickness absence levels within the area are discussed.
- Following the visit an action plan is developed and actions implemented with input from the Executive team

- Findings from the Patient Safety Walkabouts are published on the intranet, the Trust's internal website, together with progress on implementing the identified actions, to enable all staff to access the information and share good practice and any lessons learned.

The following processes have been adopted to enable enhanced staff awareness in relation to patient safety:

- Patient stories are filmed and presented quarterly at the Board of Directors Meetings and the DVD's are placed on the intranet for all staff to access and are there to be used for staff training with lessons learned, and good practice being shared across the organisation.
- An electronic web based incident reporting system enables staff and managers to be notified immediately of an incident occurring and allows them to monitor trends. The staff and the organisation are able to acknowledge mistakes, learn from them and take action to put things right.
- Lessons learned from incidents, complaints or claims are highlighted across the Trust in a monthly newsletter which is published on the intranet and available for all staff to access.
- There is a standardised risk assessment form which includes the patient's risk of a fall whilst staying in the hospital as an in-patient and the risk of developing a Venous Thrombo-embolism (VTE) - blood clot. This forms part of the nursing assessment documentation and is completed by nursing and medical staff for all patients who are admitted to hospital. In addition to this, there is a patient information leaflet available for all patients to highlight how they can help reduce their risk of developing a VTE.
- The Trust has made significant progress in reducing the number of falls experienced by our patients. Movement Sensors are available for patients identified as being at high risk of falling within the clinical areas. In addition hourly visits to the patients identified as being at high risk of falling have been introduced.
- Patient safety training is provided and clinical risk issues are incorporated within the corporate and local induction and annual mandatory training programme.
- The Trust has incorporated risk management and patient safety into the organisation's objectives, corporate focus, strategic direction, operational systems and day to day practice.

Serious Untoward Incidents and Lessons Learned

There has been a steady increase in the number of untoward incidents reported over the past four years. Patient Safety Incidents account for approximately 75% of all reported untoward incidents. In the year 2012/2013, there have been 10448, untoward incidents reported (11% increase from the previous year) and of these 8162 were patient safety incidents and as such were reported to the National Patient Safety Agency. The Trust target for incident reporting within 24 hours of occurrence is 95%, 92% of incidents that were graded at level 3-5 (serious, severe harm or death) were reported within 24 hours. In order to address this shortfall all induction, clinical mandatory and specific incident reporting and investigation training includes the importance of contemporaneous reporting.

The message being communicated is that if an incident has occurred action needs to be taken promptly to prevent a recurrence especially if the incident has resulted in severe harm or death.

In 2012/2013, there were 209 (2.6% of all incidents reported) that were graded as serious/severe harm. This is a decrease on 2011/2012 of 2.4%.

The number of patient safety incidents that resulted in the death of a patient has risen and in 2012/13 there have been three, which equates to 0.04% of the total. All patient deaths are uploaded to the National Reporting and Learning System (NRLS), where clinical staff in the Patient Safety Division of the NHS Commissioning Board, review all incidents with a degree of harm of death or severe harm. When uploading data to the NRLS we need to be clear on the definitions of death or severe harm from patient safety incidents. It is not always possible to say that a death was or wasn't attributed to a patient safety incident. Where it is reasonably clear at the outset that a death has occurred from natural causes, or natural progression of an illness, this is not reported as a death. A death is only reported to the NRLS where there is a degree of harm or where there is an actual impact of long term harm has occurred to the patient. All grade 4 and 5 patient safety incidents are investigated within the Serious Untoward Incident (SUI) process.

There have been a total number of 39 SUI's in the last financial year, which is an increase of 11 from last year, of these 14 met the criteria of being externally reported on the Strategic Executive Information System (StEIS) and are monitored by the commissioners. Following completion of the investigation report the recommendations and action plan are monitored. Assurance that actions have been completed and practice changed is gained from evidence collection, audit findings and further monitoring of reported incidents. A requirement for a risk assessment is considered within the SUI process, in relation to the contributory factors which led to the SUI, which will be monitored and reviewed by the Divisions and the Board.

It is essential that lessons are learned from SUI's in order to mitigate the risk of reoccurrence, these lessons are fed back to staff within the Divisions through training, ward meetings and lessons learnt newsletter published Trust wide monthly. Lessons learnt are also discussed at the Learning from Incidents and Risk Incident (LIRC) Committee held monthly. All completed SUI reports are published on the Trust intranet so that any member of staff can access and use as a learning experience. Links with the Learning and Development Team have been adopted so that training and development can be tailored around real life incidents and patient experiences. The Trust's simulation centre has undertaken several sessions where staff who were involved in the incident have the opportunity to rein act the scenario, reflect on the events and evaluate what went wrong and why. Feedback from staff has been extremely positive especially with those staff who have been involved in an incident where patient's were severely harmed or died.

Engagement of the patient and their relatives is very important not only to the Trust with an open and honest culture, but as a healing tool. Patients and relatives are informed when an incident has occurred and that an investigation is to be undertaken. In some cases they are asked for their versions of events and this is reflected within the report. Following completion of the investigation report they are given the opportunity to discuss the findings and further action to be taken to prevent further occurrence.

TalkSafe Initiative

At the end of 2011, the Trust with private support and funding, began its campaign to work with a company called JOMC to improve the patient safety culture within the organisation by using Safe and Unsafe Acts (SUSA), conversations renamed TalkSafe. TalkSafe has been used successfully in industry to develop a safety culture within an organisation by focusing on our attitudes, values and beliefs to safety. Whilst this and similar tools have been used in industry for many years, this is the first time that the process has been brought into a healthcare setting with the specific aim to have an impact on patient safety.

During 2012, staff within the organisation were trained as Lead Trainers and cascade training began, available via the rolling training programme. Pathology and Facilities became the initial roll out areas in the summer of 2012. Since this time, the roll out of training has started to move across the Trust, via the rolling programme and within specific areas. As of 31st March 2013, 240 members of staff, across all professions within the Trust, have been trained.

Colin Hewson, from JOMC, has provided support for trainers by delivering training sessions with staff and carrying out initial Talksafe conversations with newly trained staff.

On 2nd April 2013, the Talksafe reporting database went 'live' and will be accessible via the Trust's incident reporting system, this will allow safety themes to be monitored and acted upon. Training sessions are still ongoing, and roll out is currently underway for wards 23, 24, 25 and 12. The Communications Department are developing posters and a newsletter to inform staff of progress with the development of the program. There are two more 'Train the Trainer' sessions planned for 2013 and staff can attend the generic programme via the rolling programme or by emailing Julie.rushworth@bfwhospitals.nhs.uk

Never Events

Never Events are serious, largely preventable patient safety incidents that should not occur if the available preventative measures have been implemented by health care providers. None have been reported in the last financial year. This is a measure of the concerted effort and focus of those working within the Organisation towards embedding patient safety.

New guidance was issued from the Department of Health in October 2012, which details the criteria list of 25 never events. The never events list provides a lever for those in the NHS to improve patient safety through greater focus, scrutiny, transparency and accountability when serious patient safety incidents occur. It provides healthcare workers, clinicians, managers, board and accountable officers with clarity about their responsibilities, in particular clear guidance on what is expected in terms of preventing never events and the response if they should occur.

Incidents are considered never events if:

- The incident either resulted in severe harm or death or had the potential to cause severe harm or death.
- There is evidence that the never event has occurred in the past and is known source of risk (for example through reports to the National Reporting and Learning System or other serious incident reporting system)
- There is existing national guidance or safety recommendations, which if followed, would have prevented the incident from occurring.
- Occurrence of the never event can be easily identified, defined and measured on an ongoing basis.

Quality - Our Patients

A more detailed report in relation to quality and safety in patient care is outlined in our Quality Report at Annex A.

Pauline Tschobotko, Trust's Head of Service

"The Trust and the Women and Children's Department are especially pleased to win this National award as it recognises how staff throughout the Trust and wider Community can work together to improve the services for pregnant women and improve the outcomes for newborn babies.

"Midwives have been working collaboratively with obstetricians, anaesthetists, substance misuse services, health visitors and safeguarding teams to improve care and at the same time has made financial savings for the local health economy."

Our Staff

During 2012/13, the Trust had a number of key workforce initiatives under the Quality, Innovation, Productivity and Prevention programme order to deliver the Trust's share of NHS efficiency savings requirement.

These included looking in E-Rostering for all staff with implementation starting this year and introducing a new contract for locum use to reduce our spend in this area. The Trust has progressed the recruitment of a number of previously hard to fill medical posts and expanded overseas nurse recruitment to achieve full, effective and safe nurse staffing levels within each area. The Trust has continued to operate with tight vacancy controls and scrutiny of non-nursing positions. We have continued to manage down our back office and non-clinical roles and re-design systems and processes to operate more efficiently.

In addition during April 2012, we integrated Community Health Services into the Trust, this involved significant staff engagement and the ongoing review of patient pathways to identify where we might realise further benefits and service improvements from the integration. During January 2013 the Trust launched engagement with staff on the vision and values for the new organisation and a review of the Blackpool way to reflective of the new organisational footprint and diverse services.

During the past year, the Trust continued to invest significantly in developing effective leadership at all levels with bespoke programmes for Ward Managers, Clinical Leaders and Facilities Supervisors and the continuation of a talent management programme for staff aspiring to senior roles. The Trust has continued to develop its coaching culture offering opportunities for staff and managers to access both coaching or mentoring and to develop coaching skills. The Patient Experience Revolution was launched in December 2011 to support the organisation to become more patient and family-centred in order to deliver better patient experience.

Staff Survey

The Trust performed less well in the 2012/13 national survey of employee opinion. We achieved a response rate against the paper surveys of 49.9% which is a decrease against the 62.3% achieved in 2011/12 although this compares more favourably than the national average of 45.6% for an Acute Trust.

Based upon the Department of Health requirements the Trust issued 850 paper surveys. However, our Survey supplier, Picker, enabled us to engage with more of our employees via additional paper based surveys plus our second year participating via an on-line version. The Trust elected therefore to undertake a further 150 paper surveys and 1000 on-line surveys. The combined participation rate for 2012 was 48.9% with a total of 981 completed surveys being processed (480 paper and 501 on-line). In 2011 a total of 975 surveys were completed (511 paper and 464 on-line). The best performing Acute Trust achieved 67.1% paper participation, and the worst performing was 30.7%

Survey Questions	2011/12 %		2012/13 %		Trust Improvement/ Deterioration
Response Rate	**Trust**	**National Average**	**Trust**	**National Average**	
	62.4%	49.6%	49.9%	45.6%	12.8% Deterioration*

Survey Questions	Staff Survey Results 2011/12 %		Staff Survey Results 2012/13 %		Trust Improvement/ Deterioration
Top 5 Ranking Scores	**Trust**	**National Average**	**Trust**	**National Average**	
Percentage of staff appraised in the last 12 months	92%	81%	93%	84%	1% Improvement
Effective team working	3.75%	3.72%	3.88%	3.72%	0.13% point Improvement
Fairness and effectiveness of incident reporting procedures	3.53%	3.46%	3.65%	3.50%	0.12% point Improvement
Percentage of staff able to contribute towards improvements at work	64%	61%	73%	68%	9% Improvement
Staff Job Satisfaction	3.49%	3.47%	3.68%	3.58%	0.19% point improvement
Percentage of staff appraised in the last 12 months	92%	81%	93%	84%	1% Improvement

Survey Questions	Staff Survey Results 2011/12 %		Staff Survey Results 2012/13 %		Trust Improvement/ Deterioration
Bottom 5 Ranking Scores	**Trust**	**National Average**	**Trust**	**National Average**	
Percentage of staff experiencing physical violence from patients, relatives or the public in last 12 months	9%	8%	15%	15%	6% Deterioration**
Percentage of staff believing the trust provides equal opportunities for career progression or promotion	95%	96%	88%	88%	7% Deterioration**
Percentage of staff feeling under pressure in last 3 months to attend work when feeling unwell	30%	26%	33%	29%	3% Deterioration***
Percentage of staff receiving job-relevant training, learning or development in last 12 months	78%	78%	78%	81%	No change

*In order to address this deterioration, a new tool will be introduced to enable staff not selected as part of the census to still be able to participate via an on line link on the HR portal. The current sample used by the Trust is 1000 paper and 1000 on-line which is not representative of all our staff and the Trust has recognised the need for the results to be more meaningful to open up to all staff. It is noted that these wider results will not form part of the DH census but will enable the Trust to have a more reliable data source to interpret in the future at the local level.

** The Trust remains within the National Average for results on these two indicators and analysis of our grievances does not indicate any issues reported regarding physical violence, or equal opportunities. The Trust recognises that there are potentially issues going unreported, thus to counter this failure to raise matters formally via either our Resolution or Bullying and Harassment Policies, we have revised our Whistleblowing Policy and this will include raising personal matters confidentially too. We want to ensure that our employees feel confident to raise concerns of either a personal or corporate nature.

*** The Trust has recently revised its Management of Sickness Absence policy and this policy seeks to address short term persistent absence and provides the right support to those with underlying/long term health conditions including stress. Training will be offered to managers and staff regarding this new policy with emphasis on ensuring that employees are managing appropriately to improve attendance, but avoid presenteeism.

Actions to Address Areas of Concerns

Each Division is responsible for producing an action plan in response to the staff survey results they have received. This is achieved via fuller analysis of the information and/or focus groups with staff to explore and understand any issues / themes that are highlighted in the results. The action plans are monitored at Divisional level.

In addition the Trust is holding regular engagement events throughout 2013 to improve communication and involvement which are underpinning the work on the Opinion Survey response. In addition the Trust has reviewed and is re-launching the whistleblowing policy to raise awareness on how staff can raise concerns in light of the Francis review.

Of most concern within the Top 5 ranked problem scores is the question linked to staff attending work despite not feeling well enough. The Trust will continue to robustly manage sickness absence, but ensure that managers are fully aware of the risk of presenteeism. The Trust is considering the introduction of a Self Care Course for employees, but also continues to heavily promote the services of Occupational Health. Resilience training is also available and managers will be made aware of this opportunity.

Celebrating Success

More than 560 staff watched as the Trust recognised the success of teams and individuals whose passion, enthusiasm and commitment improved patient care and experience.

The sixth Celebrating Success Awards were held in November 2012 and attracted a record number of entries from staff, the board and our patients.

Funded by local businesses and the staff lottery fund, the awards are an excellent way to reward great practice and innovation. The winners and runners up of the categories for last year's event were;

Team of the year: **AQ Pneumonia.**
Runners Up: Clinical Haematology, Connect Counsellors and Stop Smoking in Pregnancy.

Radio Wave's Unsung Hero Award: **Chris Roberts.**
Runners Up: Lyn Robinson and Diane Quinlan.

Inspirational Leadership Award: **Dorothy Wardrope.**
Runners Up: Sammy Ansbro and Diane Stewart.

Going the Extra Mile Award: **Nikki Roberts.**
Runners Up: Martin Biddulph and Tom Darcy.

Changing Lives Award: **Coronary Care and PPCI Team.**
Runners Up: Mr Kiruparan and Speech and Language Therapy Team.

Ward of the Year: **Claire Hall and her team.**
Runners Up: Helen Raybould and her team; Fiona Verenakis and her team; and Linda Speight and her team.

Outstanding Contribution: **Mike Davidson.**
Chairman's Award: **Coronary Care and PPCI Team.**

Staff Achievements Ceremony

In September 2012 we held our annual Staff Achievements Ceremony where we recognised members of staff who completed over 20 years service within Blackpool and North Lancashire Health Services, as well as celebrating the successes of those employees who completed formal programmes of learning. More than 150 staff and members of the public attended the ceremony, with 45 employees being presented with their Long Service Award by the Chairman and 72 receiving certificates for successfully completing their chosen training and/or studies.

Equality and Diversity

Equality and Diversity (E&D) continues to play an important part of the Trusts work with equality objectives now included in the Trusts overall business objectives and part of our visions and values. Part of the ongoing work includes:

This year saw our first submission on equality and diversity under the new process from NHS Employers, the Equality Delivery System (EDS). The Trust had been part of a two year pilot scheme called the Equality Performance Improvement Toolkit (EPIT) and had little difficulty in adapting to the new processes. Under the EDS process we maintained our standing as having improved from developing to achieving in three of the five goals and aim to improve in the other two areas to bring them up to the level of achieving over the next twelve months. EDS will assist to:

- meet compliance with the Public Sector Equality Duty
- deliver on the NHS Outcomes Framework, the NHS Constitution for Patients and Staff and CQC Essential Standards.

Equality Objectives

The Trust has had its own Equality Objectives for over a year, and monitored by the Trust's Equality Diversity and Human Rights Steering Group. A further Trust wide equality audit undertaken will be taken during 2013 and the objectives will be reviewed in line with the outcome of this audit and the public EDS engagement being held in March.

Other pieces of work relating to E&D include:

- A continual review of the methods engaged by the Trust for monitoring performance and the protected characteristics.
- Re-evaluate the way monitoring is carried out to overcome some difficulties in collating information on disability, sexual orientation and transgender (gender identity) for both staff and service users This is an area the Trust is striving to improve by working with partnership organisations and other NHS Trusts.

Internal and external dynamics impact on how the Trust pays due regard for each of the protected characteristics stated in the Equality Act.

Equality and Diversity Policies

The Trust operates the two ticks symbol whereby anyone who discloses they have a disability during application and meets the essential criteria of the person specification is automatically shortlisted. The Trust does not monitor as a specific requirement the numbers of staff who become disabled during their employment. We utilise our capability/management of absence procedures to ensure we implement any reasonable adjustments to ensure an employee who becomes disabled can remain in employment. This would include the consideration of training for suitable alternative roles. The Trust does not offer any specific training for staff who may become disabled, but utilising the support and advice of our occupational health service will introduce adjustments as recommended to facilitate an employee to remain in employment. The Trust does not have a specific policy on career development of promotion for disabled people, operating a positive culture ensures we do not ever unfairly discriminate and maintain this ethos in all that we do.

Career development / promotion opportunities are subject to out equal opportunities procedure and required to be advertised so all staff have an equal ability to apply and be considered.

Equality Diversity and Human Rights Training

Courses continue to be part of the Trust's inductions and mandatory training programme to maintain awareness to staff at all levels and emphasise the importance of equality and diversity in all aspects of employment and service provision. The training includes:

- A rolling programme of monthly E&D workshops covering additional e.g. Learning Disabilities, Sexual Orientation, Religion and Belief and Disability.
- New workshop on Deaf and Disability Awareness for 2013-14.
- New workshop around Transgender issues commence during 2013-14.

The Staff E&D Network continues to increase in membership, which has over doubled since its inception in February 2011 and enthusiasm shown by the members of the group reflects the importance with which staff view Equality and Diversity. Due to the work of the Staff E&D Network highlighting the importance of two previous Trust E&D Conferences that a third Trust Conference was planned and arranged by the group in 2012 with a fourth conference due in October 2013.

Work continues to improve the standards achieved by the Trust for the Lesbian Gay Bi-sexual and Transgender (LGBT) community to maintain the Navajo Charter Mark. A review on this work will be held later in 2013 which will hopefully show our commitment to improving service for the LGBT community. A scheme organised by the Lesbian and Gay Foundation (LGF) for GP's was used as the basis for work carried out by the Alcohol Liaison Team who were awarded the LGF Charter for its work with the LGBT community. As a result of this charter the Trust has indicated it would be consider being a pilot site for a new scheme the LGF are putting together for acute hospital trusts.

The Trust reviewed and updated its Equality Impact Assessment procedure and renamed it Equality Analysis (EA) which includes a full assessment process and an action plan. Evidence accrued as a result of completing the EA will show how the Trust is reducing discrimination and increasing inclusion in both service provision and employment. All Trust services, policies, guidelines etc are subject to the procedure when being reviewed. Any service, scheme, policy etc which is shown to have a negative impact on one or more of the protected characteristics has the associated action plan monitored by the Equality Diversity and Human Rights Steering Group to ensure proposed steps to mitigate or eliminate the negative impact are completed.

Table: Summary of Performance – Workforce Statistics

From analysis carried out between data collated on the makeup of the local community and that of staff employed, the Trust is reflective of the community it serves.

The table below identifies the breakdown of staff groups for January 2012 to March 2013

Organisation	Ethnic Origin	Full Time Equivalent (FTE)	Headcount
Blackpool Teaching Hospitals NHS Foundation Trust	0 White	8.82	11
	4 Indian	5.20	6
	5 Pakistani	2.00	2
	7 Chinese	9.47	10
	A White - British	4791.41	5746
	B White - Irish	32.36	39
	C White - Any other White background	48.53	58
	C3 White Unspecified	0.51	1
	CA White English	1.00	2
	CF White Greek	2.00	2
	CK White Italian	1.00	1
	CP White Polish	7.73	9
	CY White Other European	8.00	8
	D Mixed - White & Black Caribbean	5.94	6
	E Mixed - White & Black African	2.67	3
	F Mixed - White & Asian	8.88	9
	G Mixed - Any other mixed background	7.60	8
	GC Mixed - Black & White	1.00	1
	GE Mixed - Asian & Chinese	1.00	1
	GF Mixed - Other/Unspecified	1.60	2
	H Asian or Asian British - Indian	107.27	111
	J Asian or Asian British - Pakistani	25.13	26
	K Asian or Asian British - Bangladeshi	3.80	4
	L Asian or Asian British - Any other Asian background	36.36	39
	LA Asian Mixed	1.00	1
	LE Asian Sri Lankan	1.00	1
	LH Asian British	1.00	1
	LK Asian Unspecified	2.00	2
	M Black or Black British - Caribbean	6.00	6
	N Black or Black British - African	17.74	19
	P Black or Black British - Any other Black background	2.00	2
	R Chinese	7.56	12
	S Any Other Ethnic Group	52.99	55
	SC Filipino	15.80	16
	SD Malaysian	3.00	3
	SE Other Specified	7.92	8
	Undefined	14.68	15
	Z Not Stated	156.13	173
Total		**5408.10**	**6420**

The results of the staff survey showed that 82% of staff reported having received E&D training or updates which is a further improvement on our 2010 survey results. This is a key priority for the Trust and E&D updates form part of the full day mandatory training as well as being part of the new Induction Training. We expect to continue improving in this area year on year.

The Trust's Equality Diversity and Human Rights Steering Group, chaired by the Director of Human Resources and Organisational Development, has an inclusive membership reflective of the protected characteristics including representation from Trust staff, partner organisations and patient groups..

Priorities for 2013/14 include:

- Continued compliance with the Equality Act and NHS Regulation Framework and agenda
- Arrange a fourth E&D Conference for 2013
- Progressing areas requiring development as highlighted within the Trusts Equality Objectives
- Preparing for the second submission to the national Equality and Diversity System (EDS)
- Continue to develop and expand the work undertaken for EDS
- Continue and develop the work already in place for the Navajo Charter Mark review in 2013
- Continue the work on developing better working/ service practices for staff and service users who are hearing impaired
- Staff training is ongoing – to further develop staff training emphasising patients needs
- Hold second EDS public engagement and consultation with service users
- Increasing social value ongoing – schools work, employment training and skills agenda
- To secure funding to progress with the 'Louder than Words' Charter Mark from Action on Hearing Loss (formerly Royal National Institute for the Deaf).

Investors in People Gold

In November 2012, we were assessed differently to previous years. Since the transfer of community provider services in April 2012 it was decided to complete a diagnostic assessment of the community services staff only. This would give us a benchmark against the IIP standard following a complicated merging of services.

The Trust will continue to hold the Investors in People Gold Standard until November 2014. The new diagnostic assessment will show us what actions are needed to retain Gold by 2014. The Trust was again praised for its resilience during a difficult previous 12 months. The assessors conducted a rigorous and objective assessment by interviewing over 50 members of staff across a wide cross section of roles at all community sites of the Trust. The report was completed in January 2013 and an action plan produced to ensure progress is made between then and 2014.

Staff Communication

The Trust communicates, informs and involves its staff on key issues such as quality, safety, finance and performance via a number of methods. Staff are invited to a face to face monthly Team Brief where the Chief Executive and the whole of the Executive Team brief staff on the key decisions that have been made at the Board of Directors meeting and updates staff on developments within the six areas of our vision – Quality, Safety, Delivery, People, Environment and Cost. This meeting is podcast and made available to all staff who were unable to attend and is also available in a written document on the intranet and is emailed out to all staff within the organisation. Staff are given the opportunity to ask questions and give feedback on these issues. In addition, the Chief Executive runs a monthly Chief Executive's Question Time where staff can go along and ask questions about any issues of concern. There is also a rumour board where staff can raise questions anonymously if they wish to.

Sickness Absence

Work continues within the Trust to pro-actively manage and support the absence process. An absence project group was established during 2012/2013 which implemented a number of actions. These included implementation of standardised paperwork and spot check audits on a bi-annual basis to monitor and check compliance against policy. Production of information leaflets; "A Guide for Staff" and A Guide for Managers" devised for guidance on consistent application of policy and a proposal to convert the absence monitoring form into an electronic format.

Occupational Health have continued to invest in voice recognition technology, this enables managers to receive reports from sickness/absence appointments within two working days. The occupational health department continue with Human Resources (HR) advice sessions, initiatives which are supported by the respective Divisions on a monthly basis, while the Human Resources Business Partners and their teams provide support to line managers. A second phase of skill based absence training was delivered throughout 2012 for people managers.

Sickness absence for the year 2012/13 ended slightly higher than the previous year on 3.85% as detailed in the table below. However, it is envisaged that with concerted effort the Trust will achieve or improve on the new 3.5% target for 2013/14, helped by the introduction of a harmonised Attendance Management policy across the Trust.

Statistics Produced by IC from ESR Data Warehouse		Figures Converted by DH to Best Estimates of Required Data Items		
Quarterly Sickness Absence Publications	iView Staff in Post			
National Average of 12 Months (2012 Calendar Year)	Average FTE 2012	FTE-Days Available	FTE-Days Lost to Sickness Absence	Average Sick Days per FTE
4.16%	1,155,885	383,278,845	15,947,054	13.7

Overall Trust Sickness Absence Rates	
Year	Sickness Absence Results
2008/2009	4.70%
2009/2010	4.47%
2010/2011	4.23%
2011/2012	3.52%
2012/2013	3.85 %

Medical Revalidation

The revalidation process for medical staff began on 3rd December 2012. The purpose of revalidation is to assure patients and the public, and other health care professionals that licensed doctors are up to date and fit to practice.

Within the Trust we ensure that the process of revalidation is not cumbersome and does not hinder clinical practice. We have put in place a fair, consistent and robust system of annual appraisal and clinical and corporate governance. Professor Ravi Gulati, the Associate Medical Director, is leading on medical revalidation and appraisal. Professor Gulati meets with individual doctors and groups of medical staff to discuss the requirements for revalidation.

The Trust's Medical Director, Dr Mark O'Donnell was the first doctor within the Trust to be revalidated in March 2013.

Training and Development

The Trust continues to invest in the development of its staff in many ways, from essential skills for life, such as literacy training to leadership and management development programmes. The learning and development, clinical skills, medical education and organisational development teams work closely together to design and deliver training that is fit for purpose and meets individual staff needs.

The Trust's compliance with mandatory training continued to climb throughout 2012/13 with increased engagement from staff and their managers. The Trust has achieved 72% compliance against NHSLA Risk Management Standards which demonstrates the commitment of staff to attend mandatory risk management training. Trust Board members have participated in bespoke risk management training.

The Trust is a recognised high performance centre for National Vocational Training provision, Assistant Practitioner placements and Cadet Scheme and is moving towards apprenticeship frameworks in 2013. We can efficiently record and monitor all training on the Oracle Learning Management (OLM) system enabling staff to assess their own progress.

The Corporate Induction process was refreshed in 2011/12 to include more interactive events, mandatory training and staff engagement.

This means we have safe, competent and enthusiastic staff from the start of their employment with us. We provide innovative development opportunities, bespoke to the development of all levels of staff and pride ourselves on the amount of achievements gained by all.

The Trust is now working in partnership with Runshaw College to deliver apprenticeship frameworks in Health & Social Care & Business Administration at level 2 and 3 and Customer Service at level 2. Cohorts of candidates commenced this programme in March 2013. The Health & Social Care cadet programme continues, with an increased number of cadets accessing the programme. In the near future we will be looking at introducing a cadet programme in Business Administration in partnership with Blackpool Council. "Invest in Youth "our work experience programme is now successfully attracting students from across the local healthcare economy and in the academic year 2012/2013 the organisation will have accommodated over 300 students. We have launched the new Healthcare Assistant Development Pack, which aims to improve patient experience and promote improved patient care and will be working closely with our colleagues in recruitment, to set up pre interview process of selection (PIPS) days in order to contribute towards enhanced retention rates throughout the Trust.

The Library and Knowledge Management Service

The Library and Knowledge Management Service continues to promote a culture of evidence based practice and quality improvement by providing access to knowledge, information and learning opportunities for all staff and students.

Highlights and achievements in 2012/13:

- **The Clinical Librarian Service** - continues to provide evidence based delivery of information to support QuIPP projects, business intelligence and cost/quality improvement initiatives as well as policy and clinical decision making.
- **Critical appraisal training** - a new, intermediate level course has been introduced and has proved very popular. This training will become even more relevant since doctors' revalidation came into force in December 2012.
- **Virtual support for hard to reach staff** - a new Community Services website has been developed to enable staff in remote locations to be able to access online library resources. E-learning packages have been introduced to help staff learn how to access information resources and use the library's facilities. Online forms have been introduced so that requests can be submitted at the touch of a button.
- **Knowledge Management** - we achieved first prize in the NHS North West Libraries Network Quality Improvement Awards in December 2012 for the library's involvement in our 'Learning Lessons' process which includes encouraging staff to report improvements around the Trust. These improvements are shared through the Lessons Learned newsletter and as Quality Improvement case studies in the Knowledge Management webpages.
- **Something for everyone** - 'The Reading Well' is a corner of the library dedicated to health, wellbeing, self-help, hobbies, self-improvement and relaxation. Ipads and laptops are available to borrow for a variety of purposes. The staff Book Club meets regularly to encourage reading for pleasure. A collection of movie DVDs are available to borrow free of charge.
- **Quality Assurance** - the library achieved 97% compliance with national quality standards for NHS Library Services and is the top health library in the North West. This is a great achievement and rewards the dedication and hard work of all the library team.

Occupational Health

Our Occupational Health and Well Being Department employs a team of specialist doctors, nurses, counsellors, therapists and support staff who provide a comprehensive service to staff and Trust managers.

The department also provides services to external customers and all income that is generated is re-invested into the department; this enables us to offer benefits to employees that ensure service requirements are achievable. In May 2012 they successfully tendered against 4 private sector companies to offer the University of Cumbria an Occupational Health service for its staff and students.

The services offered range from pre-employment screening for new employees to assessment of fitness to work following serious illness or injury. The Department offers direct access to cognitive behaviour therapy. The department's team undertakes regular work-related health checks, vaccinations and immunisation programmes, and develops and drives programmes to reduce risks in the workplace. They offer advice and support to employees and managers in relation to the rehabilitation of staff returning to work following illness or with a known disability.

As part of our ongoing commitment to assist the Trust in managing stress, the Clinical and Therapy Teams monitor a number of work-related cases within the organisation and ensure support is available for all to access. In addition to the internal services offered, all employees have free access to the Employee Assistance Programme, which offers a confidential telephone helpline and online advice to staff

The Sharps & Splash injury group (Sasi) have been key drivers in the Trust becoming EU compliant with the products it uses and they are now planning the education/awareness required to ensure there is further reduction in cases reported.

Once again, during the latter part of the year, the team was heavily focused on the programme to vaccinate as many employees based both in the acute and community settings as possible against the influenza virus. Our strategy for the 2012/13 campaign was to train our lead clinicians to vaccinate colleagues and peers to ensure we achieved a high uptake, this approach proved extremely successful and by the end of March 2013 we had achieved a 71% uptake (compared to 68% in 2011). We believe this increase has been achieved through greater staff awareness and once again our Communications Team devised a most innovative 'flu film' to get the campaign underway, which has resulted in the Department Health and Sir David Nicholson being involved in some additional filming to highlight the need for staff to be vaccinated.

In July 2012, the Department gained accreditation as a Safe Effective Quality Occupational Health Service (SEQOHS) Accreditation that is overseen by the Faculty of Occupational Health Medicine. The department was the first in Cumbria and Lancashire and the fifth in the Northwest.

The department undertook an independent audit review in January 2012, of which the results were extremely positive and gave the team a focus on areas for development and future initiatives that should be implemented. This then led onto working collaboratively with Cumbria & Lancashire OH services to review all of our current ways of working in order to share best practice /services, improve efficiency and patient experience, whilst enhancing the Cumbria and Lancashire partnerships to ensure we all our are key leads for the provision of health and well being services in the North West.

Health and Safety – A Safe Working Environment

Over previous years, with continual improvements being introduced, the Trust has developed into a safe place both to work and to receive treatment. The chart below shows how our performance is in relation to slips trips and falls incidents and sharps / needlestick incidents. The year has seen a slight reduction in the number of injuries related to moving and handling, however the other main areas of incidence have seen increases. Together these make up the top three incidents reported annually. Due to the integration with the Community Health Services Division, the overall figures will have increased however these have been reported independently as shown below

The increase of 43% in needlestick injuries remains disappointing however the imminent introduction of the EU Directive on preventing these injuries will hopefully address this increase. Work is ongoing and is being led by the Occupational Health Department and is due to complete in May 2013.

Moving and handling incidents have shown a slight decrease of 1%, a decrease of two injuries over the previous year. The use of better manual handling aids has helped keep the decrease to a low level, but this decrease must be judged against more patients being treated, many with mobility problems in the Trust, and the decrease in the number of bariatric patients being treated, which cause staff problems when having to move or assist them with their mobility.

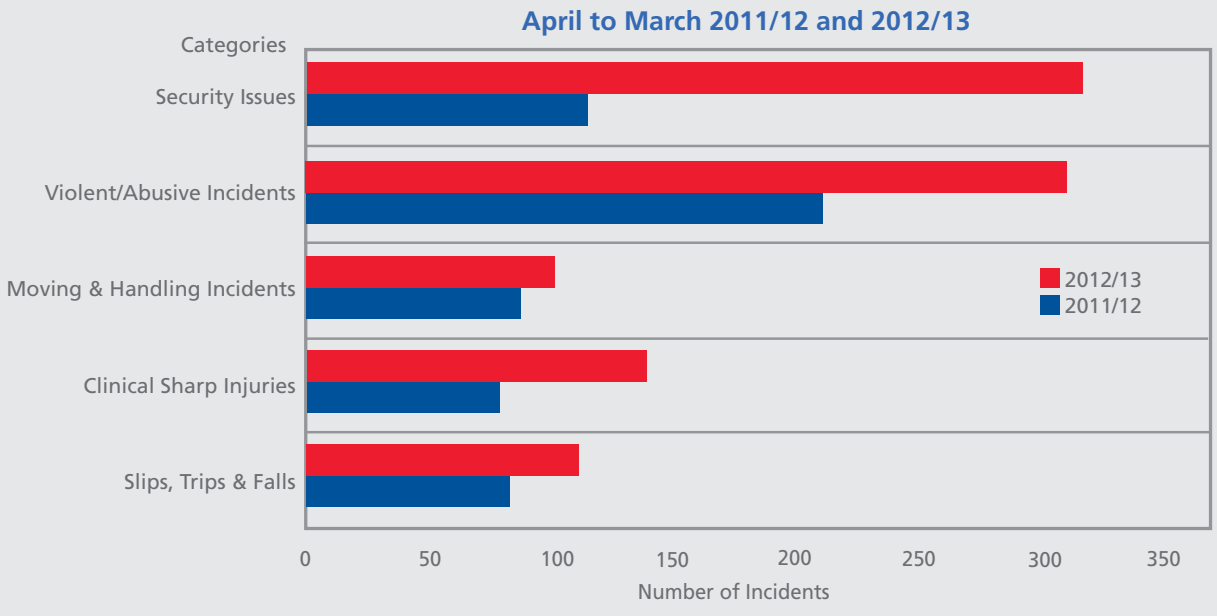
Slips, trips and falls have increased by 1%, up by one incident over the year; this is an excellent result bearing in mind additional activity and some bad weather which increased the risk of falling during the frost in February 2013. The Trust dress-code policy was revised to include guidance on suitable footwear and this has clearly been instrumental in the reduction of this type of injury.

A survey has been completed on all access and egress areas to ensure they have mats/carpets in place to help absorb excess water off pedestrians and prams. Projects are also underway to highlight all kerb edgings and stairways with yellow slip resistant paint and this will be completed in the Spring of 2013 on all major pedestrian areas

There is overall an increase on reporting of Health and Safety incidents, however this is to be expected due to the integration with the Community Trusts (NHS Blackpool and North Lancashire Primary Care Trust) which have caused the overall figures to increase. Ongoing work continues to effectively reduce the number of incidents and drive forward a pro-active health and safety culture across the Trust.

The graph below details reported Health and Safety, Security and Violence and Abusive Incidents 1st April 2012 to 31st March 2013 compared with 1st April 2011 to 31st March 2012.

Health and Safety, Security and Violence and Abusive Incidents



Security Management

One of the key areas of work for the Local Security Management Specialist's is working to reduce violence against NHS staff, and a key part of this is to constantly measure the scale of the problem. All staff are encouraged to report any incident to enable changes to be driven forward within the Trust, helping to deliver an environment that is safe and secure for both patients and staff. Constant development in incident reporting, action planning, risk assessment and ongoing monitoring ensures that all safety risks within the Trust, including property assets, staff and patient safety, are protected, thereby allowing care to be delivered without fear of violence and aggression.

The number of verbal abuse and/or aggressive incidents reported between 1st April 2012 and 31st March 2013 were 308 compared to 211 reported incidents in the previous financial year, showing an increase of 31%, however, the harm caused to the victims have reduced by 30%. The Accident and Emergency department accounted for 11% (35 reported incidents) of all violence and aggression reported across the Trust for this year, and these incidents were all level 1 and 2 causing minimal harm.

The Trust has a focus on positive reporting giving details of any security event; these consist of physical and non physical assaults against staff; theft or damage (including burglary, arson, and vandalism) to NHS property or equipment issued to staff; theft or damage to staff or patients' personal property.

We are committed to ensuring that Trust staff are properly protected and appropriate training is recognised, as a key factor Conflict Resolution Training, Breakaway Techniques Training and Security Awareness Training is offered to all front line staff and is included as part of the Corporate Induction. In addition, a three day training package has been developed for the Trust's Security Officers which incorporates conflict resolution, breakaway and restraint training.

The lone worker system introduced within the Trust has been continually financially supported by the Board of Directors. The lone worker device enables staff to be better protected by discreetly calling for assistance in a potentially aggressive situation. Additionally, this ensures that staff are quickly and accurately located particularly within the community services and the whereabouts and movements of lone workers obtained when an alert is activated.

The Trust is presently underway with upgrading the Closed Circuit Television (CCTV) monitoring system. Phase one was the implementation upgrade of the

existing control room, a new Digital Video Recorder (DVR), network server, new monitors and a new system controller has now been introduced . This infrastructure allows for existing cameras/DVR's to be controlled by one software package with site map facility. Camera upgrades are presently underway with a focus on priority areas within the Victoria hospital site, ten cameras have just been introduced in the main corridors and Accident and Emergency department have installed new cameras to the areas that have been changed to allow maximum coverage of the areas.

Security and Safe Expectations walkabouts continue to be carried out within the Trust by the Local Security Management Specialist's, where monthly visits at all Trust sites are conducted so staff can express any concerns they have regarding any security/safety issues.

The Trust has a robust policy on the prevention and management of violent, aggressive and abusive behaviour by patients, relatives or visitors. Posters continue to be placed in prime locations around the Trust premises, and anti social behaviour letters signed by the Chief Executive continue to be sent to those patients and visitors who have been abusive to NHS employees. These actions have had a positive impact and are helping the Trust in the deterrence of unacceptable behaviour.

Heather Baines
Skin Cancer Clinical Nurse Specialist

Heather Baines, a Skin Cancer Clinical Nurse Specialist, based at Clifton Hospital, has been awarded the Annual Australian Travel Award by the British Dermatology Nurses Group.

"I was shocked and honoured to have been given this award and I am really looking forward to the trip. This will allow me to compare and contrast services and treatments in Australia with that of the UK"

Our Performance

Despite being an extremely busy and challenging year, the Trust delivered on the majority of national and local performance targets and standards and has delivered on a number of strategic development initiatives.

National Quality Standards

The Trust continued to deliver excellent operational performance during 2012/13, meeting all national and local performance targets. A summary of our performance against key operational targets is given below.

Quality Standard	2011/12	2012/13
Cancelled operations - Percentage of operations cancelled	Achieved	Achieved
Cancelled operations - Percentage of cancelled operations not treated within 28 days	Achieved	Achieved
Reperfusion: thrombolysis waiting times	Achieved	Achieved
A&E	Achieved	Achieved
18 weeks Referral to Treatment (admitted pathway)	Achieved	Achieved
18 weeks Referral to Treatment (non-admitted pathway)	Achieved	Achieved
Patient experience	Achieved	Achieved
Cancer diagnosis to treatment waiting times	Achieved	Achieved
Cancer diagnosis to treatment waiting times - Subsequent Surgery	Achieved	Achieved
Cancer diagnosis to treatment waiting times - Subsequent Drugs	Achieved	Achieved
Cancer urgent referral to first outpatient appointment waiting times - GP	Achieved	Achieved
Cancer urgent referral to first outpatient appointment waiting times - Breast symptoms	Achieved	Achieved
Cancer urgent referral to treatment waiting times – GP	Achieved	Achieved
Cancer urgent referral to treatment waiting times - Screening	Achieved	Achieved
Staff satisfaction	Achieved	Achieved

National Quality Standards Performance in more detail

A more detailed report on our performance is outlined below and in our Quality Report at Annex A.

Bowel Cancer Screening Centre

The past year has seen Lancashire Screening Centre go through a number of changes and challenges.

We received the final report from the Quality Assurance (QA) visit by the Regional QA Team. This commended our service very highly and made a number of recommendations which we have fully embedded. We have continued to roll out the age extension programme so that individuals up to and including 74 years old are now being invited into the screening programme. This has increased demand on our clinics and endoscopy lists. However, these patients often have multiple illnesses, requiring more extensive assessment in the Specialist Screening Practitioners (SSP) Clinics.

We have had a number of changes in our Screening Team. Effy Smith has left our Programme to take up a senior role as Lead SSP in the Merseyside & North Cheshire Programme. We have recruited three more SSPs to take on the increased workload. Phil Shields, Consultant Gastroenterologist, in Preston, has joined our screening colonoscopy team having completed the accreditation assessment in July.

We were able to establish joint SSP/Colonoscopist QA meetings to discuss QA standards and adverse events in detail. We plan to hold these on a three/four monthly basis.

Our Health Promotion Team has continued to work very hard targeting low uptake across Lancashire to improve faecal occult blood test uptake.

The National Bowel Cancer Awareness Campaign resulted in increased demand on the service putting pressure on ensuring timely clinics and colonoscopy lists. Despite this we were able to meet national and local targets and continued to provide a high quality service.

We are likely to face major challenges in the next year or two with the introduction of flexible sigmoidoscopy screening and the changes in commissioning arrangements that will take place in April 2013. With the excellent team that we have we are sure we can meet these challenges.

Emergency Access Targets

The national A&E performance standard is 95% of patients attending being admitted or discharged within four hours.

The purpose of the Clinical Quality Indicators is to provide a balanced and comprehensive view of the quality of care provided, including clinical outcomes, clinical effectiveness, patient safety and patient experience thus promoting continuous improvement.

The headline measures are:

- Percentage of patients seen in A&E in less than four hours
- Unplanned re-attendance to the A&E Department within seven days of original attendance lower than 5% of patients
- The median and the longest total time spent by patients in the A&E Department for both admitted and non-admitted patients
- The percentage of people who leave the A&E Department without being seen lower than 5%
- Time from arrival to start of full initial assessment for all patients arriving by ambulance less than 15 minutes
- Time from arrival to see a decision making clinician less than 60 minutes
- Free text section to capture and share patient feedback

We have made progress in achieving the Clinical Quality Indicators, and for 2012/13 achieved above the standard of 95% overall. Our yearly performance was 96.67%. There has been significant work undertaken in 2012/13, by the health economy to develop an Unscheduled Care Strategy. The department remains one of the largest receiving units in the country with high ambulance conveyance. However, in light of the demands made of the department since April 2012, we remain one of the best performing Type 1 Emergency Departments in the North West.

In common with many Trusts, we are continuing to work towards achieving the 15 minutes to first assessment.

We are embracing the National Quality Indicators as a basis for continuing improvement in Emergency Care and plan for continuous improvement in the quality of service delivery, development of ambulatory care pathways with new service and staffing models.

Stroke Improvements

Following a significant improvement in performance during 2011/12, the Stroke Service has continued to perform well against key clinical indicators during 2013/14. In the sixth public Stroke Improvement National Audit Programme (SINAP), a national audit which collects information from hospitals about the care provided to stroke patients in their first 72 hours in hospital, the Trust was ranked within the second quartile nationally and the highest within the Lancashire and Cumbria Network.

Whilst the service found performance against some clinical indicators challenging during the beginning of 2012/13, the service continues to perform well against two particular measures, which are considered indicators of a excellent functioning stroke service; high risk transient ischemic attach (TIA) cases being assessed and treated within 24 hours and the percentage of stroke patients spending at least 90% of their stay within the specialist stroke unit. The service continues to consistently achieve the target percentage for high risk TIAs and the 90% stay measure.

The key service improvement within the Stroke Service during 2012/13 was the commencement of building works to relocate the Stroke Unit to a newly developed unit on Wards 32 to 33. The new unit, which is due to open in July 2013, will provide both specialised acute and rehabilitation facilitates for patients in a spacious and modern environment. This new location is also close to both the A&E Department and the CT scanner, which is has been the main driver for relocating the Unit. 'Time is Brain' when treating stroke patients; 1.9 million neurons are lost for each minutes a stroke goes untreated and therefore there is great urgency in the need to treat stroke patients with every stage of the journey until treatment is received being time critical. The opening of the new Unit in its new location will allow the 'time to needle' to be reduced for patients requiring thrombolysed, which will improve their outcome.

Further information on performance improvements is identified in the Quality Report at Annex A.

Information Governance and Identifying / Managing Risks

The Health Informatics Committee (HIC) is responsible for all aspects of Information Management, Information Governance and Information Communications Technology throughout the Trust known collectively as Information Management; this includes the identification and management of information and data security risks. The HIC is chaired by the Finance Director, who is also the nominated Board Lead for Information Governance and the Senior Information Risk Owner for the Trust.

During 2012/13 the HIC has overseen

- the introduction of an Information Security Management System (ISMS) Programme;
- the population of the Information Asset Register;
- IT system risk and business criticality assessments; and
- trend analysis of information security incidents.

During the financial year 2012/13, the Trust had 210 Personal Data Information Security related incidents reported all of which were severity rated from level 0 - 2. (Note: Personal Data Information Security incidents are rated on a severity scale from 0 - 5). All were thoroughly investigated and reported upon. Incidents classified as a severity rating of 3 - 5 are reported as a Serious Untoward Incident and reported to Monitor and the Information Commissioner. The table below provides a summary of the incidents that were reported during the year which includes the Personal data from the integration of Community Services for Blackpool and North Lancashire. In comparison there were 200 personal data information security related incidents recorded during 2011/12 for the three former organisations (Blackpool Teaching Hospitals, NHS Blackpool and NHS North Lancashire).

Table: Summary of Personal Data Related Incidents 2012/13

Category	Nature of Incident	Total
i.	Loss of inadequately protected electronic equipment, devices or paper documents from secured NHS premises.	15
Ii.	Loss of inadequately protected electronic equipment, devices or paper documents from outside secured NHS premises	3
iii.	Insecure disposal or inadequately protected electronic equipment, devices or paper documents	48
iv.	Unauthorised disclosure	60
v.	Other	84

The Trust achieved Information Governance Toolkit (IGT) internal assessment compliance score of 84% in 2012/13 compared to 83% in 2011/12. The IGT submission is subject to independent audit, the Trusts' auditors, KPMG have reviewed the evidence provided as part of the Version 10 submission and provided an overall Significant Assurance opinion in respect of our process of Self Assessment.

Eight Elements of Compliance with regards to Governance

Monitor uses the term governance to describe the effectiveness of an NHS Foundation Trust's leadership. In relation to the eight elements of compliance with regards to governance the position is as follows:

1) Legality of Constitution

The legality of the Constitution remains, however, there have been a number of changes/amendments to the Constitution in 2012/13, firstly, as a result of recommendations from the Council of Governors' Elections Sub-Group and, secondly, as a result of specific sections of the Health & Social Care Act 2012 becoming effective on the 1st October 2012 and the 1st April 2013. The sections relating to the Health & Social Care Act 2012 have been incorporated within the Constitution in accordance with Monitor's Model Core Constitution.

In summary, the amendments relate to the election process, the accounts, regulations about voting by Governors, new provisions relating to the Trust's principal purpose, introduction of limits on non-NHS income, reporting requirements for non-NHS income in annual reports and forward plans, new responsibilities for Governors and abolition of the private patient income cap.

2) Growing Representative Membership

Over the past year, the Trust has seen its membership decline slightly.

The Trust understands the importance of having a reflective and robust membership and continues to prudently maintain our database with regular cleansing, this can result in a loss of members following every cleanse.

The Trust has a robust Membership Development Strategy and in October 2012, in agreement with the Trust's Council of Governors identified three key strategic objectives to enhance delivery of the strategy. The objectives are:-

- **Objective 1:-** To build and maintain membership numbers to ensure representation of the population the Trust serves
- **Objective 2:-** Communicate effectively with all members
- **Objective 3:-** Engage with members and encourage involvement within the Trust.

The Trust understands the importance of having an engaged and active membership and has focussed on ways of achieving this throughout the year, as detailed in the Membership section.

3) Appropriate Board Roles and Structures

Following the Board Effectiveness Review in 2010/11, the purpose of which was to review the Board's working and governance arrangements to ensure that the Board is appropriate and effective in undertaking its role, both KPMG and Deloitte LLP issued a detailed report and action plan. During 2011/12, the Board of Directors implemented the recommendations from the KPMG and Deloitte LLP reports and has been monitoring progress on a monthly, and subsequently quarterly, basis to ensure compliance.

A follow-up review was undertaken by Deloitte LLP in December 2011/January 2012 to ascertain whether the recommendations contained in Deloitte's detailed action plan had been implemented. The outcome of the follow-up review was that "the Board has responded positively and promptly to the points raised and significant improvements in the effectiveness of the Board have been made and that decision making is effective with no material concerns noted."

In October 2012, the Board commissioned a Quality Governance Review to be undertaken by KPMG. The review commenced in January 2013 and the outcome was reported to the Board in February 2013.

There were a number of changes to the membership of the Board of Directors during 2012/13 as follows:-

- Dr Mark O'Donnell was appointed to the post of Medical Director in March 2012, following a selection process and took up post on 9th April 2012.
- Ian Johnson was appointed as Chairman from 16th April 2012 following the retirement of Beverly Lester on 31st March 2012.
- Tim Welch was appointed as Acting Chief Executive on 5th November 2012 following Aidan Kehoe's resignation from the Trust with effect from 2nd November 2012.
- Feroz Patel was appointed as Acting Director of Finance on 5th November 2012 following Tim Welch's re-appointment as Acting Chief Executive.
- A recruitment process for an additional Non-Executive Director took place in December 2012. However, no appointment was made. There is currently a recruitment process in place for an additional NED and replacement NED.
- Following a rigorous recruitment process, Gary Doherty was appointed to the post of Chief Executive in December 2012 and took up post on 1st April 2013.
- Nick Grimshaw, Director of HR & OD, resigned from the Trust on 31st December 2012.
- Tim Welch resigned from the Trust in January 2013 and left the Trust on 29th March 2013.
- Janet Benson was appointed as Acting Director of HR & OD from 1st January 2013.
- The recruitment process for the Director of HR & OD will take place after April 2013.
- Sadly, Mr Malcolm Faulkner, Non-Executive Director, passed away on 17th December 2012. Malcolm had been a Non-Executive Director of the Trust since 1st December 2007 and an Associate Director from 1st June 2007 to 30th November 2007 pending authorisation of Foundation Trust status. Malcolm made an extremely valuable contribution to the Board and the work of the Trust during his 5½ years as a Non-Executive Director.

In the event of any changes to the Executive Directors of the Board, appropriate deputising arrangements are in place to ensure continuity.

With regard to the termination of Non-Executive Directors, removal is in accordance with the procedures outlined in the Trust Constitution:

- Any proposal or removal must be proposed by a Governors and seconded by no less than 10 Governors, including at least two elected Governors and two Appointed Governors
- Written reasons for the proposal shall be provided to the Non-Executive Director in question, who shall be given the opportunity to respond to such reasons
- In making any decision to remove and Non-Executive Director, the Council of Governors shall take into account the annual appraisal carried out by the Chairman
- If any proposal to remove a Non-Executive Director is not approved at a meeting of the Council of Governors, no further proposal can be put forward to remove such Non-Executive Director based upon the same reasons within 12 months of the meeting.

4) Co-operation with NHS bodies and local authorities

The Trust will continue to work closely with key commissioners, stakeholders and Local Authorities. Alliances have been made with Blackpool and Lancashire Local Involvement Networks (LINks) and Blackpool and Lancashire Health Overview and Scrutiny Committees. Regular meetings are held with our main commissioners, NHS Blackpool and NHS North Lancashire, in relation to the monitoring of in-year performance.

5) Clinical Quality

The Trust has strengthened its performance management structure in relation to delivering the Care Quality Commission (CQC) quality and safety standards and has maintained progress to deliver top 10% performance for clinical quality. Over the next 12 months, the Trust will continue to focus on the quality of services that we are offering to our patients and the implementation of our Clinical Quality Framework. The Clinical Quality Framework sets out the approach that this will take and the measures that the Board of Directors have identified as being key to delivering quality care and how success in these areas will be measured.

6) Service Performance against Healthcare targets and Standards

The Trust is required to register with the CQC and its current registration status is compliant. The CQC has not taken enforcement action against the Trust for the reporting period 2012/13 and remains registered with no conditions.

Further information is detailed in section 2.2.5 of the Quality Report at Annex A.

7) Other Risk Management Processes

The Trust has maintained compliance with Level 3 National Health Service Litigation Authority (NHSLA) Risk Management Standards, which is the highest level possible that can be achieved. We have also successfully achieved compliance with Level 2 Clinical Negligence Scheme for Trusts (CNST) Maternity Standards demonstrating that we have a high performing Maternity service.

In view of the Trust participating in the NHSLA Schemes this has enabled the Trust to demonstrate that we have aimed to achieve the following:

- Reduce the number and cost of claims
- Reduce the number and severity of incidents
- Have a structured framework for risk management systems and processes
- Have a proactive approach to improvement in patient safety and well-being of staff
- Empower staff within the organisation to manage their own risks
- Embed risk management in organisational culture
- Provide assurance to the Board of Directors and stakeholders

In light of the recently published Francis Report on Mid Staffordshire and the Trust being identified as having a high mortality, the Trust has been selected to be part of a review by a national advisory group set up by NHS medical director Professor Sir Bruce Keogh into 14 hospitals which have had higher than expected mortality rates. The review will seek to determine whether there are any sustained failings in the quality of care and treatment being provided to patients at these trusts, in particular seeking to identify:

- whether existing action to improve quality is adequate and whether any additional steps should be taken;
- any additional external support that should be made available to aid improvement; and
- any areas that may require regulatory action in order to protect patients.
- The review has been scheduled to be undertaken on the 17th June 2013 following which Professor Sir Bruce Keogh will publish a public report summarising the findings and actions. The Trust will produce an action plan based on the findings of the Keogh review, and will monitor the implementation of the action plan through the Board.

Further details are outlined in Part 3 section 3.4.1 of the Quality Report which can be found in Annex A

8) Provision of Mandatory Services

There are no foreseeable service changes that threaten the delivery of mandatory services provided by the Trust, nor are there any issues of accreditation that threaten the viability of a service in 2012/13.

The Trust has developed a robust set of business continuity and contingency arrangements integrating Community Health Services over the last twelve months. This ensures that services can continue to be provided during a catastrophic event that impacts upon patient services. These plans have been cascaded throughout the organisation and where appropriate have been fully tested. There are Major Incident and Pandemic Influenza Plans in place, which dovetail with regional and other local arrangements. These plans have been thoroughly tested through six monthly mandatory communication callouts, 'live' regional and other local desktop exercises. The Trust also has arrangements for decontaminating patients, which were enacted in September 2010, and are exercised every two months to ensure the departments keep staff up to date.

Further information where quality governance and quality are discussed in more detail in the Annual Report can be found in the Quality Report (Annex A) and in the Annual Governance Statement (Annex E).

Strategic Development

Relationship with Commissioners and Stakeholders

Relationships with Stakeholders, such as the Blackpool Overview and Scrutiny Committee, have been sustained and developed during 2012/13.

Our Executive Directors have continued to meet regularly with their Primary Care Trust counterparts, to support and work with them to develop the new ways of working that the NHS reforms will require. They have supported the emergence of Clinical Commissioning Groups and have worked with them to identify strategies to promote and improve the health of the local population, with an emphasis on improvements to the quality and safety of patient care.

The organisations have worked together to discuss and agree the strategy for and cost effectiveness of healthcare across the Fylde Coast and to review progress against operational plans.

Meetings and visits have been taking place with staff, stakeholders and Clinical Commissioning Groups in order to discuss commissioning and planning intentions for the future. The Fylde Coast Commissioning Advisory Board has been structured to take on a more strategic role to set the strategies for Scheduled, Unscheduled, Out of Hours, Families and Children's Care. Scheduled forums and meetings are being utilised to engage with staff and stakeholders, both internally and externally across the wider health economy.

Improving Patient Care – Transformation and Redesigning Patient Pathways

The Trust is committed to introducing standardised clinical pathways to ensure that patients receive appropriate, timely and evidence-based care. Studies have proved that clinical pathways reduce the length of stay, reduce the likelihood of in-hospital complications, and reduce the total costs of acute hospital admissions. At the same time, clinical outcomes, interdisciplinary cooperation and staff satisfaction can be improved.

The implementation of numerous clinical pathways during 2012/13 helped to ensure that the Trust adhered to national standards, supporting the achievement of quality based tariffs (i.e. Commissioning for Quality and Innovation, Advancing Quality) and providing quality documentation to improve patient safety and support effective clinical audit.

Our work on the introduction of clinical pathways during 2012/13 was recognised nationally, with the Trust winning the Cancer Care category of the Care Integration Awards 2012 for the introduction of a rapid discharge pathway for patients at the end of their life. This pathway aims to facilitate a safe, smooth and seamless transition of care from hospital services to community services for patients with a terminal illness who choose to be looked after in their preferred place of care for their last hours and days of life.

Stroke is this country's third biggest cause of death (National Stroke Strategy 2007) and is the main cause of adult disability. The introduction of a clinical pathway is helping to ensure that patients coming into the hospital as emergency admissions are fast-tracked to the Stroke Unit where they receive standardised care based on national best practice guidelines. For patient admitted through the A&E Department, an interactive, electronic clinical pathway is initiated in using the department's electronic patient record, ALERT® EDIS, which allows clinicians to complete standardised assessments, perform key clinical tasks (such as requesting pathology and radiology investigations) and ensures that the patient is fast-tracked to the Acute Stroke Unit where a complete paper-based clinical pathway is then utilised.

The Trust is also working closely with our local health and social care partners to implement pathways of care that cover the entire patient journey in key long-term conditions. Agreed pathways in diabetes and Chronic Obstructive Pulmonary Disease (COPD) are now being implemented to ensure patients receive a fully integrated and seamless service for the treatment of their condition. This includes a project to improve the discharge of stable diabetes patients from acute care into the newly commissioned enhanced primary care service. The project sees clinical staff from the hospital meeting regularly with GP's and Practice Nurses to review patients to assess if they can be solely cared for by their local practice

A number of clinical care bundles have also been introduced this year, which are another tool that is used to manage quality through the standardisation of care processes. Care bundles are checklists of accepted clinical guidelines printed on forms that are made conveniently available to all clinicians in clinical areas. Care bundles for Sepsis and COPD have been introduced successfully into practice.

As part of the Trust's ongoing commitment to improving our Dementia care, a new Initial Dementia Risk Assessment Bundle was also introduced into the hospital, thus ensuring that an appropriate diagnostic assessment takes place shortly after admission as well as prompting appropriate onward referrals to other services when a patient is discharged from an inpatient setting.

Disclosures of Public Interest

A public consultation was held between November 2012 and January 2013 about the future of older people's rehabilitation services across the Fylde Coast. The consultation, called 'Improving Patient Care – The Next Steps', outlined proposals to modernise and improve rehabilitation services for older people and provide more care outside of hospital and in people's own homes.

A series of public meetings were held across the Fylde Coast for staff, patients and the public to give their views on the proposals. More than 5,000 consultation documents and feedback questionnaires were circulated and 310 staff and members of the public attended the meetings and put forward their views.

An independent company called DJS has analysed the feedback which has been considered by Blackpool Clinical Commissioning Group (CCG) and Fylde and Wyre Clinical Commissioning Group (CCG), who jointly led on the consultation. The proposals, which were jointly produced by GPs and hospital clinicians across the Fylde coast, were:

- To provide a dedicated consultant led rehabilitation service for the Fylde Coast which focuses on greater rehabilitation, discharging patients sooner and more support to patients and their families once they leave hospital.
- The permanent relocation of services from Rossall Hospital to Clifton Hospital
- The permanent location of services from Wesham Hospital to Clifton Hospital
- To provide access to a non- consultant led care facility in the north of the Fylde Coast
- Reduce the need to admit patients to hospital, depending on the nature of their illness
- Enable patients to be discharged earlier from hospital by providing better support services in the community

Research and Development

Grant Success

The Trust had its first success in obtaining a National Institute for Health Research (NIHR) 'Research for Patient Benefit' grant in 2012 in cardiothoracic surgery. The study led by Mr Gus Tang, Cardiothoracic Surgeon, in collaboration with six partners, aims to evaluate the use of a cardiopulmonary bypass filter, designed to remove activated white blood cells (leukodepletion), for protection against post-operative damage to the kidneys (renoprotection) in heart valve surgery patients. The study will run for two years and will open in June 2013.

Clinical Research Centre

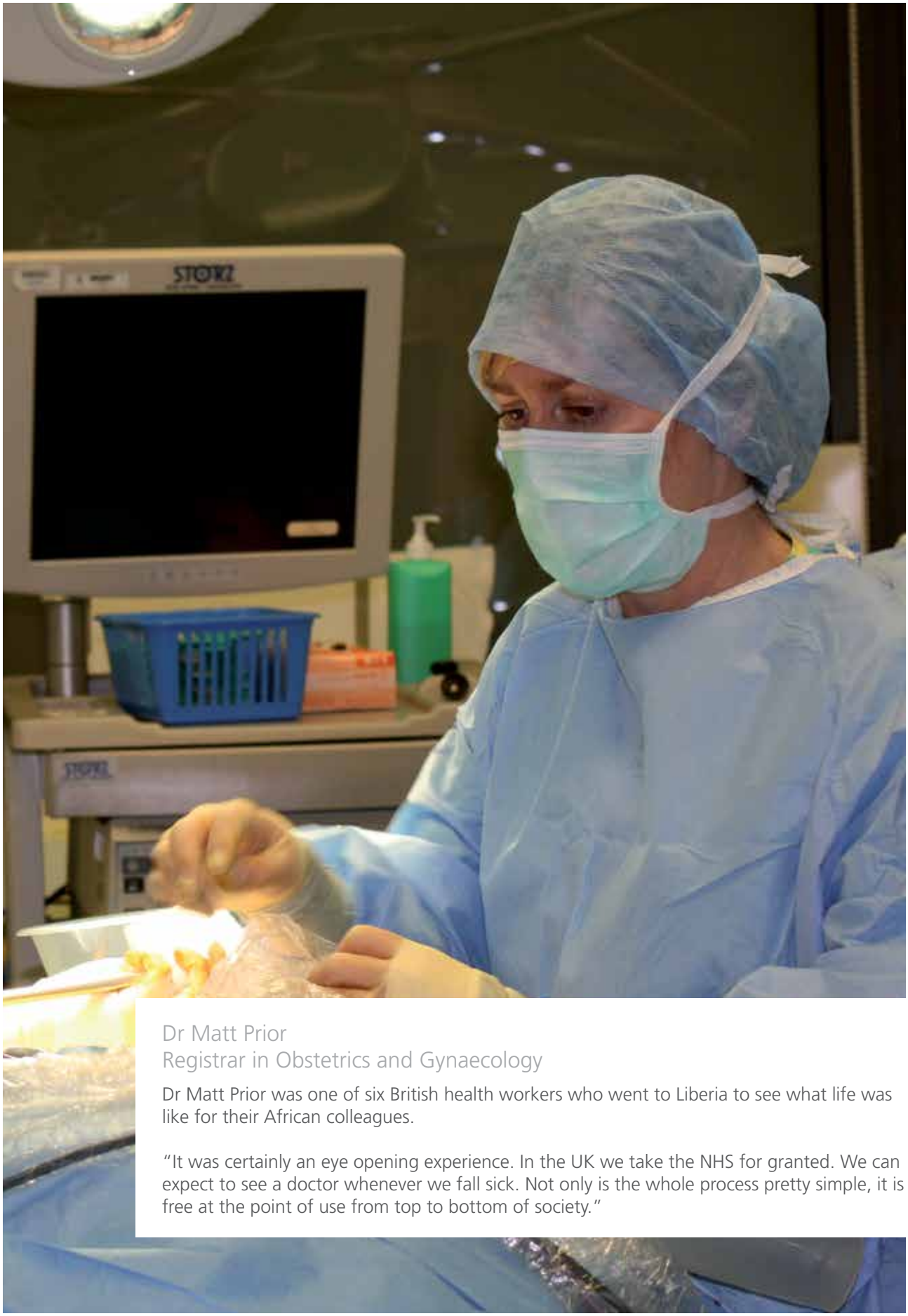
The Trust is committed to expanding and enhancing high quality research. The new Clinical Research Centre (CRC), at Blackpool Victoria Hospital, was officially opened in July 2012 by Dr Jonathan Sheffield, Chief Executive of the National Institute of Health Research. The Centre, the first in the history of the Trust, provides a relaxing and caring environment for research participants, as well as dedicated facilities for experienced and highly-skilled research staff, in both adult and children's studies, to study new developments in medicine and health care.

The CRC was funded through Blue Skies Hospital Fund and allowed for a full refurbishment of a former unused ward into a self-contained unit fully equipped for research. Based in the heart of Blackpool Victoria Hospital, the CRC is easily accessible, close to car parking and lifts. It has a bright and comfortable waiting area and reception with a children's play area with toys and books as well as patient toilets and baby changing facilities. There are four multi-functional treatment rooms as well as conferencing facilities and research offices.

Miss Nicola Cliffe was the first person to have signed up to a clinical trial in the new Clinical Research Centre and is currently taking part in a study looking at a potential new treatment.

End of an era

It was the end of an era in July 2012 when Dr Peter Isaacs stood down as Research and Development (R&D) Director after 15 years at the helm of R&D. Dr Issacs who has seen many changes in R&D over this time decided the opening of the Clinical Research Centre would be the right time to hand over to Dr Megan Thomas. Dr Issacs is still involved in R&D as Associate Director and remains a Consultant Gastroenterologist.



Dr Matt Prior
Registrar in Obstetrics and Gynaecology

Dr Matt Prior was one of six British health workers who went to Liberia to see what life was like for their African colleagues.

"It was certainly an eye opening experience. In the UK we take the NHS for granted. We can expect to see a doctor whenever we fall sick. Not only is the whole process pretty simple, it is free at the point of use from top to bottom of society."

Our Environment

The Trust is committed to providing sustainable healthcare to the people of the Fylde Coast and beyond. This sustainability report aims to satisfy requirements for Public Sector Sustainability Reporting and fulfil the Trust's commitment to develop systems to place information relating to the environment into the public domain.

Sustainability Reporting

We recognise that our operations have an environmental impact. These include, but are not limited to, waste production, the impacts of transport, energy and resource use, discharges to water, and emissions to air. In addition, we acknowledge the significance of the indirect impacts that we influence through procurement and our choice of contractors and suppliers.

It is the Trust's objective to act in a responsible manner to control and reduce any negative impacts on the environment whilst continuing to provide high quality patient care. In particular, we aim to continue to ensure that our activities comply with, or exceed, applicable regulation and we will work to meet any environmental targets imposed by the government.

We have, or are developing, appropriate strategies to ensure we reduce our environmental impact in four key areas. These will ensure that we continue to:

- Manage transport requirements
- Use energy, water and other finite resources responsibly and efficiently
- Reduce overall waste disposal, reduce the hazards from waste and increase reuse and recovery of resources where feasible
- Prevent pollution resulting from discharges to water or emissions to air – including emissions of CO2 and other greenhouse gases

We will achieve these aims by implementing a programme of continual improvement of environmental performance and will set robust objectives and targets and develop key performance indicators to measure progress.

As sustainability is included in the Trust's corporate objectives, progress against these aims and objectives is managed through our existing Corporate Governance structures. Policy and strategy are developed and continuously reviewed by the appropriate governance committees. Public Governors are given the opportunity to attend key decision making forums to ensure that the views of patients, carers and the local community are considered.

Day to day responsibility for implementing the sustainability strategy is delegated to the Facilities Directorate. The Trust employs an Environment Officer and a Waste Reduction Officer with specific responsibility to develop our environmental management systems.

Environmental Performance in Key Areas for 2011/12 and 2012/13

Table: Environmental Performance					
		Non Financial Data		Cost	
		2011/12[1]	2012/13	2011/12[1]	2012/13
Waste Minimisation	Waste Arising (Total waste from all sources	1,473 Tonnes	1,490 Tonnes	£295,638	£287,960
	Clinical Waste (waste disposed of via high temperature incineration)	616 Tonnes	631 Tonnes	£232,125	£213,909
	Waste sent to landfill	297 Tonnes	89 Tonnes	£38,398	£9,315
	Recycled waste	520 Tonnes	638 Tonnes	£21,568	£33,488
	Non Hazardous Incineration (Energy from waste)	39 Tonnes	119 Tonnes	£3,587	£12,455
	Electrical and Electronic waste items	6.3 Tonnes	7.62 Tonnes	£256	£1,100
	Percentage of Waste subject to a recycling or recovery exercise	74% (35% Recycled)	94% (43% Recycled)	n/a	n/a
Management of Finite Resources	Water	142,943 m3	152,992 m3	£446,726	£501,133
	Electricity	31,815 GJ	30,915 GJ	£1,253,267	£1,196,641
	Gas	194,941 GJ	227,830 GJ	£1,575,752	£1,923,117
	Other Energy	1,028 GJ[3]	1,232GJ[3]	£17,994	£23,162
	Fuel used in Blackpool Teaching Hospital Trust owned transport	34,532 Litres	32,791 Litres	£39,494	£46.003
	Fuel used in ex North Lancashire Primary Care Trust owned transport	---------	55,995 Litres	---------	£87,310
Direct Green House Gas (GHG) Emissions	Direct emissions from the energy sources above only	14,879 Tonnes	16,368 Tonnes	n/a	n/a
Explanatory notes	[1] Data published in 2011/12 has been corrected to best available data for the purposes of this report. [2] To bring this report in line with internal monthly reports waste costs (including those for 2011/12) are reported exclusive of VAT. All other costs are inclusive of VAT. [3] This figure represents a maximum based on in year purchases. The actual figure consumed is likely to be slightly lower. The information above is an extrapolation of the best available data at the time of compilation (April 2013). Actual year end figures may therefore differ slightly from those presented. In the event of any difference between this data in this report and that presented in our annual Estates Returns Information Collection (ERIC) return the ERIC figures are to be preferred.				

The figures above represent the results of a year's hard work in difficult conditions.

This year we have continued to invest in energy saving measures and are in the process of implementing schemes to recover heat lost during routine boiler maintenance, installing variable speed controls on pumps and fans, and improvements to our building management systems.

We have seen marked improvements in the quality of Light-Emitting Diode (LED) lamps that have been available over the last two years and we now believe that the light quality from these is good enough to phase out the use of halogen spot lights, as well as further upgrades to LED lighting across the sites. These energy efficiency schemes have resulted in the Trust seeing a 3% reduction in electricity consumption in 2012/2013.

2012/13 has seen improved CHP boiler efficiency at the Victoria Hospital, with up to 94% of the waste heat now being utilised across the site. The CHP boiler has resulted in a decrease in imported electricity and has resulted in an annual net saving of £318,472, and prevented 2,655 Tonnes of CO2 being emitted into the atmosphere this year.

On a less positive note, the increase in Direct Emissions of Green House Gasses arises from a number of factors, primarily being the increase in gas consumption across all sites. Although the main gas demand at Blackpool Victoria Hospital has reduced due to improved boiler and plant control, a lengthy cold period over the winter months resulted in an increased need for localised heating.

The Carbon Reduction Commitment Energy Efficiency Scheme is in the second year of reporting, with an estimated liability under the scheme of £140,000. The cost per tonne of CO2 is forecast to increase year on year as the scheme develops in to Phase 2, highlighting the importance of continued energy efficiency within the Trust.

Waste Management has seen significant improvements over 2012/13 and we are now in our third year of Pre Acceptance Auditing as required by the Environment Agency. The Trust in conjunction with our current Clinical Waste Collection and Disposal Contractor has been able to get a clear picture of clinical waste compliance improvements, subject to the Safe Management of Healthcare Waste Guidance, all of which have been implemented throughout the year. Redevelopment of a number of areas, including Delivery Suite, the Clinical Research Unit and the Oncology/Haematology Day Unit, have put into practice more compliant clinical waste segregation and improved packaging options.

Following work on clinical waste segregation, the Trust is now able to move towards changing from high cost yellow bag disposal to more compliant and cheaper disposal methods including Alternative Treatment of Infectious Waste and non infectious waste streams. This has enabled us to renegotiate contract prices for the forthcoming year, alongside lowering disposal costs throughout the trust.

Our domestic waste contract has achieved recovery and recycling rates totalling 98% and in December 2012, only 1% of total waste produced across the Trust was sent to landfill. This is a result of hard work by all Trust staff members and has been accomplished recurrently to date. We will ensure these targets remain consistent throughout 2013/14.

The Partnership with ISS within Waste Management at Blackpool Victoria Hospital has been extended to include the pro active collection of Confidential Waste which has led to improvements in Trust wide collections and waste/data protection compliance.

In 2012/13, trials of Econix/Bio Box cardboard compliant containers for clinical waste streams successfully took place and these will replace costly plastic containers and will be rolled out across the Trust in 2013/14.

Mr Paul Jebb, Associate Director of Nursing - Patient Experience

A scheme to support dementia patients and their relatives at Blackpool Victoria Hospital has proved to be a success. A team of specially trained and experienced dementia advisers work on hospital wards in partnership with nursing staff to give people valuable support and information.

"The dementia advisers are a very important resource for our patients and their carers and have the expertise to signpost people to the correct services and provide valuable extra support to nursing staff who deal with dementia patients."

Our Finances

Detailed below is a summary of the Trust's financial performance against plan for the year.

Income and Expenditure Performance

Before the reporting of exceptional items the Trust achieved a surplus of £3.4m for the year, however taking into account a net gain on the revaluation of assets £4.0m, net loss on disposal of assets of £3.1m, and net restructuring costs of £1.1m, the surplus is £3.2m for the year.

Full details of the Trust's financial performance are set out in the accounts for 1st April 2012 to 31st March 2013 that accompanies the Annual Report in Annex G.

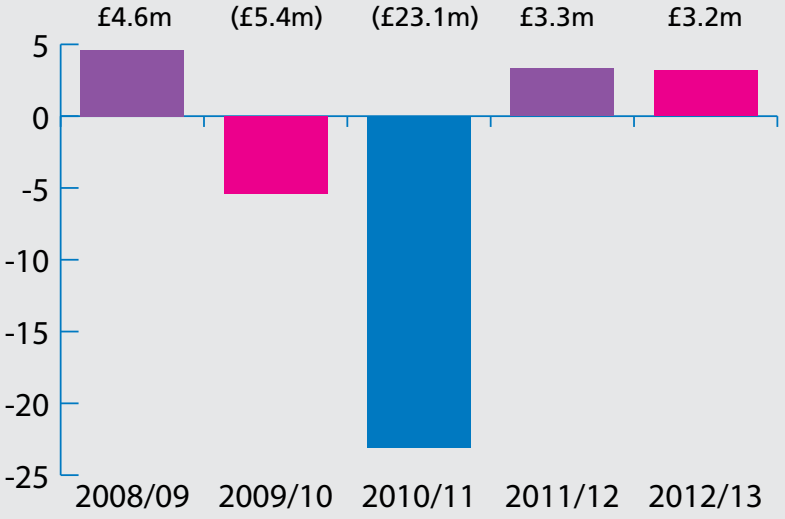
Table 1 compares the 2012-13 actual performance to the 2012-13 plan.

Table 1	Plan £'m	Actuals £'m	Variance £'m
Total income	335.1	362.2	27.1
Expenses	(318.1)	(345.8)	(27.7)
EBITDA*	17.0	16.4	(0.6)
Depreciation	(6.9)	(6.7)	0.2
Dividend**	(4.4)	(4.2)	0.2
Loss on asset disposal	0	(3.1)	(3.1)
Gain on Revaluation	0	4.0	4.0
Restructuring costs	0	(1.1)	(1.1)
Interest income	0.1	0.2	0.1
Interest expense	(2.4)	(2.3)	0.1
Surplus(Deficit)	3.4	3.2	(0.2)

* Earnings before interest, tax, depreciation and amortisation.
** Public Dividend Capital

The Trust's financial performance profile for the last five years is summarised in Chart 1 below.

Chart 1: Surplus performance



The financial performance prior to exceptional items was £0.2m above plan.

Chart 2: Completed Patient Spells

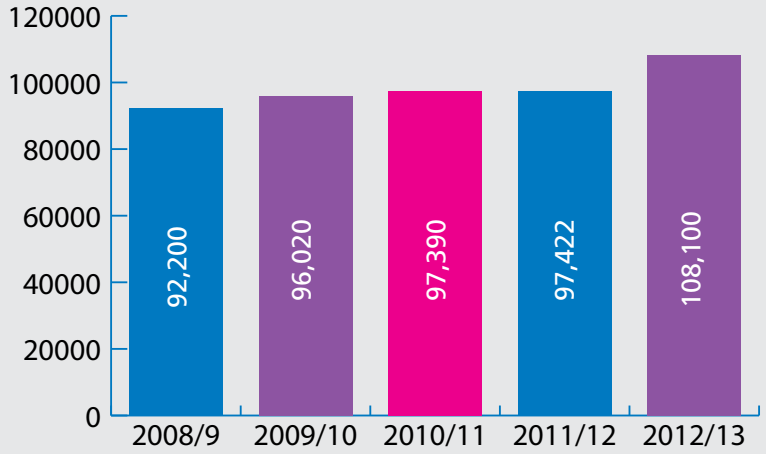


Chart 3: Outpatient Attendances

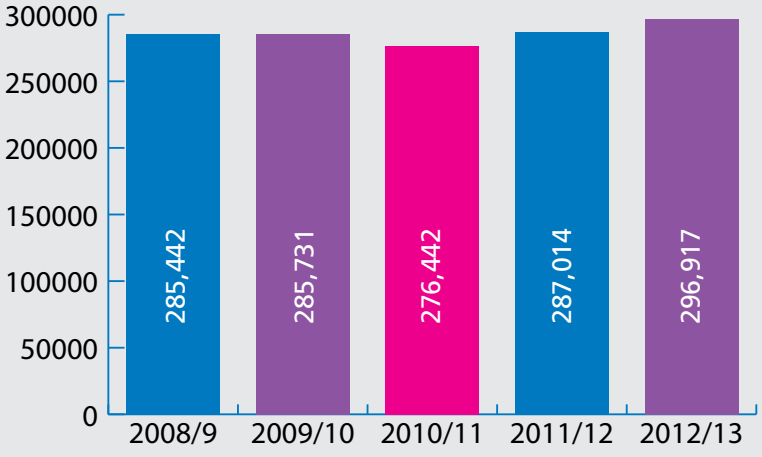
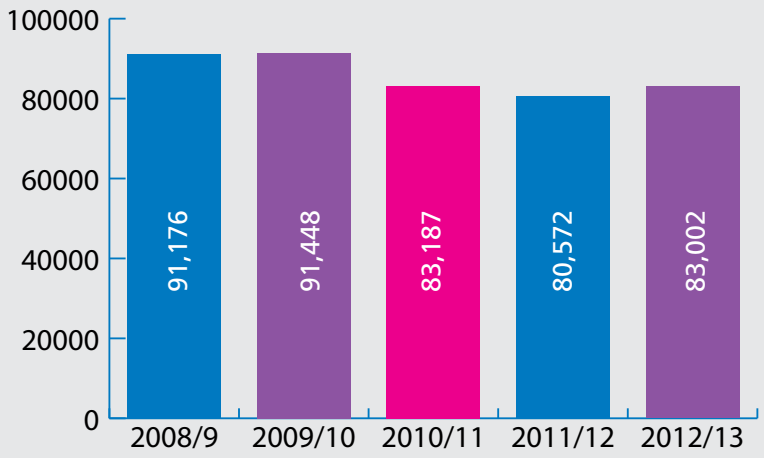


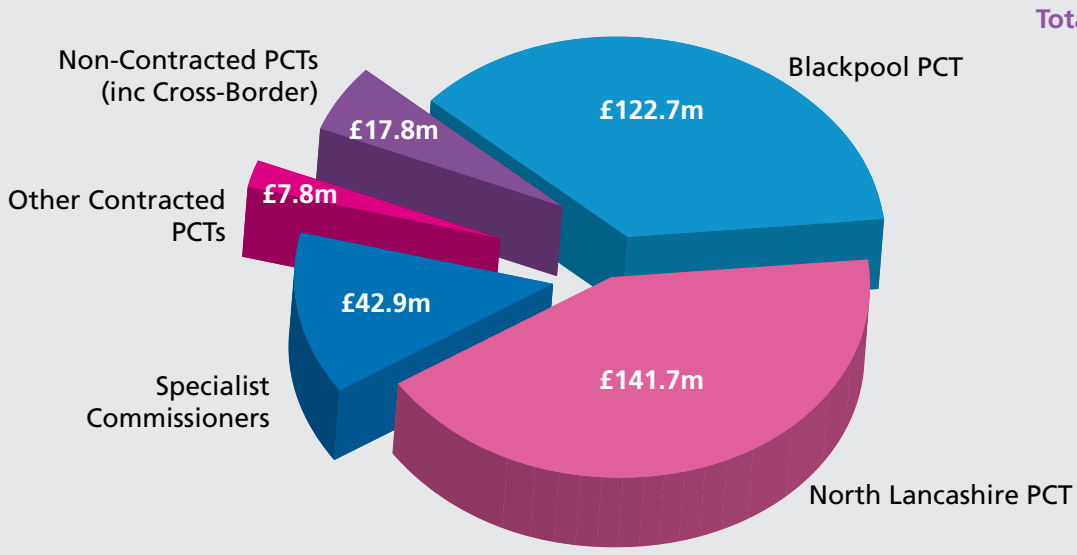
Chart 4: A&E Attendances



Income from providing clinical services to NHS patients, as below, represents the majority of the Trust's income (£333.3m or 91%; 2012/13: £256.1m or 90%). The provision of these services is covered by contracts with Primary Care Trusts and other NHS commissioners. The terms of these contracts are agreed locally between the Trust and commissioners based on the national contract published by the Department of Health and priced using the National Tariff or locally agreed prices as appropriate.

Chart 5 summarises clinical income recovery by Commissioners.

Chart 5: Clinical Income by Commissioner



In addition to the NHS Clinical income described above, the Trust receives a number of other income streams. The trend in this income is summarised in Chart 6 and performance in 2012/13 is summarised in Chart 7. Performance in 2012/13 is broadly in line with previous years with the most significant variation relating to predominately exceptional items as set out below.

In 2011/12 the Trust has also implemented a change in accounting treatment following HM Treasury's revised interpretation of IAS20 relating to Government Grants and Donated Assets, this change resulted in a gain in 2012/13 of £0.7m (2011/12: £2.0m).

The commencement of construction of a new multi storey car park and main entrance for Victoria Hospital was preceded by the sale and demolition of properties resulting in a net disposal loss of £3.1m. The Trust also had a revaluation of its assets resulting in a net impairment reversal of £5.4m. The Trust has undertaken a review of its strategy in relation to the implementation of electronic patient records resulting in an intangible asset impairment charge of £1.4m.

Chart 6: Non-NHS Clinical/Non-Clinical Income 2008/09 to 2012/13

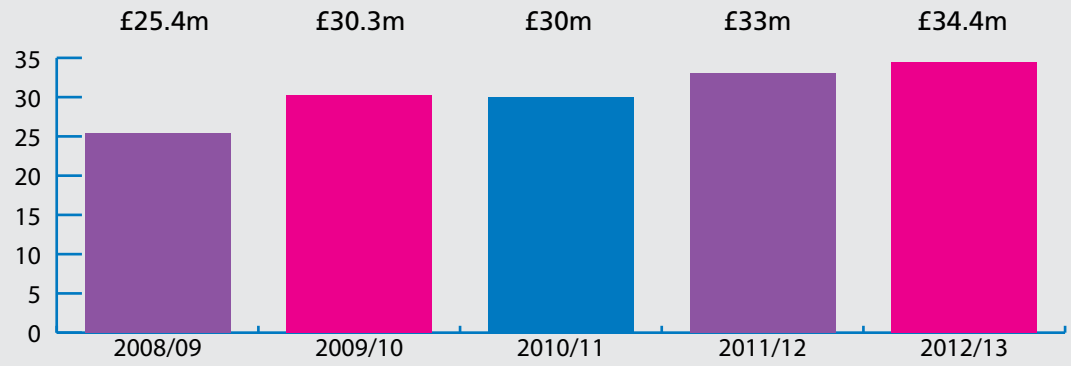
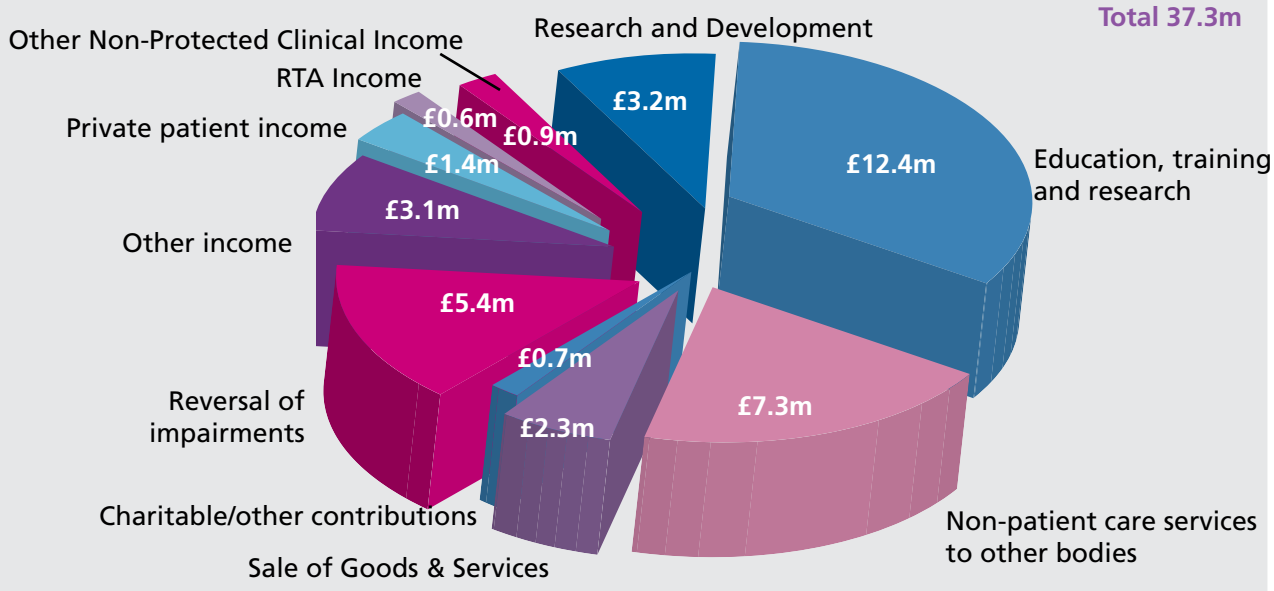


Chart 7: Non-NHS Clinical/Non-Clinical Income by type



These income streams equated to £37.3m or 10.1% of the total income earned for the year. Of this £34.4m or 9.4% relates to the provision of other services not directly related to healthcare, including catering and car park income. Any surplus from these services help reduce the cost of patient related activities.

With effect from 1st October 2012, the statutory limitation on private patient income earned by NHS Foundation Trusts under section 44 of the National Health Service Act 2006 was repealed by the Health and Social Care Act 2012. Consequently the Trust is no longer required to disclose private patient income against the base year (2002/03).

The level of private patient income is decreasing as a proportion of total patient income, reflecting the improvement in waiting times and the reduction in private healthcare insurance in the current economic climate.

Chart 9 shows the expenditure for 2012/13 broken down by expenditure type.

Chart 8: Private Patient Income 2008/09 – 2012/13

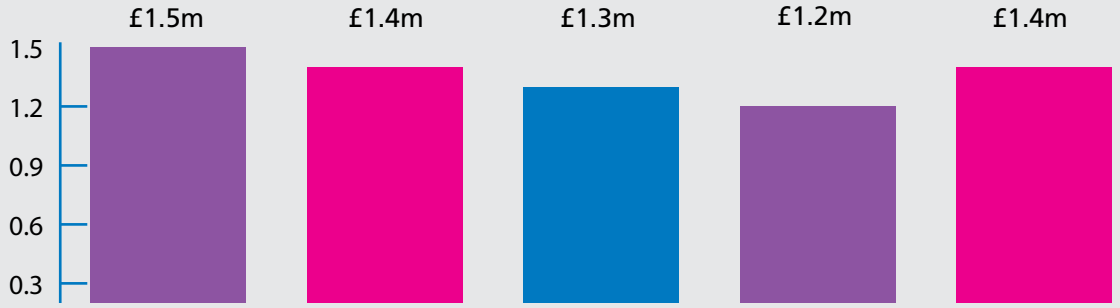
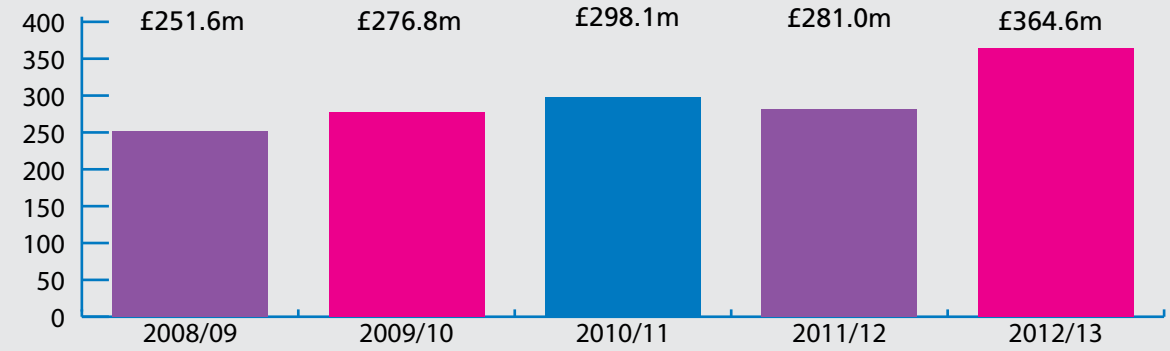


Chart 9: Expenditure



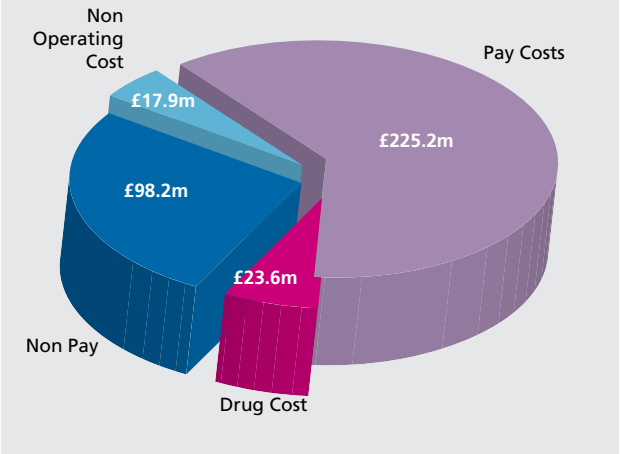
The above expenditure reflects the higher than planned activity delivered, PCT funded enabling developments and the achievement of £19.2m of QuIPP (£0.5m better than the plan for the year).

The Trust has in place a Programme Management Office to scrutinise QuIPP planning and delivery. In addition, the Trust is utilising external support to identify areas of improvement and develop / implement action plans to deliver the required efficiency. During the last three years the Trust has delivered savings of £17.6m in 2010/11, £15.5m in 2011/12 and £19.2m in 2012/13.

Significant progress has already been made in the identification and delivery of efficiencies for 2013/14 with the full £18.5m identified

During the year the Trust spent £8.9m on management costs which represents 2.4% of total income. By comparison, in 2011/12, management costs as a percentage of total income was 2.9%.

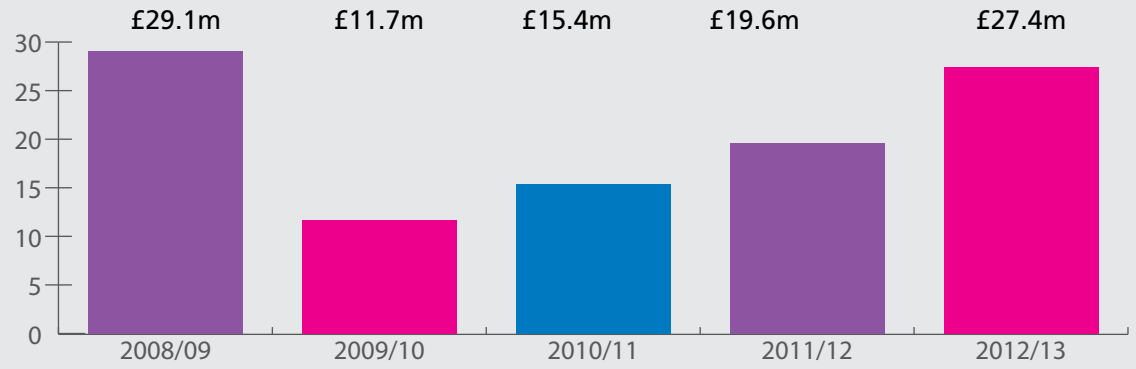
Chart 9: Expenditure



Management costs are defined as those on the management costs website at www.dh.gov.uk/PolicyandGuidance/OrganisationalPolicy/FinanceandPlanning/NHSManagmentCosts/fs/en.

Senior employees remuneration is set out in the Remuneration Report section of this report.

Chart 10: Year-end Cash Balances



Cash Flow and Balance Sheet

The Trust's cash balance at the end of the financial year was £27.4m against a forecast balance of £12.6m. The cash balance was £14.8m above plan primarily driven by capital programme slippage of £8.6m, deferred income above plan by £3.8m primarily relating to the North West Leadership Academy, and an increase in provisions above plan of £2.3m

Chart 10 summarises the Trust's year end cash balances across the last five years. Note that this reflects from 2008/09, the Trust's ability, as a Foundation Trust, to retain cash balances at year-end.

As a Foundation Trust, the Trust is required to ensure that it has enough liquidity to support its working capital requirements. To ensure this the Trust has a working capital facility with Barclay's Bank plc of £24m. This working capital facility expires in October 2013 and is in the process of extending the facility to May 2014. The Trust did not utilise any of this facility in 2012/13 and does not expect to across the next three years. Following the merger with community services the WCF increased from £19m on 1st April 2012 to £24m to reflect the increased level of operating costs.

To comply with best practice the Trust is required to pay 95% of undisputed invoices within 30 days of receipt. The table below summarises the performance for 2012/13.

The deterioration of payment performance in line with the Prompt Payment Code is reflective of a planned slowdown in the payment of trade suppliers to improve cash balances.

The Trust is continuing to work with its suppliers in a climate where a key target is to preserve and improve cash balances following a period of intensive capital investment.

Chart 11: Better Payment Practice Code				
Subject	Number 2012/13	£'000 2012/13	Number 2011/12	£'000 2011/12
Total Non-NHS trade invoices paid in the year	82,529	111,042	68,670	97,442
Total Non-NHS trade invoices paid within target	25,991	43,691	25,359	44,798
Percentage of Non-NHS trade invoices paid within target	31.5%	39.3%	36.9%	46.0%
Total NHS trade invoices paid in the year	2,851	29,159	2,159	23,955
Total NHS trade invoices paid within target	1,140	16,046	960	14,865
Percentage of NHS trade invoices paid within target	40.0%	55.0%	44.5%	62.1%

No interest was paid to suppliers under the late payment of Commercial Debts (Interest) Act 1998.

The Trust invested over £7m in capital schemes during 2012/13. Expenditure during the period included the following investments;

	£m
Main Entrance / Multi Storey Car Park	4.1
Stoke Unit	1.0
A&E upgrade	0.9
Other Schemes	1.0

The majority of this expenditure was funded by a £13.3m loan from the Foundation Trust Financing Facility (see also below) with the balance funded from internally funded resources.

The Trust has a capital programme of £17.2m for 2013/14. A significant element of this spend £12.3m relates to the completion of the new main entrance and multi storey car park schedules for completion in Q3/Q4 2013/14, in conjunction with the drawdown of the balance of the FTFF loan of £3.2m. In addition clinical equipment replacement enabling works of £1.1m and investment in IT technology systems of £2m are also included in the capital programme.

As a NHS Foundation Trust, the Trust has greater freedoms to borrow money in order to finance capital investment as described above.

The limits on the amount the Trust can borrow and the conditions that it must meet to demonstrate that the levels of borrowing are affordable are set out in the Prudential Borrowing Code (PBC), published by Monitor. The PBC sets out four minimum financial ratios that the Trust must meet if it is to undertake any borrowing.

The maximum cumulative borrowing or Prudential Borrowing Limit (PBL) that the Trust may make is set by Monitor with reference to the Trust's annual financial risk rating (see below).

	Target	2012/13 annual perfor-mance	2012/13 Plan
Minimum dividend cover	>1x	3.4x	3.6x
Minimum interest cover	>3x	11.5x	12.4x
Minimum debt service	>2x	3.5x	3.7x
Maximum debt to service revenue	<2.5%	1.3%	1.4%

Performance Against Monitor's Compliance Framework

Monitor is the Independent Regulator of Foundation Trusts. Monitor has devised a system of regulation described in its Compliance Framework, which is available from the Monitor web site. http://www.monitor-nhsft.gov.uk/home/our-publications?id=932. A brief description of Monitor's regulatory ratings is provided below. Monitor takes a proportionate, risk based approach to regulation. The assessment of risk by Foundation Trusts and by Monitor was articulated during 2012/13 by the application of two risk ratings which are updated each quarter in relation to:

- Financial risk rating (rated 1-5, where 1 represents the highest risk and 5 the lowest); and
- Governance risk rating (rated red, amber-red, amber-green or green).

These results are shown in the table below.

Financial Risk Rating

Financial risk ratings are allocated using a scorecard which compares key financial information across all Foundation Trusts. A rating of 5 reflects the lowest level of financial risk and a rating of 1 the highest. When assessing financial risk, Monitor will assign quarterly and annual risk ratings using a system which looks at four criteria:

- Achievement of plan;
- Underlying performance;
- Financial efficiency; and
- Liquidity.

The risk rating is forward-looking and is intended to reflect the likelihood of an actual or potential financial breach of the Foundation Trust's Terms of Authorisation. The Financial Risk rating system is on a scale of 1-5 as follows:

1. Highest risk - high probability of significant breach of authorisation in short-term, e.g. <12 months, unless remedial action is taken

2. Risk of significant breach in medium-term, e.g. 12 to 18 months, in absence of remedial action

3. Regulatory concerns in one or more components. Significant breach unlikely

4. No regulatory concerns

5. Lowest risk - no regulatory concerns

Governance Risk Rating

Monitor uses the term governance to describe the effectiveness of an NHS Foundation Trust's leadership. They use performance measures such as whether Foundation Trusts are meeting national targets and standards, e.g. a reduction in MRSA rates or Clostridium Difficile rates, as an indication of this, together with a range of other governance measures described below. Monitor consider these areas when assessing governance risk at Foundation Trusts, as reflected in the risk ratings which they publish for each Trust

- Legality of constitution
- Growing a representative membership
- Appropriate board roles and structures
- Cooperation with NHS bodies and local authorities
- Clinical quality
- Service performance (healthcare targets and standards)
- Other risk management processes
- Provision of mandatory services

The Governance Risk rating system is on a scale of Red - Green as follows:

- Red - Likely or actual significant breach of Terms of Authorisation
- Amber-red - Material concerns surrounding Terms of Authorisation
- Amber-green - Limited concerns surrounding Terms of Authorisation
- Green – No material concerns

Financial Performance – Against Monitor's Compliance Framework

Based on its 2012/13 Annual Plan submission, the planned risk rating was assessed and an improvement to the financial risk rating to 3 was identified during quarter 3. This improvement has been achieved through an improvement in the Trust's liquidity. Actual performance for 2012/13 is a financial risk rating of 3 and the table below summarises the Trust's performance against the Compliance Framework metrics.

Governance Performance – Against Monitor's Compliance Framework

Monitor has rated BTHFT 'Green' for governance risk throughout 2012/13 and for 6 quarters in a row. The Trust has strengthened its performance management structure in relation to delivering the Care Quality Commission (CQC) quality and safety standards and has maintained progress to deliver top 10% performance for clinical quality. Over the next 12 months, the Trust will continue to focus on the quality of services that we are offering to our patients and the implementation of our Strategic Framework. The Strategic Framework sets out the approach that this will take and the measures that the Board of Directors have identified as being key to delivering quality care and how success in these areas will be measured.

On a quarterly basis, the Trust is required to submit monitoring returns to Monitor, as the regulator, for performance regarding finance and governance. A report is submitted to the Board each quarter regarding the following key purposes:

- to set out the Trust's Monitor Governance Declaration, Governance Risk Rating and supporting documentation in accordance with its Terms of Authorisation and the Monitor Compliance Framework requirements 2012/13 and

- to provide information and assurance to the Board, and to Monitor, that the necessary actions are being implemented to address any issues or concerns raised

KPMG LLP undertook an assessment of the evidence available to support the Trust's own assessment of its compliance with Monitor's Quality Governance Framework. Using Monitor's scoring methodology as detailed in "Applying for NHS Foundation Trust Status-Guide for Applicants" (July 2010). KPMG LLP calculated the Trust's overall score as being 3.5 which is in line with Monitor's best practice and is on par with the requirements for the authorisation of aspirant Foundation Trusts'. Further information regarding arrangements in place to govern service quality is outlined in the Quality Report at Annex A and in the Annual Governance Statement at Annex E.

	Target (level 3 risk)	2012/13 plan	2012/13 Annual Performance	2011/12 Annual Performance
EBITDA % achieved	>70%	100%	92.5%	120.8%
EBITDA margin	>5%	5.1%	4.3%	6.0%
Rate of return on assets	>3%	2.4%	1.9%	5.9%
I&E surplus margin	>1%	1.0%	0.9%	1.7%
Liquidity ratio	>15 days	11.4 days	17.6 days	9 days

The tables below provide a summary of regulatory risk rating performance throughout the year and a comparison to the previous year.

The tables below also provide a summary of the actual quarterly regulatory risk rating performance compared with expectations in the annual plan.

As a result of in year performance in 2010/11 Monitor's Board declared the Trust to be in significant breach of two terms of Authorisation in October 2010. In May 2012, the Trust was de-escalated from significant breach of its Terms of Authorisation. The Trust has demonstrated considerable progress towards addressing Monitor's concerns and has demonstrated that it has robust plans in place to continue to do so. Further information regarding actions put in place to rectify shortfalls on performance is outlined in the Annual Governance Statement at Annex E.

As a consequence, the Trust's governance risk rating published on Monitor's website was updated to Green and the Trust was removed from the published table of foundation trusts in significant breach of their Terms of Authorisation.

The Trust achieved its planned recovery to a Financial Risk Rating of 3 (FRR3) within quarter 3 of 2012/13 and delivered a FRR of 3 at the 31st March 2013.

During 2012/13, the Trust has achieved a surplus before exceptional items of £3.4m (and £3.2m after exceptional items), and has seen a continued improvement in both the cash and liquidity position. From 2013/14 the Trust plans to return to more historic levels of surplus that will support the continued development and improvement of its infrastructure and services.

At its meeting of 22nd April 2013, the Finance & Business Monitoring Committee considered the budget for 2013/14 and going concern assessment. The budget is based on activity assumptions that have been agreed with commissioners, combined with expenditure budgets that have taken into account the likely cost risks in this period and the requirement for efficiencies of £18.5m.

On the basis of these plans, "after making enquiries, the Directors have a reasonable expectation that the NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts." The Trust's main accounting policies, including policies for pensions, that are used to prepare the accounts are set out in Annex G to this report. Details of the Directors' remuneration is included in the Remuneration Report. The format of the accounts and the supporting accounting policies were reviewed by the Trust's Audit Committee at its meeting on 30th April 2013.

In the opinion of the Directors there are no reportable events after the reporting period.

An area of interest will be the forthcoming Keogh Review which has been scheduled to be undertaken on the 17th June 2013. The review will seek to determine whether there are any sustained failings in the quality of care and treatment being provided to patients at these trusts, in particular seeking to identify:

- whether existing action to improve quality is adequate and whether any additional steps should be taken;
- any additional external support that should be made available to aid improvement; and
- any areas that may require regulatory action in order to protect patients.

The Trust will produce an action plan based on the findings of the Keogh review, and will monitor the implementation of the action plan through the Board.

Regulatory Ratings Report 2011/12					
Subject	Annual Plan 2011/12	Q1 2011/12	Q2 2011/12	Q3 2011/12	Q4 2011/12
Financial Risk Rating	2	2	2	2	2
Governance Risk Rating	Green	Green	Green	Amber/Red	Green

Regulatory Ratings Report 2012/13					
	Annual Plan 2012/13	Q1 2012/13	Q2 2012/13	Q3 2012/13	Q4 2012/13
Financial Risk Rating	2	2	2	2	3
Governance Risk Rating	Green	Green	Green	Green	Green

Income Disclosures

As per Section 43(2A) of the NHS Act 2006, the Board is not aware of any circumstances where market value of fixed assets is significantly different to carrying value as described in the Trust's financial statements. The Trust's auditors have provided an opinion on our 2012/13 accounts, which is outlined at Annex F.

Blackpool Teaching Hospitals NHS Foundation Trust has met the requirement for the 2012/13 Financial Year that the income from the provision of goods and services for the purposes of the health service in England is greater than its income from the provision of goods and services for any other purposes.

Where Blackpool Teaching Hospitals NHS Foundation Trust has received income other than income from the provision of goods and services for the purposes of the health service in England, this other income and any associated expenditure has not had a detrimental impact on the provision of goods and services for the purposes of the health service in England and where appropriate has contributed to / supported the provision of goods and services for the purposes of the health service in England.

Financial Instruments

The Trust does not have any listed capital instruments and is not a financial institution. Due to the nature of the Trust's Financial Assets/Financial Liabilities, book value also equates to fair value. All Financial Assets and Financial Liabilities are held in sterling.

Credit Risk

The bulk of the Trusts commissioners are NHS organisations, which minimises the credit risk from these customers. Non-NHS customers do not represent a large proportion of income and the majority of these relate to bodies which are considered low risk - e.g. universities, local councils, insurance companies, etc.

Liquidity Risk

The Trust's net operating costs are incurred under service agreements with local Primary Care Trusts, which are financed from resources voted annually by Parliament. The Trust largely finances capital expenditure through internally generated funds and from loans that can be taken out up to an agreed borrowing limit. The borrowing limit is based upon a risk rating determined by Monitor, the Independent Regulator for Foundation Trusts and takes account of the Trust's liquidity.

Market Risk

All of the Trust's financial liabilities carry nil or fixed rate of interest. In addition, the only element of the Trust's financial assets that is currently subject to variable rate is cash held in the Trust's main bank account and therefore the Trust is not exposed to significant interest rate risk.

Cost Allocation and Charging

The Trust has complied with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information Governance.

External Contracts

The Trust has a number of external contracts as detailed below:-

Blackpool Clinical Commissioning Group (CCG)
Fylde and Wyre Clinical Commissioning Group
Lancashire North Clinical Commissioning Group
Cheshire, Warrington and Wirral Area Team (for specialist areas)
Blackpool Council – Public Health
Lancashire County Council – Public Health
National Commissioning Board – Local Area Team

The Trust also has contractual arrangements with the following essential organisations:-

Pricewaterhouse Coopers (PwC) - who are the Trust's External Auditors
NHS Audit North West – who were the Trust's Internal Auditors (31st March 2012 to 30th September 2012)
KMPG LLP – who are the Trust's Internal Auditors (1st October 2012 – present)
Hempsons Solicitors – who are the Trust's solicitors
PFI Contractual Arrangements
NHS Supply Chain provider of medical consumables and capital items for general wards and theatres
Medtronic UK provider of general medical technologies and services
ISS Facilities Healthcare provider of facilities services
Siemens Healthcare Diagnostics provider of general medical goods and services
Boston Scientific provider of general medical technologies and services

External Auditors

The Council of Governors have approved the appointment of PwC as the Trust's external auditors until 31st March 2013. PwC were paid £50,500 in respect of statutory audit fees. A supplementary fee included £12,500 for the independent reporting work in relation to the Independent Auditor's report in the annual quality report.

The Trust limits work done by the external auditors outside the audit code to ensure independence is not compromised. In 2012/13 PwC did not provide any other services to the Trust.

Counter Fraud

NHS Protect (formerly The NHS Counter Fraud and Security Management Service) has set out the framework within the NHS plans to minimise losses through fraud. The Trust's local policy complements the national and regional initiatives and sets out the arguments for the reporting and the elimination of fraud.

The Finance Director is nominated to make sure that the Trust's requirements are discharged and is aided by a local Counter Fraud specialist (LCFS). The LCFS developed a plan that aimed to proactively reduce fraud and create an anti-fraud culture supported by appropriate deterrence and prevention measures. Progress against the plan is regularly reported to the Audit Committee.

Principal Risks and Uncertainties

NHS is changing rapidly and for the Trust this gives many opportunities as well as risk and uncertainty. The Board of Directors has identified the strategic risks facing the Trust. These risks are formally reviewed on a quarterly basis by the Board of Directors'. Current strategic risks are identified in the Annual Governance Statement in the table at section 4.4 and appropriate risk management and mitigation plans are in place for each.

Future Development and Performance of the Business

Following the integration of hospital and community services, this has helped improve the pathway of patient care through the provision of seamless services that are accessible, clinically effective and of a high quality. Following on from the current year's performance of integrating services, the Trust's is planning to undertake the following developments, in 2013/14, to continue to improve the performance of the business in the following areas:-

- Developing and improving outcomes for patients by developing a proactive management model of care following agreed protocols and pathways
- Facilitating and improving patient experience by facilitating collaborative working between primary, secondary, community and social care services
- Managing the patient's journey proactively and seamlessly through all parts of the healthcare system, thereby improving the quality of their experience and outcomes
- Improving the quality of information
- Developing multi disciplinary and multi agency training programmes to maximise skills
- Preventing unnecessary admission and re-admission to hospital
- Reducing length of hospital stay

A Strategic Framework for the Trust moving forward to 2020 has been created identifying the new vision and values for the organisation, strategic objectives, aims and targets. This strategy will also link in with and support the wider health economy strategy for future health and care services, specifically working in collaboration with the Fylde Coast Unscheduled Care Board, the Fylde Coast Commissioning Advisory Board and our other partnership organisations. (Further information is available in the Trust's Future Business Plans section of this report).

Mrs P Whelan
St Annes

"I can't imagine what my life would have been like if I lost my leg and I can only thank Mr Dunkow and the Orthopaedic Team at Blackpool Victoria Hospital for all their care and support."

Our Future Business Plans

The Board of Directors recognise that the changing environment and external factors, such as The Operating Framework 2013/14, the current financial climate, patient choice and the quality improvement agenda impact on our future business plans.

We believe that our Vision and continued implementation of the Quality Innovation Productivity and Prevention agenda will ensure that our future business plans accommodate the impact of these factors and are aligned with the direction of travel for the wider NHS.

The Trust's Strategic Direction, as set out in the Annual Plan 2013/14, and our Vision and Values, as reviewed and agreed by the Board of Directors in 2013, underpin the work programme for 2013/14. Over the last 12 months we have undertaken a great deal of work to develop our approach to delivering our future Vision.

Whole Health Community Vision

The recent integration of hospital and community services which took place on 1st April 2012 was instigated to help improve patient care through the provision of seamless services that are accessible, clinically effective and of a high quality. This integration of services provides a number of benefits including:

- Developing and improving outcomes for patients by developing a proactive management model of care following agreed protocols and pathways
- Facilitating and improving patient experience by facilitating collaborative working between primary, secondary, community and social care services
- Managing the patient's journey proactively and seamlessly through all parts of the healthcare system, thereby improving the quality of their experience and outcomes
- Improving the quality of information
- Developing multi disciplinary and multi agency training programmes to maximise skills
- Preventing unnecessary admission and re-admission to hospital
- Reducing length of hospital stay

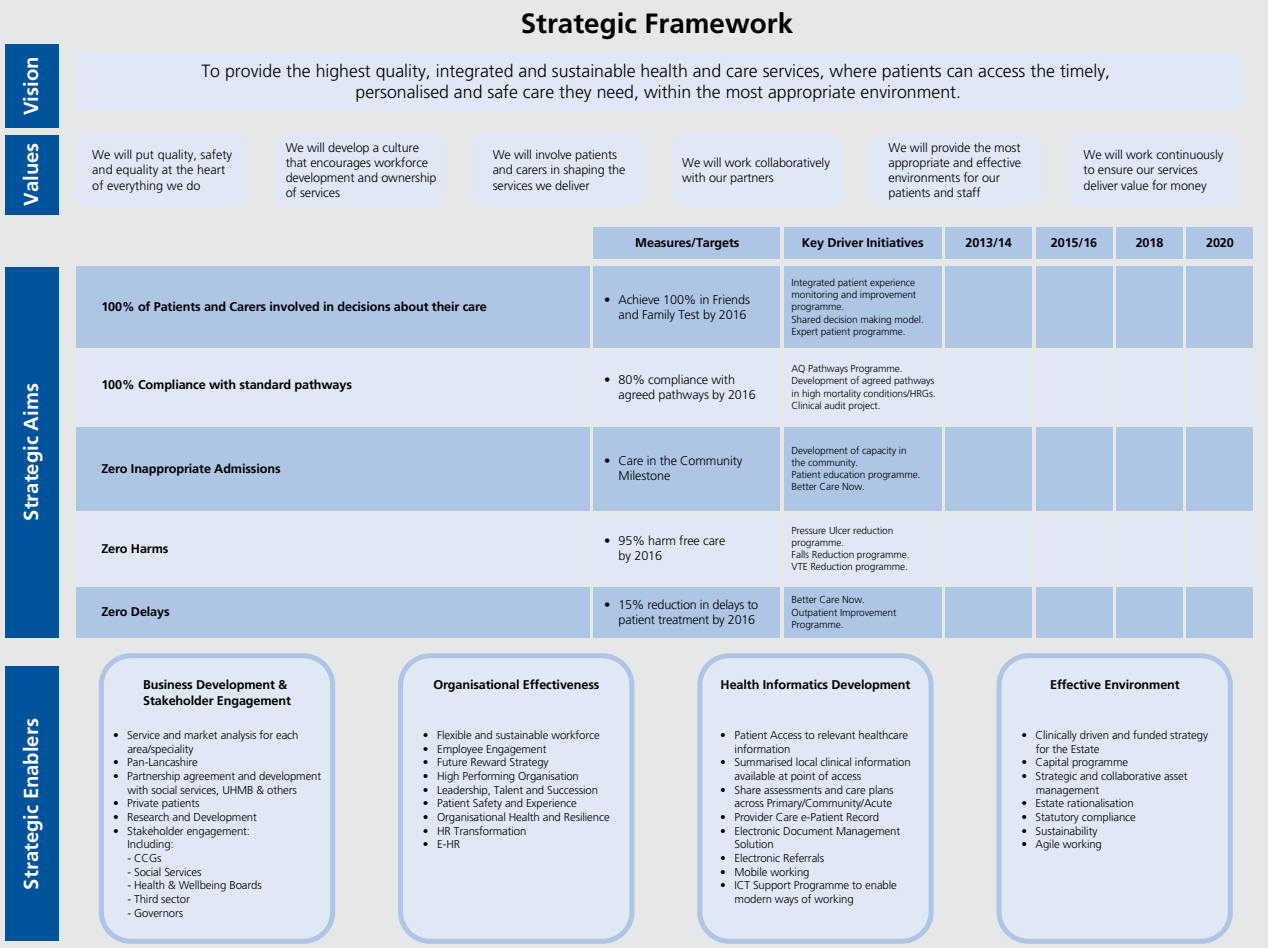
The benefits are being delivered by the integration of health services across the whole health economy along clinical pathways. The development of clinical pathways, which more fully integrate services, has already begun with consultations initially running across four long-term condition pathways including diabetes, chronic obstructive pulmonary disease (COPD), stroke and heart disease.

We are now working with patients, their carer's, our partners, stakeholders and regulatory bodies to redesign new integrated care pathways and services that transcend secondary, community, primary and social care. These pathways, along with new processes and information systems, will help to prevent unnecessary admissions to hospital, support earlier discharge from hospital, promote education and prevention and provide the highest quality care for our patients in the safest most appropriate setting.

The Board of Directors initiated the strategy development for the newly merged organisation by holding a Strategy Board Away Day on the 29 June 2012. A Transformation Programme has since been developed from the new strategic vision identified by the Board, which is being driven forward through projects undertaken through work themes within the following areas:

- Business Development and Stakeholder Engagement
- Organisational Effectiveness
- Service Development
- Health Informatics Development
- Effective Environment

Figure 1 - Strategic Framework



A Strategic Framework for the Trust moving forward to 2020 has been created identifying the new vision and values for the organisation, strategic objectives, aims and targets (fig. 1). This strategy will also link in with and support the wider health economy strategy for future health and care services, specifically working in collaboration with the Fylde Coast Unscheduled Care Board, the Fylde Coast Commissioning Advisory Board and our other partnership organisations.

The Trust Board recognises that now is the time to create a forward thinking strategy for the newly integrated organisation which aims to:

- Set a clear direction for step changes in our performance
- Inspire, motivate and engage staff
- Meet the present and future needs of the health economy
- Is compatible and in line with commissioner intentions and supported by all stakeholders
- Ensure attainability within the time period
- Ensure the organisation has plans in place to be flexible and sustainable in order to survive the ever changing external environment.
- Utilise opportunities for quality and efficiency improvements arising from greater partnership working with other Trust's, health care providers and sector agencies.

Our vision is:-

To provide the highest quality, integrated and sustainable health and care services, where patients can access the timely, personalised and safe care they need, within the most appropriate environment.

The aim of this strategy is to increase the range and quality of care provided within the community and patients' homes and to move more hospital based services into local health centres and other community settings. This will reduce the number of avoidable admissions to hospital and will bring seamless care closer to patients' homes and provide a greater sense of continuity of patient care.

The importance of early intervention, education and prevention of disease is also seen as a key element to achieving our aims, along with the development of self care and the provision of support for 'expert' patients, their families and carers.

We will also be working in partnership with our staff to ensure that they have the right skill mix, experience and development support to take this transformational work forward and that they feel valued in their personal contribution and commitment to both the organisation and the patient journey.

We acknowledge the importance of stakeholder engagement and see this as key to achieving the Trust's vision. Without engagement from our stakeholders we will not deliver our strategic outcomes.

The Trust has a wide range of stakeholders both internally to the organisation (staff, members, governors, patients, carers etc) and also externally such as our local Clinical Commissioning Groups (CCG's), Local Authorities, General Practitioners, other Trusts, Third Party Providers, North West Ambulance Service (NWAS), Volunteer Groups and other provider agencies. To progress with the Transformation Programme we are engaging and consulting with them on proposed new service delivery models.

In order to achieve our vision the following core values and overarching strategic principles will inform all the actions planned within the strategy:

- **We will put quality, safety and equality at the heart of everything we do**
- **We will involve patients and carers in shaping the services we deliver**
- **We will work collaboratively and inspirationally with partners, stakeholders and commissioners to improve services**
- **We will be an innovative and learning organisation with an emphasis on research and development, teaching and education.**
- **We will develop a culture that encourages workforce development and ownership of services**
- **We will work continuously to ensure our services deliver value for money**

The need for change to the current models of care throughout the health economy becomes clear through understanding the diverse needs of the population now and in the future. The health economy is facing a very challenging population, including an increasing aging population, specifically the over 85's, patients with multiple long term conditions and an aging ill population. Levels of teenage pregnancy, breast feeding initiation and smoking in pregnancy are worse than the England average, as are smoking related deaths and hospital stays for alcohol related harm.

The health of people in Blackpool is generally worse than the average for England. Deprivation is higher than average and about 8,200 children live in poverty in the Blackpool area with around 40,900 children living in poverty across the whole of Lancashire. Life expectancy for both men and women is lower than the England average. Life expectancy is 12.8 years lower for men and 8.1 years lower for women in the most deprived areas of Blackpool with life expectancy for men in Lancashire being 10.3 years lower and for women 7.6 years lower than the England average. Health profile research for the local population of Blackpool and Lancashire as a whole identified the following current issues:

- Smoking and smoking during pregnancy
- Mental Health
- Substance and Alcohol misuse
- Low breast feeding rates
- Life expectancy
- Teenage Pregnancy

In order to help combat the health and care issues which the local community are facing both now and in the future, the Trust has identified the following key strategic aims, which we will be working towards by achieving associated milestones and targets between now and 2020:

- 100% of patients and carers involved in decisions about their care
- 100% compliance with standard patient pathways
- Zero inappropriate admissions
- Zero harms to patients
- Zero delays to patient treatment and care.

The Vision Programme – The Introduction of an Electronic Patient Record

During 2012/13, the Vision Programme has implemented a number of changes to the way that electronic systems are used to support improvements to the quality and safety of patient care. These changes have included the introduction of electronic clinical systems as well as a significant number of enabling projects, such as the standardisation of documentation in readiness for the use of electronic systems.

The most significant change during 2012/13 was the introduction of an electronic system, CyberLab, for the requesting of pathology and radiology investigations (replacing the use of request cards), with the same system also used to view the results of these investigations. This system is now used across the Fylde Coast health economy, with local GPs, community services and acute services (across inpatient, outpatient and operating theatre environments) all using the same system. This means that all healthcare professionals across the local health economy have shared access to information about which investigations have been requested and/or undertaken for their patients. The use of this electronic system has improved turnaround times for the processing of urgent samples in the laboratory at Blackpool Victoria Hospitals, as well as reducing the number of mislabelled samples that are received by the laboratory reception. Further improvements to this system will be introduced in the coming year, along with an increase in of the types of investigations that can be requested electronically and a widening of the number of results that can be accessed electronically.

The Vision Programme Team has also begun to implement the use of electronic referrals within the Trust, thus reducing delays in request cards being transferred between clinical departments and allowing clinical and operational teams to work more efficiently and effectively. The most significant changes have been within the acute physiotherapy, occupational therapy and speech and language therapy services, along with the hospital discharge team, who now receive all referrals electronically. This has resulted in the teams being able to treat more patients during each working day. During the coming year, the Vision Programme Team will ensure that all referrals between our clinical services can be made electronically.

The Trust is now responsible for the provision of community health services in addition to its acute services, and is keen to work towards providing an increasing amount of care outside of hospital. This means that the Trust needs to ensure that local electronic systems that are in use across GP practices, community services and acute services can be linked, and that key clinical information can be shared effectively between different healthcare professionals – this is known as 'interoperability', and recent improvements in technology mean that we can work towards this in the coming year. By changing to this approach, the Trust has needed to engage with ALERT Life Sciences Computing SA and we have mutually agreed to a change in the scope of the ALERT® deployment in order to support the Trust's revised way of working. This means that the introduction of electronic patient records will be delivered through the use of multiple systems, connected through a single gateway.

The Local Competitive Situation and Development of Commercial

During 2012/13 there continued to be limited local competition in relation to services provided by the Trust. The threat to services provided by the Trust from the introduction of the principle of 'any willing provider' remains unchanged, particularly for those services which do not require hospital admission. During the year the Trust developed and submitted plans to compete against other providers to provide Audiology Services and an Intermediate Urology Service. The bid to provide Audiology Services was successful whilst the Intermediate Urology Service was not commissioned. The Trust is currently looking at the range of services provided and considering opportunities for development.

The Trust will further improve the quality of services we offer and seek to move services out of hospital into the community wherever possible, to deliver this we are implementing a range of schemes to support people to stay in their own homes where appropriate. We believe this will strengthen our position as the first choice provider of healthcare on the Fylde Coast.

Contracting

The Trust's contract to provide services during 2012/13 was co-ordinated by NHS Blackpool on behalf of the associate commissioners with each agreeing their respective activity baselines. All parties have worked together to ensure that the range of services and activity levels within the contract are adequate to meet the needs of the population. As previously, part of the contracting process included the agreement of a range of schemes against which the Trust will receive CQUIN (quality incentive) monies. These schemes have been targeted to areas which will benefit patients through a focus on improving outcomes.

During the year the Trust worked with commissioners to understand the emerging national health care agenda and impact of the reorganisation of local commissioning teams. Relationships with Clinical Commissioning Groups have been developed and strengthened to support contract discussions for 2013/14.

Environmental Development

Sustainability - Future Environmental Priorities and Targets

The financial year 2013/14, will see further improvements in our energy performance and management. We intend to continue the phasing out of halogen lamps in favour of LED replacements, and as technology advances, we will introduce PIR sensors to automatically control lights in non-patient areas. We will start the process of moving away from the centralised steam raising plant and focus on ensuring the sustainability of the future heating system for Blackpool Victoria Hospital.

We believe that we can also achieve further improvements to our energy consumption through better control of our building management systems, with the additional benefit of improved patient environment, and by introducing a Trust wide energy campaign to engage with visitors and users.

These measures should allow us to continue to reduce our direct CO2 emissions, however with wholesale energy prices forecast to rise by between 9% and 12%; it is unlikely that we will be able to achieve an overall reduction in energy cost.

In 2013/14, we will continue to work with contractors and suppliers to identify alternative products and systems to improve compliance and reduce costs. Our key focus will be on the reduction of Clinical Waste for Incineration. As these changes are implemented within more areas, we should see an improvement in compliance rates and cost reductions in clinical waste disposal.

Work is ongoing with Catering to look at alternative methods of food waste disposal to enable improvements in recycling rates and to access cheaper waste treatment costs. Information supplied from other Trusts identifies a number of improvements in waste food processing through the removal of macerators, not only lowering energy and water consumption but also resulting in an overall reduction of costs.

We will look to further extending our partnership with ISS Mediclean within Waste Management through 2013/14 with improvements in waste compound operations and investigations into waste storage at production level through to on site waste movement and collection systems.

Further work over the next year will look to achieve 100% landfill diversion and on reducing disposal and processing costs by segregating food and organic waste. Work with all our disposal and recovery contractors' means we will exceed our target of 41% for recycling in 2012/13.

Dr Andrew Hindley, Consultant oncologist

MacMillan Windmill unit 10 year anniversary
"The Windmill Unit has brought huge benefits and allowed massive development in cancer care."

Mrs A Smith, Blackpool

"I was the first patient at the unit and it was like walking into a hotel. "I had warm, friendly treatment from the staff at Windmill"

Board of Directors' Report

The business of the Foundation Trust is managed by the Board of Directors which is collectively responsible for the exercise of the powers and the performance of the NHS Foundation Trust subject to any contrary provisions of the NHS Act 2006 as given effect by the Trust's Constitution. These have changed slightly after the Health and Social Care Act, which was introduced on 27th March 2012.

Management Commentary and Principal Activities

The Board of Directors is responsible for providing strong leadership to the Trust. Responsibilities include:

- Setting strategic aims and objectives, taking into account the views of the Council of Governors.
- Ensuring robust assurance, governance and performance management arrangements are in place to ensure the delivery of identified objectives.
- Ensuring the quality and safety of healthcare services, education, training and research and applying the principles and standards of robust clinical governance.
- Ensuring that the Trust complies with its Terms of Authorisation, its Constitution, mandatory guidance as laid down by Monitor and other relevant contractual or statutory obligations.
- Ensuring compliance with the Trust's Constitution which sets out the types of decisions that are required to be taken by the Board of Directors. The assurance framework identifies those decisions that are reserved by the Board of Directors and those that can be delegated to its Trust Managers. The Constitution also describes which decisions are to be reserved for the Council of Governors.

The Board of Directors comprises seven Non-Executive Directors (including the Chairman) and six Executive Directors (including the Chief Executive). In addition, there are two non-voting Executive Directors. The names of the Board of Directors during the financial year are outlined in the Profile of the Board section. Each director has a shared and equal responsibility for the corporate affairs of the Trust in strategic terms and for promoting the success of the Trust.

There were a number of changes to the membership of the Board of Directors during 2012/13 as detailed under 'Board Roles and Structures'.

As a self-governing Foundation Trust, the Board of Directors has ultimate responsibility for the management of the Trust, but is accountable for its stewardship to the Trust's Council of Governors and Foundation Trust Members. In addition, the Trust's performance is scrutinised by Monitor and Care Quality Commission.

In order to understand the roles and views of the Council of Governors and the Foundation Trust Members, members of the Board of Directors undertake the following:

- Attend Council of Governors meetings – the Chairman, Chief Executive, Deputy Chief Executive, Director of Operations and Managing Director of Community Services & Transformation attend all meetings and two Non-Executive Directors attend on a rotational basis. Attendance has been extended in 2013 to include one additional Executive Director from amongst the Director of Nursing, Medical Director, Director of Clinical Support & Facilities Management and Director of HR & OD.
- Attend meetings of the Membership Committee - one nominated Non-Executive Director
- Two Governors are invited to attend Board of Directors meetings on a rotational basis. This invite has been withdrawn since April 2013, following the introduction of Public Board Meetings.

The Non-Executive Directors are appointed by the Trust's Council of Governors and, under the terms of the Trust's Constitution, they must form the majority of the Directors.

The Chairman is committed to spend a minimum three days per week on Trust business. The Chairman's other significant commitments are outlined in the Profile of the Board section of the Annual Report. There have been no changes to these commitments during the past 12 months. The Non-Executive Directors are committed to spend a minimum of four days per month on Trust business. Both the Chairman and the Non-Executive Directors routinely spend in excess of their commitment of three days per week and four days per month respectively on Trust business.

Attendance at the Board of Directors meetings and Board sub-committees is summarised in the following table:-

Board Members	Board of Directors	Extra-Ordinary Board of Directors	Finance & Business Monitoring Committee	Audit Committee	Charitable Funds Committee	Healthcare Governance Committee	Healthcare Governance Committee HR, OD & Teaching Governance Committee *	Remunera-tion Committee
Number of Meetings	12	1	12	6	4	5	6	6
Ian Johnson (from 16.4.12)	12	1	12	N/A	4	4	1	6
Paul Olive	11	1	10	6	N/A	N/A	N/A	6
Malcolm Faulkner (until 17.12.12)	7	1	7	4	N/A	N/A	N/A	4
Tony Shaw	12	1	12	6	N/A	5	N/A	5
Doug Garrett	11	1	9	6	3	N/A	N/A	5
Karen Crowshaw	12	1	11	4	N/A	N/A	5	6
Alan Roff	11	1	11	5	4	N/A	N/A	5
Aidan Kehoe (until 2.11.12)	7	1	7	N/A	N/A	3	2	N/A
Tim Welch (until 31.3.13)	10	1	10	3	2	3	5	N/A
Marie Thompson	10	1	11	N/A	3	5	3	N/A
Dr Mark O'Donnell (from 9.4.12)	11	0	11	N/A	0	4	N/A	N/A
Nick Grimshaw (until 31.12.12)	9	0	9	N/A	N/A	2	4	5
Robert Bell**	11	1	10	N/A	3	5	N/A	N/A
Pat Oliver	11	0	12	N/A	N/A	2	5	N/A
Wendy Swift**	12	1	12	N/A	N/A	N/A	N/A	N/A
Feroz Patel (from 5.11.12)	5	0	3	2	2	2	1	N/A
Janet Benson (from 1.1.13)	4	0	6	N/A	N/A	0	5	N/A

* Human Resources and Organisational Development
** Non-voting members of the Board of Directors

The Board of Directors meets a minimum of once per month and the Board Agenda is produced to ensure that sufficient time is devoted to matters relating to patient safety and quality, finance and workforce. The Board takes strategic decisions and monitors the operational performance of the Trust, holding the Executive Directors to account for the Trust's achievements. In addition, Board Seminars are held at least bi-monthly to ensure that sufficient time is devoted to strategic issues and to consider specific issues in depth.

The Chairman writes regularly to the Council of Governors with updates from Board meetings and with general updates.

There is a clear division of responsibilities between the Chairman and the Chief Executive. The Chairman ensures that the Board has a strategy which delivers a service which meets and exceeds the expectations of its served communities and an Executive Team with the ability to execute the strategy. The Chairman facilitates the contribution of the Non-Executive Directors and constructive relationships between Executive and Non Executive Directors. The Chairman also leads the Council of Governors and facilitates its effective working. The effectiveness of both the Board and the Council, and the relationships between the Board and Council, are the subject of annual review, led by the Chairman. The Chief Executive is responsible for executing the Board's strategy for the Trust and the delivery of key targets; for allocating resources, and management decision making.

On a day to day basis the Chief Executive is responsible for the effective running of the hospital. Specific responsibilities are delegated by the Chief Executive to Executive Directors comprising the Director of Finance, the Director of Operations; the Medical Director, the Director of Nursing & Quality and the Director of Human Resources and Organisation Development. The Director of Clinical Support and Facilities Management and the Managing Director of Community Services & Transformation also report directly to the Chief Executive.

The composition of the Board of Directors is regularly reviewed. Due to the changes that took place in 2012/13, the composition of the Board of Directors has been reviewed on numerous occasions and it is considered to be balanced and appropriate to the requirements of the Trust.

The Board recognises that a regular evaluation of its collective and individual director performance is critical to continuous development and high performance. The performance of the Board of Directors in its entirety, is annually monitored by a Board Effectiveness Review. Following the Board Effectiveness Review in 2010/11, the purpose of which was to review the Board's performance and governance arrangements to ensure that the Board is appropriate and effective in undertaking its role, both KPMG and Deloitte issued a detailed report and action plan. During 2011/12, the Board of Directors implemented the recommendations from the KPMG and Deloitte reports and has been monitoring progress on a monthly, and subsequently quarterly, basis to ensure compliance. A follow-up review was undertaken by Deloitte in December 2011/January 2012 to ascertain whether the recommendations contained in Deloitte's detailed action plan had been implemented. The outcome of the follow-up review was that "the Board has responded positively and promptly to the points raised and significant improvements in the effectiveness of the Board have been made and that decision making is effective with no material concerns noted".

In addition, in October 2012, the Board commissioned a Quality Governance Review to be undertaken by KPMG. The review commenced in January 2013 and the outcome was reported to the Board in February 2013. An action plan has been developed to ensure that all the recommendations are implemented by 31st July 2013.

More information about the evaluation of the Board in 2012/13 can be found earlier in Our Finances Section under the heading Performance Against Monitor's Compliance Framework and in the Board of Directors' Report section under the heading Compliance with the NHS Foundation Trust Code of Governance

Board of Directors' meetings have taken place as follows in 2012/13:-

Formal Board Meetings	–	12
Extraordinary Board Meeting	–	1
Confidential Board Meetings	–	7
Corporate Trustee Meetings	–	3
Board Seminars	–	7
Away Days	–	2

There are seven sub-committees of the Board as follows:

- Finance and Business Monitoring Committee
- Audit Committee
- Charitable Funds Committee
- Healthcare Governance Committee
- Human Resources, Organisational Development and Teaching Governance Committee
- Remuneration Committee

The work of the Board sub-committees is evaluated on an annual basis against agreed work programmes with summary reports and minutes provided to the Board of Directors.

Social and Community Issues

The situation of challenging the improvement of life expectancy and reducing inequalities in Blackpool, Fylde and Wyre is provided in detail below.

Reduced life expectancy is perhaps the ultimate health inequality as well as a population scale series of human tragedies. It is also a general indicator of a population's health and wellbeing. Low life expectancy is accomplished by a longer period spent in ill health, with all the associated suffering and problems.

The Fylde Coast's mortality and life expectancy is a challenge faced by local partners. An outline of some of the key approaches and future directions are detailed below:-

- secondary prevention for cardiovascular (CVD) events
- improving diabetes management
- treating CVD risk among Chronic Obstructive Pulmonary Disease (COPD) patients
- reducing smoking in pregnancy
- reducing harmful alcohol consumption
- providing stop smoking interventions

- providing flu vaccination for those with existing health conditions

Modelling the possible impact of these interventions shows that, if fully implemented, they have the potential to reduce deaths. Improving life expectancy and reducing inequalities across the Fylde Coast is a massive challenge in view of the strong and well-evidenced link between deprivation, economic performance and life expectancy.

Compliance with the NHS Foundation Trust Code of Governance

The creation of Foundation Trusts has led to the requirement for a framework for corporate governance, applicable across the Foundation Trust Network. This is to ensure that standards of probity prevail and that Boards operate to the highest levels of corporate governance.

Monitor has produced the NHS Foundation Trust Code of Governance. This code consists of a set of Principles and Provisions and may be viewed on Monitor's website at: www.monitor.nhsft.gov.uk/publications.php?id=930.

The Board of Directors has established governance policies in the light of the main and supporting principles of the Code of Governance, these include:

- Corporate Governance Framework - incorporating the Standing Orders of the Board of Directors, Standing Orders of the Council of Governors, Scheme of Reservation and Delegation of Powers, and Standing Financial Instructions
- Established the role of Senior Independent Director
- Regular private meetings between the Chair and the Non-Executive Directors
- Non-Executive Director Performance Appraisal process developed
- Formal induction programme for Non-Executive and Executive Directors
- Attendance records for Directors and Governors at key meetings
- Formal induction Programme for Governors
- Business Conduct Policy for Directors, Governors and all Staff to declare additional employment, associations with other parties, conflicts of interest, gifts and hospitality.
- Established role of Link Governor
- Comprehensive Assurance Briefing Report to all meetings of the Council of Governors
- Effective Council of Governors' sub-committee structure
- Board of Directors' Agenda setting process
- Council of Governors' Agenda setting process
- Membership Strategy
- Implementation Plan and Key Performance Indicators
- Agreed recruitment process for Non-Executive Directors
- Remuneration Committee of the Board of Directors
- Nominations Committee of the Council of Governors
- High quality reports to the Board of Directors and Council of Governors
- Council of Governors' presentation of performance and achievement at the Annual Members Meeting
- Robust Audit Committee arrangements
- Council of Governor-led appointment process for External Auditor
- Raising Concerns Policy and Counter Fraud Policy and Plan.

Foundation Trusts are required to report against this Code each year in their Annual Report on the basis of either compliance with the Code provisions or an explanation where there is non-compliance. The compliance statement below reflects the Trust's declaration regarding compliance with the Code as stated in the latest Annual Report 2012/13.

The Board of Directors considers that, throughout the 2012/13 reporting year, the Trust has applied the principles and met all of the provisions and the requirements of the Code of Governance. A report was submitted to the Audit Committee on 5th February 2013 and the Board of Directors on 27th February 2013 to provide assurance of compliance with the Code of Governance.

Statement as to Disclosure to Auditors

The Board of Directors is not aware of any relevant audit information that has been withheld from the Trust's auditors. Each individual member of the Board has taken all necessary steps they ought to have taken, as a director, in order to make themselves aware of any relevant audit information and to establish that the Trust's auditor is aware of said information, by making such enquiries of their fellow directors and the Trust's auditors for said purpose and exercising reasonable care, skills and diligence.

Mr Davis-Conchie
South Shore, Blackpool

"I was diagnosed with acute myeloid leukaemia two years ago and have just had a transplant. I had reflexology on my feet when I was being treated in hospital. I found the treatment really wonderful. It gave an instant feeling of relaxation and has a real feeling of a sacred space with the music and oils. I would definitely recommend it to other patients."

Profile of the Board

All Board members have declared their relevant and material interests and the Register of Directors' Interests is available for inspection by members of the public via the Foundation Trust Secretary

Voting members of the Board of Directors:-

Ian Johnson (Chairman) - Term of Office from 16.4.12 to 15.4.15 (First Term)

Experience:
- Former Chief Counsel and Member of the Management Board of Alstom Power-Gas
- 30 years experience as a qualified solicitor
- Non Executive Director of the University of Cumbria
- Former Trustee of the Crossfield Housing (Arnside) Society Limited, Lancashire
- Member of the Law Society and Institute of Directors

Qualifications:
- Master of Arts (M.A)
- Master of Laws (LL.M).

Paul Olive (Non-Executive Director and Deputy Chairman) - Term of Office from 20.5.10 to 31.5.13 (Extended Third Term)

Experience:
- Former Finance Director of Stanley Leisure plc
- Former Non-Executive Director of Crown Leisure plc
- Former Governor of Blackpool Sixth Form College
- Former Trustee of Age Concern
- Trustee of the Ladies Sick Poor Association

Qualifications:
- Chartered Accountant – Fellow of the Institute of Chartered Accountants

Karen Crowshaw (Non-Executive Director) - Term of Office from 1.6.11 to 31.5.14 (First Term)

Experience:
- Director, Crowshaw Consulting
- Former Managing Director (Regulated Sales), Lloyds Banking Group
- Former Regional Director, HBOS PLC
- Former Project Manager, National Sales Conference
- Former HR Director, Halifax Retail

Qualifications:
- Masters in Business Administration (MBA)
- Post Graduate Diploma in Personnel (CIPD)
- Chartered Institute of Bankers (CIB)

Malcolm Faulkner (Non-Executive Director) (Senior Independent Director)
Term of Office from 1.12.11 to 30.11.14 (Second Term) - Deceased - 17.12.12

Experience:
- Former Independent Consultant
- Former Director of United Utilities
- Former Chairman of Norweb
- Former MD of Norweb Energy and Telecommunications Division
- Former Commercial Director of Norweb plc
- Director of Great Places Housing Group
- Former Pro Chancellor and Chair of the Board of the University of Central Lancashire (UCLAN)
- Member of the Court of UCLAN
- Community Governor of Holme Primary School

Qualifications:
- B.Sc. (Hons) M.Sc. Electrical Engineering
- Diploma in Management Studies
- Chartered Engineer (FIET)
- Companion of the Chartered Management Institute (CCMI)

Tony Shaw (Non-Executive Director) (Senior Independent Director) - Term of Office from 1.7.10 to 30.6.13 (First Term)

Experience:
- Former Managing Director Business Link Fylde Coast
- Former General Manager at Blackpool Gazette and Herald
- Former Managing Director at Blackpool Gazette and Herald
- Former Director of United Provincial Newspapers
- Former Non-Executive Director of Blackpool, Wyre and Fylde Community Health Services NHS Trust
- Former Chairman of Blackpool PCT
- Chair of Trustees of the Blackpool Ladies Sick Poor Association
- Trustee of Age UK, Blackpool and District

Qualifications:
- Certified Accountant (Retired)

Alan Roff (Non-Executive Director) - Term of Office from 1.12.11 to 30.11.14 (First Term)

Experience:
- Former Deputy Vice Chancellor, University of Central Lancashire
- Former Chair of North West Regional Action Plan (ERDF)
- Former Chair of Lancashire Economic Partnership Board
- Former Chair of Preston Strategic Partnership Executive
- Former Council Member of North West Region Learning and Skills Council
- Former Board Member of North West Business Link
- Former Head of Computing Services, UCLAN
- Higher Education and IT Consultant
- Honorary Doctorate from University of Central Lancashire

Qualifications:
- BA (Hons) Mathematics
- MA Quantitative Social Science
- Fellow of Royal Statistical Society

Doug Garrett (Non-Executive Director) - Term of Office from 1.6.11 to 31.5.14 (First Term)

Experience:

- Current CEO/Director - private businesses
- Current national and international trade in antiques, sport and leisure, property investment - via companies such as Rackhall and Closelink
- Regeneration in Blackpool and Belfast - £1.5 billion of investment and 25,000 jobs
- Operations management, marketing and advertising
- Chairman of Groundwork Trust for Lancashire West and Wigan
- Chairman of Blackpool & Fylde Enterprise Board
- Trustee Curious Minds (Arts Charity)
- Trustee of the St Annes Community Trust
- Board Member of Blackpool Fylde and Wyre Economic Development Company

Qualifications:

- Post Graduate Diploma in Marketing
- International Business Degree, BA (Honours)
- Fellow of the Royal Society for the Arts
- Fellow of the Chartered Institute of Marketing
- Fellow of the Institute of Direct Marketing
- Member of Real Estate body CORENET Global

Aidan Kehoe (Chief Executive)
Appointed in July 2009 (formerly Deputy Chief Executive from March 2008) - Resigned 2.11.12

Experience:

- Former Deputy Chief Executive at Blackpool, Fylde and Wyre Hospitals NHS Foundation Trust
- Over 20 years general management experience in the NHS including senior posts at University Hospital Birmingham, Salford Royal Hospital, Rampton Special Hospital and Salisbury Community and Mental Health Services
- Joined NHS as National Trainee of the NHS General Management Training Scheme

Qualifications:

- Qualified Chartered Accountant – Institute of Chartered Accountants (ACA)
- Diploma in Health Service Management (Dip HSM)
- B.Sc (Hons) – Managerial and Administrative Studies

Tim Welch (Acting Chief Executive) - Appointed as Acting Chief Executive in November 2012
(formerly Deputy Chief Executive July 2009 and Director of Finance from August 2005) - Resigned 29.3.13

Experience:

- Former Director of Finance at Blackpool, Fylde and Wyre Hospitals NHS Foundation Trust
- Former Director of Finance at City and Hackney Teaching PCT
- Former Deputy Director of Finance at City and Hackney Teaching PCT
- Joined NHS as Financial Management Trainee

Qualifications:

- Chartered Public Finance Accountant
- BSc (Hons) – Biochemistry

Pat Oliver (Director of Operations) - Appointed in April 2011

Experience:

- Former Interim General Manager for the Surgical Division at the University Hospitals of South Manchester NHS Foundation Trust (seconded from the Trust)
- Former Associate Director of Operations (Surgery) at Blackpool Teaching Hospitals NHS Foundation Trust
- Former General Manager of the Musculo-Skeletal Division at Wrightington, Wigan & Leigh NHS Trust
- Former General Manager of Rehabilitation and Elderly Care at Wrightington, Wigan & Leigh NHS Trust
- Former Acting Deputy Director of Nursing and Patient Services at Wrightington, Wigan & Leigh NHS Trust
- Former Acting Director of Nursing and Patient Services at Wrightington, Wigan & Leigh NHS Trust

Qualifications:

- Registered General Nurse
- Diploma in Nursing Studies
- BSc (Hons) (incorporating management module)
- LLB (Hons)
- PRINCE 2
- Chartered Institute of Marketing Certificate

Nick Grimshaw (Director of Human Resources and Organisational Development) Appointed in May 2007 - Resigned 31.12.12

Experience:

- Former Director of HR at Tameside and Glossop Acute Services NHS Trust
- Former Director of HR at Greater Manchester Workforce Development Confederation
- Former Director of HR at North Manchester Healthcare NHS Trust
- Member of Blackpool, Fylde & Wyre Credit Union

Qualifications:

- BA - English and History
- Post Graduate Diploma in Management
- Post Graduate Diploma in Personnel (MCIPD)

Dr Mark O'Donnell - (Medical Director) - Appointed 09.04.12

Experience:

- Consultant Physician in Stroke Medicine at Blackpool, Fylde and Wyre Hospitals NHS Trust since 2007
- Consultant Geriatrician at Blackpool, Fylde and Wyre Hospitals NHS Trust from 1994
- Private Medical Practice
- Medical Director of Lancaster Diocese Lourdes Pilgrimage

Qualifications:

- MB ChB 1980 University of Liverpool
- MD 1993 University of Birmingham
- Diploma in Rehabilitation Medicine 1993 RCP London
- FRCP London 1998

Marie Thompson (Director of Nursing and Quality) - Appointed in February 2009

Experience:
- Registered General Nurse
- Over 20 years experience in a variety of clinical, practice development and managerial roles
- Responsibility for the Trust's Nursing and Midwifery Workforce and delivery of the Trust's Quality Improvement Objectives
- Responsibility for Nursing standards, Patient Experience, Infection Prevention, Safeguarding Children, Young People and Adults, and Emergency Planning
- Former Deputy Director of Nursing and Governance for Wrightington, Wigan and Leigh Hospitals NHS Trust
- Former Deputy Director of Nursing North East Lancashire Hospitals

Qualifications:
- Registered General Nurse
- MSc Human Resource Leadership
- BSc Hons Nursing Studies
- Post Graduate Certificate in Education
- Post Graduate Diploma Management Studies

Non-Voting members of the Board of Directors:-

Robert Bell (Director of Facilities and Clinical Support) Appointed in March 2009 (formerly Director of Facilities and Estates from March 2009)

Experience:
- Former Director of Facilities and Estates at Blackpool Teaching Hospitals NHS Foundation Trust
- Former Head of Technical Services for Ocado (Waitrose) Ltd
- Former Technical Services Director for Tibbett & Britten Ltd
- Former Principal Technical Officer for Merseyside Police Authority
- Non-Executive Director of Spiral Health CIC

Qualifications:
- Bachelor of Science Degree in Mechanical Engineering
- Chartered Engineer
- Member of the Chartered Institute of Building Services Engineers
- Associate Member of the Institute of Mechanical Engineers

Wendy Swift (Managing Director of Community Services and Transformation) - Appointed in November 2011

Experience:
- Former Chief Executive of Blackpool Primary Care Trust
- Chair of the NHS North West 111 Programme Board
- Lead commissioner role for the North West Ambulance Service
- Former Deputy Chief Executive of Blackpool Wyre and Fylde Community Health Services Trust
- Former Director of Planning and Operations in East Lancashire Hospitals
- 32 years extensive experience of working in Acute, Community and Primary Care services
- Trustee of Collegiate High School National Challenge Trust
- Governor of Collegiate High School
- Trustee of Palatine High School National Challenge Trust
- Chairman of Spiral Health CIC
- Trustee of Rock Centre (Learning Disabilities)
- Trustee of Blackpool Football Club Community Trust
- Trustee of Lancashire Community Foundation

Qualifications:
- Diploma in Health Service Management (Dip HSM)
- B.A. (Hons) – Business Studies

Recent Appointments

Feroz Patel (Acting Director of Finance) - Appointed 05.11.12

Experience:
- Former Associate Director of Finance at Blackpool Teaching Hospitals NHS Foundation Trust
- Former Contract Manager at Wrightington, Wigan and Leigh PCT.
- Former Clinical Financial Advisor at Countess of Chester
- Former National Finance Management Trainee

Qualifications:
- BA (Hons) – Economics
- Chartered Public Finance Accountant

Janet Benson (Acting Director of Human Resources and Organisation Development) - Appointed 01.01.13

Experience:
- Former interim Head of Employee Relations at Greater Manchester Police
- Former Head of Employee Relations, Policy of HR Strategy at AEGON UK
- Former Senior HR Business Partner at AEGON UK
- Former HR Manager at Guardian Royal Exchange

Qualifications:
- BA (Hons) English Language & Literature
- Chartered Institute of Personnel & Development
- Associate of Chartered Insurance Institute

Gary Doherty (Chief Executive) - Appointed 01.04.13

Experience:
- Former Chief Operating Officer/Deputy Chief Executive of Wirral University Teaching Hospital NHS Foundation Trust
- Over 20 years general management experience in the NHS including senior posts at Central Manchester & Manchester Children's University Hospital and North Cheshire Hospitals NHS Trust
- Joined NHS as Management Trainee

Qualifications:
- B.A. (Hons) – Politics & Economics

Mother, Mrs S Parkin, South Shore, Blackpool

"I'll bring them back here to the neo natal centre to say hi to the staff who have been amazing to us throughout. I can't fault anything they have done."

Father, Mr D Parkin, South Shore, Blackpool

"They have been incredible and gone beyond the call of duty for us, making us feel so involved with the boys. We are so grateful for everything they've done."

Council of Governors

The Council of Governors was formed on 1st December 2007 in accordance with the NHS Act 2006 and the Trust's Constitution. The Council of Governors is responsible for representing the interests of NHS Foundation Trust members and partner organisations in the local health economy.

The Council has the following three main roles:-

i) **Advisory** – to communicate with the Board of Directors the wishes of members of the Trust and the wider community;
ii) **Guardianship** – to ensure that the Trust is operating in accordance with its Constitution and is compliant with its authorisation; and
iii) **Strategic** – to advise on a longer-term direction to help the Board effectively determine its policies.

The essence of these roles is elaborated on within Monitor's document entitled *"Your Statutory Duties – A reference guide for NHS Foundation Trusts Governors"*. This document is provided to all Governors.

The specific statutory powers and duties of the Council of Governors, which are to be carried out in accordance with the Trust's Constitution and the Foundation Trust's Terms of Authorisation, are as follows:-

- To appoint or remove the Chairman and other Non-Executive Directors.
  This duty was exercised during 2012/13.

- To approve the appointment (by the Non-Executive Directors) of the Chief Executive.
  This duty was exercised during 2012/13.

- To decide the remuneration and allowances, and the other terms and conditions of office, of the Non-Executive Directors.
  This duty was exercised during 2012/13.

- To appoint or remove the Foundation Trust's External Auditor.
  This duty was not exercised during 2012/13, however, the process to appoint an External Auditor in 2013/14 has been agreed by the Council.

- To appoint or remove any other External Auditor appointed to review and publish a report on any other aspect of the Foundation Trust's affairs.
  This duty was not exercised during 2012/13, however, the process to appoint an External Auditor in 2013/14 has been agreed by the Council.

- To be presented with the Annual Accounts, any report of the External Auditor on the Annual Accounts and the Annual Report.
  This duty was exercised during 2012/13.

- To provide their views to the Board of Directors when the Board of Directors is preparing the document containing information about the Foundation Trust's forward planning.
  This duty was exercised during 2012/13.

- To respond as appropriate when consulted by the Board of Directors in accordance with the Constitution.
  This duty was exercised during 2012/13.

- To undertake such functions as the Board of Directors shall from time to time request.
  This duty was exercised during 2012/13.

- To prepare and, from time to time review the Foundation Trust's Membership Strategy and its policy for the composition of the Council of Governors and of the Non-Executive Directors and, when appropriate, to make recommendations for the revision of the Trust's Constitution.
  This duty was exercised during 2012/13.

The Council of Governors and the Board of Directors continue to work together to develop an effective working relationship. Board members regularly attend Council of Governors Meetings to ensure that members of the Board develop and gain an understanding of the Governors' and Members' views about the Trust.

The Council of Governors comprises a total of 34 Governors, including 18 Public Governors (elected from the constituencies of Blackpool, Fylde, Wyre, Lancashire and South Cumbria, North Lancashire and the North of England), six Staff Governors (elected from the staff groups of Medical & Dental, Nursing & Midwifery, Clinical Support, Non-Clinical Support and Community Health Services) and 10 Appointed Governors (from a range of key stakeholder organisations).

The initial Elected Governors were appointed for either two years or three years (in December 2007). All Elected Governors are eligible for re-election at the end of their initial term of office for a further six years, i.e. two terms of office. However, Elected Governors are not eligible for subsequent re-election, i.e. in excess of nine years.

The Appointed Governors are appointed for three years and are eligible for re-appointment at the end of their three year term for a further six years, i.e. two terms of office. However, Appointed Governors are not eligible for further re-appointment, i.e. in excess of nine years.

The Trust's Constitution sets out the composition for the Council of Governors as follows:-

Appointed Governors	Role
Principal Commissioning Primary Care Trusts – 2: NHS Blackpool (1) NHS North Lancashire (1)	To represent main Trust commissioners and key NHS economy partners.
Principal Local Councils – 2: Blackpool Council (1) Lancashire County Council (1)	To represent key local non-NHS Local Health Economy partners.
Principal University – 1: University of Central Lancashire	To ensure strong teaching and research partnership and to represent other University interests.
Voluntary Sector – 1: Council for Voluntary Services	To engage and assist the Trust in identifying needs of local community.
Lancashire Care Foundation Trust - 1	To engage and assist the Trust in identifying needs of local community.
North and Western Lancashire Chamber of Commerce – 1	To engage and assist the Trust in dialogue with the wider catchment population of North and Western Lancashire.
Blackpool Youth Council – 1	To engage and assist the Trust in dialogue with the younger catchment population.
University of Liverpool – 1	To ensure strong teaching and research partnership and to represent other University interests.
Total Appointed Governors – 10	

Elected Staff Governors	Role
Class 1 – Medical Practitioners – 1	To assist the Trust in developing its services and ensure active representation from those who deliver the services.
Class 2 - Nursing and Midwifery – 2	As above.
Class 3 - Clinical Support Staff – 1	As above.
Class 4 - Non-Clinical Staff – 1	As above.
Class 5 – Community Health Services – 1	As above.
Total Elected Staff Governors – 6	

ELECTED PUBLIC AND PATIENT GOVERNORS To represent:-	Role
Area 1 - Blackpool – 8	To represent patients who are resident in Blackpool.
Area 2 - Wyre – 4	To represent patients who are resident in Wyre.
Area 3 - Fylde – 3	To represent patients who are resident in Fylde.
Area 4 - Lancashire & South Cumbria – 1	To represent of patients who are resident in the wider environs of South Cumbria and Lancashire.
Area 5 - North Lancashire – 1	To represent patients who are resident in the wider environs of North Lancashire.
Area 6 – North of England – 1 *	To represent patients who are resident in the wider environs of the North of England.
Total Elected Public and Patient Governors – 18	

Total Membership of Council of Governors
Appointed Governors – 10 (currently four vacancies)
Staff Governors (elected) – 6 (currently two vacancies)
Public and Patient Governors (elected) - 18 (currently three vacancies)
Total membership of Council of Governors – 34

* In order to maintain the strong link between the Board and the community served by the Trust, a North of England Public Constituency has been established. This will enable the Trust to seek Non-Executive Director candidates with particular skills or expertise from outside the catchment area.

There were no elections to the Council of Governors during 2012/13, however, there have been a number of resignations as follows:-

Public Governors

- Joanne MacDonald (Lancashire & South Cumbria) – to be replaced during the next election.
- John Longstaff (Fylde) - to be replaced during the next election.

Staff Governors

- Claire Lewis (Community Health Services) – to be replaced during the next election.
- Samantha Woodhouse (Nursing & Midwifery) – to be replaced during the next election.

Appointed Governors

- Brian Rowe (NHS North Lancashire) – not to be replaced due to Primary Care Trusts being disbanded from 31st March 2013.
- Roy Fisher (NHS Blackpool) – not to be replaced due to Primary Care Trusts being disbanded from 31st March 2013.
- Denys Smith-Hart (North & Western Lancashire Chamber of Commerce) – not replaced to date.
- Nicole Burke (Blackpool Youth Council) – replaced by James Morrison-Eaves.
- Dr Tom Kennedy (University of Liverpool) – not replaced to date.
- Melanie Oliver (Council for Voluntary Services) – replaced by Mike Bullock.

The next elections to the Council of Governors will take place in July 2013 for the following vacancies:-

Blackpool	-	4
Fylde	-	2
Wyre	-	2
Lancashire & South Cumbria	-	1
North Lancashire	-	1
North of England	-	1
Nursing & Midwifery	-	2
Clinical Support	-	1
Community Health Services	-	1

All elections to the Council of Governors are conducted by the Electoral Reform Services Limited on behalf of the Trust and in accordance with the Model Election Rules.

Membership of the Trust's Council of Governors is set out below:

Name	Constituency/Organisation	Term of Office
Public Governors		
John Butler (from September 2011) **	Blackpool	3 years
Clifford Chivers (from September 2011) **	Blackpool	3 years
Hannah Harte (from December 2010) *	Blackpool	3 years
Chris Thornton (from December 2010) *	Blackpool	3 years
Eric Allcock (from September 2010) *	Blackpool	3 years
Mark Chapman (from December 2010) *	Blackpool	3 years
Chris Smith (from September 2011) **	Blackpool	3 years
George Holden (from September 2011) **	Blackpool	3 years
Anne Smith, OBE (from September 2011) **	Fylde	3 years
John Longstaff (from September 2011) **	Fylde	3 years
Tony Winter (from September 2010) *	Fylde	3 years
Peter Askew (from September 2011) **	Wyre	3 years
Ramesh Gandhi,JP. DL. OBE. FRCS. (from December 2010) *	Wyre	3 years
John Bamford (from December 2010) *	Wyre	3 years
Lynden Walthew (from September 2011) **	Wyre	3 years
Joanne MacDonald (from September 2011) **	Lancashire and South Cumbria	3 years
Chris Lamb (from April 2012) *	North Lancashire	3 years
Staff Governors		
Dr Tom Kane (from September 2011) **	Medical and Dental	3 years
Sam Woodhouse (from September 2011) **	Nursing and Midwifery	3 years
Andrew Goacher (from September 2010) *	Nursing and Midwifery	3 years
Tina Daniels (from September 2011) **	Non-Clinical Support	3 years
Cherith Haythornthwaite (from September 2010) *	Clinical Support	3 years
Claire Lewis (from April 2012) *	Community Health Services	3 years
Appointed Governors		
Vacant Position	NHS Blackpool (PCT)	3 years
Vacant Position	NHS North Lancashire (PCT)	3 years
Councillor John Boughton	Blackpool Council	3 years
County Councillor Paul Rigby	Lancashire County Council	3 years
Mike Bullock (from December 2012)	Council for Voluntary Service	3 years
Susan Rigg	Lancashire Care Trust	3 years
Jean Taylor	University of Central Lancashire	3 years
Vacant Position	University of Liverpool	3 years

* Due for election in 2013 ** Due for election in 2014

Meetings of the Council of Governors took place on the following dates in 2012/13:- 21st May 2012, 13th August 2012, 12th November 2012 and 11th February 2013

Attendance at Council of Governors Meetings:

Governor Attendance

Governors	Number of Meetings (4)
John Butler	4
Clifford Chivers	3
Hannah Harte	4
Chris Thornton	3
Eric Allcock	4
Mark Chapman	2
Chris Smith	4
George Holden	4
Anne Smith	4
John Longstaff	1
Tony Winter	2
Peter Askew	3
Ramesh Gandhi	2
John Bamford	3
Lynden Walthew	4
Joanne MacDonald	2
Chris Lamb	0
Dr Tom Kane	4
Sam Woodhouse	2
Andrew Goacher	4
Tina Daniels	1
Cherith Haythornthwaite	3
Claire Lewis *	3
Roy Fisher *	1
Brian Rowe *	0
Councillor John Boughton	1
County Councillor Paul Rigby	1
Nicole Burke *	0
Denys Smith-Hart *	0
Jean Taylor	3
Susan Rigg	4
Dr Tom Kennedy *	1
James Morrison-Eaves **	2
Mike Bullock **	1

* Resigned during 2012/13.
** Appointed during 2012/13. – (the two Governors are Appointed Governors from partnership organisations)

Governor sub-groups were established in respect of the following:-

- The Annual Report and Accounts and the Quality Report 2012/13.
- The Annual Plan 2013/14.
- Finance
- Safety & Quality

The Chief Executive, Deputy Chief Executive and Director of Operations routinely attend meetings of the Council of Governors. Two Non-Executive Directors attend the Council of Governors Meetings on a rotational basis. As a result of Governors exercising their right to request the attendance of Executive Directors, as from February 2013, attendance has been extended to include one additional Executive Director from amongst the Director of Nursing, Medical Director, Director of Clinical Support & Facilities Management and Managing Director of Community Services & Transformation.

During 2012/13, the Council of Governors received regular updates from the Chief Executive plus regular strategic, finance, performance and membership reports.

Presentations/reports were also given to the Council in respect of the following:-

- Aqua Mortality Report and Action Plan
- Complaints and PALS
- Patient Experience Revolution
- Extend Audit Process / ISA (260) Audit findings Report For Those Charged With Governance / Report on the Quality Accounts
- Health and Well-Being Board – Consultation in the Proposed Priorities
- Capital Developments / Main Entrance /Car Park
- TalkSafe
- Governors Development Programme

Other items discussed at the Council of Governors Meetings included the Corporate Objectives, Collaboration with other Trusts, Serious Untoward Incidents, Quarterly Complaints and Patient And Liaison Service Reports, Chairman's and Non-Executive Directors' Appraisals/Objectives/Remuneration, Policy for the Payment of Expenses to the Chairman and Non-Executive Directors, Membership Strategy, Annual Plan, Deloitte Report and Action Plan, Annual Report and Accounts, Quality Accounts, Declarations of Interests, Trust Constitution, Elections and Membership of the Foundation Trust Governors' Association, Fylde Coast Public Consultation Document, Health and Social Care Act 2012, Transformation of Patient Pathways, Mortality, Clinical Audit, Board Assurance Framework, Corporate Risk Register, Governors' Sub-Groups, Lead Governor Role and Stewardship Standards for Governors of NHS Foundation Trusts.

Governors have also been involved in the following meetings/events:-

- Trust Committees, i.e. Finance & Business Monitoring Committee, Charitable Funds Committee.
- Governors' Patient Experience Committee.
- Formal Patient Safety Walkabouts.
- Attendance at Board Meetings as observers.
- Governors' Informal Meetings.
- Governors' Briefing Sessions.

In addition, Governors have participated in external events as follows:-

- Foundation Trust Governors Association National Development Day.
- North West Governors' Forum.
- North West Leadership Event.

There are currently two Governor Sub-committees, namely the Nominations Committee and the Membership Committee, comprising three and ten Governors respectively, details of which are identified in the tables below:

Governor Attendance at Nominations Committee Meetings:

Committee Members (4)	Number of Meetings (3)
Ian Johnson (Chairman)	3
Peter Askew	3
Eric Allcock	3
Roy Fisher (until September 2012)	1
Jean Taylor (from February 2013)	1

Governor Attendance at Membership Committee Meetings:

Committee Members (9)	Number of Meetings (4)
Anne Smith (Chairman)	3
John Boughton	1
John Butler	4
Clifford Chivers	4
Hannah Harte	4
George Holden	4
John Longstaff	1
Chris Smith	2
Lynden Walthew	4
Sam Woodhouse	2
Nicole Burke * / **	0

* Elected in 2012/13
** Resigned in 2012/13

Governors are also involved in a number of Trust Committees, namely the Health Informatics Committee, Charitable Funds Committee, Patient Experience Action Team (PEAT), Healthy Transport Committee, Waste Management Committee, Equality, Diversity and Human Rights Committee, Transformation Programme Board, Staff Car Parking Working Group and Fire Committee.

The Governors' Patient Experience Committee, which was established during 2011/12, has continued to meet on a quarterly basis and has included hospital visits to selected wards.

Governors are required to comply with the Trust's Code of Conduct and to declare interests that are relevant and material to the Council of Governors.

Governor Expenses 2012-13

Name and title	Apr 2012 (£)	May 2012 (£)	June 2012 (£)	July 2012 (£)	Aug 2012 (£)	Sept 2012 (£)	Oct 2012 (£)	Nov 2012 (£)	Dec 2012 (£)	Jan 2013 (£)	Feb 2013 (£)	March 2013 (£)
John Butler												
Clifford Chivers												
Hannah Harte												40.50
Chris Thornton												
Eric Allcock										52.25	32.00	
Mark Chapman												
Chris Smith		115.55										
George Holden		74.40								90.15		
Anne Smith												
John Longstaff		72.83					53.45					
Tony Winter												
Peter Askew												
Ramesh Gandhi												
John Bamford												
Lynden Walthew		92.60			23.95	55.20				53.10	28.03	29.90
Joanne MacDonald										67.20		47.70
Chris Lamb												
Dr Tom Kane												
Sam Woodhouse												
Andrew Goacher												
Tina Daniels												
Cherith Haythornthwaite												
Claire Lewis												
Roy Fisher												
Brian Rowe												
Councillor John Boughton												
County Councillor Paul Rigby												
Nicole Burke												
Denys Smith-Hart												
Jean Taylor												
Susan Rigg		9.30										129.20
Dr Tom Kennedy												
James Morrison-Eaves												
Mike Bullock												

With regard to above table, all Governor expense claims relate to travel expenses.

All Governors have read and signed the Trust's Code of Conduct which includes a commitment to actively support the NHS Foundation Trust's Vision and Values and to uphold the Seven Principles of Public Life, determined by the Nolan Committee.

All Governors have declared their relevant and material interests and the Register of Interests is available for inspection by members of the public via the Trust's website www.bfwhospitals.nhs.uk or the Foundation Trust Secretary at the following address:-

Address:
Trust Headquarters
Victoria Hospital
Whinney Heys Road
Blackpool
FY3 8NR

Telephone: 01253 306856
Email: judith.oates@bfwhospitals.nhs.uk

Any member of the public wishing to make contact with a member of the Council of Governors should, in the first instance, contact the Foundation Trust Secretary.

Mr L Haygarth
Cumbria

"The procedure Mr Bittar carried out on me was grand, it's done a lot of good, I'm getting a lot better and it has really improved the quality of my life.

"I still get out of breath at times, but I can do so much more than I could. I have a good quality of life and can take walks again in the Cumbrian Fells".

Membership Report

We need your support to become a member. Being an NHS Foundation Trust gives our staff and community greater freedom and control over the way services are run. Financially it enables us to keep surpluses to invest in new and improved services. NHS Foundation Trusts are still part of the NHS and provide free healthcare.

Public Members

All members of the public who are aged 16 or over and who live within the boundaries of Blackpool, Fylde and Wyre Borough Councils, or the wider catchment area of Lancashire and South Cumbria for which we provide tertiary cardiac and haematology services, are eligible to become members. Other members of the public who do not fall into these categories, either due to age or place of residence, are eligible to become affiliate members of the Trust.

Staff Members

Staff who work for the Trust automatically become members unless they choose to opt out. These include:

- Staff who are employed by the Foundation Trust under a contract of employment which has no fixed term or has a fixed term of at least 12 months, and
- Staff who have been continuously employed by the Foundation Trust under a contract of employment.

Trust volunteers are eligible to become members under the public constituency.

Growth of Public Members

The number of public members has decreased over the last 12 months, with 153 being recruited in total, although we have lost 323 members who have either died or been made inactive members. The Trust's public membership currently stands at 5,715.

Membership Report for Blackpool Teaching Hospitals from 01/04/2012 to 31/03/13

Public constituency	Last year (2012/2013)
As at start (April 1)	5,885
New Members	153
Members leaving	323
At year end (March 31)	5,715
Staff constituency	**Last year (2012/2013)**
As at start (April 1)	4,709
New Members	2,498
Members leaving	622
At year end (March 31)	6,585
Public constituency	**Number of members**
Age(years):	
0 - 16	40
17 - 21	176
22+	4,691
Ethnicity:	**Number of members**
White	4,596
Mixed	14
Asian	65
Black	15
Other	12
Socio-economic groupings:	**Number of members**
ABC1	4,577
C2	718
D	105
E	286
Number of members	**Number of members**
Male	2,915
Female	2,757

Recruitment of Members

In order to maintain our membership level and in order to recruit new public members, we have implemented various initiatives over the past year. These include:

- Membership information displayed at entrances to hospitals and in outpatient departments.
- Recruitment stands at events for the public and community meetings, such as Area Forums in conjunction with Blackpool Council.
- Distribution of recruitment posters and leaflets to GP surgeries throughout the Fylde Coast.
- Continue to liaise with public health organisers from Primary Care in order to attend health road shows held within local companies.
- Continue to use the Trust's Face book social network site to engage and inform members and the wider public of developments and events at the Trust.
- Continue to use the Trust's Twitter social network page to attract new members, in particular target young members. Currently the Trust has over 1,116 followers.
- The Membership Volunteer continues to come in two afternoons a week and help out in recruitment, engagement of members and administration.
- The Trust has a dedicated Membership and Governors Officer who acts as link between the members, Council of Governors and the Trust.
- The Trust has dedicated membership telephone line on 01253 306673 and email address:- members@bfwhospitals.nhs.uk

Over the next 12 months we will continue to look at new and fresh ways of promoting the benefits of membership in order to maintain and increase our total membership.

Retention of Members

The Trust recognises the importance and value of a representative membership and has continued to focus on and progress opportunities for the engagement and retention of existing members.

It is particularly important to the Trust to not only build its membership, but to ensure that the membership is being fully utilised.

Numerous and varied initiatives have taken place over the last year to retain our existing members.

- Continue to make members' seminars more interactive by involving patients/members to relay their experiences of the treatment/services provided by the Trust.
- Introduced Chief Executive's Public Question Time so that members can engage with the Executive Team.

- Continue to produce the newsletter 'Your Hospitals', which keeps members informed on current developments within the Trust, keeps members up-to-date with Fundraising activities and asks members their opinions on a wide range of topics through consultations. The newsletter also gives details of a wide variety of local services and businesses that provide discounts for members, on production of their membership card. Copies of 'Your Hospitals' are also available on the Trust's website from Issue 1 to Issue 16. In January 2013 the Trust changed the name of the member's newsletter to reflect the integration of community services to 'Your Health'.
- Continue to use the 'Consultation Corner' section of the newsletter to gain valuable opinions from members on a variety of topics. The information is collated and used to influence decisions that are made about the Trust services. The most recent consultation has been on 'Improving the WiFi Experience' for inpatients and visitors.
- Membership seminars continue to be held monthly and are well attended, with a range of topics from 'Diabetes', 'Chief Executive's Public Question Time' and 'The Role of a Governor'.
- Members are able to contact the Membership Office with any queries or ideas via a dedicated membership hotline and email address.
- All members were invited to the Annual Members' and Public Meeting in September 2012, a formal meeting to discuss the Trust, its developments, future services and membership. This was attended by around 300 staff and public members.
- Following the monthly health seminars, Governors have made themselves available to members to deal with any queries or issues members may have.
- Continue to keep members up-to-date with events at the hospital, such as the health seminars, official openings of new facilities and fundraising activities via email.

In October 2012, a revised Membership Strategy was ratified by the Board of Directors. The Board requested that a two-page summary document be produced identifying the delivery of the Membership Strategy. A document entitled 'Implementation of the Key Elements of the Membership Development Strategy 2012-2015' was produced.

The document sets out a summary of the Trust's strategic objectives for membership and identifies the key aims of delivery of these objectives.

Membership Committee Sub Groups

The Trust recognises the importance of having a membership that is informed and representative of the community it serves. The Trust felt this required a more focused and planned approach in order to achieve positive results. To achieve this aim the Council of Governors were requested to choose three out of the four below options:

1) Communication with members
2) Build and maintain membership
3) Engagement with members
4) More targeted marketing.

The Council of Governors chose 1), 2), and 3).

At the Membership Committee meeting on 30th October 2012, the Committee decided on the main objectives of each area and nominated a lead Governor for each sub group. Terms of Reference were produced for each sub group. The sub groups meet on a monthly basis to drive forward the main objectives and report on progress to both the Membership Committee and the Council of Governors on a quarterly basis.

The Trust recognises the need to understand the level of involvement members wish to have and link this to member activities. This ensures that we fully harness the experience, knowledge and skills of our members, recognising and using them to add value to the decision making process and supporting effective governance and delivery of the Trusts objectives. We wish to encourage a partnership approach between the Trust, its membership and other like-minded organisations, working together for the benefit of our organisations, our members and the community served.

Membership Representation

One of the key elements that we want to bring to our membership is that it is representative of the community that we serve. We have been focussing on ways of growing our young membership, as this remains under-represented. We shall also be concentrating on recruiting from ethnic minority groups, which also remains under-represented, by attending community groups. Another key element we want to bring to our membership is that we are actively engaging our members, and using their skills and expertise to add value to the services the Trust offers for the benefit of the whole community which it serves.

Mrs N Brooke
Poulton-le-Fylde

"I would like to thank the incredible team effort of your staff. I honestly owe both my daughter's and my own life to these incredible people. Nothing I could give would show them my eternal gratitude. Please pass on my gratitude to these hero's, they will never be forgotten."

Audit Committee Report

The role of the Audit Committee is to provide to the Board of Directors an independent and objective review over the establishment and maintenance of effective systems of integrated governance, risk management and internal control across the organisation's activities (both clinical and non-clinical) that supports the achievement of the Trust's objectives.

Role of Audit Committee

It also provides assurance on the independence and effectiveness of both external and internal audit and ensures that standards are set and compliance with them is monitored in the non-financial and non-clinical areas of the Trust that fall within the remit of the Committee. The Audit Committee is significantly instrumental in reviewing the integrity of the Annual Financial Accounts and related External Auditor's Reports thereon. In addition it reviews the Annual Governance Statement prepared by the Chief Executive in his role as the Accountable Officer. The Council of Governors has approved the continued appointment of PricewaterhouseCoopers as the Trust's external auditors until March 31st 2013. PricewaterhouseCoopers will be paid £50,500 (excluding VAT) for 2012/13 in respect of statutory audit fees. An additional annual fee of £12,500 (excluding VAT) will be charged for work on the Quality Report.

The Trust limits work done by the external auditors outside the audit code to ensure independence is not compromised. In 2012/13 no additional work was carried out by the External Auditors outside of normal audit requirements.

The Board maintains a policy on the engagement of the external auditor for the provision of non-audit services, which was approved by the Council of Governors, which is itself responsible for the appointment of the external auditor. The effect of the policy is that if the Executive Team retains the external auditor for the supply of a non audit service with a value of more than the annual audit fee, the express approval of the Council of Governors would need to be sought and obtained.

Composition of the Audit Committee

The Committee operates in accordance with the revised Terms of Reference (as per the new Audit Committee Handbook) agreed by the Board of Directors on 25th April 2012 and has met on six occasions during the year ended 31st March 2013. Each member's attendance at these meetings complied with the criterion for frequency of attendance as set out in the Audit Committee's Terms of Reference.

The Committee Membership comprises of all the Non-Executive Directors of the Board (with the exclusion of the Chairman) and is chaired by Paul Olive, FCA. The Board considers Paul Olive to have relevant financial experience following his role as a former Finance Director of a FTSE listed company. In addition to the Committee members, standing invitations are extended to the Finance Director, External and Internal Audit representatives, the Local Counter Fraud Officer, the Deputy Director of Corporate Affairs and Governance and the Assistant Finance Director.

In addition other officers have been invited to attend the Audit Committee where it was felt that to do so would assist the Committee to effectively fulfil its responsibilities; these included the Chief Executive, Deputy Director of Human Resources and Organisational Development, the Financial Accountant, the Clinical Governance, Risk and Patient Safety Manager, the Director of Nursing and Quality, the Director of Operations, the Clinical Audit Lead and Clinical Improvement Co-ordinator, the Associate Director of Clinical Services and Facilities Management and the Head of Procurement. Administrative support has been provided by Miss Kayleigh Briggs, PA to the Finance Director and Deputy Chief Executive.

Audit Committee Financial Activities

The Committee reviewed the Draft Annual Report and Accounts and Quality Report for the year ended 31st March 2012 at its meeting on 1st May 2012 and the final Audited Accounts and Quality Report at its subsequent meeting on 24th May 2012 and formally recommended to the Trust Board that the Accounts be approved at the Board meeting held on 24th May 2012. The initial draft of the Annual Report and Quality Accounts for the year ending 31st March 2013 were discussed at the Committee meeting held on 5th February 2013. The continuing development and improvement of the Quality Accounts was also considered at a number of meetings and presentations made thereon by the External Auditors.

As stated in last year's Audit Committee report the Trust is continuing to monitor its performance against the Key Lines of Enquiry for Auditors Local Evaluation (KLOE) standards and the progress of this review was considered throughout the current year.

Internal Control and Risk Management Systems

Throughout the year the Committee has received regular reports from both Internal and External Auditors in relation to the adequacy of the systems of internal control and also received regular reports from the Deputy Director of Corporate Affairs and Governance on the robustness of risk management and governance arrangements throughout the Trust. Specifically the Committee has gained assurance by reviewing the Governance Briefing Report, Care Quality Commission Quality and Safety Standards, Divisional Risk Registers, the Corporate Risk Register and the Board Assurance Framework. The Trust Annual Governance Statement was considered at the meeting held on 1st May 2012 and recommended to the Board for approval. Presentations by the Clinical Audit team were made on a number of occasions throughout the year reflecting the continuing development and refinement of this important function.

External Audit

The Trust's External Auditors, PricewaterhouseCoopers (PwC) were re-appointed as Auditors of the Trust for the financial years 2011/12 and 2012/13 at the Council of Governors Meeting held on 14th November 2011 and their audit fee for those years approved. The Committee has reviewed the work and findings of the External Auditors by:-

- Discussing and agreeing the scope and cost of audit detailed in the Annual Plan for 2012/13.
- Considering the extent of co-ordination with, and reliance on, Internal Audit.
- Consideration of alternative mechanisms regarding self assessment of the Audit Committee's effectiveness.
- Consideration of a number of accounting treatments under IFRS and the impact thereon in relation to the Annual Accounts.
- Presentations on Quality Update and Commercial Assurance.
- Consideration of matters in relation to Fraud Responsibilities and Raising Awareness.
- Receiving and considering the Annual Audit Letter at its meeting on 24th May 2012 which was presented to the Board of Directors at its meeting on 24th May 2012.
- Receiving and considering reports in relation to going concern matters, the position in relation to the Trust breach situation with Monitor (which was satisfactorily resolved upon de-escalation from significant breach on 21st May 2012) and on the matter of Integration of Community Services with effect from 1st April 2013. Members of the Audit Committee have also met in private with External Audit representatives so as to allow discussion of matters in the absence of executive officers.

Internal Audit

The Committee has reviewed and considered the work and findings of Internal Audit by:

- Discussing and agreeing the nature and scope of the Annual Internal Audit Plan.
- Receiving and considering progress against the plan presented by the Chief Internal Auditor and Internal Audit Manager.
- Receiving reports on the Assurance Framework, Risk Management System and Care Quality Commission Quality and Safety Standards. At its meetings on 1st May 2012 and 24th May 2012, the Committee received the Head of Internal Audit Opinion which gave "significant assurance" that there was a generally sound system of internal control for the year ended 31st March 2013.

The Committee also met in private with Internal Audit representatives so as to allow discussion of matters in the absence of Executive Officers.

Other Matters

In addition to the matters outlined in this report, the following areas/issues were reviewed by the Committee during the year:

- Considering the Annual Procurement Plan.
- Continuing review of Clinical Audit both in terms of staffing levels and functional development.
- Review of 2011/12 Audit Committee Report.
- Local Counter Fraud Specialist Report and Annual Report, together with a formal review of the Local Counter Fraud Service.
- Considering the Role of the Audit Committee.
- Presentations on and reviewing progress of the implementation of the Trust electronic rostering system.
- Considering a presentation on Managed Equipment Services.
- Presentation on Quality Governance and latest trends in Quality Reporting.
- Presentation and discussions on the working of the PMO office regarding QuIPP.
- Discussion regarding system for presentation of information regarding waivers to standing orders and the finalisation of an approved system.
- Considering implications of the Bribery Act.
- Review of current legal updates.
- Continuous review of training needs for Audit Committee members and attendance at relevant courses.
- Matters for consideration by the Board.
- With effect from 1st October 2012 the Trust appointed new internal auditors having been serviced for a considerable time by the existing ones. Formal tendering procedures took place and the award went to KPMG LLP. The Committee's thanks go to the outgoing internal auditors for their valued services over the years.
- Further information regarding financial risks, including QuIPP and liquidity is detailed in Section 4.4 of the Annual Governance Statement

Conclusion

2012/13 has been a developmental year for the Trust following its de-escalation from significant breach with Monitor. The merging of Community Services with effect from 1st April 2012 also created its own challenges. However financial performance has improved along with enhanced liquidity and new capital projects are in hand to improve the patient journey.

Looking Ahead

2013/14 and beyond present many challenges both to the NHS and Acute Trusts in particular. Increased efficiencies, improved patient care and the backcloth of Governmental changes all present their particular challenges. The impact of the Francis Report and continuing attention to mortality matters will be at the forefront of the Trust agenda together with the strategic plans for improving patient care and pathways now community services are integrated. The year ahead therefore looks challenging and I take this opportunity to thank my fellow Audit Committee Members for their help and assistance during the year covered by this report. My term of office ends on 31st May 2013 and after 11 years with the Trust I will not be seeking re-election. My time with the Trust has been extremely interesting and during those 11 years the Trust has changed considerably for the better. My best wishes go to all my colleagues at the Trust.

Signed

Paul Olive
Audit Committee Chairman

23rd May 2013

Mr J Kilburn
St Annes

"I feel so much better being treated at home; I'm more mobile and feel a lot healthier within myself. In fact I felt so good, I proposed to my girlfriend Elsie and we went into town to buy a ring together in between treatments!"

Remuneration Committee Report

The membership of the Trust's Remuneration Committee comprises all six Non-Executive Directors, plus the Chairman.

Membership of the Remuneration Committee is as follows:-

Mr Malcolm Faulkner - Chairman of the Committee (until 17th December 2012).
Mr Doug Garrett - Chairman of the Committee (from 28th January 2013)
Mr Ian Johnson
Mr Paul Olive
Mr Tony Shaw
Mrs Karen Crowshaw
Mr Alan Roff
Mr Nick Grimshaw – Secretary

Six meetings of the Committee took place during 2012/13 as follows: - 23rd April 2012, 26th September 2012, 29th October 2012, 31st October 2012, 28th November 2012 and 17th December 2012 with attendance as follows:-

Committee Members (7)	Number of Meetings (6)
Mr Malcolm Faulkner (until 17 December 2012)	4
Mr Ian Johnson (from 1st April 2012)	6
Mr Doug Garrett	5
Mr Paul Olive	6
Mr Tony Shaw	5
Mrs Karen Crowshaw	6
Mr Alan Roff	5
Mr Nick Grimshaw – Secretary (until 31.12.12)	6

The Committee establishes pay ranges, progression and pay uplifts for the Chief Executive, Executive Directors and other Senior Manager posts.

The Committee undertakes its duties by reference to national guidance, pay awards made to other staff groups through national awards and by obtaining intelligence from independent specialists in pay and labour market research. Any increments to pay would be subject to satisfactory performance, evidenced by performance appraisal and monitoring and evaluation through the Chairman or Chief Executive.

At the meeting in April 2012, the Committee agreed, for the third consecutive year, that there would be no annual uplift from April 2012 in salaries payable to any of the directors or other senior posts that are reviewed by the Committee. During the course of the year, the Committee has also formally ratified the appointment of Dr Mark O'Donnell as the Medical Director and Mrs Wendy Swift as the Managing Director of Community Development and Transformation.

All Executive Directors are on permanent contracts. Notice and termination payments are made in accordance with the provisions set out in the standard NHS conditions of service and NHS pension scheme as applied to all staff. There were no early termination payments made in the year.

The following tables provide details of the remuneration and pension benefits for senior managers for the period 1st April 2012 to 31st March 2013. These tables are subject to audit review.

Signed: Date: 23rd May 2013

Gary Doherty
Chief Executive

A) Remuneration

Name and title	Year ended to 31st March 2013					2012
	Salary (bands of £5000)	Bonuses	Other Remuneration (bands of £5000)	Benefits in Kind rounded to the nearest £100	Total (bands of £5000)	Total (bands of £5000)
	£000	£000	£000	£	£000	£000
I Johnson - Chairman (from 16/04/2012)	45 - 50	0	0	0	45 - 50	0
B Lester - Chairman (to 31/03/2012)	0	0	0	0	45 - 50	45 - 50
A Kehoe - Chief Executive (to 04/11/2012)	95 - 100	0	0	0	95 - 100	170 - 175
T Welch: Deputy Chief Executive (to 04/11/2012) Acting Chief Executive (05/11/12 to 31/03/2013	135 - 140	0	0	0	135 - 140	120 - 125
Feroz Patel - Acting Director of Finance (from 05/11/2012)	35 - 40	0	0	0	35 - 40	0
H Clarke - Director of Operations (to 31/05/2011)	0	0	0	0	0	15-20
P Oliver - Director of Operations (from 26/04/2011)	110 - 115	0	0	0	110 - 115	105 - 110
PR Kelsey - Medical Director (to 31/03/2012)	0	0	0	0	0	190 - 195
M O'Donnell - Medical Director (from 01/04/2012)	215 - 220	0	0	0	215 - 220	0
M Thompson - Director of Nursing and Quality	105 - 110	0	0	0	105 - 110	105 - 110
R Bell - Director of Clinical Support & Facilities Management	105 - 110	0	0	0	105 - 110	105 - 110
N Grimshaw - Director of Human Resources (to 31/12/2012)	80 - 85	0	0	0	105 - 110	105 - 110
J Benson - Acting Director of Human Resources (from 01/01/2013)	20 - 25	0	0	0	20 - 25	0
W Swift - Managing Director for Community Development and Transformation (from 01/04/2012)	130 - 135	0	0	0	130 - 135	0
PA Olive - Non Executive	15 - 20	0	0	0	15 - 20	15 - 20
M Brown - Non Executive (to 31/07/2011)	0	0	0	0	0	0 - 5
MG Faulkner - Non Executive (to 17/12/2012)	5 - 10	0	0	0	10 - 15	10 - 15
RA Shaw - Non Executive	10 - 15	0	0	0	10 - 15	10 - 15
K Crowshaw - Non Executive	10 - 15	0	0	0	10 - 15	10 - 15
D Garrett - Non Executive	10 - 15	0	0	0	10 - 15	10 - 15
A Roff - Non Executive	10 - 15	0	0	0	10 - 15	0 - 5

Band of Highest Paid Directors Total Remuneration (£'000)	215 - 220	190 - 195
Median Total Remuneration (for all staff)	24,799	23,589
Ratio	8.7	8.2

No directors or senior managers of the Trust have received non cash benefits as part of their remuneration package in 2012/13.
During 2012/13 there were no compensation payments to former directors or senior managers, or amounts payable to third parties for services of a director or senior manager.
No executive directors of the Trust hold external non-executive director appointments.

Pension Benefits -Values subject to audit review

Salary and Pension Entitlements of Senior Managers

B) Pension Benefits

Name and title	Real increase in pension at age 60 (bands of £2500)	Total accrued pension at age 60 at 31st March 2013 (bands of £5000)	Real increase in pension lump sum at age 60 (bands of £2500)	Lump sum at age 60 related to accrued pension at 31st March 2013 (bands of £5000)	Cash Equivalent Transfer Value at 1st April 2012	Cash Equivalent Transfer Value at 31st March 2013	Real Increase in Cash Equivalent Transfer Value
	£000	£000	£000	£000	£000	£000	£000
A Kehoe - Chief Executive (to 04/11/2012)	0 - 2.5	50 - 55	0 - 2.5	150 - 155	816	904	27
T Welch: Deputy Chief Executive (to 04/11/2012) Acting Chief Executive (05/11/12 to 31/03/2013	0 - 2.5	30 - 35	5.0 - 7.5	95 - 100	396	452	36
M O'Donnell - Medical Director (from 01/04/2012)	27.5 - 30.0	75 - 80	82.5 - 85.0	230 - 235	990	1,668	626
W Swift - Managing Director of Community Development and Transformation(from 01/04/2012)	0 - 2.5	55 - 60	2.5 - 5.0	165 - 170	1,070	1,177	52
F Patel - Acting Finance Director (from 05/11/2012)	0 - 2.5	10-15	0 - 2.5	35 - 40	132	160	8
J Benson - Director of Human Resources	0 - 2.5	0 - 5	0 - 2.5	0 - 5	0	15	4
P Oliver - Director of Operations (from 26/04/2011)	10 - 12.5	35 - 40	30 - 32.5	110 - 115	578	626	19
M Thompson - Director of Nursing and Quality	(0 - 2.5)	35 - 40	(0 - 2.5)	110 - 115	554	591	8
N Grimshaw - Director of Human Resources	(0 - 2.5)	35 - 40	(0 - 2.5)	110 - 115	609	651	8
R Bell - Director of Facilities	0 - 2.5	5 - 10	0 - 2.5	0 - 5	85	117	27

As Non-Executive members do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-Executive members.

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's and any other contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures, and from 2004/05 the other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional years of pension service in the scheme at their own cost. CETV's are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

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

In his budget of 22nd June 2010, the Chancellor announced that the uprating (annual increase) of public sector pensions would change from the Retail Prices Index (RPI) to the Consumer Prices Index (CPI) with effect from April 2011. As a result the Government Actuaries Department undertook a review of all transfers factors.

Executive Director Expenses

Reporting related to the Review of Tax Arrangements of Public Sector Appointees

c) Executive Director Expenses

Name and title	Apr 2012 (£)	May 2012 (£)	June 2012 (£)	July 2012 (£)	Aug 2012 (£)	Sept 2012 (£)	Oct 2012 (£)	Nov 2012 (£)	Dec 2012 (£)	Jan 2013 (£)	Feb 2013 (£)	Mar 2013 (£)
A Kehoe Chief Executive		80.42	33.07		28.98	1.23	36.35	35.43				
T Welch Acting Chief Executive		32.90			17.00	35.20		5.00				1,129.86
F Patel Acting Finance Director	357.88										12.80	
M O'Donnell Medical Director*	10.65	10.65	10.65	10.65	10.74	10.69	10.69	10.69	10.69	10.69	10.69	10.69
P Oliver Director of Operations												173.73
M Thompson Director of Nursing and Quality		612.81			79.64				339.53			
N Grimshaw Director of HR & OD			280.30	100.62				418.39	94.65	318.92	12.80	
W Swift Managing Director of Community Development and Transformation												
J Benson Acting Director of HR & OD						2.55	296.91		136.24			10.00
R Bell Director of Clinical Support and Facilities Management				79.42								

*Expense claims for M O'Donnell are for telephone allowances.
All other claims relate to travel expense claims.

Off Payroll Engagements

As part of the Review of Tax Arrangements of Public Sector Appointees published by the Chief Secretary to the Treasury on 23rd May 2012, Foundation Trusts are required to publish information in relation to the number of off- payroll engagements.

Table 1: For off-payroll engagements at a cost of over £58,200 per annum that were in place as of 31 January 2012

Table 1	Total*
No. In place on 31 January 2012	1
Of which:	
No. that have since come onto the Organisation's payroll	0
Of which:	
No. that have since been re-negotiated/re-engaged to include to include contractual clauses allowing the (department) to seek assurance as to their tax obligations	0
No. that have not been successfully re-negotiated, and therefore continue without contractual clauses allowing the (department) to seek assurance as to their tax obligations	0
No that have come to an end	1
Total	1

Table 2: For all new off-payroll engagements between 23 August 2012 and 31 March 2013, for more than £220 per day and more than 6 months

Table 2	Total*
No. of new engagements	0
Of which:	
No. of new engagements which include contractual clauses giving the department the right to request assurance in relation to income tax and National Insurance obligations	0
Of which:	
No. for whom assurance has been accepted and received	0
No. for whom assurance has been accepted and not received	0
No. that have been terminated as a result of assurance not being received	0
Total	0

Mr Ireland
Lancaster

"The treatment I have received here has saved my life, I am so grateful to the whole team who have looked after me. I just cannot thank them enough."

Nominations Committee

The Nominations Committee is a formally constituted sub-committee of the Council of Governors and comprises the Trust Chairman (Chair of the Committee) and three Governors.

Membership of the Nominations Committee:-

Mr Ian Johnson – Trust Chairman (Chairman)
Mr Peter Askew – Elected Governor (Wyre Constituency)
Mr Eric Allcock – Elected Governor (Blackpool Constituency)
Mr Roy Fisher – Appointed Governor (NHS Blackpool) (until September 2012)
Mrs Jean Taylor – Appointed Governor (UCLAN) (from February 2013)

There have been three meetings of the Nominations Committee during 2012/13.

The Nominations Committee has the following responsibilities:-

Recruitment and Appointment of Non-Executive Directors:-

- To agree the skill mix and process for the appointment of Non-Executive Directors, in accordance with the Trust's Terms of Authorisation and Monitor's requirements.
- To draw up person specifications for each of these posts to take account of general and specific requirements in terms of roles and responsibilities.
- To determine a schedule for advertising, shortlisting, interview and appointment of candidates with requisite skills and experience. This will include identification of appropriate independent assessors for appointment panels.
- To recommend suitable people for appointments to be ratified by the Council of Governors.

Terms and Conditions – Chair and Non-Executive Directors:-

- To recommend salary arrangements and related terms and conditions for the Chairman and Non-Executive Directors for agreement by the Council of Governors.

Performance Management and Appraisal:-

- To agree a process for the setting of objectives for Non-Executive Directors, subsequent appraisal by the Trust Chairman and feedback to the Council of Governors.
- To agree a mechanism for the evaluation of the Trust Chairman, led by the Senior Independent Director.

Board Recruitment:-

- The recruitment process to appoint a new Chairman to replace Beverly Lester, who retired on 31st March 2012, was undertaken by an external company in conjunction with the Nominations Committee. Ian Johnson was appointed and took up post on 16th April 2012.
- A recruitment process for an additional Non-Executive Director took place in December 2012. However, no appointment was made. There is currently a recruitment process in place for an additional NED and replacement NED.

To address issues related to Board development and to ensure that plans are in place for succession to posts as they become vacant so that a balance of skills and experience is maintained.

Annex A: Quality Report 2012/13

Part 1: Statement on Quality from the Chief Executive

Blackpool Teaching Hospitals NHS Foundation Trust aims to be the safest organisation within the NHS. This means that patient safety and quality are at the heart of everything that we do. As Chief Executive, I am incredibly proud of what we, at the Trust have achieved so far. We hope that you find that this Quality Account describes our achievements to date and our plans for the future.

Our staff are committed to providing safe, high quality care to every patient every time. We believe that staff who enjoy their work and have pride in it, will provide patients with better care.

I am delighted to introduce our third Quality Account which highlights the excellent progress we have made over the past 12 months in ensuring our patients receive the highest quality care possible.

Each year NHS Foundation Trusts are required to include a report within their annual report on quality standards within their organisation.

Ensuring patients receive high quality and safe care is our Trust's key priority. Our services are constantly changing and improving to meet the needs of the community and we have introduced new initiatives to improve the quality of care and patient experience.

The Quality Account for the 2012/13 period highlights the work we have been doing over the past 12 months to ensure our patients receive the highest quality and safest care possible. It includes a detailed overview of the improvements we have made during 2012/13 and sets out our key priorities for the next year 2013/14.

In last year's Quality Account we set ourselves a number of specific quality objectives and I am pleased to report that we have made significant progress against these objectives.

Infection rates have continued to fall and are now at their lowest levels with a 47.17% reduction in incidents of clostridium difficile. We have also seen significant reductions in pressure ulcers and patient falls.

Ensuring our patients receive a positive experience of care was another priority and we are pleased that we have made improvements in our local results of the national patient survey in areas such as; privacy and dignity, cleanliness, waiting times and communication between staff and patients.

Once again we received national recognition for our work to improve patient safety and quality through a number of prestigious awards. We were the proud winner of the Cancer Care category of the Care Integration Awards 2012 for the work we have been doing to improve the service we provide for patients at the end of life. We were also the overall winner of the Data and Information Management category of the Patient Safety Awards 2012 for the Trust's 'Knowing How We are Doing' project which ensures ward staff, patients and visitors are aware of their area's performance in safety measures such as infections, falls, untoward incidents and pressure ulcers.

We have continued to make progress on reducing mortality rates and this is something the Trust is totally committed to achieving. Following the publication of the Francis Report in February 2013 we were named as one of 14 Trusts to be reviewed for having consistently high mortality rates using the Standardised Hospital Mortality Indicator (SHMI). This relates to the period June 2010 to March 2012. In March 2012 we commissioned the Advancing Quality Alliance (AQuA) to carry out an independent review of our mortality which concluded there was no cause for clinical concern. Further information regarding actions taken to improve mortality performance is outlined in section 3.4.1. We look forward to working with the national review team to give us further assurance.

Since the Transfer of Community Services on the 1st April 2012, a new Community, Adults and Long Term Conditions Division and Families Division have been established in order to enhance the integration of community and acute services. Work is also ongoing to integrate clinical pathways to provide seamless end-to-end pathways of care which will benefit the patient experience and improve clinical outcomes.

This is just a flavour of some of the excellent progress that has been made over the past 12 months. The full report contains many more facts and figures and I would encourage you to read about the numerous initiatives and measures that are in place to improve quality and reduce avoidable harm.

Our plans for 2013/14 aim to build on the progress we have made as well as new improvement targets in relation to patient care. In February 2013 we launched our five strategic aims for 2020: 100% patients and carers included in decisions about their care, 100% compliance with agreed patient pathways, Zero inappropriate admissions, Zero patient harms and Zero delays. Whilst these targets are ambitious they will underpin everything we do.

Looking forward to the year ahead, we intend to increase our efforts even further towards driving quality and safety improvements across the organisation. Although we are pleased with our achievements we strive continuously to improve both the quality and safety of our care and want to share with you our story of continuous improvement in our annual Quality Account. I hope that you will see that we care about, and are improving, the things that you would wish to see improved at our Trust.

We aim to be responsive to patients needs and will continue to listen to patients, staff, stakeholders, partners and Foundation Trust members and your views are extremely important to us. We are pleased that Governors and other local stakeholders have played a part in shaping our priorities for the future. They have shared their ideas and comments so that we can continue to improve the quality of care and patient experience in areas when needed.

To the best of my knowledge the information in the Quality Account 1st April 2012 – 31st March 2013 is a balanced and accurate account of the quality of services we provide.

Gary Doherty
Chief Executive

Date: 23rd May 2013

Part 2: Our Quality Achievements

In this section the Trust's performance in 2012/13 is reviewed and compared to the priorities that were published in the Trust's Quality Account in 2011/12. Priorities for improving the quality of services in 2013/14 that were agreed by the Board in consultation with stakeholders are also set out in this section. Legislated statements of assurance from the Board of Directors complete Section 2.

2.1 How we performed on Quality in 2012/13 against Priorities in 2011/12 Quality Account

This section tells you about some of the quality initiatives we progressed during 2012/13 and how we performed against the quality improvement priorities and aims we set ourselves last year.

A programme of work has been established that corresponds to each of the quality improvement areas we are targeting. Each individual scheme within the programme has contributed to one, or more, of the overall performance targets we have set. Considerable progress and improvements have been delivered through staff engagement and the commitment of staff to make improvements.

Wherever applicable, the report will refer to performance in previous years and comparative performance benchmarked data with other similar organisations. This will enable the reader to understand progress over time and as a means of demonstrating performance compared to other Trusts. This will also enable the reader to understand whether a particular number represents good or poor performance. Wherever possible, references of the data sources for the quality improvement indicators will be stated, within the body of the report or within the Glossary of Terms, including whether the data is governed by national definitions.

The following symbols will tell you how we are performing and whether we met our aims. When we set our aims these were either set in year or to cover a three-year period. This was part of our quality journey. We are therefore pleased to report the significant progress made against our aims. An overview of performance in relation to the priorities for quality improvement that were detailed in the 2011/12 Quality Account is provided in Table 1. A more detailed description of performance against these priorities for clinical effectiveness of care, quality of the patient experience and patient safety will be reported on in detail in Part 3, section 3.4.

Table 1: Performance Against Priorities

Key	Target Achieved /On Plan	Close to Target	Behind Plan	2010/11	2011/12	2012/13	Actual Target 2012/13	Expected Score 2012/13
Priority 1: Clinical Effectiveness of Care								
Reduce premature mortality from the major causes of death - Reduce 'preventable' mortality by reducing the Trust's Hospital Mortality Rates / Summary Hospital Mortality Indicators				No target in 2010/11			< 1.18	Provisional 1.16 Results due Oct 2013
North West Advancing Quality initiative that seeks compliance with best practice to improve patient experience in seven clinical areas:							**CQS Target 2011/12**	**Result Achieved 2011/12**
– Acute Myocardial Infarction						Data not available until Sept 2013	95%	98.17%
– Hip and Knee Surgery							95%	96.25%
– Coronary Artery Bypass Graft Surgery							95%	97.23%
– Heart Failure							75.08%	88.37%
– Community Acquired Pneumonia							84.81%	85.74%
– Stroke							90%	92.07%
– Patient Experience Measures							25%	22%
Implementing 100,000 Lives and Saving Lives Programme:							**Actual Result Apr 2011–June 2011**	**Actual Result Apr 2012–June 2012**
Reducing the incidence of surgical site infections.							Hip 1.47% NOF 1.9%	Hip 6.8% NOF 2.4%

Key	Target Achieved /On Plan	Close to Target	Behind Plan	2010/11	2011/12	2012/13	Actual Performance 2012/13	Expected Score 2012/13
Priority 1: Clinical Effectiveness of Care (continued)								
Enhancing quality of life for people with dementia:								
Improve the outcome for older people with dementia by ensuring 90% of patients aged 75 and over are screened on admission				Not reported in 2010/11	Not reported in 2011/12		90%	75%
Improve outcomes of care								
Improve referral to treatment times for patients who suffer a Trans Ischemic Attack (TIA)							60%	>60%
Nursing Care Indicators used to assess and measure standards of clinical care and patient experience							95%	>95%
Implement Nursing and Midwifery high impact actions to improve the quality and cost effectiveness of care				Not reported in 2011/12	Not reported in 2011/12		Achieve Implementation	Implemented
Improving outcomes from planned procedures by Improving Patient Reported Outcomes Measure (PROMs) scores for the following elective procedures:								
i Groin hernia surgery						Data not available until Sept 2014	0.085	0.089
ii Varicose veins surgery							0.091	0.097
iii Hip replacement surgery							0.405	0.366
iv Knee replacement surgery							0.298	0,297
Reduce emergency readmissions								
Reduce emergency readmissions to hospital (for the same condition) within 28 days of discharge				Not reported in 2010/11	Not reported in 2011/12		16.77%	n/a
Priority 2: Quality of the Patient Experience								
Improve hospitals' responsiveness to inpatients' personal needs by improving the CQC National Inpatient Survey results in the following five areas:							**National average**	**BTHFT actual**
– Were you involved as much as you wanted to be in decisions about your care and treatment?							88.3%	82.6% said definitely or to some extent
– Did you find someone on the hospital staff to talk to about your worries and fears?							43.7%	46% said definitely or to some extent
– Were you given enough privacy when discussing your condition or treatment?							91%	91.3% said always/ sometimes
– Did a member of staff tell you about medication side effects to watch for when you went home?							44.9%	39.8% said yes completely or yes to some extent
– Did hospital staff tell you who to contact if you were worried about your condition or treatment after you left hospital?							70%	66.7% said yes
Improve staff survey results in the following area:								
– Percentage of staff who would recommend their friends or family needing care				Not reported in 2010/11	Not reported in 2011/12		To be the Best 20% of Trusts	89.90% (Best 20% of Trusts)
Improving the experience of care for people at the end of their lives:							**Actual Target 2012/13**	**Expected Score 2012/13**
– Seeking patients and carers views to improve End of Life Care							Patient views to be sought	Patient views sought
– Ensure that patients who are known to be at the end of their lives are able to spend their last days in their preferred place across all services.							Facilitate preferred place	Preferred place
Patient Environment Action Team (PEAT) Survey								
– To improve PEAT survey results/standards							Excellent	Excellent

Table 1: Performance Against Priorities continued								
Key	Target Achieved /On Plan	Close to Target	Behind Plan	2010/11	2011/12	2012/13	Actual Target 2012/13	Expected Score 2012/13
Priority 3: Patient Safety								
Reduce The Incidence of Avoidable Harm to our patients through the following strands of work:								
– Safety Thermometer to be used as a measure to prevent harm				Not reported in 2010/11	Not reported in 2011/12		Measure to be used	Implemented
– Reduce the incidence of MRSA infection rates in the Trust as reflected by national targets							3	3
– Reduce the incidence of Clostridium Difficile infection rates in the Trust as reflected by national targets							53	28
– Improve the percentage of admitted patients risk assessed for Venous Thrombo-Embolism (VTE)							90%	99.79%
– Reduce the incidence of inpatient Falls by 30% resulting in moderate or major harm							30% improvement	5% improvement
– Reduce the incidence of Medication Errors by 50% resulting in moderate or major harm							50% improvement	50% improvement
– Reduce the incidence of newly-acquired category 2, 3 and 4 pressure ulcers by 30% in the Trust							82	76
– To monitor the rate of patient safety incidents and reduce the percentage resulting in severe harm or death				Not reported in 2010/11			12	17 16% increase

2.2 Selected Priorities for Quality Improvement in 2013/14

This section tells you about how we prioritised our quality improvements for 2013/14. This section also includes a rationale for the selection of those priorities and how the views of patients, the wider public and staff were taken into account. Information on how progress to achieve the priorities will be monitored, measured and reported is also outlined in this section.

2.2.1 How we Prioritised our Quality Improvements in 2013/4

In April 2012 we became the main provider of community services for Blackpool, Fylde and Wyre in addition to the services we already provided. This was a significant step in our aspiration to be a high performing Integrated Care Organisation. Being an Integrated Care Organisation not only describes the range of services we currently provide and aim to provide in the future, but also describes the way that we aim to deliver these services in partnership with other local providers and commissioners, and sharing responsibility for the whole patient journey.

The Board of Directors led the development of a revised Strategic Framework with managerial support which underpins the quality programme set out in this Quality Account for 2012/13. We believe the quality programme will enable us to maintain a focus on the quality and safety agenda, whilst delivering our Strategic Framework to improve the health and outcomes of our local population based on the values and principles set by the Board of Directors.

2.2.2 Rationale for the Selection of Priorities in 2013/14

The Trusts priorities for 2013/14 in relation to the key elements of the quality of care for clinical effectiveness, quality of the patient experience and patient safety, and the initiatives chosen to deliver these priorities were established as a result of consultation with patients, governors, managers and clinical staff. The Trust has shared its proposed priorities for 2013/14 with our Clinical Commissioning Groups, Blackpool Healthwatch (previously known as LINk), Lancashire Healthwatch, Blackpool Overview and Scrutiny Committee, Lancashire Overview and Scrutiny Committee and a sub group of the Council of Governors.

The Trust has taken the feedback received into account when developing its priorities for quality improvement for 2013/14 and after consultation at Board level, the following quality improvement priorities outlined in Table 2 were proposed and agreed by the Board of Directors which it believes will have maximum benefits for our patients.

These quality improvement priorities are also reinforced by the standards outlined in the NHS Outcomes Framework 2013/14 which set out the high-level national outcomes that the NHS should be aiming to improve.

Six additional quality improvement priorities that have been selected by the Board of Directors as a priority in 2013/14 are detailed in Table 2 in bold italics.

Table 2: Priorities for Quality Improvement

National Level NHS Outcomes Framework Domains of Quality	Trust Level	Key Elements in the Quality of Care	Description of Priority Indicators for Quality Improvement 2013/14
Domain 1: Preventing people from dying prematurely. Domain 2: Enhancing quality of life for people with long-term conditions.	To provide and maintain high quality and safe services To deliver consistent best-practice NHS care which is evidence based. To actively work in the prevention of ill health as well as its treatment.	Clinical Effectiveness of Care	Reduce premature mortality from the major causes of death - Reduce 'preventable' mortality by reducing the Trust's hospital mortality rates - The value and banding of the Summary Hospital-Level Mortality Indicator (SHMI) for the Trust - The percentage of patient deaths with palliative care coded at either diagnosis or specialty level for the trust for the reporting period.
Domain 1: Preventing people from dying prematurely.	To provide patient centred care across integrated pathways with primary/community/ secondary and social care.	Clinical Effectiveness of Care	Achieve 80% compliance with agreed pathways by 2016 through the following strands of work: - ***Sepsis pathway*** North West Advancing Quality initiative that seeks compliance with best practice to improve patient outcomes in seven clinical pathway programmes: - Acute Myocardial Infarction - Hip and Knee Surgery - Coronary Artery bypass graft surgery - Heart Failure - Pneumonia - Stroke - Patient Experience Measures
Domain 2: Enhancing quality of life for people with long-term conditions.	To provide and maintain high quality and safe services To deliver consistent best-practice NHS care which is evidence based	Clinical Effectiveness of Care	Enhancing quality of life for people with dementia - Improve the outcome for older people with dementia by ensuring 90% of patients aged 75 and over are screened on admission
Domain 3 Helping people to recover from episodes of ill health or following injury.	To provide and maintain high quality and safe services To deliver consistent best-practice NHS care which is evidence based. To actively work in the prevention of ill health as well as its treatment.	Clinical Effectiveness of Care	***Medical Care Indicators*** and Nursing Care Indicators used to assess and measure standards of clinical care. Improving outcomes from planned procedures - Improve Patient Reported Outcomes Measure (PROMs) scores for the following elective procedures: I Groin hernia surgery Ii Varicose veins surgery Iii Hip replacement surgery Iv Knee replacement surgery
			Emergency readmissions to hospitals within 28 days of discharge (Quality Accounts January 2013 DH) - The percentage of patients' of all ages and genders (aged 0 to 14) and (15 or over) readmitted to a hospital which forms part of the Trust within 28 days of being discharged from hospital; and - Compare the National Average for the above percentage

Table 2: Priorities for Quality Improvement continued			
National Level NHS Outcomes Framework Domains of Quality	Trust Level	Key Elements in the Quality of Care	Description of Priority Indicators for Quality Improvement 2013/14
Domain 4 Ensuring that people have a positive experience of care.	To provide and maintain high quality and safe services To deliver consistent best-practice NHS care which is evidence based.	Quality of The Patient Experience	Improve hospitals' responsiveness to inpatients' personal needs by improving the CQC National Inpatient Survey results in the following five questions: - Were you involved as much as you wanted to be in decisions about your care and treatment? - Did you find someone on the hospital staff to talk to about your worries and fears? - Were you given enough privacy when discussing your condition or treatment? - Did a member of staff tell you about medication side effects to watch for when you went home? - Did hospital staff tell you who to contact if you were worried about your condition or treatment after you left hospital?
			Improve staff survey results in the following area: - Percentage of staff who would recommend the Trust to friends or family needing care. ***Report on Friends and Family Test***
Domain 4 Ensuring that people have a positive experience of care.	To provide and maintain high quality and safe services To deliver consistent best-practice NHS care which is evidence based.	Quality of The Patient Experience	Improving the experience of care for people at the end of their lives - Seeking patients and carers views to improve End of Life Care - Ensure that patients who are known to be at the end of their lives are able to spend their last days in their preferred place across all services. Patient-led assessments of the care environment (PLACE) - To improve PLACE survey results/standards
Domain 5 Treating and caring for people in a safe environment and protecting them from avoidable harm.	To provide and maintain high quality and safe services To deliver consistent best-practice NHS care which is evidence based. To actively work in the prevention of ill health as well as its treatment.	Patient Safety	Achieve 95% Harm Free Care to our patients by 2016 through the following strands of work: Risk-assessment for Thromboembolism (VTE) - Improve the percentage of admitted patients who were risk-assessed for VTE; and - Compare the national average for the above percentage - ***Achieve a 10% reduction on the previous year in all VTE***
			Rates of Clostridium Difficile and MRSA - *The rate of Clostridium Difficile infections per 100,000 bed days amongst patients aged two years and over apportioned to the Trust; and* - *Compare the national average for the above rate.* - Reduce the incidence of MRSA infection rates in the Trust as reflected by national targets
			Reported patient safety incidents - *To monitor the rate of patient safety incidents the Trust have reported per 100 admissions*; and - The proportion of patient safety incidents the Trust has reported that resulted in severe harm or death - Reduce the incidence of Falls by 30% at low, minor moderate and serious impact levels – resulting in patient harm - Reduce the incidence of medication errors by 30% resulting in patient harm - Reduce the incidence of new hospital acquired pressure ulcers stage 2 by 30%, stage 3 by 40% and stage 4 by 100%; and - ***Reduce stage 2, 3 and 4 community acquired pressure ulcers by 10%***
			- ***Introduce the Think Glucose Programme***
The Priority Indicators for Quality Improvement will be measured through the objectives and Strategic Aims that are identified within the Organisational Strategic Framework. The Priority Indicators for Quality Improvement will be monitored by the Board at each of its meetings through the Chief Executive Assurance Report. A number of committees. Further information can be found in section 2.2.5 and in the Glossary of Terms			

2.2.3 Rationale for the Selection of Priorities to be removed in 2013/14

This section includes a list of priorities that have been chosen to be removed by the Board of Directors from the quality improvements priorities for 2013/14. The rationale for the de-selection of the following priorities is that considerable progress and improvements have been delivered or put in place and other improvements have become a priority. Information regarding the improvements made to demonstrate evidence for their removal is outlined in Part 3. It has been agreed to remove the following four quality improvement priorities used in 2012/13. Although these will continue to be monitored by the relevant committee's detailed below, these will not be reported in the 2013/14 Quality Accounts:

- The first priority removed is in relation to improving referral to treatment times for patients who suffer a Trans Ischemic Attack (TIA) as this is now monitored at the Quality Governance Committee.
- The second priority agreed to be removed is in relation to reducing the incidence of Surgical Site Infections as these are now monitored at the Divisional Board and the Hospital Infection Prevention Committee.
- The third priority to be removed is in relation to implementing the Nursing and Midwifery High Impact actions to improve the quality and cost effectiveness of care as this is now monitored at the Quality Governance Committee.
- The fourth priority removed is in relation to the Safety Thermometer which is used as a measure to prevent harm as this indicator duplicates a number of other improvement initiatives as this is now monitored at the Quality Governance Committee.

2.2.4 Engagement with Patients, Public, Staff and Governors

The Trust has taken the views of patients, relatives, carers and the wider public into account for the selection of priorities for quality improvement through the completion of feedback forms which are available from the Trust's website.

Other methods of obtaining the views of patients, public, staff and governors has been through feedback from local and national patient surveys, information gathered from formal complaints, comments received through the Patient Relations Team and various local stakeholder meetings and forums.

Listening to what our staff, governors, patients, their families and carers tell us, and using this information to improve their experiences, is a key part of the Trust's work to increase the quality of our services.

The Trust wants to make sure that staff, governors, patients, their families and carers have the best possible experience when using our services.

2.2.5 How we will Monitor, Measure and Report ongoing Progress to Achieve our Priorities for Quality Improvement 2013/14

We use a number of tools to measure our progress on improving quality and these tools inform the reports we present to the Board and its Sub-Committees. The priorities for quality improvement in 2013/14 will continue to be monitored and measured and progress reported to the Board of Directors at each of its meetings as part of the Board Business Monitoring Report and the Quality and Safety Assurance Report. For priorities that are calculated less frequently, these will be monitored by the Board of Directors by the submission of an individual report. The Trust has well-embedded delivery strategies already in place for all the quality priorities, and will track performance against improvement targets at all levels from ward level to Board level on a monthly basis using the ward quality boards and the integrated divisional quality monitoring reports. The priorities for quality improvement will also be monitored through the high level Risk Register and Divisional Risk Register process and by the Sub-Committees of the Board.

The Trust will also report ongoing progress regarding implementation of the quality improvements for 2013/14 to our staff, patients and the public via our performance section of our website. You can visit our website and find up-to-date information about how your local hospitals are performing in key areas: infections, death rates, patient falls and medication errors. Improving patient safety and delivering the highest quality care to our patients is our top priority. We believe that the public have a right to know about how their local hospitals are performing in these areas that are important to them. As well as information on key patient outcomes, the website also includes data on our waiting times, length of stay, complaints, cleanliness, hospital food, and patients and staff opinion of our hospitals.

We are keen to build on the amount of data we publish but we want to make sure that the information is what you want to see and that it is easy to understand. Please have a look at these web pages and let us know if there are any areas that could be improved by completing this feedback form or alternatively visit the website: http://www.bfwh.nhs.uk/about/performance/

2.3 Statements of Assurance from the Board of Directors

The information in this section is mandatory text that all NHS Foundation Trusts must include in their Quality Account. We have added an explanation of the key terms and explanations where applicable.

2.3.1 Review of Services

During 2012/13 the Blackpool Teaching Hospitals NHS Foundation Trust provided and/or subcontracted 49 NHS Services.

The Blackpool Teaching Hospitals NHS Foundation Trust has reviewed all the data available to them on the quality of care in 49 of these NHS services.

The income generated by the NHS services reviewed in 2012/13 represents approximately 89% per cent of the total income generated from the provision of NHS services by the Blackpool Teaching Hospitals NHS Foundation Trust for 2012/13.

The quality aspirations and objectives outlined for 2012/13 reached into all care services provided by the Trust and therefore will have had impact on the quality of all services. The data reviewed on various activities enable assurance that the three dimensions of quality improvement for clinical effectiveness, patient experience and patient safety is being achieved including:

- Divisional monthly performance reports
- Quality Boards based in our wards and departments
- Clinical audit activities and reports
- External independent audits, such as the Joint Advisory Group (JAG) Accreditation on our Endoscopy Unit
- Investors In People Diagnostic Assessment of the community services staff in January 2013

The patient safety walkabout visits undertaken by the Executive Directors on a weekly basis and the Non-Executive Directors on a monthly basis have been a powerful tool in making the Trust's quality and safety agenda tangible to ward staff, prompting us to take ownership of our services in a new way. This initiative has been of great value in assisting clinical staff in achieving the highest quality environment in a very visible way.

2.3.2 Participation in Clinical Audits and National Confidential Enquiries

During 2012/13, 46 national clinical audits and 3 national confidential enquiries covered NHS services that Blackpool Teaching Hospitals NHS Foundation Trust provides.

During 2012/13 Blackpool, Teaching Hospitals NHS Foundation Trust participated in 86% national clinical audits and 100% national confidential enquiries of the national clinical audits and national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries that Blackpool Teaching Hospitals NHS Foundation Trust was eligible to participate during 2012/13 are detailed in Column A of Tables 3 and 4.

The national clinical audits and national confidential enquiries that Blackpool Teaching Hospitals NHS Foundation Trust participated in, and for which data collection was completed during 2012/13, are listed in Column B of Tables 3 and 4 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 identified in Column C and D of Tables 3 and 4.

Table 3					
List of National Clinical Audits in which Blackpool Teaching Hospitals NHS Foundation Trust was eligible to participate during 2012/13					
Number	National Clinical Audit Title	Column A Eligible to participate in	Column B Participated In	Column C Number of cases submitted	Column D Number of cases submitted as a percentage of the number of registered cases required
1	NNAP: neonatal care	✓	✓	322	100%
2	ICNARC CMPD: adult critical care units	✓	✓	1048	100%
4	NJR: hip and knee replacements	✓	✓	440	100%
5	DAHNO: head and neck cancer	✓	✓	81	100%
6	MINAP (inc ambulance care): AMI & other Acute Coronary Syndrome	✓	✓		100%
7	Heart Failure Audit	✓	✓	334	115%
8	NHFD: hip fracture	✓	✓	450/500	100%
9	TARN: severe trauma	✓	✓	100	Ongoing
10	National Sentinel Stroke Audit	✓	✓		100%
11	National Audit of Dementia: dementia care (n=40)	✓	✓	40	100%
12	British Thoracic Society: National Bronchiectasis Audit	✓	✓	25	100%
13	RCP: National Care of the Dying Audit	✓	✓	30	100%
14	National comparative audit of blood transfusion in adult cardiac surgery	✓	✓	309	100%
15	Coronary angioplasty	✓	✓		100%
16	Oesophago-gastric cancer (National O-G Cancer Audit)	✓	✓	130	100%
17	CCAD: Adult cardiac interventions	✓	✓	1223	100%
18	CCAD: Heart rhythm management (pacing and implantable cardiac defibrillators (ICDS)	✓	✓	569	100%
19	CCAD: Congenital Heart Disease	✓	✓	5	100%
20	Adult cardiac surgery: CABG and valvular surgery	✓	✓	1223	100%
21	NDA: National Diabetes Audit (Outpatients)	✓	✘		
22	NBOCAP: bowel cancer	✓	✓	218	100%
23	NLCA: lung cancer	✓	✓	270	100%
24	RCP: Audit to assess and improve service for people with inflammatory bowel disease	✓	✓	50	100%
25	Adult community acquired pneumonia (British Thoracic Society)	✓	✓	21 Open until end of May 2013	100% Open until end of May 2013
26	Emergency use of oxygen (British Thoracic Society)	✓	✓	29	100%
27	Renal colic (College of Emergency Medicine)	✓	✓	28	56%
28	Non-invasive ventilation - adults (British Thoracic Society)	✓	✘	20 Open until end of May 2013	100% Open until end of May 2013
29	Potential donor audit (NHS Blood & Transplant)	✓	✓		

Table 3					
List of National Clinical Audits in which Blackpool Teaching Hospitals NHS Foundation Trust was eligible to participate during 2012/13					
Number	National Clinical Audit Title	Column A Eligible to participate in	Column B Participated In	Column C Number of cases submitted	Column D Number of cases submitted as a percentage of the number of registered cases required
30	National Cardiac Arrest Audit (NCAA)	✓	✓	388	100%
31	National Vascular Registry (elements include CIA, peripheral vascular surgery, VSGBI Vascular Surgery Database, AAA, NVD)	✓	✘		
32	Pulmonary hypertension (Pulmonary Hypertension Audit)	✓	✘		
33	Adult asthma (British Thoracic Society)	✓	✓	25	100%
34	Diabetes (Adult) ND(A), includes National Diabetes Inpatient Audit (NADIA)	✓	✓	Data collection ongoing will complete October 2013	Data collection ongoing will complete October 2013
35	Diabetes (Paediatric) (NPDA)	✓	✓		Data unavailable at time of printing
36	National Review of Asthma Deaths (NRAD)	✓	✓	1	100%
37	Pain database	✓	✓		100%
38	Fractured neck of femur	✓	✓	50	100%
39	Elective surgery (National PROMs Programme)	✓	✓	n/a	67.7%
41	Epilepsy 12 audit (Childhood Epilepsy)	✓	✓	39	100%
42	"Maternal, infant and newborn programme (MBRRACE-UK)* (Also known as Maternal, Newborn and Infant Clinical Outcome Review Programme) *This programme was previously also listed as Perinatal Mortality (in 2010/11, 2011/12 quality accounts)"	This has only just gone live and previous years data is being inputted.			
43	Paediatric asthma (British Thoracic Society)	✓	✘		
44	Paediatric fever (College of Emergency Medicine)	✓	✓	50	100%
45	Paediatric intensive care (PICANet)	✓	✘	Did not participate 2012/13	
46	Paediatric pneumonia (British Thoracic Society)	✓	✓	10	100%

Table 4					
List of National Confidential Enquires that Blackpool Teaching Hospitals NHS Foundation Trust was eligible to participate in during 2012/13.					
Number	National Confidential Enquiries	Column A Eligible to Participate In	Column B Participated In	Column C Number of cases submitted	Column D Number of cases submitted as a percentage of the number of registered cases required
1	Alcohol Related Liver Disease Study	Yes	Yes	3	100%
2	Sub Arachnoid Haemorrhage Study	Yes	Yes	4	100%
3	Bariatric Surgery	No	No	N/A	N/A
4	Tracheostomy Care	Yes	Yes	ongoing	ongoing
Data source: Clinical Audit Programme and final reports. This data is governed by standard national definitions					

The reports of 3 National Confidential Enquiries were reviewed by the provider in 2012/13 and along with ongoing work from previous reports Blackpool Teaching Hospitals NHS Foundation Trust intends to take the following actions to improve the quality of health care provided as shown in Table 5.

Table 5	
National Clinical Audits (Confidential Enquiries) presented for assurance to the Board of Directors	Details of actions taken or being taken to improve the quality of local services and the outcomes of care.
Elective and Emergency Surgery in the Elderly – An Age Old Problem	• Leads from each Division are currently completing a gap analysis • Fractured Neck of Femur pathway being developed • Appointed Orthogeriatric Middle grade
A Mixed Bag	• Cross divisional work ongoing with a gap analysis completed and action plan developed to improve services • Total Parenteral Nutrition (TPN) proforma developed and implemented • Business case for Nutrition team developed and awaiting presentation at time of printing • A presentation on TPN will be presented to the June Clinical Policy Forum • Linking in with Neonates and pharmacy and Regional Network • Biochemistry flag abnormalities
Adding Insult to Injury – A review of the care of patients who died in hospital with a primary diagnosis of acute kidney injury (acute renal failure)	• A review of all fluid balance charts used throughout the Trust and introduction of a new fluid balance charts throughout the Trust • Review of intravenous fluid administration equipment available throughout the Trust to ensure accurate timing and administration of fluid infusions • Education programme to recognise the acutely ill patient and recognising renal impairment • Regular audits around compliance of Eealy Warning Score / Recognise and Act / Fluid balance • Biochemistry flagging patients with a raised creatinine • Risk assessment for kidney injury developed • AKI Policy being finalised and will be presented to the Clinical Policy Forum May 2013. • Variance of creatinine flagged as trigger in Glucose Tolerance Test audit monthly • Risk assessment for kidney injury trialed. • Adding insult integrated renal assessment into admission document. • Adult Medical Unit consultants increased from 2 to 5 full time posts, one with specialist cardiology input. • Accident and Emergency consultants increased from 4 to 6 full time posts. • Care of the Elderly consultants increased from 4 to 6 (includes stroke) plus locums to cover escalation wards as required
Knowing the Risk – A Review of the peri-operative Care of Surgical Patients	• Report presented and disseminated throughout organisation by NCEPOD Ambassador and Reporter • Report reviewed and GAP analysis being undertaken by clinical leads • Trust data benchmarked and compared to National position • Benchmark data presented in summer 12 to Clinical Policy Forum and Clinical Improvement Committee

Table 5 continued	
National Clinical Audits (Confidential Enquiries) presented for assurance to the Board of Directors	**Details of actions taken or being taken to improve the quality of local services and the outcomes of care.**
Knowing the Risk – A Review of the peri-operative Care of Surgical Patients	• Report presented and disseminated throughout organisation by National Confidential Enquiries Perinatal Outcomes and Deaths (NCEPOD) Ambassador and Reporter • Report reviewed and GAP analysis being undertaken by clinical leads • Trust data benchmarked and compared to National position • Benchmark data presented in summer 12 to Clinical Policy Forum and Clinical Improvement Committee
Surgery in Children – Are We There Yet?	• Report presented and disseminated throughout organisation by NCEPOD Ambassador and Reporter. Gap analysis undertaken • Complete information leaflets and guidelines produced
Data source: Clinical Audit Programme and final reports. This data is governed by standard national definitions	

Local clinical audit is important in measuring and benchmarking clinical practice against agreed markers of good professional practice, stimulating changes to improve practice and re-measuring to determine any service improvements.

During 2012/13, 91% (283) of audits were completed or are running according to schedule for completion. Data collection & analysis, presentation and formulation of an agreed action plan have all been completed for 66% of audits (204) within year. Agreed action plans have been fully implemented in 53% (160) of all registered audits.

The reports of 204 local clinical audits have been reviewed by the provider in 2012/13. A sample of improvements made to the quality of healthcare provided as a result of audit findings are detailed in Table 6 below. Additional information can be found in the Annual Clinical Audit Report 2012/13 which is published on the Trusts website and is available via the following link: http://www.bfwh.nhs.uk/about/performance/. A copy of the Annual Clinical Audit report of is available on request.

Table 6	
Local Clinical Audits presented for assurance to the Board of Directors	**Details of actions taken to improve the quality of local services and the outcomes of care.**
Review of safe site surgery within surgery (WHO)	GS1103R Safeguarding Invasive procedure provided to all Heads of Department for cascading at ward/department meetings. All theatre staff participating in surgical safety checklist. Annual training given as mandatory. Elective procedures not listed without surgical listing form. Patients not to leave ward unless surgically marked (where appropriate) and consent completed. Brief and de-briefs undertaken daily.
Perioperative temperature monitoring	AN1021 Staff educated regarding the need for patients to arrive at theatre fully covered. All fluids above 500ml to be warmed. Warming all inadvertent hypothermia patients.
Intraoperative Patient Warming	AN1105 Use a warm air blower if operation lasts longer than 30 minutes. Warm fluids.
Analgesia following LSCS	AN1012 Education of staff that pain relief to be prescribed as per patient requirements.
Monitoring and regional analgesia	AN1004 Anaesthetic training after every induction day. Midwife education annually.
Audit of Documenting Anaesthetic Machine Checks	AN1003 Anaesthetic machine check record to be placed with all machines.
Advancing Quality CABG Audit	CAR1105 The introduction of a new prescription sheet within Cardiac ITU with the facility to prescribe antibiotics for a 48 hour period only will assist with the compliance of antibiotic stop times which ensures that clinicians review each patient and only continue with antibiotics based on individual clinical need if they are re-prescribed.
Implantable loop recorder insertion in tertiary care - an audit of patient selection	CAR1003 Suggested referral from Blackout clinic. Staff education to ensure the patient has Tilt/ambulatory ECG/Echocardiogram.

Table 6 continued	
Local Clinical Audits presented for assurance to the Board of Directors	**Details of actions taken to improve the quality of local services and the outcomes of care.**
Assessment of compliance with NICE CG50 in Acutely ill patients in hospital	AN1017 Education of staff re clearer documentation of specific observations frequency for individual patients on the Physiological Observation Track & Trigger System (POTTs) chart. Responsibility to alter the observation charts identified and cascaded. Increased education opportunities for staff to access POTTS training. Trust observation procedure has been reviewed.
Pre-audit of airway incidents in the intensive care unit	CC1104 Changed supplier of ET tubes. Airway incidents investigated in more detail. Review incidents quarterly.
National Care of the Dying Audit	CG1027 Training to support the wards to fax the Liverpool Care Pathway audit form to the GP's and health informatics commenced. End Of Life link staff meetings arranged.
National audit of dementia care	GM0918 Development of ward based dementia guidelines/care plan. Development of dementia questionnaire for Multi Disciplinary Team completion. Basic awareness training. Consideration of environmental issues e.g. Signage, large clocks etc. Development of communication aids/comfort boxes. Review of requirements for end of life care for dementia. Review of pain assessment tools for dementia patients. Integration of nutritional requirements for dementia patients into Nutrition Mission. Improved medication prescribing for dementia patients. Improved assessment identification and management of delirium.
National Audit of Urinary incontinence	CG0916 Review of continence assessment document for nursing assessments undertaken and incorporated into new admission document.
National Audit for falls and bone health	CG0917 Development of Falls Prevention Steering Group. Trial of footwear to improve falls due to ill fitting footwear. Falls prevention programme. Introduction of falls sensors. Introduction of spot audits to monitor compliance with falls risk assessment. Low beds introduced. Introduction of Skin and Safety Walk Around Record (Intentional Rounding).
Re-audit of the usage of Group O Rhesus D Negative Blood	PA1003 Use of O Rhesus D negative red cells for emergency regularly reviewed and incidents investigated where its use was considered inappropriate. Group specific red cells provided rapidly to avoid unnecessary use of emergency group O Rhesus D negative red cells. Education of staff to ensure group O Rhesus D positive recipients with all antibodies that all efforts must be made to identify phenotypically matched group specific blood.
Health Promoting Hospitals Local Audit	CG1030 Work continues to promote stop smoking in secondary care programme. Work with VISION team to incorporate Public Health work ongoing. GAP analysis completed for alcohol IBA training requirements. Care pathway in development and training programme for obesity and physical activity. Communications sub group PH-SIG has been established.
National Diabetes Inpatient Audit	GM1020 Improvement of foot review for in patients with diabetes; improved insulin safety.
Audit of Patient information	CG1119 CORP/PROC/102 has been amended to include the 'Process for documenting the discussion and provision of information to patients. This procedure is to be further amended in relation to the inclusion of Community Services and therefore had not been ratified.
Management of patients admitted to SAU with Head injury	GS1205 Improved documentation. All patients to be reviewed by GP 1 week post head injury. Head Injury advice for all patients and same documented in notes. Use of otoscope to improve diagnosis of basal skull fracture. Criteria for observation in Observation ward or admission to SAU agreed with A&E consultants.
Timing of echocardiography following admission via Primary PCI care-pathway	CAR1202 Integrated care pathway implemented.
Management of pre-existing diabetes during pregnancy	OB1202 - Diabetes pregnancy card completed and offered to all pregnant women with pre-existing diabetes. Education sessions set up for April & Sept 2013 re women with type 1 diabetes and risks, and recognition of DKA in pregnancy.

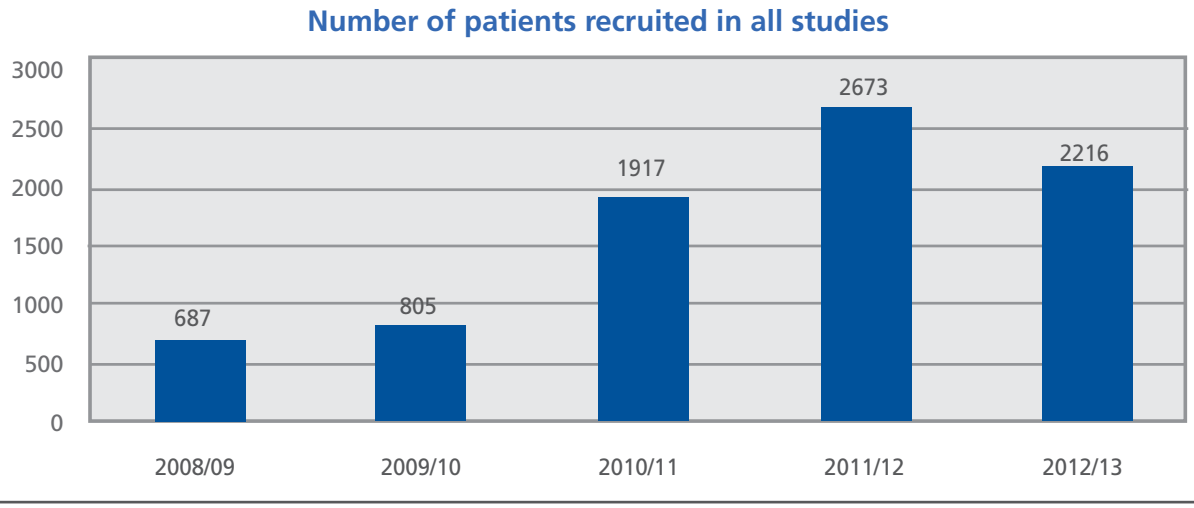
Table 6 continued	
Local Clinical Audits presented for assurance to the Board of Directors	**Details of actions taken to improve the quality of local services and the outcomes of care.**
Audit of Liverpool Care Pathway anticipatory medicine prescribing at a large teaching	PH1142 Training of pharmacy awareness of anticipatory medicines for patients on the LCP. Additional training for junior Dr's.
NHSLA Audit of blood and blood competent transfusions including patient identification	PA1204 Amended Transfusion Care pathway to include recording Alert Verbal Pain Unresponsive (AVPU) scores. Raised awareness of the audit findings.
Complaints Process Audit	CG1117 An email has been sent to all divisions to inform them that they must ensure that a fully completed summary form including lessons learnt be returned to the Complaints Department following an investigation.
Royal College of Physicians National audit to assess and improve service for people with inflammatory bowel disease	GM1013 Bone protection prescribed to all patients receiving corticosteroids; Participation in ongoing UK IBD Biologics Audit; Encourage patients with Crohns to stop smoking; Collection of stool samples on patient's admission; Administration of prophylactic heparin to all appropriate patients.
Re-audit DNAR - Do Not Attempt Resuscitation	CG1029 Safety alert has been developed and issued to address procedural, documentation and process issues where standards not met. Education at all inductions to communicate the need for all medical staff in completing the DNAR form. Risk assessment developed at organisational level.
Management of obesity in pregnancy	OB1108 In house training by consultants to include: Document action plan (i.e. place & mode of delivery) in notes. Improve documentation of thrombo-prophylaxis in management plan. Improve ultrasound request at 36 weeks for patients with BMI >40
2011 National Comparative Audit of bedside transfusion practice	PA1013 Disseminate audit results at Trust Transfusion Committee. Amend Care Pathway to include recording of respiratory rate.
North West Regional Urology Audit	GS1014 Regular TRUS biopsy sessions with extra sessions to accommodate peaks in demand. Listing for TRUS biopsies on receipt of referral letters. New standard letter detailing steps of procedure. Fast track for proctatic biopsies. A further consultant has been appointed. All consultants have clinic slots reserved for giving positive results to cancer patients. Standardised procedure op note that specifically requires the number of cores to be documented. Patients suitable for trials discussed at MDT and discussion documented.
National Paediatric Diabetes Audit	CH1105 - Annual review document developed and incorporated. Investigation results documented in the annual review document.
Follow up of children with Down's Syndrome in Blackpool	CH091 - Original action plan to design proforma for notes has been cancelled due to the introduction of 'Vision'. Instead, a pathway has been commenced and is under development.
Audit of needle stick injury policy	GM1108 Staff education of needle stick policy and dangers of sharps. Review of cannulae and needles in use to ensure retractable and covered. Review and amend needle stick policy to reflect improved use of documentation.
Safeguarding - Audit of child protection procedures and training	CH1011 Improved staff education programme re safeguarding in child protection and related issues. Circulation to all areas of contact details for members of the safeguarding team and child protection supervisors. Specific training to be delivered to A&E staff in child protection. Improved education re level of training required, access and frequency. Recording of safeguarding training provided to be recorded on OLM system.
Clostridium Difficile Infection	PA1010 Continuing antimicrobial stewardship via ward rounds and visits recently expanded with visits occurring regularly to all critical care areas, surgical wards, AMU, cardiac unit, care of the elderly and stroke ward. Reiteration to nursing staff via matrons of the need to get a stool sample as soon as possible from a diarrhoeal patient. Doctors educated on induction regarding pre-emptive treatment.
Data source: Ward-based audit of clinical records. This data may be governed by standard national definitions depending on the audit.	

2.3.3 Participation in Clinical Research in 2012/13

The number of patients receiving NHS services provided or sub-contracted by Blackpool Teaching Hospitals NHS Foundation Trust that were recruited during that period to participate in research approved by a research ethics committee was 2,216*, identified in Graph 1, of which the number of patients recruited to National Institute of Health Research (NIHR) Portfolio Studies is 2,051*. This figure was less than the number recruited in 2011/12 due to a number of high recruiting studies closing during 2012/13.

* It should be noted that 2012/13 NIHR Portfolio Study data is not signed off nationally until 30th June 2013. We therefore estimate the total patient recruitment total to be higher than currently reported (as at 7th June 2013).

Graph 1: Participation in Clinical Research



Data source: NIHR Portfolio Database of studies. This data is governed by standard national definitions.

The National Institute of Health Research Portfolio studies are high quality research that has had rigorous peer review conducted in the NHS. These studies form part of the NIHR Portfolio Database which is a national data resource of studies that meet specific eligibility criteria. In England, studies included in the NIHR Portfolio have access to infrastructure support via the NIHR Comprehensive Clinical Research Network. This support covers study promotion, set up, recruitment and follow up by network staff.

Participation in clinical research demonstrates Blackpool Teaching Hospitals NHS Foundation Trust's provider's commitment to improving the quality of care offered and to making our contribution to wider health improvement. Our clinical staff maintain abreast of the latest possible treatment possibilities, and active participation in research leads to successful patient outcomes.

Blackpool Teaching Hospitals NHS Foundation Trust was involved in conducting 114 clinical research studies during 2012/13. There was over 80 clinical staff participating in research approved by a research ethics committee at Blackpool Teaching Hospitals NHS Foundation Trust during 2012/13. These staff participated in research covering 19 medical specialties as outlined in Table 7 below. Please note the data on the Table 7 is provided by the NIHR whose figures are not finalised until 30th June 2013.

Table 7: Number of patients recruited to National Institute of Health Research Portfolio studies				
Specialty	No. of Patients Recruited 2009/10	No. of Patients Recruited 2010/11	No. of Patients Recruited 2011/12	No. of patients recruited 2012/13
Anaesthetics and Pain	3	24	6	36
Cancer	111	140	419	306
Cardio-Vascular	209	268	449	549
Critical Care	25	977	359	8
DeNDRoN	5	11	6	0
Dermatology	0	21	10	9
Diabetes	0	6	150	460
Gastro Intestinal	67	106	238	229
Medicines for Children	30	43	48	68
Musculo-Skeletal	57	26	1	9
Other	0	1	4	101
Paediatrics	10	30	231	173
Palliative Care	0	0	0	0
Primary Care	0	0	132	0
Public Health	2	7	1	4
Renal	114	90	0	0
Reproductive Health & Childbirth	88	54	41	35
Respiratory	13	19	22	20
Stroke	71	94	116	44
Total	**805**	**1917**	**2233**	**2051**

In addition, over the last two years, 145 publications have resulted from our involvement in NIHR research, which shows our commitment to transparency and desire to improve patient outcomes and experience across the NHS. The improvement in patient health outcomes in Blackpool Teaching Hospitals NHS Foundation Trust demonstrates that a commitment to clinical research leads to better treatment for patients.

2.3.4 Information on the Use of the Commissioning for Quality and Innovation Framework

The Commissioning for Quality and Innovation (CQUIN) payment framework aims to support the cultural shift towards making quality the organising principle of NHS services. In particular, it aims to ensure that local quality improvement priorities are discussed and agreed at board level within and between organisations. The CQUIN payment framework is intended to embed quality at the heart of commissioner-provider discussions by making a small proportion of provider payment conditional on locally agreed goals around quality improvement and innovation.

A proportion of Blackpool Teaching Hospitals NHS Foundation Trust's income in 2012/13 was conditional upon achieving quality improvement and innovation goals agreed between Blackpool Teaching Hospitals NHS Foundation Trust and any person or body they entered into a contract, agreement or arrangement with for the provision of NHS services, through the Commissioning for Quality and Innovation payment framework. Further details of the agreed goals for 2012/13 and for the following 12 month period are available online at:
http://www.bfwh.nhs.uk/about/performance/

The payment mechanism in 2012/13 was that Contracted Commissioners paid 50% of the CQUIN value through block contracts followed by the remaining 50% upon the Trust successfully achieving the agreed goals. The total planned monetary value of CQUIN in 2012/13 conditional upon achieving quality improvement and innovation goals is £6,270,679; however, it is estimated that the Trust will achieve a total monetary value of £5,031,578 in 2012/13; and a monetary total for the associated payment in 2011/12 is £2,900,864.

The main areas of risk are the Dementia, Patient Experience and Chronic Obstructive Pulmonary Disease (COPD) CQUIN themes; however performance against these measures will not be confirmed until August 2013.

2.3.5 Registration with the Care Quality Commission and Periodic/Special Reviews

Statements from the Care Quality Commission

Blackpool Teaching Hospitals NHS Foundation Trust is required to register with the Care Quality Commission (CQC) and its current registration status is compliant with no conditions.

The (CQC) has not taken enforcement action against Blackpool Teaching Hospitals NHS Foundation Trust during 2012/13.

Special Reviews/Investigations

Blackpool Teaching Hospitals NHS Foundation Trust has participated in special reviews or investigations by the Care Quality Commission relating to the following programmes during 2012/13. The Care Quality Commission has undertaken two visits during 2012/13 in relation to a national programme of dignity and nutrition for older people review at Blackpool Victoria Hospital and a review at Ashton Road Community Dental Clinic in which the details are provided below. Blackpool Teaching Hospitals NHS Foundation Trust intends to take the following actions to address the recommendations or requirements reported by the Care Quality Commission as detailed below. Blackpool Teaching Hospitals NHS Foundation Trust has made the following progress by 31st March 2013 in taking such action in which the details are provided below.

Unannounced visit regarding a dignity and nutrition for older people review

In August 2012, Blackpool Victoria Hospital was inspected as part of the Care Quality Commission's national programme of dignity and nutrition for older people inspections. The CQC visited the Stroke Ward and Ward 25 Care of the Elderly and they focused on five outcomes, in particular whether patients were treated with dignity and respect and whether their nutritional needs were met. The CQC also reviewed the outcomes in relation to safeguarding, staffing levels and records.

The CQC's final report overall provided positive feedback. The Trust received compliance for three essential standards of quality and safety in relation to:

- Outcome 01: Respecting and involving people who use services
- Outcome 07: Safeguarding people who use services from abuse
- Outcome 13: Staffing

The Trust also received two minor improvement actions as two standards had been identified as not being met. This was in relation to:

- Outcome 05: Meeting nutritional needs. We have judged that this has a minor impact on people who use the service. **How the regulation is not being met:** Patients were not always protected from the risks of inadequate hydration and clinical nutrition
- Outcome 21: Records. We have judged that this has a minor impact on people who use the service. **How the regulation is not being met:** By omitting information on some patients records, had the potential to put patients at risk

Based on the final report the Trust developed an action plan and commenced implementation of the recommendations to address the two areas for improvement detailed above. The Trust has demonstrated compliance with Outcome 05 and Outcome 21. This has been achieved by the following:

- The Stroke Unit has introduced a standard to ensure that Nurses who take charge of the ward have received dysphasia training to prevent a delay for patients requiring a swallow assessment
- To improve communication with regards to handover of patient care. A column has been added on the 'Patients at a glance board' which now incorporates "Nutrition". Walk Round handovers are carried out daily for all shifts for all patients who are in the Acute stage and Rehabilitation stage.
- To ensure an individual patients plan of care is reviewed on a daily basis Ward Rounds are carried out daily by the Team to ensure a clear direction is given to nursing staff with regards to the patient's nutrition/hydration.
- As part of the Ward handover communication a section is included in the Ward handover documentation to review individual patient's nutritional status.
- The use of red lids are now used to symbolise patients require assistance and the need for monitoring oral fluids.
- Revised Stroke pathway documents were ratified by the Health Records Committee on the 26th September 2012. The pathway has been professionally printed and introduced into the Stroke Unit on the 19th October 2012. The stroke pathway test of change has shown an improvement in clinical documentation to date.

The completed action plan and progress report detailed above has been submitted to the Care Quality Commission in February 2013 following approval by the Board. A follow up review undertaken by the Care Quality Commission on the 19th March 2013 confirmed compliance with the above standards on 10th May 2013.

Planned review at Ashton Road Community Dental Clinic

The Care Quality Commission (CQC) carried out a visit on the 5th July 2012 at Ashton Road Community Dental Clinic as part of a planned routine schedule in order to review the Trust's compliance with the essential standards of quality and safety. The CQC provided positive feedback with no recommendations identified and confirmed that Ashton Road was meeting the essential standards of quality and safety reviewed as listed below.

- Outcome 02: Before people are given any examination, care, treatment or support, they should be asked if they agree to it
- Outcome 04: People should get safe and appropriate care that meets their needs and supports their rights
- Outcome 16: People should be cared for in a clean environment and protected from the risk of infection
- Outcome 14: Staff should be properly trained and supervised, and have the chance to develop and improve their skills
- Outcome 21: People's personal records, including medical records, should be accurate and kept safe and confidential

The Care Quality Commission regulates and inspects health and social care organisations.

If it is satisfied that the organisation provides care which meets essential standards of quality and safety it will register the organisation to provide services "without conditions"

2.3.6 Information on the Quality of Data

Good quality information and data is essential for:

- The delivery of safe, effective, relevant and timely patient care, thereby minimising clinical risk
- Providing patients with the highest level of clinical and administrative information
- Providing efficient administrative and clinical processes such as communication with patients, families and other carers involved in patient treatment
- Adhering to clinical governance standards which rely on accurate patient data to identify areas for improving clinical care
- Providing a measure of our own activity and performance to allow for appropriate allocation of resources and manpower
- External recipients to have confidence in our quality data, for example, services agreements for healthcare provisions
- Improving data quality, such as ethnicity data, which will thus improve patient care and improve value for money.

NHS Number and General Medical Practice Code Validity

Blackpool Teaching Hospitals NHS Foundation Trust submitted records during 2012/13 to the Secondary Uses Service for inclusion in the Hospital Episode Statistics which are included in the latest published data. The percentage of records in the published data:

- which included the patient's valid NHS Number was:
- 99.0% for Admitted Patient Care;
- 99.7% for Outpatient Care; and
- 98.1% for Accident and Emergency Care.

- which included the Patient's valid General Practitioners Registration Code was:
- 100% for Admitted Patient Care;
- 100% for Outpatient Care; and
- 100%for Accident and Emergency Care.

Information Governance Assessment Report 2012/13

Blackpool Teaching Hospitals NHS Foundation Trust's Information Governance Toolkit Assessment Report overall score for 2012/13 was 84% and was graded Satisfactory.

For 2012/13 the grading system is based on:
- **Satisfactory:** level 2 or above achieved in all requirements
- **Not Satisfactory:** minimum level 2 not achieved in all requirements

This rating links directly to the NHS Operating Framework (Informatics Planning 2010/11) which requires organisations to achieve Level 2 or above in all requirements. A list of the types of organisations included along with compliance data is available on the Connecting for Health website (www.igt.connectingforhealth.nhs.uk).

Blackpool Teaching Hospitals NHS Foundation Trust will continue to work towards maintaining and improving compliance standards during 2013/14 monitored by the Health Informatics Committee.

The Data Quality and Records Management attainment levels assessed within the Information Governance Toolkit provide an overall measure of the quality of data systems, standards and processes within an organisation.

Payment by Results (PBR) Clinical Coding Audit

Blackpool Teaching Hospitals NHS Foundation Trust was subject to the Payment by Results clinical coding audit during the reporting period (February 2013) by the Audit Commission and the error rates reported in the latest published audit for that period for diagnosis and treatment coding (clinical coding) were 5.9%.

The results are detailed in Table 8 and demonstrate better than national average performance:

Table 8: Data Published by the Audit Commission	
Clinical Coding	Percentages
Primary Diagnoses Incorrect	9.0%
Secondary Diagnoses Incorrect	6.0%
Primary Procedures Incorrect	7.5%
Secondary Procedures Incorrect	2.6%
Data source: External audit carried out by an approved auditor through the Audit Commission. This data is governed by standard national definitions	

These percentages show the percentages of errors made in each of the categories detailed and have improved from previous years and show the Trust achieving above the national average. The following actions were identified to improve the quality of coding in the latest audit and are detailed below:

- Provide feedback and training to the coders on the issues highlighted in this report including:
  - o Establish a method of capturing pressure ulcers information
  - o Remove the facility from the system to add and remove codes from any staff other than coding staff and other essential users

Please see explanatory note for clinical coding:

- The results should not be extrapolated further than the actual sample audited.
- The following services were reviewed within the sample as shown in Table 9

Table 9: Data Sampled		
Area Audited	Specialty/ Sub-chapter/ Healthcare Resource Group	Sample size
Theme	Trauma and Orthopaedic	100
Speciality	Random Sampling	100

Statements or Relevance of Data Quality and Actions to Improve Data Quality

Blackpool Teaching Hospitals NHS Foundation Trust will be taking the following actions to improve data quality:

- Data quality indicators on NHS number coverage, GP of patient, Ethnicity, Gender, national secondary users service (SUS) quality markers will continue to be monitored on a daily, weekly and monthly basis from the Trust's dedicated data quality team all the way through to the Board.
- Areas of improvement have been identified and actioned to maintain the Trust's high quality standards.

"We recognise that good data quality information underpins the effective delivery of patient care"

2.3.7 Core Quality Indicators

From 2012/13 all Trusts are required to report against a core set of Quality indicators, for at least the last 2 reporting periods, using the standardised statement set out in the NHS (Quality Accounts) Amendment Regulations 2012.

Set out in Table 10 are the care quality indicators that Trusts are required to report in their Quality Accounts. Additionally, where the necessary data is made available to the Trust by the Health and Social Care Information Centre, a comparison of the numbers, percentages, values, scores or rates of the Trust (as applicable) are included for each of those listed in Table 10 with:

a) the national average for the same; and

b) with those NHS Trusts and NHS Foundation Trusts with the highest and lowest of the same, for the reporting period.

Table 10: Core Quality Indicators

The data made available to the Trust by the Information Centre is with regard to –

(a) the value and banding of the summary hospital-level mortality indicator ("SHMI") for the Trust for the reporting period; and
(b) the percentage of patient deaths with palliative care coded at either diagnosis or specialty level for the Trust for the reporting period.

	SHMI				Palliative Care Coding			
Period	Trust	England Average	England Highest	England Lowest	Trust	England Average	England Highest	England Lowest
October 2011 to September 2012	1.21	1	1.21	0.685	13.40%	18.90%	43.30%	0.20%
July 2011 to June 2012	1.26	1	1.26	0.711	14.50%	18.40%	46.30%	0.30%

**Internally calculated data suggests the Trust's SHMI score on next release will be 1.19

The Blackpool Teaching Hospitals NHS Foundation Trust considers that this data is as described for the following reasons:

- The Trust has embarked on an intensive plan for reducing mortality both in hospital and within 30 days of discharge.

The Blackpool Teaching Hospitals NHS Foundation Trust has taken the following actions to improve this rate/number, and so the quality of its services, by undertaking the following actions:

- The Trust has shown a significant and sustained improvement in not only Risk Adjusted Mortality Index (RAMI) over the last three years but has also since July 2012 shown marked improvements in HSMR and SHMI mortality measures that have historically portrayed the Trust in a poor light.

See section 3.4.1- For further information to Reduce the Trust's Hospital Mortality Rate / Summary Hospital Mortality Indicators (SHMI) and any actions taken to improve performance.

The data made available to the Trust by the Information Centre with regard to the Trust's patient reported outcome measures scores for-
(i) groin hernia surgery,
(ii) varicose vein surgery,
(iii) hip replacement surgery, and
(iv) knee replacement surgery,
during the reporting period.

	Year	Eligible episodes	Average health gain	National average health gain	National Highest	National Lowest
Groin Hernia	2010/11	369	0.052	0.085	0.156	-0.02
	2009/10	360	0.06	0.082	0.136	0.011

**Provisional scores for 2011/12 show Trust position as 0.089

	Year	Eligible episodes	Average health gain	National average health gain	National Highest	National Lowest
Varicose Vein	2010/11	377	0.005	0.091	0.155	-0.007
	2009/10	341	0.058	0.094	0.15	-0.002

**Provisional scores for 2011/12 show Trust position as 0.097

	Year	Eligible episodes	Average health gain	National average health gain	National Highest	National Lowest
Hip Replacement	2010/11	238	0.267	0.405	0.503	0.264
	2009/10	236	0.353	0.411	0.514	0.287

**Provisional scores for 2011/12 show Trust position as 0.366

	Year	Eligible episodes	Average health gain	National average health gain	National Highest	National Lowest
Knee Replacement	2010/11	323	0.231	0.298	0.407	0.176
	2009/10	251	0.279	0.294	0.386	0.172

**Provisional scores for 2011/12 show Trust position as 0.297

Table 10: Core Quality Indicators continued

The Blackpool Teaching Hospitals NHS Foundation Trust considers that this data is as described for the following reasons:

- The comparison data for internal PROMS between Blackpool Teaching Hospitals Provisional PROMs Data 2010 -11 (April 2010 - March 2011) and Provisional PROMs Data 2011-2012 (April 2011 - March 2012) shows an improvement against the national scores, but reviewing the negative scores, the Trust has improved on previous data. In regard to varicose vein PROMS the Trust scores against national scores appear to have slightly decreased, but in reviewing the scores comparing full year 2010/11 data to part year April to December 2011 data all scores have seen an increase in value.

The Blackpool Teaching Hospitals NHS Foundation Trust intends to take the following actions to improve this percentage, and so the quality of its services, by the following actions:

- We continue to work with CAPITA our new survey provider to get accurate detail relating to participation rates and also patient level detail at consultant level, once this work is complete the Scheduled Care Division will be asked to be greater involved in developing improvement actions relating to direct surgeon feedback.

See section 3.4.1 – For further information regarding improving outcomes from planned procedures - Patient Reported Outcome Measures (PROMS) and any actions taken to improve performance.

The data made available to the Trust by the Information Centre with regard to the percentage of patients aged -
(i) 0 to 15; and
(ii) 16 or over,
readmitted to a hospital which forms part of the Trust within 28 days of being discharged from a hospital which forms part of the Trust during the reporting period.

Age Group	2010/11	2009/10	2010/11 England Average	2009/10 England Average	2010/11 England Highest	2009/10 England Highest	2010/11 England Lowest	2009/10 England Lowest
16+ Years	12.04	12.09	11.42	11.16	22.93	22.09	0	0
<16 Years	10.73	10.79	10.15	10.18	25.8	31.4	0	0

**Latest readmission percentages for 2011/12 show the Trust rate as 6.9% overall

The Blackpool Teaching Hospitals NHS Foundation Trust considers that this data is as described for the following reason

- The data shows that the work being undertaken across the health economy has started to impact on the percentage of readmissions seen at the Trust.

The Blackpool Teaching Hospitals NHS Foundation Trust has taken the following actions to improve this percentage and so the quality of its services:

- A clinically led review of readmissions to identify implement actions required to reduce the number of avoidable admissions
- Joint work with Clinical Commissioning Groups to identify and implement health economy wide readmission avoidance schemes, including single point of access services to ensure patients access the most appropriate care, improvements to discharge and on-going care planning

See section 3.4.1 - For further information regarding Reduce Emergency Readmissions to Hospital within 28 days of Discharge and any actions taken to improve performance.

The data made available to the Trust by the Information Centre with regard to the Trust's responsiveness to the personal needs of its patients during the reporting period.

Year	Trust	England Average	England Highest	England Lowest
2011/12	67	67.4	85	56.5
2010/11	68.3	67.3	82.6	56.7
2009/10	66.1	66.7	81.9	58.3

The Blackpool Teaching Hospitals NHS Foundation Trust considers that this data is as described for the following reasons: in that the Trust considers patients feedback to be pivotal in ensuring our services continue to develop in order for the Trust to meet individual patient needs.

The Blackpool Teaching Hospitals NHS Foundation Trust intends to take the following actions to improve this score, and so the quality of its services, by enhancing the standard of communication and information given to our patients.

See section 3.4.2 - For further information regarding Priority 3: Quality of the Patient Experience and any actions taken to improve performance.

Table 10: Core Quality Indicators continued

The data made available to the Trust by the Information Centre with regard to the percentage of staff employed by, or under contract to, the Trust during the reporting period who would recommend the Trust as a provider of care to their family or friends.

Year	Trust	England Average	England Highest	England Lowest
2012	89%	87%	98%	68%
2011	87%	88%	98%	70%

The Blackpool Teaching Hospitals NHS Foundation Trust considers that this data is as described for the following reasons:

- We continue to focus energy and efforts on improvements to patient outcomes, quality care and patient experience
- The Trust is part way through a training programme to help staff to be at their best more of their time when delivering care to patients
- The Trust is highlighting the friends and family test data and is investing in a team to work with this in real time
- Additional monies have been identified to support increased nurse recruitment to enhance patient care but this is still ongoing

The Blackpool Teaching Hospitals NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of its services:

- By continuing to roll out the patient experience training to clinical staff and complete the actions as described above.

See section 3.4.2 - For further information regarding the percentage of staff who would recommend their friends or family needing care and any actions taken to improve performance.

The data made available to the Trust by the Information Centre with regard to the percentage of patients who were admitted to hospital and who were risk assessed for venous thrombo-embolism during the reporting period.

Quarter	Trust	England Average	England Highest	England Lowest
Q3 2012/13	99.40%	94.10%	100.00%	84.60%
Q3 2011/12	97.50%	90.70%	100.00%	32.40%

The Blackpool Teaching Hospitals NHS Foundation Trust considers that this data is as described for the following reasons:

- The Trust has aimed to implement current best practice guidelines in order to ensure that all adult inpatients receive a Venous Thrombo-Embolism Risk Assessment on their admission to the hospital, and that the most suitable prophylaxis is instituted. The Trust has embedded and improved the implementation of VTE guidelines within the Trust and has demonstrated this by achieving above the 90% compliance indicator. From 1st April 2011 to 31st August 2011 the Trust did not achieve the VTE target, however from 1st September 2011 - 31st March 2013 the Trust achieved above 90% compliance due to the hard work, commitment and the actions taken by staff. Since then we have been able to sustain this improvement as shown by latest figures from March 2012 to 31st March 2013 in 17.

The Blackpool Teaching Hospitals NHS Foundation Trust has taken the following actions to improve this 90 percentage compliance indicator and so the quality of its services, by undertaking the following actions:

- The Trust has established a Thrombosis Committee to implement and achieve compliance with the National Institute for Health and Clinical Excellence Venous Thrombo-Embolism guideline (CG 92). These guidelines have been incorporated into easy to follow risk assessment forms across various specialties and are an integral part of clerking documents. This will not only ensure that VTE risk assessments are undertaken and embedded permanently in the admission pathway but also facilitates its documentation for subsequent analysis. The Thrombosis Committee monitors performance of individual clinical areas. Although there has been some delay, we are making fresh efforts to roll out an electronic assessment tool to give "live" information about compliance. This will help us to give feedback to individual areas and address poor performance pro- actively.

See section 3.4.3 - For further information to Improve the percentage of admitted patients risk assessed for Venous Thrombo-Embolism (VTE) and any actions taken to improve performance.

Table 10: Core Quality Indicators continued

The data made available to the Trust by the Information Centre with regard to the rate per 100,000 bed days of cases of Clostridium Difficile infection reported within the Trust amongst patients aged 2 or over during the reporting period.

Year	Trust	England Average	England Highest	England Lowest
2011/12	20.4	21.8	51.6	0
2010/11	38.9	29.6	71.8	0

The Blackpool Teaching Hospitals NHS Foundation Trust considers that this data is as described for the following reasons:

- Following the significant reductions in Clostridium Difficile Infection (91.33% for the last six years for the Acute Trust from 2007/2008) the Trust has continued to embed measures to reduce levels further within the organisation.

- There have been 28 cases of Clostridium Difficile Infection (CDI) attributed to the Acute Trust between April 2012 and March 2013, in comparison to 53 for the period April 2011 to March 2012, demonstrating a reduction of 47.17% The Trust was required to achieve a trajectory of 51, a reduction of 3.77% on Clostridium Difficile rates from the 2011-12 level, by March 2013. Information on how the criterion for this indicator has been calculated is detailed in the Glossary of Terms.

The Blackpool Teaching Hospitals NHS Foundation Trust has taken the following actions to improve this trajectory of 51 cases, and so the quality of its services, by undertaking the following actions:

- To mitigate the risk of breaching the Trust's infection prevention target, we continued to deliver a wide ranging programme of work which emphasises to all staff that remaining compliant with the requirements of the Code of Practice for Healthcare Associated Infections is everyone's responsibility.

See section 3.4.3 - For further information to Reduce Clostridium Difficile Infection Rates as Reflected by National Targets and any actions taken to improve performance.

The data made available to the Trust by the Information Centre with regard to the number and, where available, rate of patient safety incidents reported within the Trust during the reporting period, and the number and percentage of such patient safety incidents that resulted in severe harm or death.

Period	Incidents				Resulting in Severe Harm or Death			
	Trust Rate per 100	England Rate per 100 (Average)	England Rate per 100 (Highest)	England Rate per 100 (Lowest)	Percentage of Total (Trust)	Percentage of Total (England)	Percentage of Total (Highest)	Percentage of Total (Lowest)
01/04/2012 to 30/09/2012	8.3	6.7	13.61	1.99	0.1	0.7	2.5	0
01/04/2011 to 30/09/2011	5.92	5.99	10.08	2.75	0.2	0.8	2.9	0.1

The Blackpool Teaching Hospitals NHS Foundation Trust considers that this data is as described for the following reasons:

- There has been a steady increase in the number of untoward incidents reported over the past 4 financial years Patient Safety Incidents account for approximately 76% of all reported untoward incidents.

The Blackpool Teaching Hospitals NHS Foundation Trust has taken the following actions to improve this 25 percent of patient safety incidents resulting in harm, and so the quality of its services, by undertaking the following actions:

- It is essential that lessons are learned from SUI's in order to mitigate the risk of reoccurrence, these lessons are fed back to staff within the Divisions through training, ward meetings and the Trust wide monthly "lessons learned" newsletter.
- Engagement of the patient and their relatives is very important not only to the Trust with an open and honest culture, but as a healing tool. Patients and relatives are informed when an incident has occurred and that an investigation is to be undertaken.

See section 3.4.3 For further information to monitor the rate of patient safety incidents and reduce the percentage resulting in severe harm or death and any actions taken to improve performance.

Part 3: Other Information - Review of Quality Performance

The Quality Account has provided an overview of the Quality Improvement work which has taken place across the organisation. There are a number of projects which we will be taking forward into the coming year and focusing our attentions upon. We would however, like to highlight the following projects as key priorities for 2012/13:

3.1 An Overview of the Quality of Care Based on Performance in 2012/13 with an Explanation of the Underlying Reason(s) for Selection of Additional Priorities

Table 1 in Part 2 sets out the priorities for improvement which were identified in the 2011/12 report and none of these priorities changed in 2012/13 because they were all considered to be of importance by the Board of Directors. Additional information regarding the rationale for the priority selection is detailed in 2.2.2 and 2.2.3 We also identified one additional priority for quality improvement for monitoring in 2012/13 in relation to improving communications with our service users. The additional priority has been identified and included and monitored during the reporting period 2012/13 for the following reasons detailed below:

Improving Communications With Our Service Users

Many complaints and negative feedback comments are related to poor communication or lack of information. The Foundation Trust is constantly seeking to establish the most effective way of communicating with patients and exploring new ways to address communication barriers faced by patients using our services. The following developments highlight our commitment to improving communication with all our service users:

- Updated patient information folders at the bed side
- 'I don't want to complain but...' posters in all areas, these posters highlight the name of the Clinical Matron and Ward Manager and also the uniforms and role of staff that patients may meet in the ward areas.
- Following receipt of a complaint the complainant is offered a face to face meeting so their views can be aired and discussed openly with the key members of staff, in which we have seen an increased uptake of meetings for this nature
- Training is delivered to staff on documentation and record management, enhanced communication skills and 'ten steps to discharge planning' to help staff improve communication with our service users.

3.2 Performance Against Key National Priority Indicators And Thresholds

The NHS Outcomes Framework for 2012/13 sets out high level national outcomes which the NHS should be aiming to improve. The Board of Directors monitors performance compliance against the relevant key national priority indicators and performance thresholds as set out in the NHS Outcomes Framework 2012/13. This includes performance against the relevant indicators and performance thresholds set out in Appendix B of the Compliance Framework 2012/13. Please note: there will be some overlap with indicators set out in part 2 which are now mandated by the Quality Accounts Regulations. Only the additional indicators which have not already been reported in part 2 will be reported here to avoid duplication of reporting.

Performance against the key national priorities is detailed on the Business Monitoring Report to the Board each month and is based on national definitions and reflects data submitted to the Department of Health via Unify and other national databases. For 2012/13 the relevant key national priorities for the NHS Outcomes Framework were:

- Improving cleanliness and improving healthcare associated infections
- Improving access
- Keeping adults and children well, improving health and reducing health inequalities
- Improving patient experience, staff satisfaction and engagement
- Preparing to respond in a state of emergency, such as an outbreak of a new pandemic

Table 11 shows the results from the Trust's self assessment of performance against the relevant key national priority indicators and thresholds over the past 4 years.

Table 11: Performance against Relevant Key National Priority Indicators and Thresholds				
Quality Standard	Trust Self Assessment 2009/10	Trust Self Assessment 2010/11	Trust Self Assessment 2011/12	Trust Self Assessment 2012/13
All Cancers: one month diagnosis to treatment:				
First Treatment (target >= 96%)	Achieved	Achieved	Achieved Q1 99.5% Q2 99.6% Q3 99% Q4 99.8%	Achieved Q1 99.3%, Q2 99.4%, Q3 98.5%, Q4 98.9%
Subsequent Treatment – Drugs (Target >=98%)	Achieved	Achieved	Achieved Q1 100% Q2 100% Q3 99.3% Q4 99.3%	Achieved Q1 100%, Q2 100%, Q3 99.2%, Q4 98.6%
Subsequent Treatment – Surgery (Target >=94%)	Achieved	Achieved 100% for all 4 quarters	Achieved Q1 100% Q2 100% Q3 100% Q4 100%	Achieved Q1 100%, Q2 95.8%, Q3 96.7%, Q4 100%
Subsequent treatment – Radiotherapy (Target >=94%)	Not applicable	Not applicable	Not applicable	Not applicable
All Cancers: two month GP urgent referral to treatment:				
62 day general (target >=85%)	Achieved	Achieved	Achieved Q190.8% Q2 87.2% Q3 92.3% Q4 87%	Achieved Q1 85.1%, Q2 89.5%, Q3 85.5%, Q4 83%
62 day screening (target >=90%)	Under-achieved	Achieved	Achieved Q1 90.5% Q2 93.7% Q3 86.8% Q4 96.7%	Achieved Q1 94%, Q2 91.3%, Q3 98%, Q4 96.6%
62 day upgrade (Target TBC)		Achieved greater than 95% in all 4 quarters	Achieved greater than 94% in all 4 quarters	Achieved Q1 91.4%, Q2 90.9%, Q3 92.2%, Q4 95.6%
All Cancers: two week wait (Target 93%)	Achieved	Achieved Q1, 95.4%; Q2, 95.1%; Q3, 95.4%; Q4, 95.8%	Achieved Q1 94.4% Q2 95% Q3 94.4% Q4 94.2%	Achieved Q1 93.2%, Q2 94.4%, Q3 95.5%, Q4 96.9%
Breast Symptoms – 2wk wait (Target 93%)	Achieved	Achieved Q1, 93.7%; Q2, 95.7%; Q3, 94.9%; Q4, 96.2%	Achieved Q1 94.1% Q2 94.7% Q3 93.2% Q4 96.4%	Achieved Q1 93.8%, Q2 96.5%, Q3 97.2%, Q4 93.4%
Reperfusion (Thrombolysis waiting times).	Not applicable	Achieved	Achieved	Achieved
Delayed Transfers of Care (target <3.5%)	1.42%	Achieved	Achieved	Achieved
Percentage of Operations Cancelled (target 0.8%)	0.53%	Achieved 0.6%	Achieved 0.56%	Achieved 0.45%
Percentage of Operations not treated within 28 days (target 0%)	0%	Achieved 0%	Achieved 0%	Achieved 0%
Patient Experience Survey	Achieved	Achieved	Under-achieved	Under-achieved
Quality of Stroke Care		Achieved	No longer measured	No longer measured
Ethnic Coding Data quality	Achieved	Achieved	Achieved	Achieved
Maternity Data Quality	Achieved	Achieved	Achieved	Achieved
Staff Satisfaction	Achieved	Achieved	Achieved	Achieved
18 week Referral to Treatment (Admitted Pathway) (target >=90%)	95.48%	Achieved 94.08%	Achieved 91.89%	Achieved

Table 11: Performance against Relevant Key National Priority Indicators and Thresholds continued				
Quality Standard	Trust Self Assessment 2009/10	Trust Self Assessment 2010/11	Trust Self Assessment 2011/12	Trust Self Assessment 2012/13
18 week Referral to Treatment (Admitted Pathway) (target >=90%)	95.48%	Achieved 94.08%	Achieved 91.89%	Achieved 94.66%
18 week referral to treatment Open Pathways (Target >+92%)	Not Applicable	Not Applicable	Not Applicable	Achieved 94.37%
18 week Referral to Treatment (Non-Admitted Pathways [including Audiology]) (Target >=95%)	97.43%	Achieved 96.46%	Achieved 95.76%	Achieved 97.51%
18 week Referral to Treatment (non admitted pathways) 95th percentile (target 18.3 weeks)	Not Applicable	Not Applicable	Achieved	No longer measured
18 week Referral to Treatment (admitted pathways) 95th percentile (target 23 weeks)	Not Applicable	Not Applicable	Achieved	No longer measured
Incidence of MRSA	8 (target <=12)	4 (target <=3)	2 (target <=3)	3 (target <=3)
Incidence of Clostridium Difficile	134 (target <=185)	101 (target <=152)	53 (target <=86)	28 (target <=51)
Mixed Sex Accommodation (Target 0)	Not Applicable	2 breaches	5 breaches	12 breaches
Total time in A&E (target 95% of patients to be admitted, transferred or discharged within 4hrs)	98.93%	Achieved 97.69%	Achieved 95.93%	Achieved 96.61%
Total time in A&E (95th percentile) (Target 240 minutes)	Not applicable	Not applicable	Under-achieved	Under-achieved
Total time to initial assessment (95th percentile) (Target 15 minutes)	Not applicable	Not applicable	Under-achieved	Under-achieved
Time to treatment decision (median) (Target 60 minutes)	Not applicable	Not applicable	Under-achieved	Achieved
Unplanned re-attendance (Target 5%)	Not applicable	Not applicable	Achieved	Achieved
Left without being seen (Target 5%)	Not applicable	Not applicable	Achieved	Achieved
Ambulance Quality (Category A response times)	Not applicable	Not applicable	Not applicable	Not applicable
Waiting times for Rapid Access Chest Pain Clinic	100%	100%	100%	100%
Access to healthcare for people with a learning disability	Achieved	Achieved	Achieved	Achieved
Participation in heart disease audits	Achieved	Achieved	Achieved	Achieved
Smoking during pregnancy	26.05%	Under-achieved 26.99%	24.59%	24.56%
Breast-feeding initiation rates target	66.94%	Under-achieved 63.14%	60.47%	56.35%
Emergency Preparedness	**	**	**	**
Where needed the criteria for the above indicators has been included in the Glossary of Terms				

** The Pandemic Influenza Plan (Version 7) was reviewed in September 2012 and ratified by the Board of Directors. This document defines the key pandemic influenza management systems and responsibilities of staff**.

The Major Incident Plan (Version 5) and Decontamination Plan (Version 4) were reviewed in December 2012 and ratified by the Board of Directors. These documents define the key roles and responsibilities of staff during those incidents and the management systems. Decontamination training is undertaken every 6 weeks with the responding departments. A major incident exercise with the Paediatrics Department is planned for March 2013.

To support these arrangements the Trust has a Trust wide Business Continuity Plan (Version 3) which was reviewed and ratified by the Board of Directors in February 2013. Beneath the Trust Business Continuity Plan are forty Directorate Business Continuity Plans with operational information on alternative options to deliver their services.

The Emergency Planning Officer and Local Security Management Specialist continue to undertake group training sessions for the ninety on call or duty staff, this includes Duty Directors, Duty Managers (Acute and Community Health Services), members of the Acute Response Team, Associate Directors of Nursing, Senior Nurses covering bleep 002, On Call Consultant Haematologists and Loggists.

Readmissions within 30 days

The Trust has been working with its health economy partners to implement strategies to reduce readmissions. Overall the percentage of all readmissions 2012/13 was equal to peer average; however for readmissions following non-elective admissions the Trust was above peer average and showing a comparative improvement to last year as shown in Table 12. Work continues to improve the performance of patients readmitted following an elective procedure.

Table 12: Readmissions within 30 days

Indicator	Trust 2011/12	Peer 2011/12	Trust 2012/13	Peer 2012/13
All Admissions	6.9%	7.0%	6.8%	6.8%
Non-elective	11.9%	10.9%	11.7%	10.5%
Elective	3.0%	3.5%	3.3%	3.4%

Data source: CHKS Quality and Patient Safety Tool. This data is governed by standard national definitions

3.3 Additional Other Information in Relation to the Quality of NHS Services

Accident and Emergency

The Trust has achieved the national 4 hour standard in every quarter of the financial year, whereby 95% of patients are to be treated, admitted discharged within 4 hours of arrival to the Accident & Emergency Department

The Trust is monitoring performance against the new clinical quality standards with two of the national standards consistently being delivered. The Trust has implemented several changes to improve compliance with all of the clinical quality indicators and following work to improve the patient environment and flow around the department expects to report significant performance improvements in 2013/14.

18 Weeks Referral to Treatment Targets

The Trust has delivered the 18 week referral to treatment performance target consistently since December 2007. The Trust continues to monitor and redesign pathways to ensure the delivery of timely and efficient patient care across all specialties. During 2012/13 Trust performance remained well above the standard, with 94.66% of patients for admitted care and 97.51% of patients for non admitted care being treated within 18 weeks of referral. The Trust has reviewed and improved pathways to ensure that greater than 92% of patients on open pathways had waited less than 18 weeks.

62 day Cancer Waiting Time Standard

Delivery of the 62 day Waiting Time standards for both GP urgent and screening programme referrals continued to require significant work and pathway development across the Trust, the local health economy and wider Cancer Network during 2012/13 and the year end figure was 85.77%. A significant amount of work was undertaken to understand and address the issues within pathways and across organisations for the benefit of patients. Information on the criteria for this indicator is detailed in the Glossary of Terms.

Learning from Patients

We encourage patients to give us feedback, both positive and negative, on their experiences of our hospital services so that we can learn from them and develop our services in response to patients' needs.

During the financial year 1st April 2012 to 31st March 2013 we received 3372 thank you letters and tokens of appreciation from patients and their families.

The number of formal complaints received by the Trust during the same period was 456 this includes 375 written complaints registered via the Trust and 81 Community formal complaints. There were also 31 verbal complaints made. The overall numbers of formal complaints show a decrease of eight for the Trust figures, however, including the Community figures show an overall increase of 20 compared to the previous year as shown in the Table below.

Date - Financial Year	Complaints
2012/2013	**457 Total** (376 Trust + 81 Community)
2011/2012	**483 Total** (399 Trust + 84 Community)
2010/2011	**347** (Trust only)

The main categories of complaints are related to:

- Clinical Care 203
- Communication 44
- Staff Attitude 59
- Waiting Times 35
- Essential Nursing Care 15

Once the complaint has been acknowledged by the Trust, it is sent to the appropriate Division for local investigation. Once this investigation has been completed, their response is compiled and, following quality assurance checks, the response is signed by an Executive Director and posted to the complainant. Divisions are actively encouraged to arrange face to face meetings with complainants and during 2012/13, 64 meetings were held in order to resolve a complaint in a more timely manner (13 after a final response and 51 before a final response), an decrease of four from the previous year.

To help reduce the number of complaints within the Trust, lessons learned are discussed within the Divisional Governance meetings, whilst lessons that can be learned across the organisation and trends in the number of category of complaints are discussed at the Learning from Incidents and Risks Committee and the weekly complaints meeting to ensure learning is across the organisation.

Once local resolution has been exhausted the complainant has the right to contact the Health Service Ombudsman for a review of the complaint. During 2012/13, nine complaints were considered by the Ombudsman. Of these, there are five cases where the Ombudsman has assessed the issues and arrangements made for the Trust to resolve the issues at local resolution, 3 cases reported no further action to be taken and one case that has been referred to the second stage.

Informal Complaints

The aim of the Patient Relations Team, previously known as Patient and Liaison Service (PALS) is to be available for on-the-spot enquiries or concerns from NHS service users and to respond to those enquiries in an efficient and timely manner.

The table below shows the number of issues dealt with by the by PALS team over the last three years.

Date - Financial Year	Number of Cases	Number of Issues
2012/21013	2,496	2,702
2011/2012	3,124	3,508
2010/2011	2,609	2,887

The number of cases handled by the Patient Experience Team this year has decreased by 628 cases in comparison to the previous year. The main themes that have emerged from the cases recorded are:

- Administration (402 issues)
- Staff Attitude (133 issues)
- Treatment Issues (431 issues)
- Waiting Times (397 issues)
- Communication (165 issues

To help reduce the number of Patient Experience issues within the Trust, lessons learned and service activity are reported to the Patient Experience Committee with regular reports presented to the Learning from Incidents and Risk Committee, Patient Environment Action Team and the Equality and Diversity (E&D) Committee. The Complaints, Litigation Incidents and Patient Experience Report contains the indicators that the service is required to achieve to meet the NHS Litigation Authority (NHSLA) Risk Management Standards. In addition Patient Experience activity and lessons learned also feature in the quarterly and annual Patient Experience Board reports.

3.4 Detailed Description of Performance on Quality in 2012/13 against Priorities in 2011/12 Quality Accounts

This section provides a detailed description regarding the quality initiatives that have been progressed by the Trust including both hospital and community services information based on performance in 2012/13 against the 2011/12 indicators for the following priorities:

- Priority 1: Clinical Effectiveness of Care;
- Priority 2: Quality of the Patient Experience and;
- Priority 3: Patient Safety.

3.4.1 Priority 1: Clinical Effectiveness of Care

There are many schemes and initiatives `that we can participate in that help us deliver high quality care. By meeting the exact and detailed standards of these schemes and initiatives we must achieve a particular level of excellence, this then directly impacts on the quality of care and provides evidence for the Trust that we are doing all we can to provide clinical effectiveness of care.

Reduce the Trust's Hospital Mortality Rate / Summary Hospital Mortality Indicators (SHMI)

The Blackpool Teaching Hospitals NHS Foundation Trust considers that this data is as described for the following reasons:

The Trust has embarked on an intensive plan for reducing mortality both in hospital and within 30 days of discharge. Since July 2012, a series of distinct work streams have been developed to ensure that national mortality ratio measures accurately reflect the Trust's position as well as ensuring safe, appropriate, harm free care is being delivered, these include but are not limited to:

- Improving the process of consultant sign-off for coding of deaths. The purpose of this is to ensure that all diagnoses attributed to a patient accurately reflects the prevalent condition. This allows us to identify areas of high mortality and plan appropriate action.

- Improved documentation processes to ensure safer handover of clinical care and ensure information is available to attribute accurate clinical codes

- Engagement with Northwest area AQUA team to develop a definitive action plan for mortality improvement

- Development of enhanced informatics tools for early identification of mortality issues

- Initiated a review of the compliance with agreed care pathways and care bundles within clinical areas

- Detailed review of all mortality indicators with Chief Executive involvement

At the same time we have maintained our focus on harm reduction strategies such as reducing medical outliers (medical patients receiving treatment on non-medical wards), hospital acquired infections and medication errors. Progress on all these objectives has been reported to the Board on a regular basis. The emphasis has been on improving processes so that the improvements are local, measurable and immediate and are owned by the team providing the care.

The Blackpool Teaching Hospitals NHS Foundation Trust has taken the following actions to improve this rate/number and so the quality of its services, by undertaking the following actions:

The Trust has shown a significant and sustained improvement in not only Risk Adjusted Mortality Index (RAMI) over the last three years but has also since July 2012 shown marked improvements in HSMR and SHMI mortality measures that have historically portrayed the Trust in a poor light.

The Trust continues to be part of a North West Collaborative Programme for mortality reduction and has implemented programmes specifically around the care of patients with pneumonia and patients with severe sepsis. In addition to this work hospital mortality has been improved by the implementation of harm reduction strategies including reduction in hospital acquired infections, progress on reducing Venous Thrombo-Embolism (VTE), strict adherence to quality measures as part of the North West Advancing Quality initiative and improving the management of deteriorating patients and increased nurse to patient staffing levels.

In addition, on 6th February 2013, the Prime Minister announced that he had asked Professor Sir Bruce Keogh, NHS Medical Director for England, to review the quality of care and treatment provided by those NHS trusts and NHS foundation trusts that are persistent outliers on mortality indicators. A total of 14 hospital trusts are being investigated as part of this review.

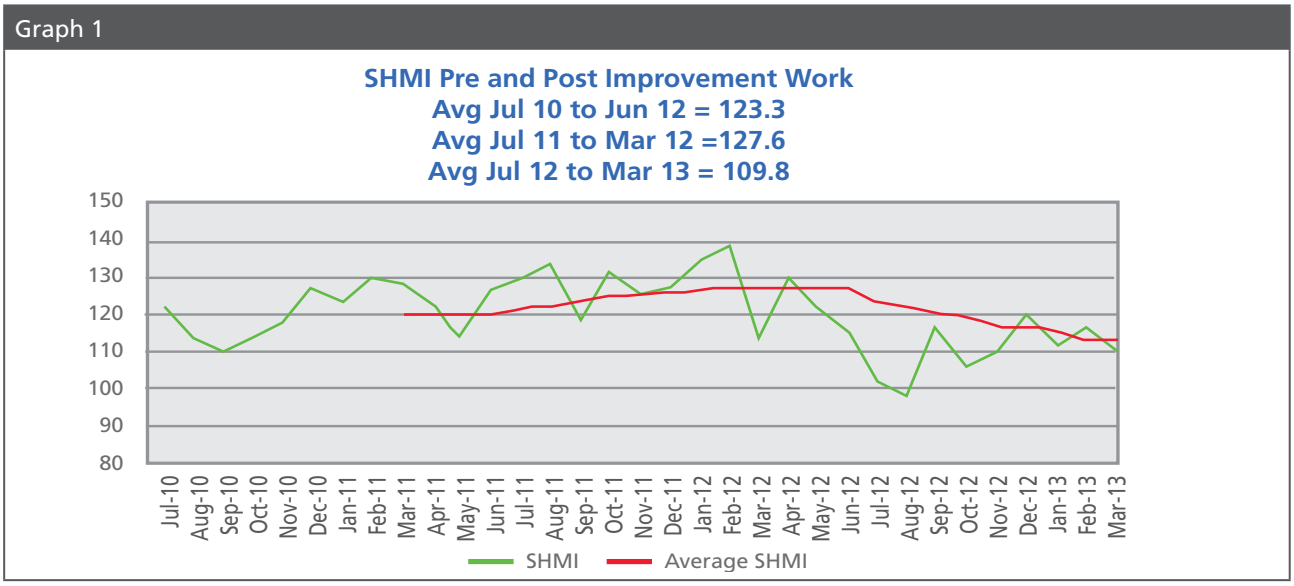
The review will be guided by the NHS values set out in the NHS Constitution and underpinned by the following key principles:

- Patient and public participation
- Listening to the views of staff
- Openness and transparency
- Co-operation between organisations

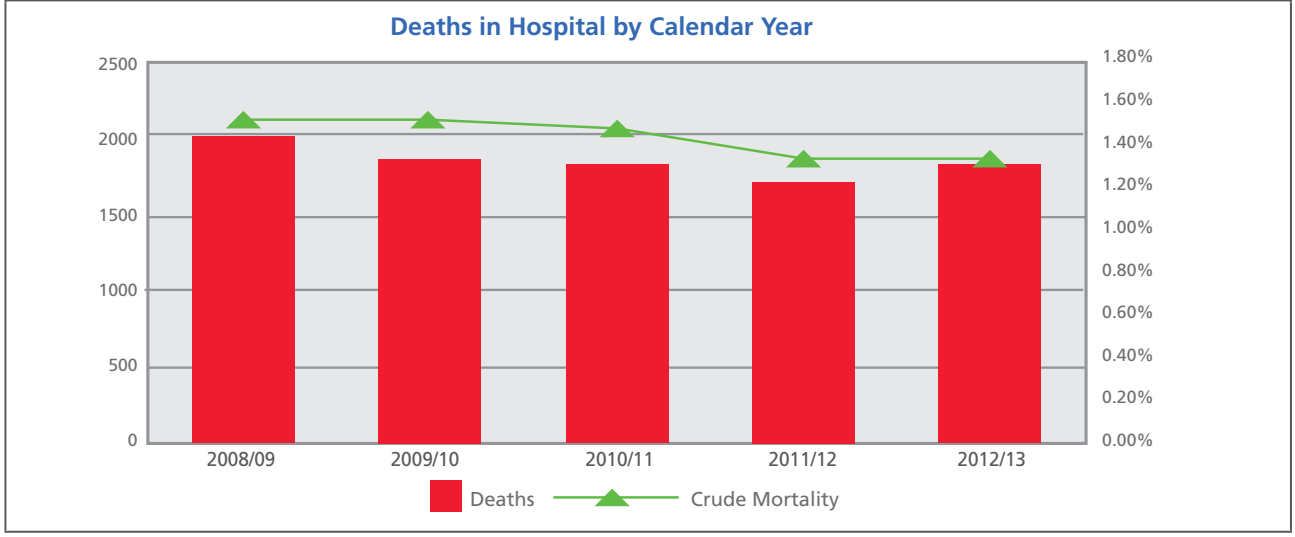
Blackpool Teaching Hospitals is one of the 14 Trusts identified for review as a persisting outlier on the national SHMI measure based on data from pre March 2012. The Trust welcomes this review and believes it will provide an opportunity to demonstrate to patients and relatives the high standards of patient care provided by the hospital and show the improvements that have been made in measures against national mortality ratios since July 2012.

Since commencement of work in July 2012 the Average Summary Hospital Mortality Indicator (SHMI) as produced by the Healthcare Evaluation Data Tool (HED) and internal calculations has fallen by 14 points compared to the period from June 2010 to commencement of work and by 18 compared to the same period in the previous year.

Graph 1



Graph 2



The graph above demonstrates that not only have improvements been made in Risk Adjusted Mortality Indicators but also the Trust has managed a reduction in the overall number of deaths year on year for four years prior to 2012/13 and more significantly a reduction in the crude mortality rate (the percentage of patients that died in hospital compared to the total number of discharges from hospital).

North West Advancing Quality Initiative

The Trust participates in the NHS North West (Strategic Health Authority) Advancing Quality Programme, which focuses on the delivery of a range of interventions for each of the following conditions listed in Table 13. Examples of the interventions can be found in the following information and Tables below:

- Acute Myocardial Infarction (Heart Attack)
- Hip and Knee Replacement Surgery
- Coronary Artery By-pass Graft Surgery
- Heart Failure
- Community Acquired Pneumonia
- Stroke
- Patient Experience Measures (PEMs)

Research has shown that consistent application of these interventions has substantially improved patient outcomes resulting in fewer deaths, fewer hospital readmissions and shorter hospital lengths of stay.

Applying all the interventions will support our goals of reducing hospital mortality, reducing preventable harms and improving patient outcomes, thereby improving the quality of their experience. Approximately 3,000 patients a year will benefit from this programme.

Table 13

Commissioning for Quality and Innovation (CQUIN) and the respective Targets For The Trust

Scheme	Threshold	Collection Period
Acute Myocardinal Infection (Heart Attack)	95%	Discharges which occur between 1st April 2012 and 31st March 2013
Hip and Knee Replacement Surgery	95%	
Coronary Artery By-pass Graft (CABG)	95%	
Heart Failure	75.08%	
Community Acquired Pneumonia	84.81%	
Stroke	90%	
Patient Experience Measures (PEMs)	25%	

Data source: NHS North West Advancing Quality Programme. This data is governed by standard national definitions.

Comparison of Data

For each of the key areas a series of appropriate patient care measures has been determined, known as the Composite Quality Score (CQS). Data are collected to demonstrate if these measures are being met and a Composite Quality Score for each key area is derived for every Trust in the programme. Performance thresholds have been agreed using this data which, whilst challenging, are aimed at each Trust having the opportunity to be awarded the full amount retained through the Commissioning for Quality and Innovation (CQUIN) framework. The percentage levels which would generate a CQUIN payment for each organisation and the data collection periods for each scheme are slightly different, and therefore each CQUIN and the respective targets for the Trust are detailed in Table 2 above.

In addition, to qualify for the Commissioning for Quality and Innovation awards, Trusts must achieve a minimum cumulative clinical coding and Quality Measures Reporter (QMR) data completeness score of 95%.

The Trust's performance against each of the seven key areas is detailed in the following information. A Clinical Lead and Operational Manager have been identified for each key area and regular meetings are held to identify the actions required to improve scores achieved to date.

Please note: The 2012/13 data cannot be published publicly until Grant Thornton have completed their audit to validate the data, which is anticipated to be September/October 2013.

Acute Myocardial Infarction (Heart Attack)

The Trust has always performed well against the advancing quality measure for Acute Myocardial Infarction (Heart Attack). A number of measures have been introduced to ensure compliance with all performance measures. The Trust achieved the Composite Quality Score (CQS) of 98.17% as shown in Table 14.

A number of measures have been introduced to ensure that we meet all performance measures which highlights that the Trust is working to a world class service. The Cardiac Specialist Nurses have ensured that all relevant data is collected and uploaded into the database and they check compliance with all measures.

The Cardiac Specialist Nurses ensure that all information is captured in the Myocardial Ischaemia National Audit Project (MINAP). The Advancing Quality Adult Smoking Cessation advice/counselling is further checked by the Cardiac Rehabilitation Team to ensure this is included within the patients individualised treatment plan.

All data is shared with the Consultant Team and Health Professionals at the monthly Directorate meeting and at the Divisional Governance meeting.

Table 14				
Acute Myocardial Infarction (Heart Attack)	Trust Performance			
Measure	Year 1 Oct 08 – Sept 09	Year 2 Oct 09 – Mar 10	Year 3 Apr 10 – Mar 11	Year 4 Apr 11 – Mar 12
Aspirin at arrival	100.00%	100.00%	100.00%	99.78%
Aspirin prescribed at discharge	99.40%	100.00%	100.00%	100.00%
ACEI or ARB for LVSD	100.00%	100.00%	100.00%	100.00%
Adult smoking cessation advice/counselling	92.86%	96.00%	96.61%	95.12%
Beta Blocker prescribed at discharge	98.03%	100.00%	98.79%	99.54%
Beta Blocker at arrival	99.07%			
Fibrinolytic therapy received within 30 minutes of hospital arrival	100.00%			
Primary Coronary Intervention (PCI) received within 90 minutes of hospital arrival	100.00%	100.00%	95.12%	91.50%
Survival Index	96.76%	99.00%	90.80%	96.52%
Acute Myocardial Infarction (AMI) Composite Quality Score (CQS)	**98.55%**	**99.62%**	**97.98%**	**98.17%**
Top 25% CQS Threshold	97.02%	99.04%		
Top 50% CQS Threshold	94.40%	98.00%		
CQUIN Threshold		87.35%	95.00%	95.00%
Year 1 – Trusts had to achieve over the Top 25% (green) or Top 50% (amber) to receive an incentive payment (red = no payment received).				
Year 2 – Trusts had to achieve the Attainment Threshold to receive the incentive. If they achieved the Attainment Threshold then they could also be eligible for the Top 25% (green) or Top 50% (amber) incentive.				
Year 3 –The Trust had to achieve the CQUIN Threshold of 95%. The Trust met the CQUIN Threshold – we scored 97.98%.				
Year 4 – The Trust met the CQUIN Threshold – target 95% and we scored 98.17%.				

Hip and Knee Replacement Surgery

Both antibiotic and Venous Thrombo-Embolism prophylaxis is the subject of a set of departmental protocols. Compliance with the Venous Thrombo-Embolism prophylaxis protocol is 99% or better. With regard to antibiotic prophylaxis we have developed a system, involving both Flucloxacillin and Gentamicin antibiotics as a first line for patients without Penicillin/ Cephalosporin antibiotic allergy, and compliance in this area is 100%. The Trust achieved the Composite Quality Score (CQS) of 96.25% as shown in Table 15.

Table 15

Hip and Knee Replacement Surgery	Trust Performance			
Measure	Year 1 Oct 08 – Sept 09	Year 2 Oct 09 – Mar 10	Year 3 Apr 10 – Mar 11	Year 4 Apr 11 – Mar 12
Prophylactic antibiotic received within 1 hour prior to surgical incision	99.53%	88.14%	97.96%	94.97%
Prophylactic antibiotic selection for surgical patients	98.88%	97.36%	99.59%	97.18%
Prophylactic antibiotic discontinued within 24 hours after surgery end time	95.33%	98.31%	96.64%	95.63%
Recommended Venous Thromboembolism prophylaxis ordered	100.00%	99.66%	100.00%	99.11%
Received appropriate Venous Thromboembolism (VTE) prophylaxis w/I 24 hrs prior to surgery to 24 hrs after surgery	99.84%	99.66%	100.00%	98.96%
Readmission (28 Day) avoidance index	90.31%	94.02%	92.50%	91.98%
Hip and Knee Composite Quality Score (CQS)	**94.52%**	**96.19%**	**97.78%**	**96.25%**
Top 25% CQS Threshold	94.52%	96.89%		
Top 50% CQS Threshold	92.04%	94.27%		
CQUIN Threshold		75.67%	95.00%	95.00%
Year 1 – Trusts had to achieve over the Top 25% (green) or Top 50% (amber) to receive an incentive payment (red = no payment received).				
Year 2 – Trusts had to achieve the Attainment Threshold to receive the incentive. If they achieved the Attainment Threshold then they could also be eligible for the Top 25% (green) or Top 50% (amber) incentive payment (red = no payment received).				
Year 3 – The Trust had to achieve the CQUIN Threshold of 95%. The Trust met the CQUIN Threshold – we scored 97.78% (green).				
Year 4 - The Trust met the CQUIN Threshold – target 95% and we scored 96.25%.				

Coronary Artery Bypass Graft (CABG) Surgery

There are four Trusts undertaking Coronary Artery Bypass Graft Surgery within the North West, all of which have scored highly for Year 1, Year 2, Year 3 and Year 4. It is very competitive due to the low number of Trusts involved in this initiative.

A number of actions have been introduced to further improve performance against the measures. Compliance with all measures has continued to improve. All data is collected and uploaded by a member of the administrative team working closely with the clinical lead.

The introduction of a new prescription sheet within the Cardiac Intensive Care Unit with the facility to prescribe antibiotics for a 48 hour period only has assisted with the compliance on antibiotic stop times. This ensures that clinicians review each patient and only continue with antibiotics based on individual clinical need if they are re-prescribed.

All data is shared with the Consultant Team and Health Professionals at the monthly Directorate meeting and in the Divisional Governance meeting. The Trust achieved the Composite Quality Score (CQS) of 97.23% as shown in Table 16.

Table 16				
Coronary Artery Bypass Graft Surgery	Trust Performance			
Measure	Year 1 Oct 08 – Sept 09	Year 2 Oct 09 – Mar 10	Year 3 Apr 10 – Mar 11	Year 4 Apr 11 – Mar 12
Aspirin prescribed at discharge	99.53%	98.54%	98.68%	99.30%
Prophylactic antibiotic received within 1 hr prior to surgical incision	94.71%	87.89%	95.59%	99.68%
Prophylactic antibiotic selection for surgical patients	98.14%	94.88%	98.30%	99.68%
Prophylactic antibiotic discontinued within 24 hrs after surgery end time	82.15%	89.82%	93.62%	90.42%
Coronary Artery Bypass Graft Composite Quality Score (CQS)	**93.77%**	**92.73%**	**96.54%**	**97.23%**
Top 25% CQS Threshold	98.71%	97.75%		
Top 50% CQS Threshold	95.01%	97.73%		
CQUIN Threshold		95.00%	95.00%	95.00%
Year 1 – Trusts had to achieve over the Top 25% (green) or Top 50% (amber) to receive an incentive payment (red = no payment received).				
Year 2 – Trusts had to achieve the Attainment Threshold to receive the incentive. If they achieved the Attainment Threshold then they could also be eligible for the Top 25% (green) or Top 50% (amber) incentive payment (red = no payment received).				
Year 3 - The Trust had to achieve the CQUIN Threshold of 95%. The Trust met the CQUIN Threshold – we scored 96.54% (green).				
Year 4 - The Trust met the CQUIN Threshold – target 95% and we scored 97.23%.				

Heart Failure

The Trust has shown an improvement in performance in relation to the management of patients with Heart Failure. Heart Failure Specialist Nurses attend the Adult Medical Unit on a daily basis to identify any patients who have been admitted with Heart Failure. This ensures that these patients are treated by the most appropriate health professional as swiftly as possible and prevents extended length of stay. The Consultant Cardiologist who is responsible for the treatment of patients with Heart Failure is actively involved with patient management across the Trust. Regular ward rounds are undertaken within the Medical Directorate to review patients to assist with effective diagnosis and treatment. Near the end of the patients hospital stay, patients are seen by the Cardiac Rehabilitation Team who ensures appropriate discharge advice has been given.

All data is shared with the Consultant Team and Health Professionals at the monthly Directorate meeting and in the Divisional Governance meeting. The Trust achieved the Composite Quality Score (CQS) of 88.37% as shown in Table 17.

Community Acquired Pneumonia

The figures in Year 3/4 clearly show that the Trust has continued to make significant progress compared to year one. A number of measures have been implemented during the year including the introduction of Advancing Quality Pneumonia Quality Cards, which is a credit card sized reminder for all medical staff of what is required in terms of ensuring high quality patient care for patients suspected of having Community Acquired Pneumonia. An e-learning tool is being launched for all medical staff to complete ensuring that they are fully aware of the need to deliver Advancing Quality measures for pneumonia.

Multidisciplinary meetings continue with nurses and managers from the Accident and Emergency Department, the Acute Medical wards and the Medical specialties. Performance is openly discussed at these meetings and recent clinical cases are reviewed in order that areas for improvement can be identified. The Trust is confident that the introduction of a pneumonia care pathway which will be recorded on the electronic patient record will further improve our performance parameters.

Performance of Blackpool Teaching Hospitals NHS Foundation Trust based on data for Year 4 shows the Composite Quality Score (CQS) to be 85.74% as shown in Table 18.

Table 17				
Heart Failure	Trust Performance			
Measure	Year 1 Oct 08 – Sept 09	Year 2 Oct 09 – Mar 10	Year 3 Apr 10 – Mar 11	Year 4 Apr 11 – Mar 12
Discharge instructions	7.33%	18.42%	34.43%	76.79%
Evaluation of LVS function	70.20%	84.62%	87.70%	96.40%
ACEI or ARB for LVSD	76.06%	81.37%	84.84%	92.88%
Adult smoking cessation advice / counselling	27.78%	53.85%	28.13%	76.79%
Heart Failure Composite Quality Score (CQS)	**42.40%**	**59.10%**	**65.94%**	**88.37%**
Top 25% CQS Threshold	74.65%	77.60%		
Top 50% CQS Threshold	59.60%	72.19%		
CQUIN Threshold		65.34%	65.34%	75.08%
Year 1 – Trusts had to achieve over the Top 25% (green) or Top 50% (amber) to receive an incentive payment (red = no payment received).				
Year 2 – Trusts had to achieve the Attainment Threshold to receive the incentive. If they achieved the Attainment Threshold then they could also be eligible for the Top 25% (green) or Top 50% (amber) incentive payment (red = no payment received).				
Year 3 - The Trust had to achieve the CQUIN Threshold of 65.34%. The Trust met the CQUIN Threshold – we scored 65.94% (green).				
Year 4 - The Trust met the CQUIN Threshold – target 75.08% and we scored 88.37%.				

Table 18				
Community Acquired Pneumonia	Trust Performance			
Measure	Year 1 Oct 08 – Sept 09	Year 2 Oct 09 – Mar 10	Year 3 Apr 10 – Mar 11	Year 4 Apr 11 – Mar 12
Oxygenation assessment	96.89%	100.00%	99.81%	100.00%
Blood Cultures performed in A&E prior to initial antibiotics received in hospital	17.09%	41.60%	80.35%	77.82%
Adult smoking cessation advice / counselling	10.20%	39.62%	39.26%	50.00%
Initial antibiotic received within 6 hrs of hospital arrival	54.21%	64.94%	79.24%	83.60%
Initial antibiotic selection for Community Acquired Pneumonia in immune-competent patients	67.13%	97.32%	99.68%	100.00%
CURB-65 score				75.63%
Community Acquired Pneumonia Composite Quality Score (CQS)	**62.08%**	**76.28%**	**86.29%**	**85.74%**
Top 25% CQS Threshold	82.11%	84.03%		
Top 50% CQS Threshold	74.77%	82.24%		
CQUIN Threshold		78.41%	78.41%	84.81%
Year 1 – Trusts had to achieve over the Top 25% (green) or Top 50% (amber) to receive an incentive payment (red = no payment received).				
Year 2 – Trusts had to achieve the Attainment Threshold to receive the incentive. If they achieved the Attainment Threshold then they could also be eligible for the Top 25% (green) or Top 50% (amber) incentive payment (red = no payment received).				
Year 3 - The Trust had to achieve the CQUIN Threshold of 78.41%. The Trust met the CQUIN Threshold – we scored 86.29% (green).				
Year 4 - The Trust met the CQUIN Threshold – target 84.81% and we scored 85.74%.				

Stroke

Following a significant improvement against the Advancing Quality programme for Stroke in 2011/12, sustaining this performance proved challenging during the beginning of 2012/13. Performance was primarily compromised because we did not admit all patients within 4 hours. Following the implementation of a thorough action plan, which featured a re-launch of educational initiatives to ensure all departments and individuals involved in the stroke pathway were fully aware of the direct admissions pathway, performance improved significantly in August 2012. This improved performance, which has seen both the Composite Quality Score (CQS) and Appropriate Care Score (ACS) thresholds met, is being sustained and achievement of both thresholds by year end is fully anticipated as shown in Table 19.

Table 19

Stroke (New Target Introduced October 2010)	Trust Performance	
Measure	Year 1 (1.10.2010 – 31.3.2011)	Year 2 (Apr 11 – Mar 12)
Stroke Unit Admission	41.92%	74.19%
Swallowing Screening	97.77%	97.96%
Brain Scan	68.15%	84.41%
Received Aspirin	90.71%	99.09%
Physiotherapy Assessment	98.48%	96.69%
Occupational Assessment	97.01%	95.47%
Weighed	98.15%	98.49%
Stroke Composite Quality Score (CQS)	**83.65%**	**92.07%**
Stroke Appropriate Care Score (ACS)	**34.27%**	**68.11%**
CQS - CQUIN Threshold	90%	90%
ACS - CQUIN Threshold	50%	50%
Year 1 – The Trust had to achieve two CQUIN Thresholds – CQS target of 90% and ACS target of 50% The Trust did not achieve the CQUIN Threshold – we scored 83.65% (CQS) and 34.27% (ACS) (red = no payment received). This was due to patient's not being admitted to the Stroke Unit within 24 hours of suffering a TIA and not having a brain scan within the appropriate timescale.		
Year 2 – The Trust met the CQUIN Threshold – target 90% / 50% and we scored 92.07% / 68.11%.		

Patient Experience Measures

The Advancing Quality Patient Experience Measure survey was introduced on 1st April 2011 and comprised of 8 questions for patients in the Advancing Quality clinical focus groups to complete prior to discharge, and related to patient responses for those having treatment for Acute Myocardial Infarction, Coronary Artery By-pass Graft Surgery, Heart Failure, Hip and Knee Replacement Surgery and Community Acquired Pneumonia. The 8 questions were scored from 0 to 10, where 0 is the worst hospital possible and 10 is the best hospital possible. To facilitate collection of patient responses the Regional Advancing Quality team provided each Trust with electronic devices.

The 8 questions were as follows:

- Would you recommend this hospital to your friends and family?
- Did staff listen and act on your anxieties and fears?
- Did you get answers to your questions at the time you needed them, and in a way that you and your family or carers could understand and remember?
- On reflection, did you get the care that mattered to you?
- When you arrived in hospital, did you feel that the staff knew about you and any previous care you had received?
- Did staff respect you as an individual?
- Patients have said that 'sometimes in hospital members of staff will say one thing and then another' - did this happen to you?

The response rate represents the surveys returned that were eligible to be part of the Advancing Quality program. On introducing the Patient Experience Measure there were a number of issues with patients participating in the clinical focus groups, firstly there were a limited number of electronic devices available and secondly there were a number of technical problems. These technical problems were raised with the Regional Advancing Quality team. This coupled with difficulty identifying Advancing Quality patients on medical wards meant that response rates were poor. Various changes have been made to the data collection process and response rates have started to improve since December 2011, however the Regional Advancing Quality team stopped the data collection from January to March 2011 due to regional problems with the machines.

For Year 2 there is just one question but the response rate target increased to 25%. The Trust failed the target in Year 2 but is currently well on track to achieve the target in Year 3 as shown in Table 20.

Table 20		
Patient Experience Measures (PEMs) (New Target Introduced April 2011)	Trust Performance	
Measure	Year 1 (April 10 – Dec 10)	Year 2 (April 11 – Mar 12)
Advancing Quality Threshold	10%	25%
Trust Response Rate	6.69%	22%
Year 1 – Advancing Quality Threshold missed – We scored 6.69% (red – no payment received)		
Year 2 - Advancing Quality Threshold target of 25% missed – We scored 22% (red – no payment received)		

Implementing 100,000 Lives and Saving Lives Programme - Reduce the Incidence of Surgical Site Infections

Mandatory surveillance is completed for hip replacement surgery (Graph 4) and repair of fractured neck of femur surgery (Graph 5) during April to June each year. This data is required by, and is submitted to the Health Protection Agency.

Mandatory Orthopaedic Surveillance

Overall, for the mandatory surveillance, the number of infections has increased from 1.72% in 2011 to 4.06% in 2012.

Surveillance identified a number of key areas for further improvement.

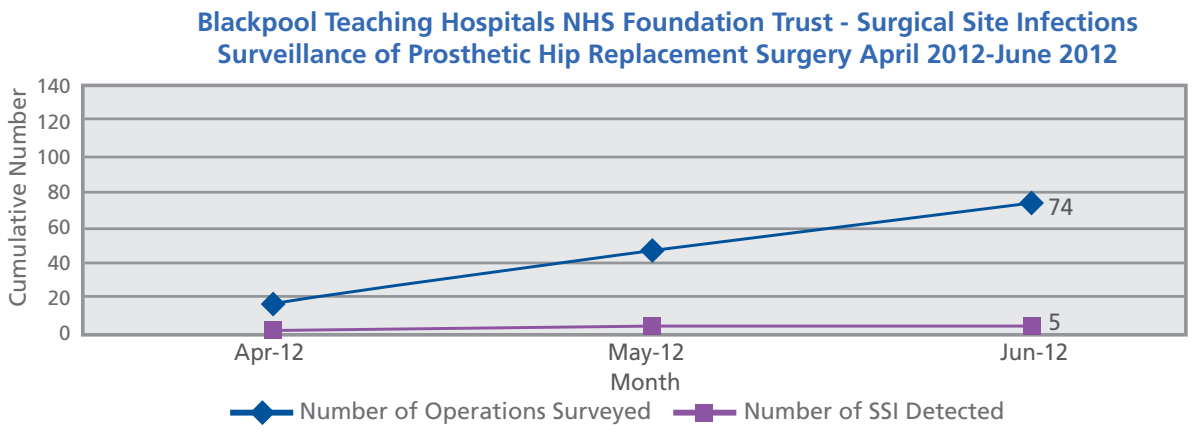
Given the increase in infections, a lead consultant for infection prevention in orthopaedics has been appointed to look at ways of reducing this number for the next surveillance period.

A three month rolling programme of surveillance is also completed for other specialities which include:

- Non mandatory hip replacement surgery (Graph 6)
- Knee replacement surgery (Graph 7)
- Cardiac Surgery (where a sternal wound is a result of the procedure) (Graph 8)
- Caesarean Section Surgery (Graph 9)

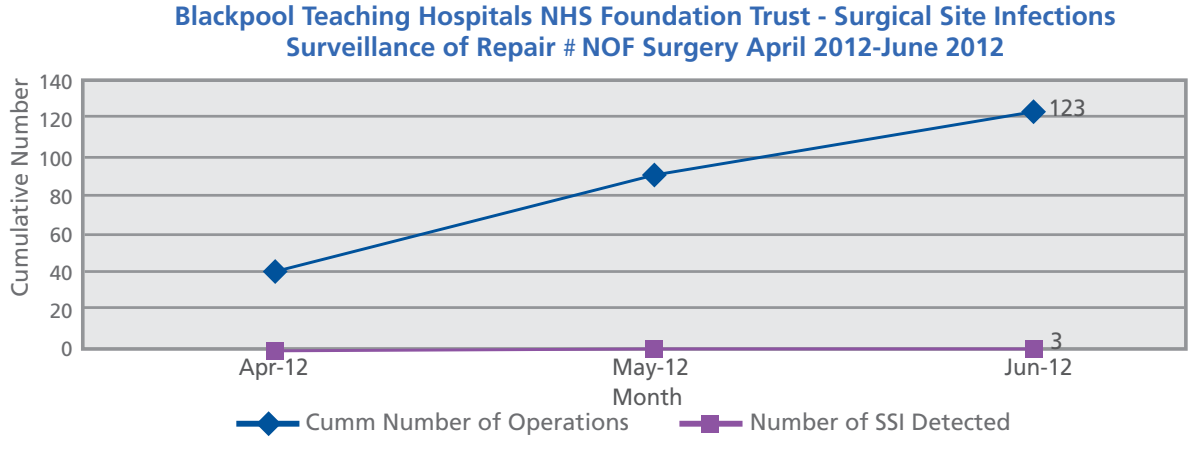
Once completed, the report for each speciality is presented and then sent to the Divisional Director and Associate Director of Nursing for the appropriate Division for their action.

Graph 4 Hip Replacement Surgery



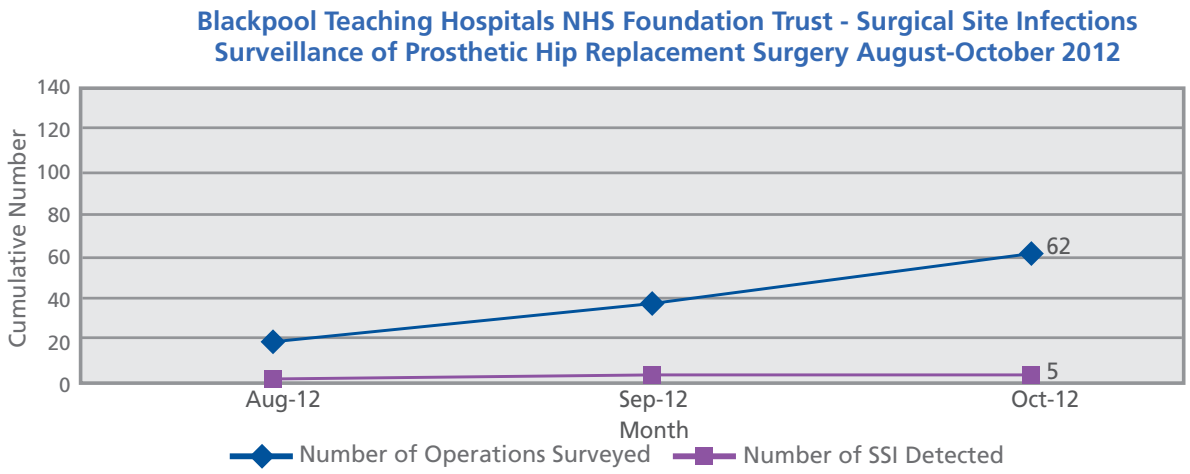
Data source: Health Protection Agency. This data is governed by standard national definitions.

Graph 5 Repair of Fractured Neck of Femur Surgery



Data source: Health Protection Agency. This data is governed by standard national definitions.

Graph 6 Non mandatory Hip Replacement Surgery



Data source: Internal data system. This data is not governed by standard national definitions.

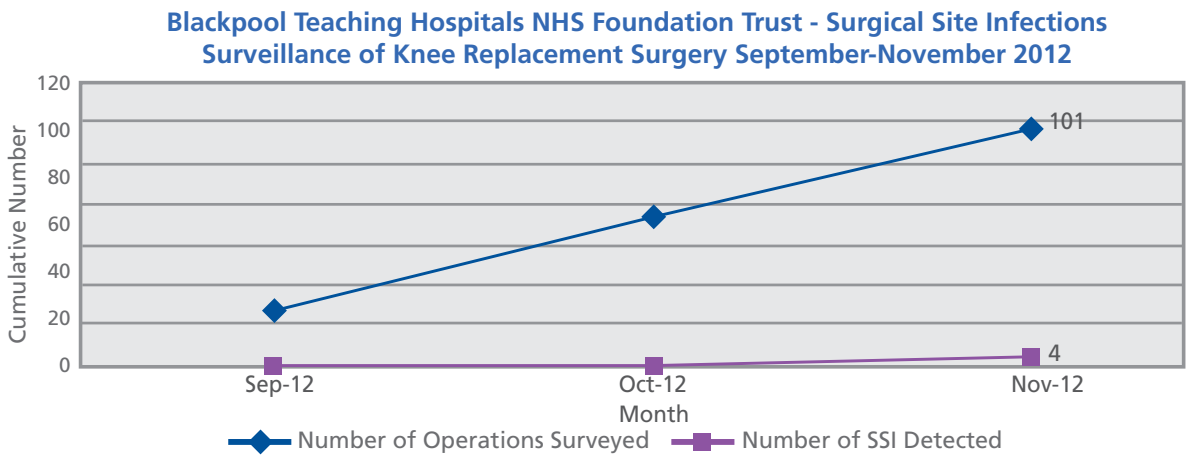
The number of infections has increased from 6.75% in the mandatory period (April to June 2012) to 8.06% (August to October 2012).

As above, a number of key areas for further improvement have been identified and a lead consultant for infection prevention in orthopaedics has been appointed to look at ways of reducing the number of infections.

The number of infections has decreased from 4.39% in 2010 to 3.96% during this surveillance period.

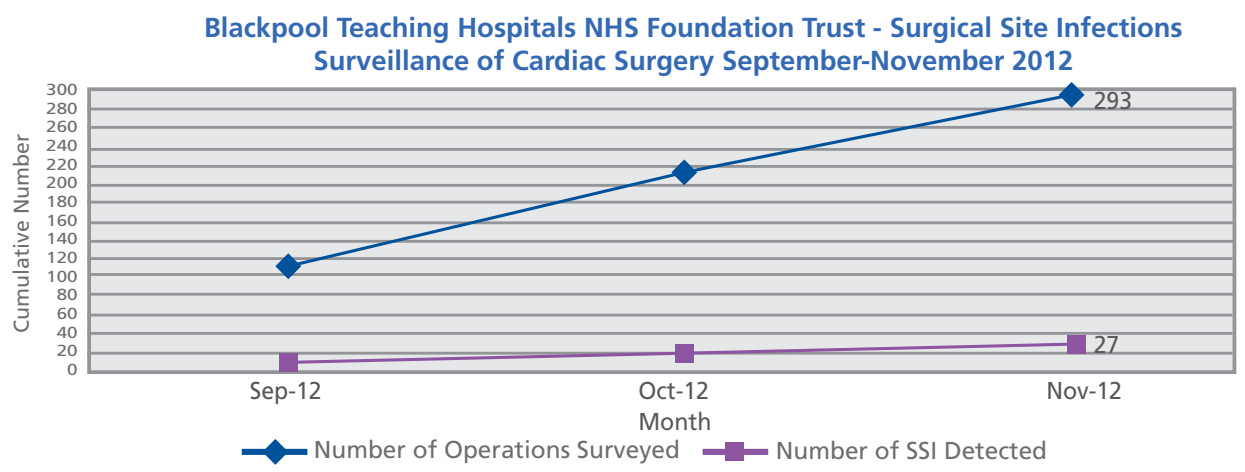
As above a number of key areas for further improvement have been identified and a lead consultant for infection prevention in orthopaedics has been appointed to look at ways of reducing the number of infections.

Graph 7 Knee Replacement Surgery



Data source: Internal data system. This data is not governed by standard national definitions.

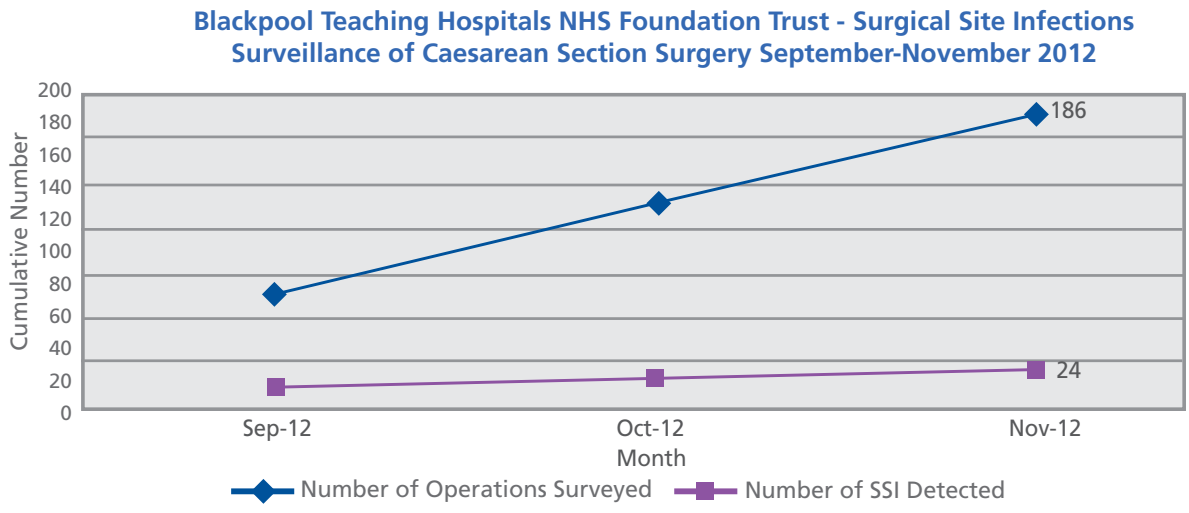
Graph 8 Cardiac Surgery (where a sternal wound is a result of the procedure)



The number of infections has slightly increased during this period but there were (14.9%) more patients involved in the surveillance. The number of deep infections has decreased (33.3%) since the last period in 2011.

A number of key areas for further improvement have been identified which are under discussion with the Division.

Graph 9 Caesarean Section Surgery



Data source: Internal data system. This data is not governed by standard national definitions.

The number of infections has decreased from 23% in 2011 to 13% during this surveillance period.

A number of key areas for further improvement have been identified which are under discussion with the Division.

Enhancing quality of life for people with dementia - Improve the outcome for older people with dementia by ensuring 90% of patients aged 75 and over are screened on admission

After engagement with clinical staff and working with the NHS Institute, a Care Bundle Approach, which is a process where printed checklist paper forms of accepted clinical guidelines are introduced to relevant wards and made conveniently available to all clinicians, was agreed as the best way for doctors to screen patients for dementia and ensure that a proper assessment and appropriate referral took place.

The Initial Dementia Assessment Tool, which consisted of a medical notes component, a flag to mark the patients involved, and a tracer backing form, was introduced into every inpatient hospital ward on the 29th October 2012.

The goal of the Dementia Care Bundle is to improve the identification of patients with dementia and other causes of cognitive impairment alongside their other medical conditions and to prompt appropriate referral and follow up after they leave hospital. The bundle is part of the national CQUIN for improving dementia screening in an acute hospital.

Despite the introduction of the Dementia Care Bundle and a mechanism to audit, the Trust was unable to meet the 90% national target but achieved 75% target with ongoing improvements as shown in Table 21. The Blackpool Teaching Hospitals NHS Foundation Trust considers that this data is as described for the following reasons:

- Despite the bundle leading to an increased awareness of dementia and cognitive conditions amongst medical staff, with a huge increase in usage of the Dementia Assessment tool, it was identified that further education was required to raise awareness of the importance in completing the assessments.

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

- A senior nurse has been seconded to provide education at ward level and to ensure doctors complete the dementia assessment during the admission process. A weekly performance report is now available that breaks down ward compliance and identifies which consultants were in charge at the time.
- A daily alert email is sent to Ward Managers and Ward Clerks that alerts them to patients that need to have their assessment completed within 24 hours in order to meet the 72 hour criteria.
- A weekly performance report is now available that breaks down ward compliance and identifies which consultants were in charge at the time. This is published monthly so that wards can check their performance and make appropriate measures if required.
- The bundle had also been incorporated into the Trust's new Standard Admission Document to ensure that doctors are prompted to complete the assessment on admission.
- Practice Development Sisters will be offering additional training on dementia for clinical staff that will include content on how to complete the bundle particularly the Dementia Assessment.

Table 21 Monthly Trust-wide performance.

Target 90%	Nov 12	Dec 12	Jan 13	Feb 2013	March 2013
Screening Question	29%	27%	90%	82%	72%
Assessment	39%	67%	42%	28%	75%
Referral	0%	33%	74%	4%	0%

Data source: Internal data system and data submitted to the Department of Health. This data is governed by standard national definitions.

In January 2012 following a multi-disciplinary consultation, a Dementia Project – Large Scale Change led by two Associate Directors of Nursing was introduced within the Trust to implement the Dementia Quality Standard and further raise awareness of dementia. The project is divided into six main work-streams each with a lead person responsible. The work-streams are: 1. CQUIN and pathways; 2. Safety and environment; 3. Pharmacology; 4. Education and training and specialist nurses; 5. Volunteers and Partnership; 6. Leadership.

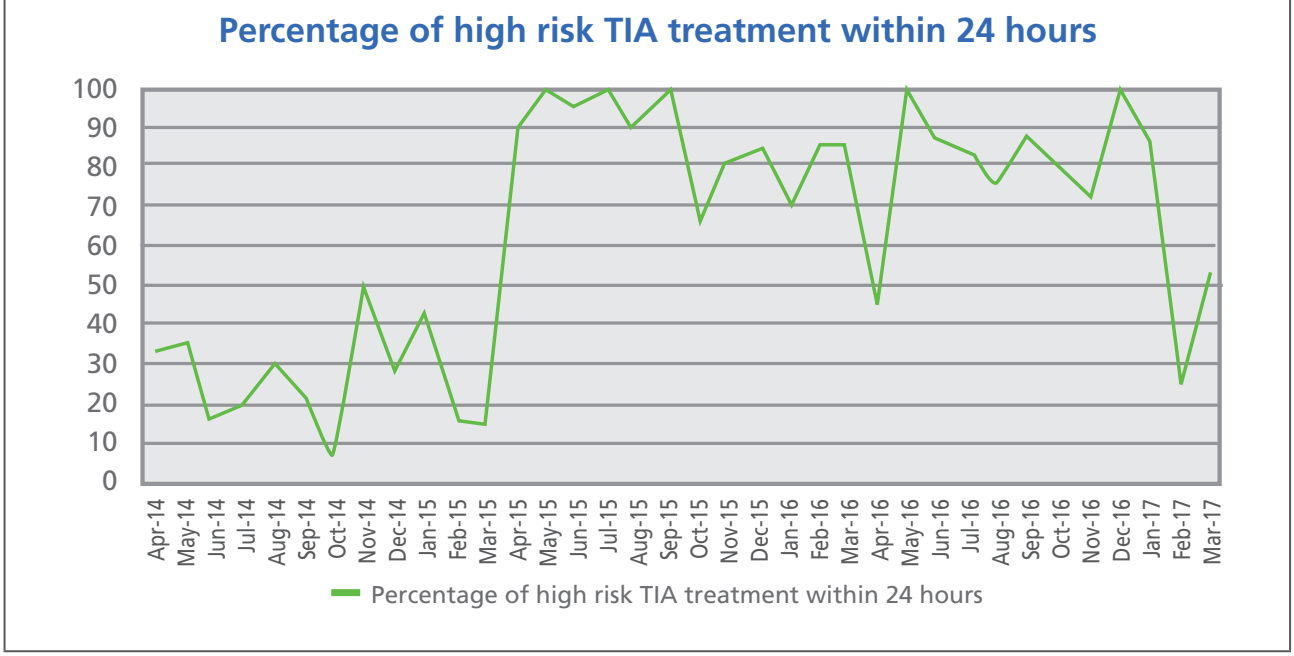
Significant progress has already been made, for example; a Trust wide training and education strategy; audit of antipsychotic prescribing practice and the development of a good practice prescribing guideline; implementation of the key principles of the Kings Fund Enhanced Healing Environment; and participation in the Butterfly Scheme. This is a training and education scheme devised by Barbara Hodkinson, carer to her mother who had Alzheimer's Dementia. It improves well being and safety of patients in hospital by enabling staff to respond appropriately and positively to individuals with cognitive impairment. The Butterfly Scheme was launched in October 2012 with over 600 staff attending from all specialties and professions including Physiotherapists, Occupational Therapists, Porters and Chaplaincy Team. The future goals will be to continue with the implementation of the project, working collaboratively across divisional boundaries within the acute hospital setting and community services.

Improve referral to treatment times for patients who suffer a Trans Ischaemic Attack (TIA)

Clinics and robust referral protocols for both high and low risk patients who suffer a Trans Ischaemic Attack were introduced during 2011/12 to ensure GPs are able to access TIA clinics and the Stroke Unit easily and quickly for patients assessed as high risk.

Through the circulation of a revised TIA referral form and protocol, GPs now have a direct telephone number through to the Stroke Unit, which they are encouraged to phone whilst the patient is still within the GP practice. An appointment time can then be given to the patient before they leave the GP practice so that the patient is seen in the TIA clinic and receives treatment within 24 hours, in line with recommendations. Clinic slots for high risk patients are flexible and are available on an 'adhoc' basis, and appointments are also integrated into the working schedules of the Stroke Consultants, to enable patients to access the service in the timely manner required. Graph 10 demonstrates from April 2011 the improvement for patients receiving TIA treatment within 24 hours. The graph also highlights a decline in performance from February 2013. This is due to a change in how the performance is reported to ensure it is in line with guidance and reflects the challenges of patient choice and late referrals into the service. A number of actions have and are being taken to improve this, including attendance at GP and internal Trust forums to promote the TIA service and the need for urgent referral into the service to ensure treatment can be given within 24 hours.

Graph 10 Percentage of high risk TIA treatment within 24 hours



Data source: Internal data system and data submitted to the Department of Health. This data is governed by standard national definitions.

Nursing Care Indicators Used To Assess and Measure Standards of Clinical Care and Patient Experience

The Nursing Care Indicators are used as a measure of the quality of nursing care that is provided to patients during their stay in hospital. The framework for the nursing care indicators is designed to support nurses in understanding how they can deliver the most effective patient care, in identifying what elements of nursing practice work well, and in assessing where further improvements are needed. Our overall aim when introducing these measures is to reduce harm and to improve patient outcomes and experiences.

By benchmarking our nursing care across the Trust, we can increase the standard of nursing care that we provide, so that best practice is shared across all wards and departments. The measures are made visible in the ward environment and therefore by using this system we can ensure that accountability is firmly placed on the nurses providing bedside care. We have learned from this process and as a result have made significant reductions in patient harms. Compliance with nursing care indicators such as recording of observations and completion of risk assessments associated with the development of pressure ulcers have ensured that our frontline nurses can see the efforts of their work and make the link between the effective assessment and treatment of patients and improved outcomes. By improving the monitoring of vital signs we have reduced harms from deterioration and failure to rescue rates. By including the care of the dying indicators we have improved our referral times to palliative care services and the way that our staff interacts with relatives at this difficult time.

We have been observing nursing care using the Nursing Care Indicators for the past four years. The process involves a monthly review of documentation, ward environments and the nursing care delivered in each ward. The Associate Directors of Nursing closely analyse each area for trends and non-compliance and, where required, instigate improvement plans that reflect any changes in practise that may be required. The Trust recognises that it has set high standards to be achieved, with a target of 95% for all indicators.

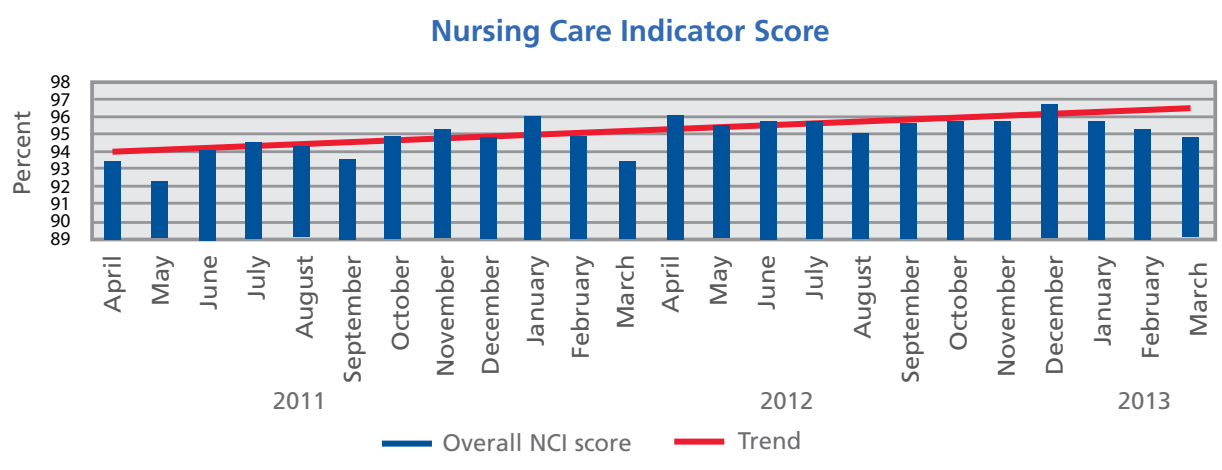
In the development of the Nursing Care Indicators, key themes for measurement were identified from complaints, the patients' survey, the Trust documentation audit, the benchmarks held within the essence of care benchmarking tool, and assessments against Trust nursing practice standards. Measurement of the Nursing Care Indicators is an evolving process and is subject to annual internal review to ensure the indicators reflect current best practice and they are expanded into non ward based areas.

The following themes are measured monthly:

- Patient Observations
- Pain Management
- Falls Assessment
- Tissue Viability
- Nutritional Assessment
- Medication Assessment
- Infection Control
- Privacy & Dignity
- Care of the Dying
- Continence Care

Graph 11 shows the overall Trust performance, expressed as an average percentage of all 10 nursing care indicators, for 2012/13. The variation in scores seen is the type expected in a normal process. The trend clearly shows an overall improvement over the year.

Graph 11



Data source: Ward-based prevalence audit of clinical records. This data is governed by standard national definitions

Implement Nursing and Midwifery High Impact Actions to Improve the Quality and Cost Effectiveness of Care.

The following information provides an overview of performance against the six High Impact Actions, which have been put in place to improve the quality and cost effectiveness of care. These High Impact Actions are in addition to the 10 Nursing Care Indicators.

High Impact Action 1 - Your Skin Matters

The aim of the High Impact Action (HIA) – Your Skin Matters is 'no avoidable pressure ulcer in NHS provided care'.

The Trust is committed to reducing the prevalence of hospital acquired pressure ulcers and embedding cultural change through clinical ownership at ward level. Based on the principles of empowering staff and using change concepts we have implemented a quality improvement initiative programme which has demonstrated a continued and sustained improvement in the prevention of pressure ulcers.
Several initiatives have been undertaken over the last four years, from improved reporting, robust data analysis, introduction of intentional rounding, staff education, set criteria within the nursing care indicators, introduction of intentional meetings with the Director of Nursing and Quality, Associate Directors of Nursing, Ward Managers, Community Team Leaders and Private Care staff to address areas that develop Stage 4 acquired pressure ulcers, which penetrates into the muscle. The purpose of these meetings has been to establish why these pressure ulcers occurred, and identify lessons learned in order to continuously improve patient safety. The integration of the Community Health Services has enabled whole health economy working and the Trust continues to work to provide a seamless service and implement the initiatives identified above. It is also working closely with Residential Care Homes who are caring for patients with pressure ulcers.

In addition to creating significant difficulties for patients, carers and families, pressure ulcers also increase the length of time spent in hospital and therefore cost to the Trust. The Trust is committed to reducing the prevalence of pressure ulcers and embedding cultural change through clinical ownership at ward and community team level. To this end, pressure ulcer prevalence data is collected on a monthly basis and identified as a key performance indicator for each Division on a monthly basis. Incidence reports are generating a root cause analysis to be undertaken on all pressure ulcers. The last 12 months have seen a 35% reduction in the number of hospital acquired pressure ulcers. The number of patients experiencing a pressure ulcer between April 2012 and March 2013 has also reduced by 24.5% compared to the same period last year. The challenge is to achieve zero tolerance of pressure ulcers in all areas, a challenge we will continue to work towards over the coming year.

High Impact Action 2 - Keeping Nourished – Getting Better

The aim of the High Impact Action – Keeping Nourished – Getting Better is 'to ensure all patients receive a nutritionally adequate diet that is fundamental to their wellbeing and delivery of high quality care. The Trust recognises that malnutrition is a major cause and consequence of disease leading to worse health, delayed recovery, increased length of stay and increased financial cost to the NHS. In April 2011 the Trust demonstrated its commitment to improving the nutritional status of patients by launching its 'Nutrition Mission' – a 'rapid spread' campaign which is based on a Department of Health methodology, to provide the best possible nutrition for its patients. This was a multi-disciplinary approach that has resulted in many improvement initiatives being undertaken throughout the Trust through energising and engaging the ward staff and ensuring ownership of the care of their patients through sustained improvements, with the aim of ensuring that all patients are adequately nourished and hydrated. The Trust recognises that well-hydrated and nourished patients get better quicker, have a shorter length of stay and feeling nourished is a key to a positive patient and carer experience.

The Nutrition Mission introduced evidence based care bundles at scale and pace across the whole organisation. Some of the improvements made include every inpatient having access to the correct food at the correct time, help with feeding where necessary, and it is intended that no patient is malnourished whilst staying with us. This project has already seen improved nutritional assessments being carried out for all patients, the Introduction of "hungry to help" volunteers, introduction of alert systems to identify patients requiring assistance, improvements in the quality, range, presentation and availability of food and special diets, food wastage reduced by more than 50% and protected mealtimes have been reinstated with support departments e.g. X-ray adjusting their working patterns to work around patient mealtimes. Some of these initiatives have now been in place since April 2011 and the Trust is delighted to demonstrate sustainability.

The legacy of this project is ward managers who are energised, have the confidence and skills to make changes and improve patient care and dignity. The improvement in patient safety cannot be underestimated either. Staff now realise that mealtimes are as important as medicine rounds, and how important it is to ensure the patients under their care are nourished and hydrated to prevent the associated harms that can occur. As a result of this work the project was featured in the Nursing Times as an example of best practise.

High Impact Action 3 - Staying Safe – Preventing Falls

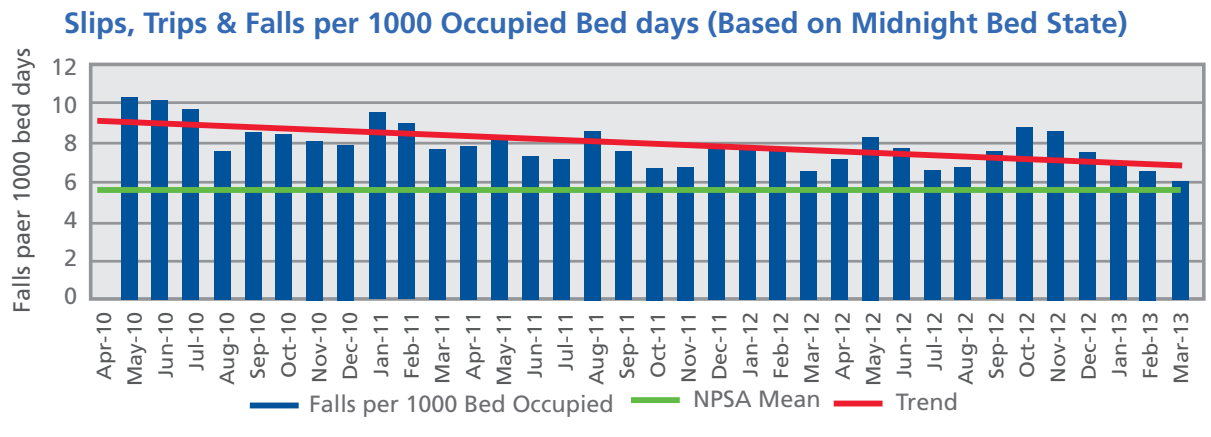
The aim of the High Impact Action Staying Safe – Preventing Falls is to demonstrate a year on year reduction in the number of falls sustained by elderly patients whilst in NHS care. The Trust recognises that even a fall that causes no injury can cause a level of psychological damage to the patient and can result in a loss of confidence and independence which in turn can lead to the need for increased support from the NHS.

The last three years have seen a decrease in the number of patient falls per thousand days from an average of 8.85 in 2010/11, to 7.5 in 2011/12 and then to 7.35 in 2012/13, as shown in Graph 12. This represents a decrease of 17% over the three years. The work of the Falls Prevention Group continues with multi-disciplinary representation across all divisions. The focus remains clearly on preventing harms occurring to patients in order to improve patient safety and the patient experience. A range of initiatives to prevent patient falls continue to be reviewed and implemented and include:

- Falls sensors have been introduced.
- Footwear and low bed trials are underway.
- Documentation has been revamped
- Intentional rounding, in the form of a safety bundle has been introduced into all clinical areas.

Intentional rounding is a checklist approach to check on all patients hourly to ensure they are receiving safe, harm free care. The intentional rounding tool covers all aspects of nursing care and enhances the care given, contributing to the reduction of harm. In particular serious falls have significantly reduced. Graph 12 shows the reduction level of slips, trips and falls. Further information regarding falls prevention can be found in section 3.4.3.

Graph 12



Data source: UNIFY national reporting. This data is governed by standard national definitions.

High Impact Action 4 - Promoting Normal Birth

The promotion of normal birth is a priority for the Maternity Department. The Caesarean section rate has continued to decrease, with a rate of 21.9% against a national average of 33% for 2012. The department has also seen optimum outcomes for both maternal and neonatal health. The introduction of the Vaginal Birth after Caesarean clinic has resulted in a 12% increase in successful vaginal births after a previous Caesarean section. The VBAC clinic has been expanded to incorporate community clinics.

The use of the 2 normal birth rooms on Delivery Suite has been promoted and women are educated and encouraged to deliver normally throughout the antenatal and intrapartum period.

As well as antenatal care and planning the ethos during labour has promoted mobility therefore improving the outcome and the experience. The Maternity Department are engaged in ongoing work to further the promotion of normal birth and these include:

- Use of aromatherapy
- Case review/incidents and good practice
- Staff training
- Family engagement in service changes.

Plans for a Midwifery Led Unit have been developed. This will provide the extended choice for the women and their families. This will also ensure that we are providing care outlined by the Department of Health in Maternity Matters. An application has been placed for Department of Health funding to assist with the implementation of the above plans and the Trust has been successful in the bid application.

High Impact Action 5 - Important Choices – Where to Die when the time comes

Please see section 2.1.3 for further information regarding this improvement initiative.

A Fylde Coast End of Life paper including details of a project to develop an Electronic Palliative Care Coordination Systems (E-PACCS) was approved by Blackpool Clinical Commissioning Group (CCG) on 16th April 2013 with plans for sign off by Blackpool CCG Board in May 2013. The project is being led for Wyre and Fylde by Pippa Hulme and Dr Adam Janjua. A project group is currently being established to enable this work.

High Impact Action 6 - Protection from infection

The Trust is committed to reducing the risk of infections for all patients. Policies and procedures are in place to ensure the risk of infection is minimised. Infection Prevention training and education is provided for all staff through Induction and Mandatory training. All patients admitted to the Trust are screened for Methicillin Resistant Staphylococcus Aureus (MRSA) as per Department of Health guidelines.

High Impact Actions 7 - Fit and Well to Care

The Trust is proactive in its approach to staff health and well being. The Occupational Health and Well Being Department employs a team of specialist doctors, nurses, counsellors, therapists and support staff who provide a comprehensive service to staff and Trust managers. The Department also provides services to external customers and the income generated is re-invested into the department; this enables us to offer benefits to employees that ensure service requirements are achievable

The department's team undertakes regular work-related health checks, vaccinations and immunisation programmes, and develops and drives programmes to reduce risks in the workplace. They offer advice and support to employees and managers in relation to the rehabilitation of staff returning to work following illness or with a known disability.

As part of our ongoing commitment to assist the Trust in managing stress, the Clinical and Therapy Teams monitor a number of work-related cases within the organisation and ensure support is available for all to access.

A variety of healthy lifestyle initiatives are facilitated by the department namely health weight programmes, yoga, rumba and Calm clinics, which involved the Occupational Health team undertaking healthy lifestyle checks on staff members and empowering health choices.

Discussion is currently taking place to potentially fund a full-time Physiotherapist with an assistant for a year pilot so that staff will be able to directly access the service through Occupational Health whilst they are in or off work. This is a key post to support those staff who are experiencing Musculoskeletal Zone (Msk) problems.

Currently the Occupational Health clinical team have been visiting all areas of the organisation to provide each area with an Occupational Health resource pack, which will give staff and managers more information on the services we provide, advice and guidance so that they are more informed as to when they need to refer and understand their own health needs more.

In addition to the internal services offered, all employees have free access to the Employee Assistance Programme, which offers a confidential telephone helpline and online advice to staff. The flu strategy this year has set a 75% target to reach, so far we have reached 71% (the national target), with the acute site achieving 80% and the community 48%, success has been gained through training many of our Trust clinicians to vaccinate colleagues and strong senior leadership.

Having achieved the accreditation in relation to the Safe Effective Quality Occupational Health Service (SEQOHS) for five years, we will be working to support other Occupational Health colleagues in Cumbria and Lancashire to help them achieve their accreditation also.

Partnership working in Cumbria and Lancashire Occupational Health services continues and we are currently reviewing practices/sharing ideas with view to be more cost effective in relation to sharing services across our geographical footprint also.

We currently manage sickness and absence through a process of wellbeing meetings ensuring that we maintain regular contact with employees in order to facilitate their return to work and support them during extended period of sickness and absence Sickness / absence management practice has been a key project for OH and HR colleagues to establish how Managers actually undertake or record this data, conduct return to work interviews and manage individual cases. Findings so far have resulted in depth training programme for Managers, Leaflets for Employees and Managers that will be circulated shortly to offer advice on guidance in relation to sickness and we are developing electronic recording of all sickness/absence across the organisation to ensure an equitable and consistent approach.

The Nursing and Midwifery sickness and absence data for the period 1st April 2012 – 31st March 2013 is currently demonstrating a year to date figure of 3.85% for the Trust as a whole.

High Impact Action 8 - Ready to go – No delays

To date the number of onsite staff within the Discharge Team has increased from 9 to 14 which results in a larger number of staff available to carry out assessments at ward level. However, the benefits of the additional staffing levels are not being realised due to high levels of sickness amongst the team.

Progress

- Cohort beds are now being utilised – a range of 15 care homes that are accredited by PCTs, Social Services and CQC. The contract will cease at the end of April this year with an intention to re-open in the winter months (September onwards). Discussions are taking place on whether we can 'reserve' a couple of beds during the summer months that could be utilised on an individual needs basis.
- An external company is carrying a review of the discharge team with an intention to streamline the PCTs and Social Services policies and procedures to improve overall services.

Improving outcomes from planned procedures - Patient Reported Outcome Measures (PROMS)

Improve the scores for the following elective procedure

i) Groin hernia surgery
ii) Varicose veins surgery
iii) Hip replacement surgery
iv) Knee replacement surgery

Patient Reported Outcome Measures (PROMs) measure quality from the patient perspective, it is a national programme organised by the Department of Health. Initially covering four clinical procedures, PROMs calculate the health gain after surgical treatment using pre and post operative surveys. The Trust Participation rates are as shown in Table 22.

Table 22: Participation Rates

Date	Participation rate (full year)
2011/2012	66.1%
2012/2013 to November 2012	67.7%

The Blackpool Teaching Hospitals NHS Foundation Trust considers that this data is as described for the following reasons: The comparison data for PROMS between Blackpool Teaching Hospitals Provisional PROMs Data 2010 -11 (April 2010 - March 2011) and Provisional PROMs Data 2011-2012 (April 2011 - March 2012) is shown in Table 23. The data shows an improvement against the national scores, the positive scores are **highlighted in green** but reviewing the negative scores, the Trust has improved on previous data. In regard to varicose vein PROMS the Trust scores against national scores appear to have slightly decreased, but in reviewing the scores comparing full year 2010/11 data to part year April to December 2011 data all scores have seen an increase in value. The Blackpool Teaching Hospitals NHS Foundation Trust intends to take the following actions to improve this percentage, and so the quality of its services, by the following actions:

We continue to work with CAPITA our new survey provider to get accurate detail relating to participation rates and also patient level detail at consultant level, once this work is complete the Scheduled Care Division will be asked to be greater involved in developing improvement actions relating to direct surgeon feedback.

Table 23:

Comparison between Blackpool Teaching Hospitals NHS Foundation Trust Provisional PROMs Data 2010-11 (April 2010 - March 2011) and Provisional PROMs Data 2011-2012 (April 2011 - March 2012)

	Measure								
Percentage Improving	EQ-5D Index 2010-11	EQ-5D Index 2011-12	Variance	EQ-VAS 2010-11	EQ-VAS 2011-12	Variance	Condition Specific 2010-11	Condition Specific 2011-12	Variance
Groin Hernia	50.5%	49.1%	-1.4%	39.1%	41.6%	2.5%	N/A	N/A	N/A
Hip Replacement	86.7%	88.4%	1.7%	61.4%	61.4%	0.0%	95.8%	96.70%	0.9%
Knee Replacement	77.9%	80.7%	2.8%	50.8%	60.6%	9.8%	91.4%	94.70%	3.3%
Varicose Vein	51.6%	55.3%	3.7%	39.8%	48.7%	8.9%	82.5%	80.20%	-2.3%

Comparison between Blackpool Teaching Hospitals NHS Foundation Trust Provisional PROMs Data 2010-11 (April 2010 - March 2011) and Provisional PROMs Data 2011-12 (April 2011 - March 2012)

	Measure								
Percentage Getting Worse	EQ-5D Index 2010-11	EQ-5D Index 2011-12	Variance	EQ-VAS 2010-11	EQ-VAS 2011-12	Variance	Condition Specific 2010-11	Condition Specific 2011-12	Variance
Groin Hernia	17.9%	13.6%	-4.3%	41.7%	35.3%	-6.4%	N/A	N/A	N/A
Hip Replacement	6.7%	7.2%	0.5%	27.4%	28.8%	1.4%	3.6%	2.70%	-0.9 %
Knee Replacement	11.1%	6.8%	-4.3%	36.5%	31.0%	-5.5%	7.1%	4.10%	-3.0%
Varicose Vein	15.7%	14.5%	-1.2%	40.1%	40.3%	0.2%	17.5%	19.80%	2.3%

Reduce Emergency Readmissions to Hospital (for the same condition) within 28 days of Discharge

The Trust has been working with its health economy partners to implement strategies to reduce readmissions. Overall the percentage 28 day readmissions in 2012/13 was below peer average as shown in Table 24.

The Blackpool Teaching Hospitals NHS Foundation Trust considers that this data is as described for the following reason in that it shows that the work being undertaken across the health economy has started to impact on the percentage of readmissions seen at the Trust as shown in Graph 13.

The Blackpool Teaching Hospitals NHS Foundation Trust has taken the following actions to improve this percentage and so the quality of its services:

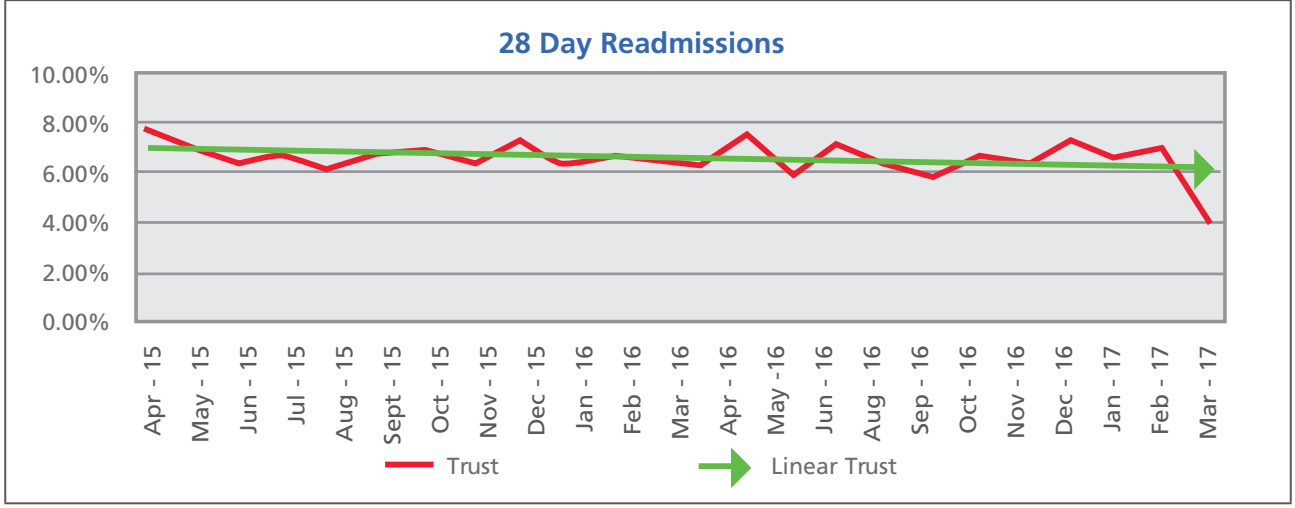
- A clinically led review of readmissions to identify implement actions required to reduce the number of avoidable admissions .
- Joint work with Clinical Commissioning Groups to identify and implement health economy wide readmission avoidance schemes, including single point of access services to ensure patients access the most appropriate care, improvements to discharge and on-going care planning.

Table 24: 28 Day Readmissions				
Indicator	Trust 2011/12	Peer 2011/12	Trust 2012/13	Peer 2012/13
All Admissions	6.9%	6.9%	6.4%	6.8%
Non-elective	11.5%	10.8%	10.8%	10.7%
Elective	2.9%	3.2%	3.3%	3.1%

Data source: CHKS Quality and Patient Safety Tool. This data is not governed by standard national definitions

NB: No exclusions are made from the CHKS data and therefore includes (day cases, obstetrics, cancer patients, etc). The Trust is unable to replicate the national methodology in full. The Trust has reviewed its raw data (not standardised as in national data) and non elective readmissions for the Trust equates to 16.77% for 2012/13.

Graph 13: 28 Day Readmissions



3.4.2 Priority 2: Quality of the Patient Experience

The Trust will only be able to improve and maintain high quality services if we listen to the people who use our services and their carers. They are the experts in the care we provide and the Trust continually tries to learn from the experience of individuals to ensure we get it right first time, every time.

Improve Hospitals' Responsiveness to Inpatients' Personal Needs by Improving the CQC National Inpatient Survey Results in the Following Areas: -

The Care Quality Commission National Inpatient Survey is undertaken on an annual basis by the Picker Institute, an independent organisation. Between the period October 2012 and January 2013 a questionnaire was sent to 850 recent inpatients. 410 patients responded. Table 25 shows a comparison of data for six indicators from 2008 to 2011 and progress remains consistent.

These indicators were chosen to be monitored since they relate to key issues that are of great importance to the Board and/or have been identified by our patients as of most importance to them.

The Blackpool Teaching Hospitals NHS Foundation Trust considers that this data is as described for the following reasons: in that the Trust considers patients feedback to be pivotal in ensuring our services continue to develop in order for the Trust to meet individual patient needs.

The Blackpool Teaching Hospitals NHS Foundation Trust intends to take the following actions to improve this score, and so the quality of its services, by enhancing the standard of communication and information given to our patients.

The Trust are in the process of improving the score in relation to the question 'Did a member of staff tell you about medication side effects to watch for when you went home' The clinical divisions are currently reviewing these results and are looking at what actions are needed to ensure information relating to medication side effects is discussed with the patients on discharge. The pharmacy team are developing information to enable patient to be aware of the use of community pharmacists in medication reviews or any issues relating to medications.

Improvements to the indicators will be monitored on a monthly basis through the Nursing Care Indicators and this information will be presented to the Board of Directors on a monthly basis to monitor improvements made.

Improve Staff Survey Results in the Following Area - Percentage of Staff Who Would Recommend Their Friends or Family Needing Care

The National Staff Survey is undertaken on an annual basis by the Picker Institute, an independent organisation. Between the period October 2011 and January 2012 a questionnaire was sent to 2000 staff. 981 staff responded. Table 26 shows the result for the indicator.

This indicator was chosen to be monitored since this relates to a key issue that is of great importance to the Board and/or have been identified by our patients as of most importance to them.

Table 25: Care Quality Commission National Inpatient Survey

Indicator	2011/12 Results	Comparison to last year's results	2012/13 Result
Were you involved as much as you wanted to be in decisions about your care and treatment?	87.3% said yes often or yes sometimes	↓	82.6% said yes often or yes sometimes
Did you find someone on the hospital staff to talk to about your worries and fears?	52.2% said yes definitely or yes to some extent	↑	75.4% said yes definitely or yes to some extent
Were you given enough privacy when discussing your condition or treatment?	89.2% were always or sometimes	↑	91.3% were always or sometimes
Did a member of staff tell you about medication side effects to watch for when you went home?	55.7% said yes completely or yes to some extent	↓	51.5% said yes completely or yes to some extent
Did hospital staff tell you who to contact if you were worried about your condition or treatment after you left hospital?	67.3% said yes	↓	66.7% said yes

Data source: Patient Perception Survey carried out by Picker Institute Europe an independent organisation. This data is governed by standard national definitions.

The Blackpool Teaching Hospitals NHS Foundation Trust considers that this data is as described for the following reasons:

- We continue to focus energy and efforts on improvements to patient outcomes, quality care and patient experience
- The Trust is part way through a training programme to help staff to be at their best more of their time when delivering care to patients
- The Trust is highlighting the friends and family test data and is investing in a team to work with this in real time
- Additional monies have been identified to support increased nurse recruitment to enhance patient care but this is still ongoing

Table 26	
National Staff Survey	
Indicator	2012 Result
Percentage of staff who would recommend their friends or family needing care	89% of staff would be happy to recommend their friends or family needing care

Data source: Staff Perception Survey carried out by Picker Institute Europe, an independent organisation. This data is governed by standard national definitions.

The Blackpool Teaching Hospitals NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of its services, by continuing to roll out the patient experience training to clinical staff and complete the actions as described above. In addition the Trust has updated its Strategic Aims and is consulting on new values and behaviours to ensure we each provide a consistent level of care to all our patients and service users and their families. We continue to invest in development of staff at the front line and to review performance. The Trust has updated its Whistle blowing Policy which is currently being consulted on in order that it can be launched by the Chief Executive. The Trust will also implement a range of recommendations from the Francis report as it deems required.

Improvements to the indicator will be monitored on an ongoing monthly basis through the Patient Experience Revolution engagement questionnaire and this information will be presented to the Board of Directors on a quarterly basis to monitor improvements made.

Further findings from the Staff Survey are reported separately in the Annual Report on page 26 and can be accessed via the following link http://www.bfwh.nhs.uk/departments/comms/publications.asp#ann

Improving the Experience of Care for People at the End of Their Lives
- Seeking Patients and Carers Views to Improve End of Life Care

The Trust Cancer End of Life Teams are working closely with Trinity Hospice and representatives from community groups to promote end of life care. A conference was held on Wednesday 15th May 2013 to promote 'Dying Matters' week and to raise awareness of the care that is available across the health economy. The targeted audience included community leaders from all agencies to build a network that can support, inform and inspire others.

The Cancer Network and Macmillan Cancer Support have supported a project to provide comprehensive bereavement information packs for all bereaved families across Lancashire and South Cumbria. These packs will be offered at the time of registration of death.

- Ensure that Patients Who Are Known to be at the End of Their Lives are able to Spend Their Last Days in their Preferred Place Across All Services

The End of Life Team continues to promote the tools available to facilitate the preferred place of care for patients at the end of life. A local family have worked with the team to share their experience of choice and preference at end of life. Their daughter participated in a poster campaign, which received television and radio coverage. These posters were launched throughout the Trust in May 2013 and again supported with media coverage.

Transformation of end of life care in acute hospitals: This is a national project which is being piloted within the Trust to enhance communication, documentation, training, patient choice to improve the overall journey and experience. There will be extra funding available to provide further education to clinical staff to ensure expert end of life care is provided.

Patient Environment Action Team (PEAT) Survey
- To Improve PEAT Survey Results/Standards

Our aim is to deliver the best environment for our patients to ensure that the patient experience exceeds the standards set by the National Patient Safety Agency. Providing a clean and safe environment for our patients is extremely important to the Trust. We monitor this through the Patient Environment Action Team (PEAT) annual audits across all hospital sites.

The teams comprise a multidisciplinary team, including a patient's representative and an external PEAT assessor who conduct annual audits regarding the quality of standards we provide to our patients. The key areas which are audited are:

- Cleanliness
- Specific bathrooms/toilet cleanliness
- Catering Services
- Environment
- Infection Prevention
- Privacy and Dignity
- Access all external areas

The audit follows guidelines set by the National Patient Safety Agency and the results are publicised nationally on an annual basis. In 2012/13, PEAT audits were extremely encouraging across all hospital sites resulting in excellent standards achieved. The results in Table 27 demonstrate the commitment and dedication of all staff within the Trust who strive to ensure that the patient experience is met or exceeded during their stay in our hospitals.

The 2013 assessments will be renamed 'Patient-Led Assessments of the Care Environment' (PLACE), which will commence on the 2nd April 2013. This programme replaces the former Patient Environment Action Team (PEAT) programme. In accordance with the Prime Minister's commitment to give patients a real voice in assessing the quality of healthcare, including the environment for care, at least 50% of those involved in undertaking assessments will be patient representatives. The new audit follows guidelines set by the Health & Social Care Information Centre from April 2013.

3.4.3 Priority 3: Patient Safety

We know that our service must not only be of high quality and effective, but that they must always be safe. We have a range of processes and procedures to ensure that safety always remains a top priority.

Reduce the Incidence of Avoidable Harm to our Patients through the following strands of work: - Safety Thermometer to be used as a Measure to Prevent Harm

The Safety Thermometer is a tool to be used as a measure to prevent harm. It enables the calculation of the proportion of patients who received harm free care. Since April 2012 the Trust has completed this monthly audit across all areas of the hospital and community setting.

The four harms that are the most prevalent are identified below.

- A pressure ulcer of category 2, 3 or 4, acquired anywhere
- A fall which resulted in any degree of harm within the previous 72 hours (3 days) in a care setting
- A new VTE of any type acquired whilst under our care
- Treatment for a UTI in patients with an indwelling urethral urinary catheter

Patients who have one or more of the harms listed above will not be classified as harm free.

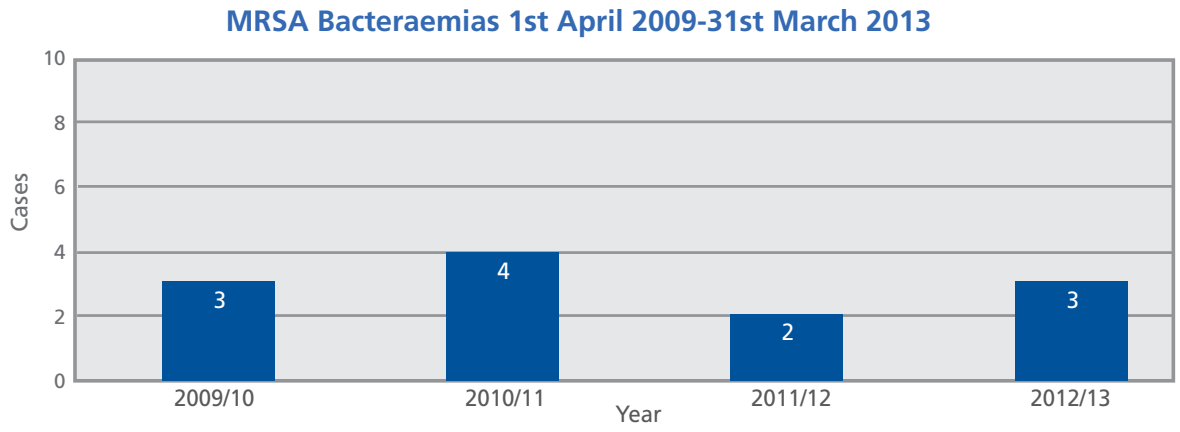
Table 27

Patient Environment Action Team (PEAT) Survey Results

Site	Overall Rating 2010/2011	Overall Rating 2011/2012	Overall Rating 2012/2013
Victoria Hospital	Good	Excellent	Excellent
Clifton Hospital	Excellent	Excellent	Excellent
Wesham Rehabilitation Unit	N/A	N/A	N/A
Rossall Rehabilitation Unit	Excellent	Excellent	Excellent

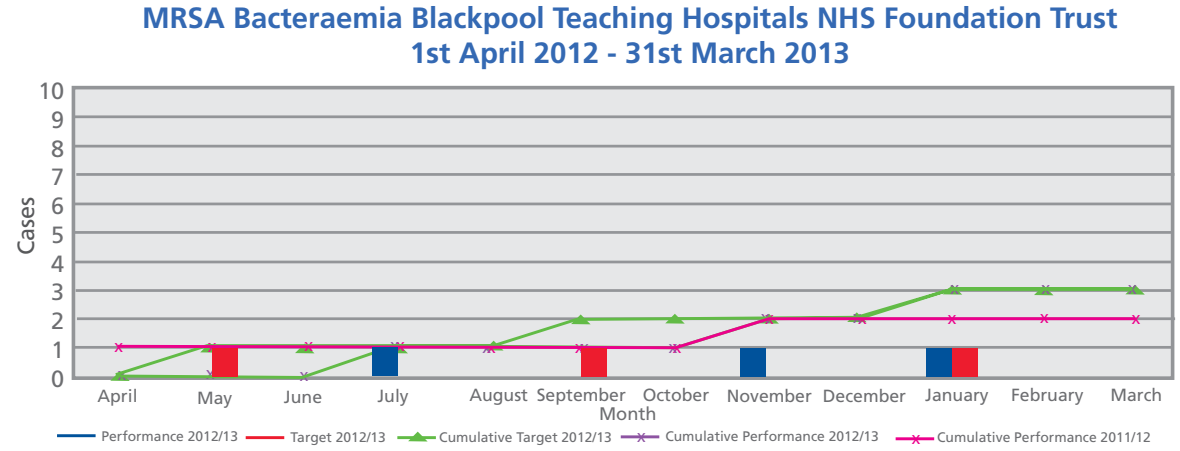
Data source: Local data from the Patient Environment Action Team Survey. This data is governed by standard national definitions.

Graph 14



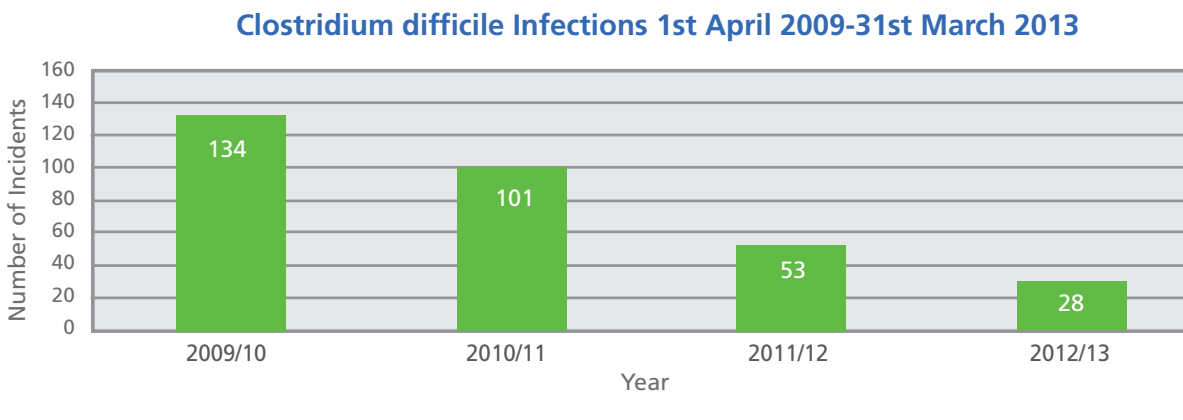
Data source: Health and Social Care Information Centre – NHS Outcomes Framework. This data is governed by standard national definitions.

Graph 15



Data source: Department of Health M.E.S.S. This data is governed by standard national definitions.

Graph 16



Data source: Department of Health M.E.S.S. This data is governed by standard national definitions

The Trust recognises the importance of this measure to identify areas to focus attention and improve the quality of patient care and outcomes. The average percentage of patients receiving harm free care whilst in our care in hospital during 2012/13 is 92.05%. From June 2012 when data collection commenced), in the community setting it is 90%.

Reduce the Incidence of Infections
- Reduce the Incidence of MRSA Infection Rates in the Trust as Reflected by National Targets

Following the significant reductions in Methicillin Resistant Staphylococcus Aureus (MRSA) Bacteraemia by 89% for the Acute Trust when compared to 2007/08, the Trust has continued to make tremendous progress in the last few years and embed Infection Prevention principles across the organisation, ensuring that the risk of acquiring an infection for patients is further reduced as shown in Graph 14 and 15.

The delivery of the MRSA Bacteraemia target remains a clinical risk, in relation to Monitor's Compliance Framework which identifies an MRSA trajectory of 3 cases for the reporting period. The Trust has reported 3 cases for this year, which is on trajectory remaining within Monitor's Compliance Framework target, as detailed in Graph 14 and 15. Information on how the criterion for this indicator has been calculated is detailed in the Glossary of Terms.

- Reduce Clostridium Difficile Infection Rates As Reflected By National Targets

Clostridium Difficile is an organism which may be present in approximately 2% of normal adults. This percentage rises with age and the elderly have colonisation rates of 10-20%, depending on recent antibiotic exposure and time spent in an institution. Symptomatic patients are those whose stools contain both the organism and the toxins which it produces, and have diarrhoea. Those patients who are most at risk of acquiring Clostridium Difficile diarrhoea are the elderly, those on antibiotic therapy and surgical patients. Antibiotic administration is the most important risk factor for Clostridium Difficile diarrhoea, which is also known as Antibiotic Associated Diarrhoea. The clinical features of Clostridium Difficile infection can range from diarrhoea alone, to diarrhoea accompanied by abdominal pain and pyrexia to Pseudo Membranous Colitis (PMC) with toxic megacolon, electrolyte imbalance and perforation.

The Blackpool Teaching Hospitals NHS Foundation Trust considers that this data is as described for the following reasons:

- Following the significant reductions in Clostridium Difficile Infection (91.33% for the last six years for the Acute Trust from 2007/2008) the Trust has continued to embed measures to reduce levels further within the organisation.

  There have been 28 cases of Clostridium Difficile Infection (CDI) attributed to the Acute Trust between April 2012 and March 2013, in comparison to 53 for the period April 2011 to March 2012, demonstrating a reduction of 47.17%. The Trust was required to achieve a trajectory of 51, a reduction of 3.77% on Clostridium Difficile rates from the 2011-12 level, by March 2013 as shown in Graph 16. Information on how the criterion for this indicator has been calculated is detailed in the Glossary of Terms.

The Blackpool Teaching Hospitals NHS Foundation Trust has taken the following actions to improve this trajectory of 51 cases, and so the quality of its services, by undertaking the following actions:

- To mitigate the risk of breaching the Trust's infection prevention target, we continued to deliver a wide ranging programme of work which emphasises to all staff that remaining compliant with the requirements of the Code of Practice for Healthcare Associated Infections is everyone's responsibility. Ongoing actions included:

(i) Continuing to raise awareness and leading by example;
(ii) Ongoing audits of compliance to ensure all infection prevention and control policies and procedures continue to be implemented, including in particular hand hygiene, environmental and decontamination standards; and
(iii) Training on all aspects of infection prevention continues to be delivered;
(iv) Outcomes were assessed by reviewing progress with the Clostridium Difficile target, and auditing compliance with national standards/regulations.

Improve the Percentage of Admitted Patients Risk Assessed for Venous Thromboembolism (VTE)

The Blackpool Teaching Hospitals NHS Foundation Trust considers that this data is as described for the following reasons:

- The Trust has aimed to implement current best practice guidelines in order to ensure that all adult inpatients receive a Venous Thrombo-Embolism Risk Assessment on their admission to the hospital, and that the most suitable prophylaxis is instituted. The Trust has embedded and improved the implementation of VTE guidelines within the Trust and has demonstrated this by achieving above the 90% compliance indicator. From 1st April 2011 to 31st August 2011 the Trust did not achieve the VTE target, however from 1st September 2011 - 31st March 2013 the Trust achieved above 90% compliance due to the hard work, commitment and the actions taken by staff. Since then we have been able to sustain this improvement as shown by latest figures from March 2012 to 31st March 2013 in 17.

The Blackpool Teaching Hospitals NHS Foundation Trust has taken the following actions to improve this 90 percentage compliance indicator and so the quality of its services, by undertaking the following actions:

- The Trust has established a Thrombosis Committee to implement and achieve compliance with the National Institute for Health and Clinical Excellence Venous Thrombo-Embolism guideline (CG 92). These guidelines have been incorporated into easy to follow risk assessment forms across various specialties and are an integral part of clerking documents. This will not only ensure that VTE risk assessments are undertaken and embedded permanently in the admission pathway but also facilitates its documentation for subsequent analysis. The Thrombosis Committee monitors performance of individual clinical areas. Although there has been some delay, we are making fresh efforts to roll out an electronic assessment tool to give "live" information about compliance. This will help us to give feedback to individual areas and address poor performance pro-actively.

Reduce the Incidence of Inpatient Falls by 30% Resulting in Moderate or Major Harm

Patient falls are one of the most common patient safety incidents reported. The majority of slips, trips and falls result in low or no harm to patients physically. However, any slip, trip or fall can result in the patient losing their confidence. There have been significant improvements within all areas of the Trust in reducing the numbers of falls as shown in Graph 18 and 19 below. There have been a number of initiatives introduced during 2012/13 to promote the reduction in falls resulting in harm.

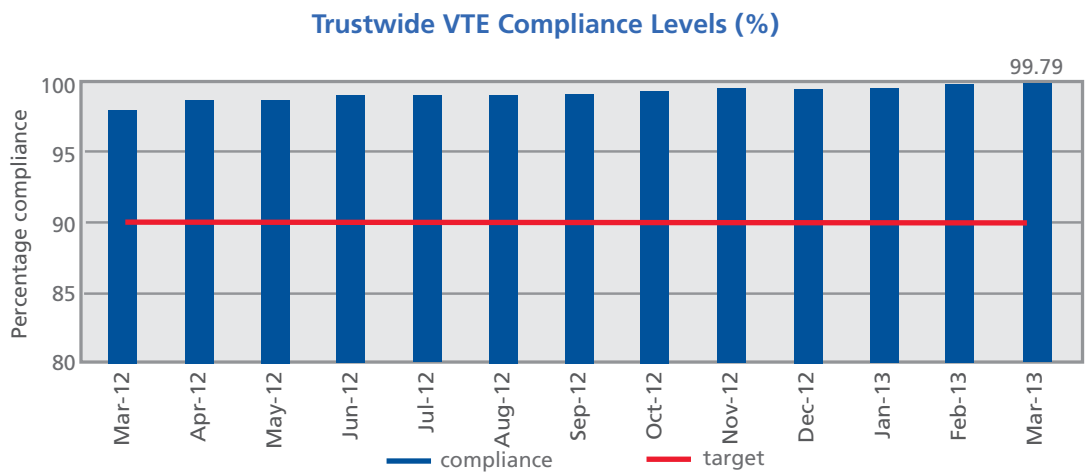
- There has been targeted support and training given to wards within both the Scheduled and Unscheduled Divisions to improve the staffs understanding in relation to bone health and falls risks this included education around the falls risk assessment and the formulation of a care plan for patients at risk of falling.

- Introduction of movement sensors in all the clinical divisions, both on the acute wards and in the community hospitals, for patients who are identified to be at high risk of falling. The sensors are discreet and can be placed either under the mattress of the bed, or on the chair if the patient is sitting out of their bed. The sensors alert the ward nurses via a pager system if a patient attempts to get out of bed or move from the chair unaided. The sensors have already helped prevent potential injury to patients as the nursing staff have been alerted swiftly and assistance given.
- Low beds have been trialed and the trust has introduced these to prevent falls for those patients at higher risk.

- A footwear trial has been completed and we have changed the products used across the Trust
- We have developed a slipper exchange scheme in the care of the older adult wards
- Greater cross boundary working with colleagues working in the community.

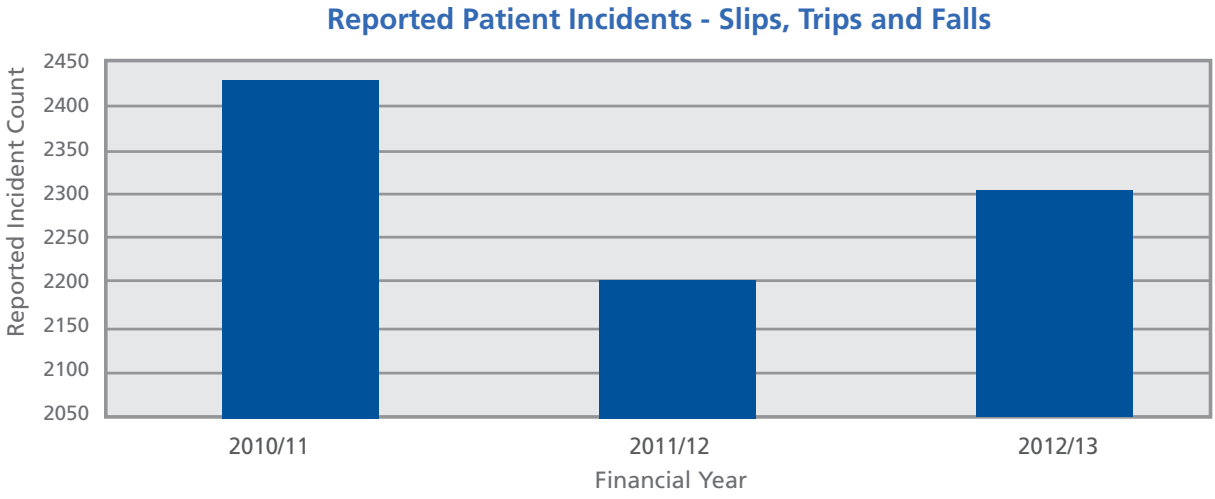
In 2011/12 there were 2205 falls with harm compared with 2301 in 2012/13 as demonstrated in Graph 18. This represents an increase of 4.4%. However, the Trust recognises that there has been improved reporting of falls, which may account for the increase in number of incidents. 2266 falls resulted in low or minor harm being experienced by the patient and there were 35 patients who experienced a fall that resulted in a moderate/serious harm. This is a 15% reduction on the number of patients who experienced the same harm in 2011/12. Measures have been put into place as outlined above and it is anticipated that the Trust will continue to see a downward trend for serious patient falls as demonstrated in Graph 19.

Graph 17



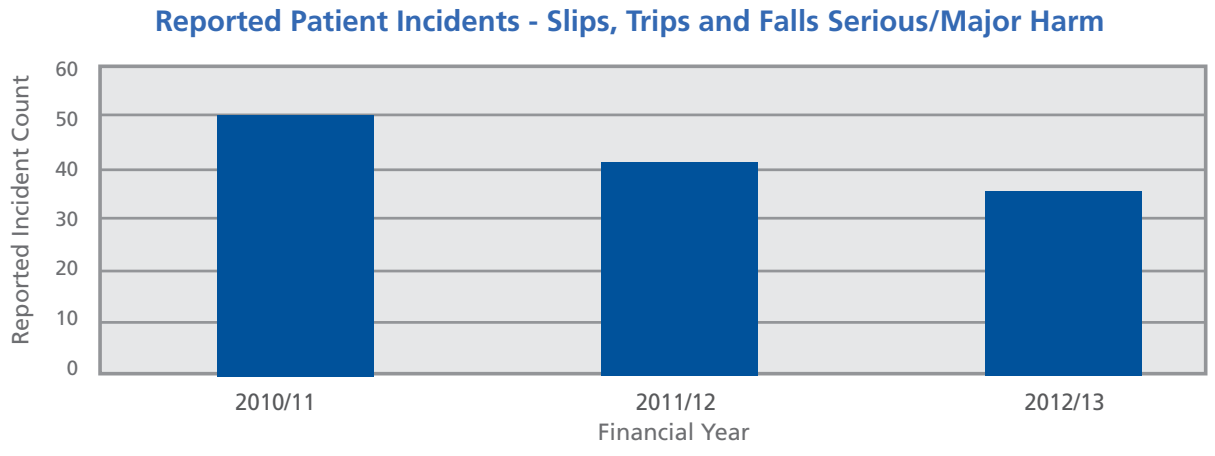
Data source: UNIFY national reporting. This data is governed by standard national definitions.

Graph 18: Patient Slips, Trips and Falls



Data source: Hospital Incident Reporting System (HIRS) provided by the Safeguard Information System. This data is not governed by standard national definitions.

Graph 19: Patient Slips, Trips and Falls



Data source: Hospital Incident Reporting System (HIRS) provided by the Safeguard Information System. This data is not governed by standard national definitions.

Reduce the Incidence of Medication Errors by 50% Resulting in Moderate or Severe Harm

Medicines and medicine safety are an integral part of care provision within the Trust. The Trust continues to engage both staff and patients in the safe usage of prescribed medicines within all Specialities. Medicines are the most frequently and widely used NHS treatment and account for over 12% of NHS expenditure. The Trust maintains current and coherent medicines policies, protocols and guidance that aim to increase patient access to medicines and safety. The Trusts policies on medicines and medicine safety cover every step of the journey from the development of medicines to their use by the patient.

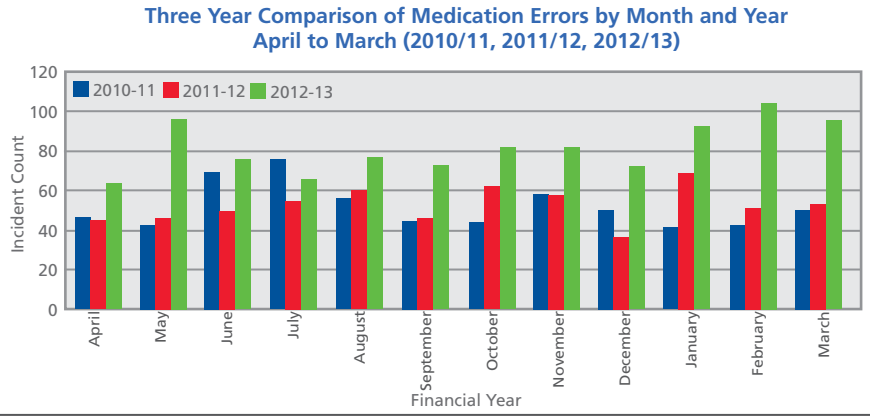
The provision of Medicines Management Mandatory training continues to re-enforce the safe management of medicines within the Trust for all professionals to reduce the risk of medication errors. Medication incidents /errors are reported through the Trust Ulysses system which is fed into the National Reporting and Learning System. Currently medication errors reported by the Trust are identified in Graph 20.

Medication errors can occur anywhere within the care pathway including dispensing, preparing, administering, monitoring, storing or communication. The number of medication process errors are identified in Graph 21. The Medicines Management Team continue to ensure that the principles, safety and recommendations from all the National Patient Safety Agency Alerts are firmly embedded and maintained within all clinical areas. A robust and comprehensive audit process assures the Trust that standards are sustained on an annual basis.

The Medicines Management Committee meets bi-monthly. A report is supplied by the risk department which details all medication errors, drug type, level of harm to the patient, cause group and area. A trend and theme analysis is completed with the aim that target areas can be highlighted and action plans devised to mitigate the risk. Several areas now have dedicated pharmacist cover, this has been found to reduce medication errors in these areas, it is hoped that this service will be extended over the coming year. The Trust has introduced Specialist Nurse Practitioners who are able to prescribe a set group of medications, this has been shown to reduce prescription errors and waiting times for discharge medication. Drug administration has been shown to be consistently the highest cause group as demonstrated in Graph 21, further analysis of the incidences indicated that many of these incidences were as a result of staff being interrupted whilst completing drug rounds, all nurses are now required to wear 'do not disturb' tabards when completing drug rounds.

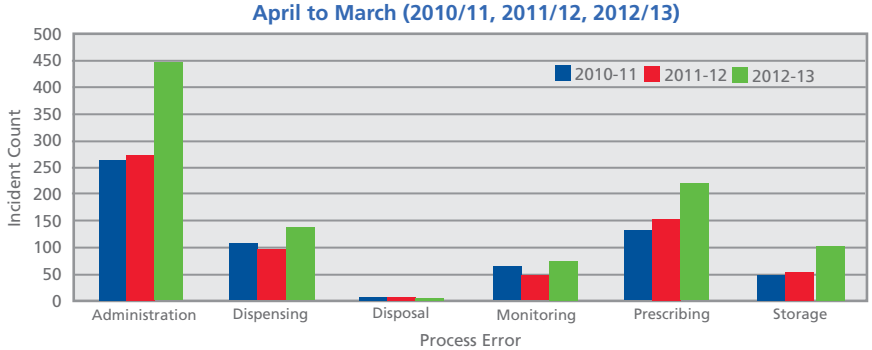
The September 2012 published report from the National Patient Safety Agency (NPSA) highlighted that nationally, but specifically to Large Acute General Hospitals, incidents involving medicines between October 2011 and March 2012 are the third largest group (9.9%) of all incidents reported to the National Reporting and Learning Service (NRLS) after patient accidents (28.4%) and treatment and procedures (11.9%). The Trust is able to report an improvement in the number of incidents reported by staff and a reduction in the level of patient harm. This emphasises the improvement in safety and medication awareness within clinical areas. The Trust Median reporting is 6.3% per 100 admissions compared to the National average of 5.9%.

Graph 20: Medication Errors



Data source: Hospital Incident Reporting System (HIRS) provided by the Safeguard Information System. This data is not governed by standard national definitions.

Graph 21: Medication Errors



Data source: Hospital Incident Reporting System (HIRS) provided by the Safeguard Information System. This data is not governed by standard national definitions.

Reduce the Incidence of Newly Acquired Grade 2, 3 and 4 Pressure Ulcers by 30% in the Trust

The reduction of pressure ulcers has also been identified as a priority indicator to enable the Trust to meet national healthcare directives and current local quality improvement priorities for 2012/13. To improve the quality of care provided, the Trust made a commitment to ensure that all patients who suffered a hospital acquired pressure ulcer stage 2, 3 or 4 would have a root cause analysis undertaken.

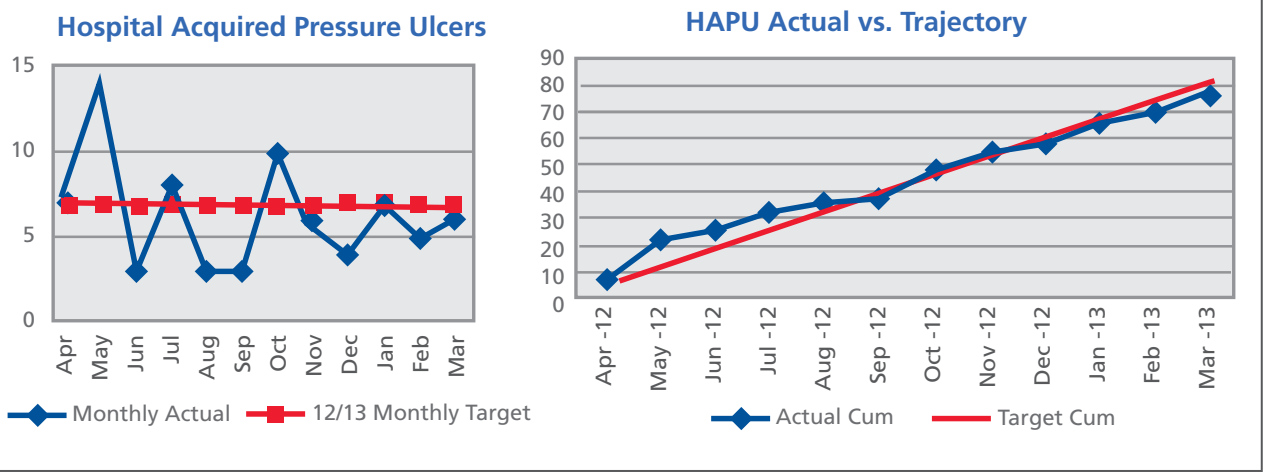
Through the implementation of a quality improvement initiative programme the Trust has demonstrated how pressure ulcers have been reduced and targets met due to the initiative being implemented over the last twelve months as shown in Graph 22.

The above strand of work is being monitored to enable the Trust to measure progress in reducing avoidable patient harms and to improve patient outcomes and experiences.

Work will continue to ensure that changes are embedded into practice and the improvements in performance are sustained. During 2012, the Acute site integrated with Community Health Services. Collaborative working between the staff has seen an improvement in the reporting of pressure ulcer incidents in the community setting and the implementation of improvement processes has commenced.

The Trust is delighted that it continues to see a significant and sustained year on year reduction in the number of hospital acquired pressure ulcers. Since March 2009, hospital acquired pressure ulcers have reduced by 76.7%. The last 12 months since April 2012 have seen a 35% reduction in the number of hospital acquired pressure ulcers, which is better than trajectory by 7.3%. The number of patients experiencing a pressure ulcer between April 2012 and March 2013 has also reduced by 24.5% compared to the same period last year.

Graph 22



Data source: Ward-based prevalence audit. This data is governed by standard national definitions.

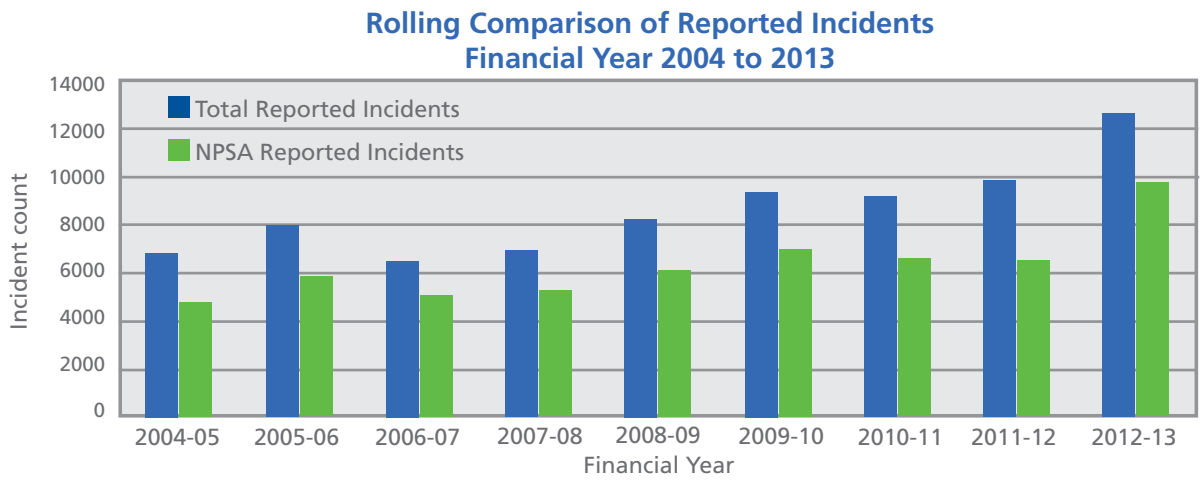
To Monitor the Rate of Patient Safety Incidents and Reduce the Percentage Resulting in Severe Harm or Death

The Blackpool Teaching Hospitals NHS Foundation Trust considers that this data is as described for the following reasons:

- There has been a steady increase in the number of untoward incidents reported over the past 4 financial years (Graph 23). Patient Safety Incidents account for approximately 76% of all reported untoward incidents. In the year 2012/2013 there have been 12746 untoward incidents reported and of these 9700 were patient safety incidents and as such were reported to the National Patient Safety Agency. Of these 9700 patient safety incidents, 2529 or 26% resulted in harm to the patient and in comparison to the number of attendances at the Trust (407,378) there is a patient safety incident reported for every 1 in 42 patients.

Since 2010/2011 there has been a reduction in the number of patient safety incidents that have resulted in severe patient harm (Graph 24 and Table 28). This is as a response to analysis of trends and themes, lessons being learned and actions being taken at lower level incidents.

Graph 23



Data source: Hospital Incident Reporting System (HIRS) provided by the Safeguard Information System. This data is not governed by standard national definitions.

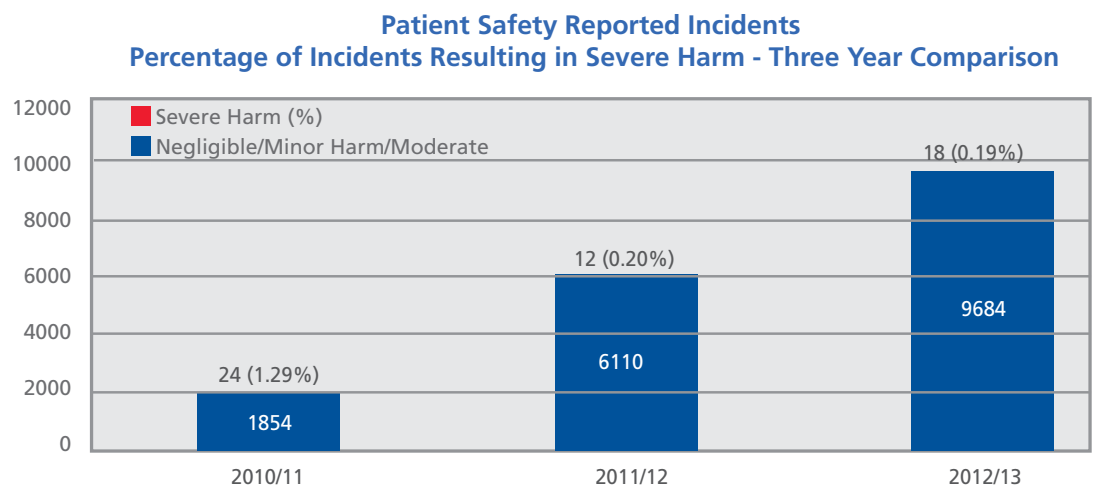
The Trust has a policy of reporting incidents within 24 hours of occurrence, 67% of severe harm or death incidents were reported within 24 hours of occurrence. In order to address this shortfall all induction, clinical mandatory and specific incident reporting and investigation training includes the importance of contemporaneous reporting. The message being communicated is that if an incident has occurred action needs to be taken promptly to prevent a reoccurrence especially if the incident has resulted in severe harm or death.

Table 28: Patient Safety Incidents That Resulted In Severe Patient Harm

Financial Year	Severe/ Major Harm	Disaster/ Death	Total
2004-05	22	5	27
2005-06	6	3	9
2006-07	10	2	12
2007-08	8	1	9
2008-09	7	2	9
2009-10	8	4	12
2010-11	24	0	24
2011-12	12	0	12
2012-13	13	4	17

Data source: Hospital Incident Reporting System (HIRS) provided by the Safeguard Information System. This data is not governed by standard national definitions

Graph 24



Data source: Hospital Incident Reporting System (HIRS) provided by the Safeguard Information System. This data is not governed by standard national definitions.

In 2012/13 there have been four incidents where following a serious untoward investigation it has become evident that the cause of death was as a direct consequence of the incident. There has been no identifiable trend or theme within these investigations and all were tragic circumstances. A description of each of the incidents and the lessons learned are detailed in Table 29.

Table 29: An overview of the incidents that resulted in death of a patient and lessons learned

Description of the Incident	Lessons learned
Unexpected Maternal Death - Accident and Emergency. A female patient was admitted to the Accident and Emergency (A&E) Department with a history of breathlessness and chest pain. The patient was high risk of deep vein thrombosis (DVT) and pulmonary embolism (PE), having had a caesarean section five weeks previously. The patient collapsed and subsequent resuscitation attempts were unsuccessful. Post-mortem examination indicated that the cause of death was pulmonary embolism.	In order to ensure that all pregnant or postnatal women who attend hospital are appropriately reviewed, all patients attending A&E will be reviewed by a senior nurse and a past medical history will be sought. In order to ensure that a postnatal woman who presents to A&E is reviewed by an obstetrician, A&E must inform maternity services of her admission. Staff need to be aware of the increased risk of VTE during pregnancy and the postnatal period.
Unexpected Death - Cardiac Unit. A 57 year old patient with significant aortic stenosis and severe impairment in left ventricular systolic function attended for Dobutamine Echo Stress (DES) test. DES tests are performed when the patient is unable to exercise to stimulate the heart rate so that the heart can be assessed for suspected coronary artery disease. In high risk patients low dose dobutamine is used to assess myocardial viability. In this case high dose dobutamine was administered. The patient sustained a cardiac arrest and resuscitation was unsuccessful.	All referrals for Dobutamine Echo Stress (DES) test must be triaged and allocated to the appropriate clinician. The introduction of a formal sign off process which enables all registrars to have supervised practice prior to a formal sign off, following competency being demonstrated, will facilitate safe practice. The development of a protocol which includes the process to follow if complications occur during a DES will facilitate the safe provision of treatment for the patient. The consent process must include provision of information to the patient which includes all known risks including death.
Suboptimal Care of a Deteriorating Patient. A 45 year old Patient was admitted to the Acute Medical Unit with a suspected urinary tract infection. The patient's clinical observations recorded on the early warning score (EWS) chart indicated that the patient's condition was deteriorating. The Trust 'Graded Response Strategy' identifies the escalation process to be followed in the event of a deteriorating patient. This was not activated. The patient was found to be in cardiac arrest and resuscitation was undertaken, during which the bed space suction apparatus failed to work which necessitated the use of hand held suction. The resuscitation was unsuccessful.	Where an EWS chart indicates that the patient's condition is deteriorating, staff must activate the escalation process in order to ensure that the patient receives relevant and prompt attention. Failure to ensure rigorous maintenance of suction units in ward areas may result in the inability to resuscitate a patient in an emergency situation.
Unexpected Death - Cardiac Unit. A 45 year old patient underwent cardiac surgery. The patient was receiving high levels of ventilator support. The patient required a tracheostomy. There were concerns that the tracheostomy tube was an incorrect fit. An alternative size tracheostomy was sourced but it was deemed a greater risk to change to an alternative size rather than leave the existing one in place. During the process of bringing the patient out of sedation he was noted to become agitated, this increased the risk of the tracheostomy becoming dislodged. The patient suffered a cardiac arrest where initial resuscitation was successful, however subsequent tests showed that the patient had sustained a period of brain hypoxia leading to brain death, the most likely cause being inadequate oxygenation due to a blocked tracheostomy tube.	A range of tracheostomy tubing is to be available within the Cardiac Unit. Patients are to be monitored for carbon dioxide levels whilst ventilated and the staff are to receive heightened awareness sessions on the importance of monitoring carbon dioxide levels. Staff are to receive additional training on the management of tracheostomies where suspicion of occlusion or dislodgement is present. Staff must ensure that advanced life support protocols are adhered to, ensuring that the patency of airways and chest inflation is achieved.

All level 4 and 5 patient safety incidents are investigated within the Serious Untoward Incident (SUI) process. Following completion of the investigation report the recommendations and action plan are monitored. Assurance that actions have been completed and practice changed is gained from evidence collection, audit findings and further monitoring of reported incidents. A requirement for a risk assessment is considered within the SUI process, in relation to the contributory factors which led to the SUI, which will be monitored and reviewed by the Divisions and the Board.

The Blackpool Teaching Hospitals NHS Foundation Trust has taken the following actions to improve this 25 percent of patient safety incidents resulting in harm, and so the quality of its services, by undertaking the following actions:

- It is essential that lessons are learned from SUI's in order to mitigate the risk of reoccurrence, these lessons are fed back to staff within the Divisions through training, ward meetings and the Trust wide monthly "lessons learned" newsletter. Lessons learned are also discussed at the monthly Learning from Incidents and Risks Committee. All completed SUI reports are published on the Trust intranet so that any member of staff can access and use it as a learning experience. Links with the Learning and Development Team have been adopted so that training and development can be tailored around real life incidents and patient experiences. The Trust's simulation centre has undertaken several sessions where staff who were involved in an incident have the opportunity to re-enact the scenario, reflect on the events and evaluate what went wrong and why. Feedback from staff has been extremely positive especially with those staff who have been involved in an incident where the patient's were severely harmed or died.
- Engagement of the patient and their relatives is very important not only to the Trust with an open and honest culture, but as a healing tool. Patients and relatives are informed when an incident has occurred and that an investigation is to be undertaken. In some cases they are asked for their version of events and this is reflected within the report. Following completion of the investigation report they are given the opportunity to discuss the findings and further action to be taken to prevent further occurrence. Please note: Graph 23 and Graph 24 includes comparison data for the three former organisations (Blackpool Teaching Hospitals, NHS Blackpool and NHS North Lancashire.

3.4 Statements from Local Clinical Commissioning Groups (CCG's), Local Healthwatch Organisations and Overview and Scrutiny Committees (OSCs)

The statements supplied by the above stakeholders in relation to their comments on the information contained within the Quality Account can be found in part 4: Appendices. Additional stakeholder feedback from Governors has also been incorporated into the Quality Account. The lead Clinical Commissioning Group has a legal obligation to review and comment on the Quality Account, while Local Healthwatch organisations (previously known as Local Involvement Networks (LINks)) and OSC's have been offered the opportunity to comment on a voluntary basis. Following feedback, wherever possible, the Trust has attempted to address comments to improve the Quality Account whilst at the same time adhering to Monitor's Foundation Trusts Annual Reporting Manual for the production of the Quality Account and additional reporting requirements set by Monitor.

3.5 Quality Account Production

We are very grateful to all contributors who have had a major involvement in the production of this Quality Account.

The Quality Account was discussed with the Council of Governors which acts as a link between the Trust, its staff and the local community who have contributed to the development of the Quality Account.

3.6 How to Provide Feedback on the Quality Account

The Trust welcomes any comments you may have and asks you to help shape next year's Quality Account by sharing your views and contacting the Chief Executive's Department via:

Telephone: 01253 655520
Contact us on: www.bfwh.nhs.uk
Email: mary.aubrey@bfwhospitals.nhs.uk

Deputy Director of Corporate Affairs and Governance
Blackpool Teaching Hospitals NHS Foundation Trust
Trust Headquarters
Whinney Heys Road
Blackpool
FY3 8NR

3.7 Quality Account Availability

If you require this Quality Account in Braille, large print, audiotape, CD or translation into a foreign language, please request one of these versions by telephoning 01253 655632.

Additional copies of the Quality Account can also be downloaded from the Trust website: www.bfwhospitals.nhs.uk

3.8 Our Website

The Trust's website gives more information about the Trust and the quality of our services. You can also sign up as a Trust member, read our magazine or view our latest news and performance information.

Part 4: Appendices

Statements from Local Clinical Commissioning Groups (CCGs), Local Healthwatch Organisations and Overview and Scrutiny Committees (OSCs)

1.1 Statement from Blackpool Clinical Commissioning Group and Fylde and Wyre Clinical Commissioning Group – 22.05.13

Re: Blackpool Teaching Hospitals NHS Foundation Trust Quality Account for 2012/13
We would like to thank you for forwarding a draft copy of the Blackpool Teaching Hospitals NHS Foundation Trust Quality Account and report for 2012/13 in accordance with the requirements of the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010. We are pleased to provide the response from Blackpool CCG as Lead Commissioner together with Fylde and Wyre CCG as co-commissioners with regard to this document.
We recognise the amount of work involved in producing the Quality Account and anticipate that the following provides concise and comprehensive feedback including assessment of the accuracy of the report.

Quality Account 2012-2013 Statement
This statement represents feedback from Blackpool CCG as Lead Commissioner together with Fylde and Wyre CCG as co-commissioner and we welcome the opportunity to appraise the content of the Quality Account for 2012-2013. We are pleased to acknowledge that there is a real focus on the key quality elements and Blackpool Teaching Hospitals NHS Foundation Trust has clearly referenced its organisational objectives, focusing on the three key dimensions of quality as outlined within 'High Quality Care For All' (DH, 2008):

- Patient Safety
- Clinical effectiveness of Care
- Quality of the Patient Experience

Performance against 2011/12 quality priorities
Of the 35 indicators referenced we are pleased to note improvement or maintenance in 21 of these areas. Advancing Quality Hip and knee surgery indicators have moved from green to amber but we note the commitment to improvement for 2012/13 as this is included as a contractual CQUIN indicator for 2013-14.

We commend the Trust for establishing priorities as a result of consultation with patients, relatives and carers.

Blackpool Teaching Hospitals NHS Foundation Trust has been an outlier for hospital mortality. We acknowledge and support the work over the last 18 months on reducing these rates. We are pleased with the improvements taken by the Trust to date and wish to continue to work in partnership throughout 2013/14.

The Trust participated in 100% of National Confidential Enquiries and 86% of National Clinical Audits and this is a clear indication of an organisation with a commitment to delivery of evidence based and safe care however, CCG would like to see an improvement of 100% participation in clinical audit of services provided by the trust for 2013/14.

Blackpool Teaching Hospitals NHS Foundation Trust has met the requirements of the Information Governance Toolkit with no serious breaches in data security and as such patients and the public can be assured that personal data held is stored, used and transferred securely and confidentially.
We note that Blackpool Teaching Hospitals NHS Foundation Trust was subject to the Payment by Results clinical coding audit with the error rate noted to be 5.9% and although this is above the national average we are pleased to see that the Trust is implementing actions to improve percentages for 2013/14.

Research is well supported at Blackpool Teaching Hospitals NHS Foundation Trust and CCG confirm that a research active provider demonstrates a strong commitment to clinical effectiveness in support of improving the quality of care delivered but we would like to see a commitment to working with the newly formed Academic Health Research Networks.

Quality Initiatives to be progressed 2012/13

Quality of Patient Experience
Blackpool Teaching Hospitals NHS Foundation Trust was subject to an unannounced Care Quality Commission visit regarding dignity and nutrition and CCG are pleased to see that in accordance with the NHS Outcomes framework privacy and dignity continues to be a priority area for the Trust and it is pleasing to see compliance with the 3 essential standards. Following receipt of 2 minor improvement requirements the trust produced a robust action plan that has resulted in CQC assigning compliance to these areas. The CCG would like to commend Blackpool Teaching Hospitals NHS Foundation Trust on the work that has taken place regarding eliminating mixed sex accommodation.

Performance measures
National performance targets are reported to commissioners and we confirm Blackpool Teaching Hospitals NHS Foundation Trust has achieved or is on target for a number of measures but showing under achievement for total time in A&E, total time to initial assessment and time to treatment decision. Blackpool CCG would like to see local improvement and commissioners will continue to monitor progress via an integrated Quality and Safety Dashboard.

Clinical effectiveness measures
Of significant note and commendation is Blackpool Teaching Hospitals NHS Foundation Trust commitment to reducing HealthCare Associated Infection and achieved a significant reduction of 47.17%. The year end trajectory for MRSA was 3 and whilst the Trust is currently within this trajectory they have reported 3 cases for 2012/13. Blackpool CCG acknowledges the challenge in delivery of the dementia care bundle and note that this has been challenging for many Hospitals. The current position for March 2013 shows a significant improvement in assessment although referral data is still awaited.

The Trust set itself ambitious targets for reduction in the incidence of in-patient falls by 30% and whilst not achieving this figure the CCG note and commend achieving 20% reduction and we hope to see a continued target of 30% for 2013/14 to ensure continued focus on this important patient safety initiative. Medication error reduction was set at 50%, but this was not achieved. Incidence is shown to be increasing across all elements but most noticeably in administration which concerns the CCG. For 2013/14 CCG's will review action planning and reporting of medication errors.

As the Quality Account is aimed at patients, public and carers we note the report is not very user friendly or readable for this target audience. This we feel is due to the Blackpool Teaching Hospitals NHS Foundation Trust combining the Quality Account with the Quality Report required by Monitor. As such we recommend that for 2013/14 you give consideration to producing a more public facing document.

Blackpool CCG and Fylde and Wyre CCG confirm the data underpinning the measures of performance and quality reported in the Quality Report, are robust and reliable.

We look forward to continuing to work closely with the Trust in the coming year and to see improvements in the quality of services provided as outlined in the Quality Account. We will support Blackpool Teaching Hospitals NHS Foundation Trust as they strive for excellence to successfully deliver the priorities identified for the forthcoming year. We are happy to discuss any of the above in more detail if required.

1.2 Statement from Governors – 22-05-2013

A group of Governors of this Trust have examined this Quality Account several times. Sometimes a report is questioned and request made to explain something more clearly. The purpose was not only to ensure that the facts were correct but also that they were displayed in a manner that we could all understand. Some sections are still a bit heavy going because the "powers that be" insist upon a prescribed form of words. We hope you will read at least those sections of particular interest to you and then a little further into a record of continuous striving to become one of the leading health Trusts in the country.

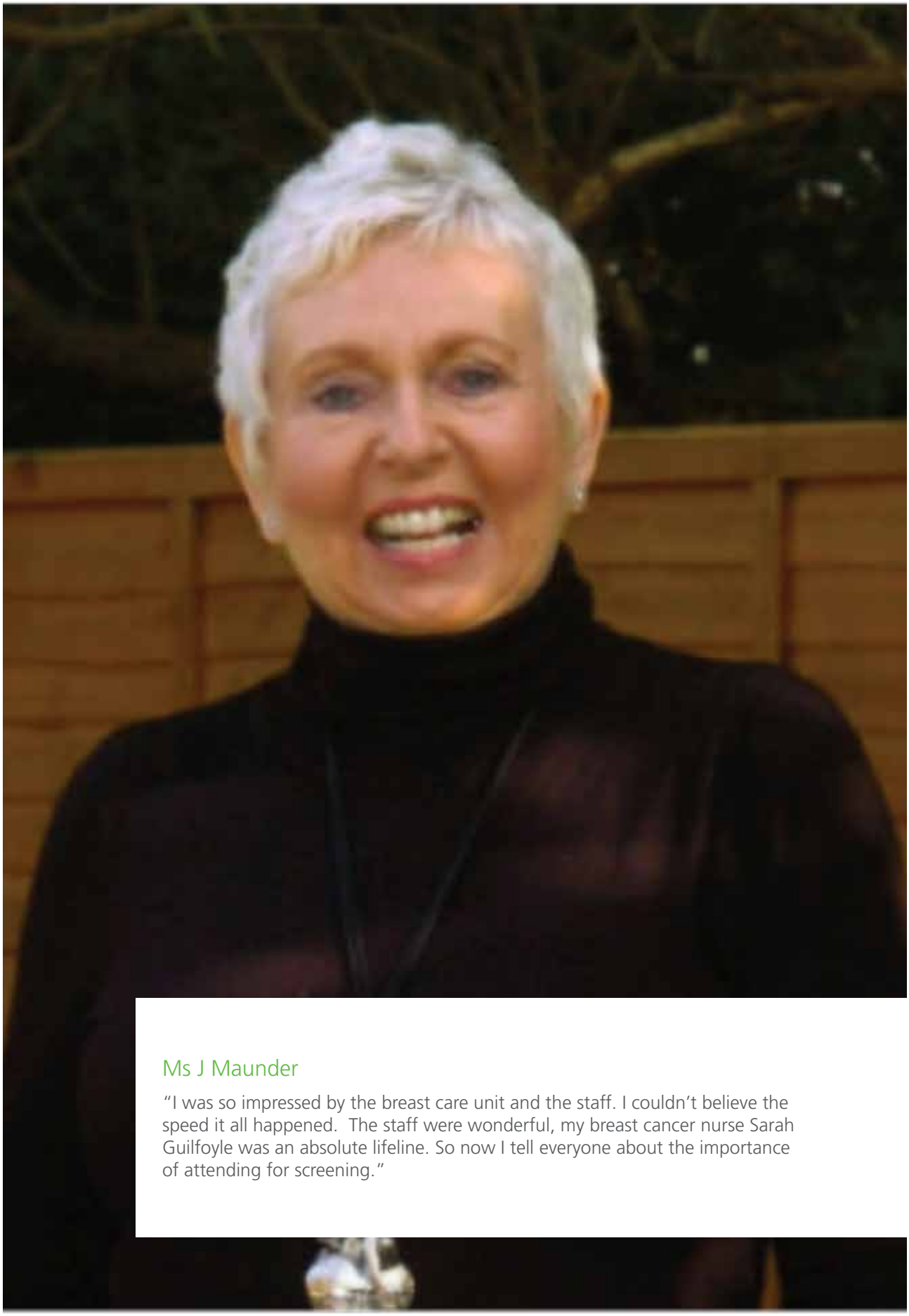
1.3 Statement from Local Healthwatch Lancashire - 22-04-2013

Lancashire LINk ceased operations on 31st March 2013. Many of its functions, including responsibility for commenting on health trust's quality accounts, have been transferred to Healthwatch Lancashire.

Healthwatch Lancashire is a very new organisation which is in the process of setting up its structures, including a new board, and is not in a position to undertake any major pieces of work in the immediate future. Therefore it has been decided that this year Healthwatch Lancashire will not provide a formal statement on quality accounts. We will, of course, by next year be fully operational and able to take part in this important work.

1.4 Statement from Lancashire Health Overview and Scrutiny Committee - 20-05-2013

The Lancashire Health Scrutiny Committee has made a commitment to ensure that members are aware of, and take a keen interest in the facilities, services and performance of the Trust. To maintain this they will continue to have an overview of the design and development of quality services provided to the residents of Lancashire. In addition a priority of the Committee is to reassure the public that an honest and transparent relationship is developed with the Trust to enable effective scrutiny to take place.



Ms J Maunder

"I was so impressed by the breast care unit and the staff. I couldn't believe the speed it all happened. The staff were wonderful, my breast cancer nurse Sarah Guilfoyle was an absolute lifeline. So now I tell everyone about the importance of attending for screening."

Annex B: Statement of Directors' Responsibilities in Respect Of the Quality Account

The Board of Directors is required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 to prepare Quality Accounts for each financial year.

Monitor has issued guidance to NHS Foundation Trust Boards on the form and content of annual Quality Reports (which incorporates the above legal requirements) and on the arrangements that Foundation Trust Boards should put in place to support the data quality for the preparation of the Quality Report.

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

- The content of the Quality Report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2013/14:

- The content of Quality Report is not inconsistent with internal and external sources of information including:
- Board minutes and papers for the period April 2012 to June 2013;
- Papers relating to Quality reported to the Board over the period April 2012 to June 2013;
- Feedback from the commissioners - Blackpool Clinical Commissioning Group and Fylde and Wyre Clinical Commissioning Group – dated 22/05/2013;
- Feedback from Governors dated 15/02/2013, 02/05/2013 and 21/05/2013;
- Feedback from Local Healthwatch organisations (previously LINks) - Local Healthwatch Lancashire dated 22/04/2013;
- The Trust's Complaints Report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 11/04/2013;
- The latest 2012 national patient survey published 01/02/2013;
- The latest 2012 national staff survey published 28/02/2013;
- The Head of Internal Audit's annual opinion over the Trust's control environment approved 30/04/2013;
- Care Quality Commission quality and risk profiles dated 02/04/2012; 31/05/2012; 30/06/2012; 31/07/2012; 30/09/2012; 31/10/2012; 30/11/2012; 31/01/2013; 28/02/2013; 31/03/2013.

- The Quality Report presents a balanced picture of the NHS Foundation Trust's performance over the period covered;

- The performance information reported in the Quality Report is reliable and accurate;

- There are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice;

- The data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review; and the Quality Report has been prepared in accordance with Monitor's annual reporting guidance (which incorporates the Quality Accounts regulations) (published at http://www.monitor-nhsft.gov.uk/annualreportingmanual) as well as the standards to support data quality for the preparation of the Quality Report (available at http://www.monitor-nhsft.gov.uk/annualreportingmanual).

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

By order of the Board:

Date: 23rd May 2013 Chairman:
Ian Johnson

Date: 23rd May 2013 Chief Executive:
Gary Doherty

Annex C: External Auditor's Limited Assurance Report on the Contents of the Quality Report

Independent Auditor's Limited Assurance Report to the Council of Governors of Blackpool Teaching Hospitals NHS Foundation Trust on the Annual Quality Report.

We have been engaged by the Council of Governors of Blackpool Teaching Hospitals NHS Foundation Trust to perform an independent assurance engagement in respect of Blackpool Teaching Hospitals NHS Foundation Trust's Quality Report for the year ended 31 March 2013 (the 'Quality Report') and specified performance indicators contained therein.

Scope and subject matter

The indicators for the year ended 31 March 2013 in the Quality Report that have been subject to limited assurance consist of the following national priority indicators as mandated by Monitor:

- Number of *Clostridium difficile* infections; and
- Emergency readmissions within 28 days of discharge from hospital.

We refer to these national priority indicators collectively as the "specified 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 assessment criteria referred to in the Statement of Directors' Responsibilities in Annex B of the Quality Report (the "Criteria"). The Directors are also responsible for the conformity of their Criteria with the assessment criteria set out in the NHS Foundation Trust Annual Reporting Manual ("FT ARM") issued by the Independent Regulator of NHS Foundation Trusts ("Monitor"). Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- The Quality Report does not incorporate the matters required to be reported on as specified in Annex 2 to Chapter 7 of the FT ARM;
- The Quality Report is not consistent in all material respects with the sources specified below; and
- The specified indicators have not been prepared in all material respects in accordance with the Criteria.

We read the Quality Report and consider whether it addresses the content requirements of the FT ARM 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 the following documents:

- Board minutes for the period April 2012 to the date of signing this limited assurance report (the period);
- Papers relating to Quality reported to the Board over the period April 2012 to the date of signing this limited assurance report;
- Feedback from the Commissioners - Blackpool Clinical Commissioning Group and Fylde and Wyre Clinical Commissioning Group dated 22/5/2013;
- Feedback from Governors dated 21/05/2013;
- Feedback from local Healthwatch organisations - Healthwatch Lancashire have chosen not to respond, although they have provided a statement for inclusion in the document;
- The trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 11/04/2013;
- The 2012 national patient survey published 01/02/2013;
- The 2012 national staff survey published 28/02/2013;
- Care Quality Commission quality and risk profiles dated 02/04/2012; 31/05/2012; 30/16/2012; 31/07/2012; 30/09/2012; 31/10/2012; 30/11/2012; 31/01/2013; 28/02/2013; 31/03/2013;
- The Head of Internal Audit's annual opinion over the trust's control environment approved on 30/04/2013.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with those documents (collectively, the "documents"). Our responsibilities do not extend to any other information.

We are in compliance with the applicable independence and competency requirements of the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics. Our team comprised assurance practitioners and relevant subject matter experts.

This report, including the conclusion, has been prepared solely for the council of Governors of Blackpool Teaching Hospitals NHS Foundation Trust as a body, to assist the Council of Governors in reporting Blackpool Teaching Hospitals NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended31 March 2013, to enable to Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning and 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 Blackpool Teaching Hospitals NHS Foundation Trust for our work or this report save where terms are expressly agreed and with our prior consent in writing.

Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 '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 indicators
- Making enquiries of management
- Limited testing, on a selective basis, of the data used to calculate the specified indicators back to supporting documentation.
- Comparing the content requirements of the FT ARM to the categories reported in the Quality Report.
- Reading the documents.

A limited assurance engagement is less in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can impact comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time. It is important to read the

Quality Report in the context of the assessment criteria set out in the FT ARM and the Directors' interpretation of the criteria in Annex B of the Quality Report.

The nature, form and content required of Quality Reports are determined by Monitor. This may result in the omission of information relevant to other users, for example for the purpose of comparing the results of different NHS Foundation Trusts.

In addition, the scope of our assurance work has not included governance over quality or non-mandated indicators in the Quality Report, which have been determined locally by Blackpool Teaching Hospitals NHS Foundation Trust.

Conclusion

Based on the results of our procedures, nothing has come to our attention that causes us to believe that for the year ended 31 March 2013,

- The Quality Report does not incorporate the matters required to be reported on as specified in annex 2 to Chapter 7 of the FT ARM;
- The Quality Report is not consistent in all material respects with the documents specified above; and
- The specified indicators have not been prepared in all material respects in accordance with the Criteria.

PricewaterhouseCoopers LLP
Chartered Accountants
101 Barbirolli Square
Lower Mosley Street
Manchester
M2 3PW

28 May 2013

The maintenance and integrity of the Blackpool Teaching Hospitals NHS Foundation 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.

Annex D: A Statement of the Chief Executive's responsibilities as the Accounting Officer

Statement of the Chief Executive's responsibilities as the Accounting Officer of Blackpool Teaching Hospitals NHS Foundation Trust

The National Health Service Act 2006 states that the Chief Executive is the Accounting Officer of the NHS Foundation Trust. The relevant responsibilities of Accounting Officer, including their responsibility for the propriety and regularity of the public finances for which they are answerable, and for the keeping of proper accounts, are set out in the *NHS Foundation Trust Accounting Officer Memorandum* issued by the Independent Regulator of NHS Foundation Trusts ("Monitor").

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

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

- observe the Accounts Direction issued by Monitor, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the *NHS Foundation Trust Annual Reporting Manual* have been followed, and disclose and explain any material departures in the financial statements, and
- prepare the financial statements on a going concern basis.

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

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

Signed: Date: 23rd May 2013

Gary Doherty
Chief Executive

Annex E: Independent Auditor's Report To The Council of Governors

Independent Auditors' Report to the Council of Governors of Blackpool Teaching Hospitals NHS Foundation Trust

We have audited the financial statements of Blackpool Teaching Hospitals NHS Foundation Trust for the year ended 31 March 2013 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and the related notes. The financial reporting framework that has been applied in their preparation is the NHS Foundation Trust Annual Reporting Manual 2012/13 issued by the Independent Regulator of NHS Foundation Trusts ("Monitor").

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 158 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view in accordance with the NHS Foundation Trust Annual Reporting Manual 2012/13. Our responsibility is to audit and express an opinion on the financial statements in accordance with the National Health Service Act 2006, the Audit Code for NHS Foundation Trusts issued by Monitor and International Standards on Auditing (ISAs) (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Council of Governors of Blackpool Teaching Hospitals NHS Foundation Trust in accordance with paragraph 24 of Schedule 7 of the National Health Service Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes as assessment of: whether the accounting policies are appropriate to the NHS Foundation Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the NHS Foundation Trust; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report and Accounts to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view, of the state of the NHS Foundation Trust's affairs as at 31 March 2013 and of its income and expenditure and cash flows for the year then ended; and
- have been prepared in accordance with the NHS Foundation Trusts Annual Reporting Manual 2012/13.

Opinion on other matters prescribed by the Audit Code for NHS Foundation Trusts

In our opinion

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the NHS Foundation Trusts Annual Reporting Manual 2012/13; and
- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Certificate

We certify that we have completed the audit of the financial statements in accordance with the requirements of Chapter 5 of Part 2 to the National Health Service Act 2006 and the Audit Code for NHS Foundation Trusts issued by Monitor.

Mark Webster (Senior Statutory Auditor)

For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester
28th May 2013

Notes:

(a) The maintenance and integrity of the Blackpool Teaching Hospitals NHS Foundation Trust website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

(b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Audit Code for NHS Foundation Trusts requires us 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 2012/13 or is misleading or inconsistent with information of which we are aware from our audit. 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.
- we have not been able to satisfy ourselves that the NHS Foundation Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources; or
- we have qualified, on any aspect, our opinion on the Quality Report.

Annex F: Annual Governance Statement 2012/13

ANNUAL GOVERNANCE STATEMENT 2012/13

BLACKPOOL TEACHING HOSPITALS NHS FOUNDATION TRUST

1. Scope of Responsibility

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

2. The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Blackpool Teaching Hospital NHS Foundation Trust (the 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 for the Trust for the year ended 31 March 2013 and up to the date of approval of the annual report and accounts.

3. Capacity to Handle Risk

3.1 Leadership

As Accounting Officer, I have overall accountability and responsibility for ensuring that there are effective risk management and integrated governance systems in place within the Trust and for meeting all statutory requirements and adhering to guidance issued by Monitor in respect of governance and risk management. I lead the Risk Management process as Chair of the Trust's Healthcare Governance Committee, which meets on a quarterly basis. The Healthcare Governance Committee is a committee on which Directors sit, which oversees all risk management activity and ensures the correct strategy is adopted for managing risk; controls are present and effective; and action plans are robust for those risks which remain intolerant. The Healthcare Governance Committee also comprises the Deputy Director of Corporate Affairs and Governance, Senior Managers and specialist advisors who routinely attend each meeting. It is important to note that the Board Committee Structure is being reviewed. This is in order to streamline the committees, prevent duplication of work and ensure there are clear lines of responsibility, to ensure the Board and reporting committees operate efficiently and effectively.

The Trust has reviewed and updated the Risk Management Strategy which clearly describes the roles and responsibilities of individual Executive Directors specifically and generally and is reviewed and endorsed by the Board of Directors annually. This is also supported by clear measurable risk management objectives which I set for the Executive Directors with delegated responsibility for risk management and governance. The Risk Management Strategy applies to all employees and requires an active lead from managers at all levels to ensure risk management is a fundamental part of the total approach to quality, safety, corporate and clinical governance, performance management and assurance. There is a clearly defined structure for the management and ownership of risk through the development of the Board Assurance Framework and Corporate Risk register.

A lead Executive Director has been identified for each principal risk defined within the Board Assurance Framework and Corporate Risk Register and each risk is linked to the Care Quality Commission Quality and Safety Standards. These 'high level' risks within the Board Assurance Framework and Corporate Risk register are subject to ongoing review by the Healthcare Governance Committee and the Board of Directors on a quarterly basis.

The Board of Directors has overall responsibility for setting the strategic direction of the Trust and managing the risks in delivering that strategy. All committees with risk management responsibilities have reporting lines to the Board. Some aspects of risk are delegated to the Executive Directors:

- The Finance Director provides the strategic lead for financial risk and the effective coordination of financial controls throughout the Trust;
- The Medical Director (jointly with the Director of Nursing and Quality) is responsible to the Board for Clinical Risk Management and is the professional risk lead for all Doctors within the Trust. The Medical Director is also the Executive Lead responsible for health and safety and is the Caldecott Guardian;
- The Director of Nursing and Quality has shared responsibility for Clinical Risk Management with the Medical Director and is the professional risk lead for Nurses, Midwives and Allied Health Professionals within the Trust. The Director of Nursing and Quality is the Executive Lead responsible for infection prevention and is also responsible for information governance risks. The Director of Nursing and Quality is supported by the Deputy Director of Corporate Affairs and Governance who is responsible for reporting to the Board of Directors on the development and progress of the Risk Management Strategy and for ensuring that the strategy is implemented and evaluated effectively;
- The Director of Operations is responsible for developing risk based operational Key Performance Indicators and for monitoring performance and reporting to the Board on a monthly basis;
- The Director of Human Resources and Organisational Development is responsible for workforce planning, staffing issues, education and training;
- The Director of Clinical Support and Facilities is responsible for Fire Safety and for reporting on the management of the Strategy for the Estate, Capital Programme Management of performance in relation to hospital environment;
- The Deputy Director of Corporate Affairs and Governance is the management lead to ensure a fully integrated and joined up system of risk and control management is in place and embedded on behalf of the Board; and
- All Divisional Directors, Heads of Departments, Associate Directors of Nursing, and ward/departmental managers have delegated responsibility for the management of risk in their areas. Risk is integral to their day-to-day management responsibilities. It is also a requirement that each individual division produces a divisional/directorate risk register, which is consistent and mirrors the Trust's Corporate Risk Register requirements and is in line with the Risk Management Strategy;

Governors also have an important role to play and are responsible for providing leadership in order to operate effectively, represent the interests of members and influence the strategic direction of the Trust.

3.2 Training

Staff are trained or equipped to manage risk in a way appropriate to their authority and duties. The Trust has in place an induction programme for new employees, which includes awareness of the Trust's Risk Management Strategy. Risk management is a dedicated session on the Corporate Mandatory Training Programme and each Division and Corporate Directorate has a responsibility to develop specific departmental local induction programmes, which includes awareness of the Division/Directorate Risk Management Strategy. In addition, training is also provided to relevant staff on risk assessment, incident reporting and incident investigation. The Trust has in place a mandatory training programme and the Board has set out the minimum requirements for staff training required to control key risks and includes risk management processes such as health and safety, manual handling, resuscitation, infection prevention, safeguarding patients, blood transfusion and information governance.

A comprehensive training needs analysis has been kept under review which sets out the training requirements for all members of staff and includes the frequency of training in each case. Trust Board members have participated in bespoke risk management training.

To ensure the successful implementation and maintenance of the Trust's approach to risk management, staff at all levels are appropriately trained in risk assessment, incident reporting and root cause analysis training. The Trust uses an integrated electronic risk management system, known as Ulysses which is used to record and manage incidents and risk registers both at Corporate and Divisional level. The system allows for the recording and assessment of risks using a generic scoring matrix.

The risk management leads within each Division and Corporate Directorate are responsible for coordinating the ongoing review and management of risks identified, collated, reported and reviewed locally through the Trust Governance structures.

All members of staff have responsibility for participation in the risk management system through awareness of risk assessments which have been carried out in their place of work and to compliance with any control measures introduced by these risk assessments. The Trust recognises the importance of supporting staff and the risk management team act as a support and mentor to staff who are undertaking risk assessments and managing risk as part of their role.

The overarching performance management system within the Trust ensures that controls are in place to identify and manage any risks to the delivery of key performance targets. This process is utilised as a further assurance mechanism to maintain an effective system of internal control.

Employees, contractors and agency staff are required to report all adverse incidents and concerns. The Trust supports a learning culture, ensuring that an objective investigation or review is carried out to continually learn from incidents, only assigning 'blame' to individuals where it is clear that policies and procedures have not been appropriately followed.

The Learning from Incidents and Risks Committee meets on a monthly basis to ensure concerns identified from incidents, complaints and claims, are investigated to ensure that lessons are learned and as a method of improvement and sharing good practice. The Trust fosters an environment where individuals are treated in a fair and just way, and where lessons are learned rather than blame being attributed.

The Trust seeks to learn from good practice and will investigate any serious incidents, complaints and serious untoward incidents requiring investigation via the Serious Incident Review and Action Team. The findings are reviewed by the Action Team to ensure learning points are implemented. Assurance is gained by presenting an overview of the investigation reports to the Trust's Healthcare Governance Committee, the Learning from Incidents and Risks Committee and the Board of Directors. Any learning points for staff when things go wrong are shared via Divisional governance systems and published via the Staff Lessons Learned Newsletter and via the Risk Management Website and the Knowledge Management Website for all staff to access.

In addition to the Trust reviewing all internally driven investigation reports, the Trust also adopts an open approach to the learning derived from third party investigations and audits, and/or external reports. During 2012/13, the Trust has taken on board recommendations from a number of external reports including the Francis report on Mid Staffordshire NHS Foundation Trust. A gap analysis has been undertaken and an action plan formulated. The implementation of the action plan continues to be monitored at Board level.

In June 2013 the Trust will be reviewed by a team under the direction of Bruce Keogh, we welcome this opportunity to demonstrate the quality of care provided by the organisation and to highlight any areas for improvement in the future. This links with the ongoing mortality reduction programme being undertaken by the Trust that has seen average standardised mortality ratios decreasing since July 2012 through improvements in documentation and clinical care.

The Trust has also committed itself to improving the nurse and doctor to patient ratios over coming months to reduce the number and severity of incidents that could result in patient harms and ensure high standards of clinical care are maintained.

The Trust actively seeks to share learning points with other health organisations, and pays regard to external guidance issued. Accordingly, the Trust will undertake a gap analyses and adjust systems and processes as appropriate in line with best practice.

4. The Risk and Control Framework

4.1 Key Elements of the Risk Management Strategy

The Risk Management Strategy is validated by the Healthcare Governance Committee and approved by the Board of Directors. It covers all risks and is subject to an annual review to ensure it remains appropriate and current. The Risk Management Strategy assigns responsibility for the ownership, identification and management of risks to all individuals at all levels in order to ensure that risks which cannot be managed locally are escalated through the organisation. The process populates the Board Assurance Framework and Corporate Risk Register, to form a systematic record of all identified risks. The control measures, designed to mitigate and minimise identified risks, are recorded within the Board Assurance Framework and Corporate Risk Register.

Risks are identified from risk assessments and from the analysis of untoward incidents. The Risk Management Strategy is referenced to a series of related risk management documents, for example, Patient Safety Strategy, Untoward Incident and Serious Incident Reporting Procedure. The Risk Management Strategy is available to all staff via the Document Library on the Trust Intranet.

The Trust's vision and values identifies the accepted culture within the organisation, these are linked to the corporate objectives and therefore support the risk management framework. The Trust has developed a risk appetite maturity matrix. This is a very useful tool in aiding our thinking on risk, our risk tolerance and our corporate decision making. This is a simple approach to quantifying risk in order to define qualitative measures of consequences and likelihood. This allows construction of a Risk Matrix, which can be used as the basis of identifying acceptable and unacceptable risk.

4.2 Key Elements of the Quality Governance Arrangements

Strategy
Patient safety, clinical effectiveness and patient experience, alongside improving efficiency, drive the Board's strategic framework, which identifies key elements in the quality of care it delivers to its patients and provides the basis for annual objective setting. The potential risks to patient safety, clinical effectiveness or patient experience are identified and escalated to the Board in accordance with the process outlined in section 4.1 above.

Capabilities and Culture
The Board of Directors has ensured it has the necessary leadership, skills and knowledge to deliver on all aspects of the quality agenda. In addition, the Board has put in place a clinical leadership model which puts senior medical and nursing colleagues at the heart of decision-making and management. Our culture continues to develop the 'Blackpool Way' in relation to the way we do things around here', and places patient care at the heart of everything we do in addition to (a) being honest and open; (b) striving for excellence; (c) leading, learning and inspiring others; (d) being one talented team.

Processes and Structure
Accountability for patient safety, clinical effectiveness and patient experience and improved efficiency are set out within the job descriptions and objectives of the Executive Team, senior leaders and staff. All policies and procedures clearly set out roles and responsibilities for all colleagues involved in the delivery of patient care. The Board actively seeks feedback from patients, members, governors and other stakeholders in the pursuit of excellence and as part of the continuous improvement cycle. Executive Directors routinely participate in patient safety walkabouts in clinical areas to engage with frontline teams, patients and visitors, and to evaluate the safety, clinical effectiveness and experience of care for patients.

The Board commences a significant number of formal meetings with a patient story, reflecting on positive and negative experiences of patients using our services. The Board of Directors monitor quality by reviewing the Business performance monitoring report and the Quality and Safety Report on a monthly basis. The Board of Directors receive a quarterly report regarding compliance with the Care Quality Commission Quality and Safety standards together with a quarterly progress on actions taken to demonstrate improvements for those areas identified as worse or much worse than peers. Safety, quality and patient experience however are paramount in the proceedings of the senior corporate committees; namely Healthcare Governance Committee, Quality Governance Committee, and the Audit Committee.

Information reported to the Board, regarding performance against nationally mandated targets, is collated from the dataset submitted to the Department of Health. Likewise data to support compliance with locally commissioned services and targets is reported to the Board from the dataset provided to commissioners.

Measurement
Information relating to patient safety, clinical effectiveness and patient experience is analysed and scrutinised by the Board on a monthly basis, and steps are taken to assure the robustness of data as part of the internal and external audit programmes. The information within the monthly Business performance monitoring report and the Quality and Safety Report is used to evaluate and drive accountability for performance and delivery.

4.3 How Risks to Data Security are Being Managed

The Health Informatics Committee (HIC) is responsible for all aspects of Information Management, Information Governance and Information Communications Technology throughout the Trust known collectively as Information Management; this includes the identification and management of information and data security risks. The HIC is chaired by the Finance Director, who is also the nominated Board Lead for Information Governance and the Senior Information Risk Owner for the Trust.

During 2012/13 the HIC has overseen

- the introduction of an Information Security Management System (ISMS) Programme;
- the population of the Information Asset Register;
- IT system risk and business criticality assessments; and
- trend analysis of information security incidents.

During the financial year 2012/13, the Trust had 210 Personal Data Information Security related incidents reported all of which were severity rated from level 0 - 2. (Note: Personal Data Information Security incidents are rated on a severity scale from 0 - 5). All were thoroughly investigated and reported upon. Incidents classified as a severity rating of 3 - 5 are reported as a Serious Untoward Incident and reported to Monitor and the Information Commissioner. The table below provides a summary of the incidents that were reported during the year which includes the Personal data from the integration of Community Services for Blackpool and North Lancashire. In comparison there were 200 personal data information security related incidents recorded during 2011/12 for the three former organisations (Blackpool Teaching Hospitals, NHS Blackpool and NHS North Lancashire).

Table: Summary of Personal Data Related Incidents 2012/13

Category	Nature of Incident	Total
i.	Loss of inadequately protected electronic equipment, devices or paper documents from secured NHS premises.	15
ii.	Loss of inadequately protected electronic equipment, devices or paper documents from outside secured NHS premises	3
iii.	Insecure disposal or inadequately protected electronic equipment, devices or paper documents	48
iv.	Unauthorised disclosure	60
v.	Other	84

The Trust achieved Information Governance Toolkit (IGT) internal assessment compliance score of 84% (Satisfactory) in 2012/13 compared to 83% in 2011/12. The IGT submission is subject to independent audit, the Trusts' auditors, KPMG have reviewed the evidence provided as part of the Version 10 submission and provided an overall Significant Assurance opinion in respect of our process of Self Assessment.

4.4 Organisations Key Risks

The key organisational risks for the year were identified from the corporate strategic objectives for 2012/13, forming part of the Board Assurance Framework and included the following:

In-Year Risks 2012/13	Future Major and Significant Clinical Risks 2013/14
To provide patient centred care across integrated pathways with primary / community / secondary and social care	**To provide patient centred care across integrated pathways with primary / community / secondary and social care**
• To Reduce the Mortality Rates within the Trust • Failure to reduce Patient Falls • Failure to Reduce the Risk of Acquiring MRSA Bacteraemia • Failure to Reduce the Risk of Acquiring Clostridium Difficile • Stroke and TIA Service Performance • Failure to achieve CQUIN Local Contractual Measures	• To reduce Mortality Rates within the Trust • To reduce Patient Falls • To Reduce the Risk of Acquiring MRSA Bacteraemia • To Reduce the Risk of Acquiring Clostridium Difficile • To achieve CQUIN Local Contractual Measures • To implement actions from the Keogh review • To continue to implement the action plan following the AQUA review
To be financially sound and able to re-invest in future services	**To be financially sound and able to re-invest in future services**
• Loss of Income due to actual activity Levels below plan as a result of demand management schemes • Cash balances/The Organisation needs to acquire Sufficient Liquidity to meet Monitor's Compliance Framework • Failure To reduce Fraud Within the Trust • Failure To Implement ALERT as the Trust's full electronic patient record • Failure to prevent Significant Breach of Authorisation • Failure to achieve QuIPP improvements • Failure to maintain financial balance	• To Implement the Trust's electronic patient record • Cash Balances/The Organisation needs to deliver and increase Liquidity to meet Monitor's Compliance Framework • Loss of income due to actual activity levels below plan as a result of demand management schemes • To maintain financial balance • To achieve QuIPP improvements • To reduce Fraud Within the Trust • To prevent Significant Breach of Authorisation
To deliver consistent best practice NHS care which is evidence based	**To deliver consistent best practice NHS care which is evidence based**
• Failure To achieve Charitable Funds Compliance with legislation, regulations and donor imposed restrictions • Failure to maintain CNST Level 1 and 2 • To embed Clinical Audit Activity process within divisions to support clinical improvement. • Failure To prevent the Deterioration of Quality & Safety Standards of Patient Care • Failure To Maintain National Health Service Litigation Authority (NHSLA) Risk Management Standards General Assessment – Level 3 • Cardiothoracic Surgical Services • Failure To achieve Monitor's Compliance Framework performance measures • Failure to comply with Health and Safety regulations	• To achieve Monitor's Compliance Framework performance measures • To prevent the Deterioration of Quality & Safety Standards of Patient Care in line with the Francis Report • To maintain CNST Level 1 and 2 • To embed Clinical Audit Activity process within divisions to support clinical improvement. • To Maintain NHSLA Risk Management Standards General Assessment – Level 3 • Cardiothoracic Surgical Services • To comply with Health and Safety regulations
To support and develop a workforce that is appropriately skilled and flexible in order to achieve the new models of working	**To support and develop a workforce that is appropriately skilled and flexible in order to achieve the new models of working**
• Failure to Ensure Effective Attendance Sickness and Absence • Failure to Attract, Develop & Retain a Highly Skilled Workforce • To Achieve Mandatory Training Compliance • Failure to reduce the Shortage of Junior and Middle Grade Doctors • Failure to meet TCS Due Diligence Requirements • Failure to achieve the Transfer of Community Services by 1st April 2012.	• To Attract, Develop & Retain a Highly Skilled Workforce • To reduce the Shortage of Junior and Middle Grade Doctors • Ineffective Roll out and use of E-Rostering system • To Ensure Effective Attendance Sickness and Absence • To Achieve Mandatory Training Compliance

The above risks have been risk assessed within impact scores validated by the Board of Directors. In the preceding 12 months, the Trust has taken effective action and reduced the overall risk of significant harm in the following areas:

- Met the Transfer of Community Services (TCS) Due Diligence Requirements
- Achieved the successful Transfer of Community Services on 1st April 2012.
- Improved Stroke and Trans Ischaemic Attack (TIA) Service Performance

Mitigating actions against a number of potential significant in-year risks 2012/13 are detailed in Section 7 of the Annual Governance Statement. Outcomes of each risk remains under constant review and are assessed by reviewing progress with measurable targets, and auditing compliance with national and local standards/regulations. Mitigating actions and outcomes are monitored as a minimum on a quarterly basis by the reporting committees identified in the risk management strategy. Escalation and de-escalation of risks is dependent upon progress to achieve outcomes.

4.5 How Risk Management is Embedded in the Activity of the NHS Foundation Trust

Risk Management is embedded in the activity of the organisation through Induction Training, regular Risk Management Training and ad-hoc training when need is identified. Staff are openly encouraged to report incidents and near misses through the monthly drop-in training sessions and through the corporate and mandatory training. The Trust encourages reporting within an open and fair culture, where reporting is congratulated and individuals are not blamed or penalised if they speak out. An Untoward Incident and Serious Incident reporting system is in place and incidents are entered onto a database for analysis. Root cause analysis is undertaken and all identified changes in practice are implemented.

Risk Management is embedded within the Trust through key committees identified in the Corporate Governance Structure and consists of clinical and non-clinical committees, which report to the Healthcare Governance Committee on a quarterly basis. The Trust has a zero-tolerance approach to fraud and the Counter Fraud service is provided by Audit North West. This helps to embed and tackle fraud and potential fraud in several ways:

- developing an anti-fraud culture across the Trust's workforce;
- fraud proofing of all of our policies and procedures;
- conducting fraud detection exercises into areas of risk;
- investigating any allegations of suspected fraud; and
- obtaining, where possible, appropriate sanctions and redress.

Each Division has undertaken a self assessment and completed a fraud risk assessment which is monitored on a local level and existing controls continue to mitigate the risk.

The Audit Committee is a sub-committee of the Board of Directors and provides independent assurance on aspects of governance, risk management and internal controls. The Healthcare Governance Committee links to the Audit Committee and the Quality Governance Committee and also reports directly to the Board of Directors.

The Trust has been carrying out Equality Impact Assessments (EIA) since 2007. Since their inception within the Trust all policies, procedures, guidelines, schemes, strategies etc have to have a completed EIA attached before being sent to the relevant committee for discussion and signing off. Likewise completion of an EIA is expected when there is a new service to be implemented, a change to a service or cessation of a service along with the relevant consultation and engagement with service users. Where an adverse impact is identified during the completion of the initial assessment, a full EIA is carried out. This involves consulting and engaging with people who represent protected characteristic groups and other groups if required to do so.

An action plan is drawn up after completing the full assessment which details the actions to be taken, along with a time frame, to eliminate or reduce as far as possible any adverse impact. A copy of the action plan is sent to the Trust's Equality Diversity and Human Rights Steering Group for monitoring on its progress.

Equality and Diversity training is part of the Trust's Induction Programme and the Trust's overall mandatory training programme.

4.6 Elements of the Assurance Framework

The Board Assurance Framework has been fully embedded during 2012/13. The Assurance Framework:

- Covers all of the Trust's main activities;
- Identifies the Trust's corporate objectives and targets the Trust is striving to achieve;
- Identifies the risks to the achievement of the objectives and targets;
- Identifies the system of internal control in place to manage the risks;
- Identifies and examines the review and assurance mechanisms, which relate to the effectiveness of the system of internal control;
- Records the actions taken by the Board of Directors and Officers of the Trust to address control and assurance gaps; and
- Covers the Care Quality Commission essential Quality and Safety Standards on which the Trust has registered with the CQC with no conditions during 2012/13.

The Healthcare Governance Committee considers high/significant risks and if appropriate, recommends their inclusion on the Corporate Risk Register and/or Board Assurance Framework. This is presented to the Board of Directors for formal ratification.

Risk prioritisation and action planning is informed by the Trust's corporate objectives which have been derived from internal and external sources of risk identified from national requirements and guidance, complaints, claims, incident reports and Internal Audit findings. This also includes any other sources of risk derived from Ward, Departmental, Directorate and Divisional risk assessments, which feed up to Divisional and Corporate level management. Action plans are developed for unresolved risks.

Lead Executive Directors and Lead Managers are identified to address the gaps in control and assurance and are responsible for developing action plans to address the gaps. The Board Assurance Framework serves to assure the Board of Directors that the Trust is addressing its risks systematically. The action plan arising from each risk also serves as a work plan for the Trust through the Lead Managers to ensure mitigation against risks and closure of any gaps in control or assurance.

The 'elements' of the Board Assurance Framework are monitored and reviewed on a quarterly basis by the Healthcare Governance Committee and the Audit Committee followed by the Board of Directors. This demonstrates that the document is live and continuous and provides evidence to support the Annual Governance Statement.

The Finance Director and the Deputy Director of Corporate Affairs and Governance are also members of the Healthcare Governance Committee and provide Governance and Risk Management assurance to the Audit Committee at each of its meetings, thus ensuring an integrated risk management approach.

The Trust manages gaps in assurance by way of the Audit Committee who will review these gaps and assess the required assurances to review systems and processes.

4.7 How Public Stakeholders are Involved in Managing Risks Which Impact on Them

The Governance Framework requires the Trust to involve both patients and public stakeholders in the Governance agenda. This has been achieved through engagement with the Trust membership and Governors, NHS Blackpool, NHS North Lancashire, Blackpool Overview and Scrutiny Committee, Lancashire Overview and Scrutiny Committee, Blackpool Local Safeguarding Children's Board, Blackpool Vulnerable Adults Board, Learning Disability Partnership Board and Local Involvement Networks (LINk). The Trust has a Patient and Public Involvement Strategy in place and this has been continuously implemented throughout 2012/13. This is now a core component of the Trust Membership Strategy. Public Stakeholders are consulted with regarding future service developments and changes in service development.

Patient feedback is actively solicited through the monthly local in-patient survey and patient feedback is reviewed on an ongoing basis with summary reports reviewed regularly by the Board.
The Trust has also engaged with Staff and Public Governors to provide them with assurance that the risks across the organisation are being managed and mitigated. The Trust has also worked with Deloitte LLP, an independent Management Company, to undertake a review of the effectiveness of the Governors in preparation for the new Health and Social Care Act Legislation and the Trust is working with the Governors to help them fulfil in their new role.
Issues raised through the Trust's Risk Management processes that impact on partner organisations, for example, Lancashire Care NHS Foundation Trust would be discussed at the appropriate forum in order that appropriate action can be agreed.

An established communications framework is in place in the form of a Major Incident Plan, and cross-community emergency planning arrangements are in place.

4.8 Disclosure of Registration Requirements

The NHS Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission (CQC).

Unannounced visit at Blackpool Victoria Hospital

In August 2012, Blackpool Victoria Hospital was inspected as part of the Care Quality Commission's national programme of dignity and nutrition for older people inspections. The CQC visited the Stroke Ward and Ward 25 Care of the Elderly and they focused on five outcomes, in particular whether patients were treated with dignity and respect and whether their nutritional needs were met. The CQC also reviewed the outcomes in relation to safeguarding, staffing levels and records.

The CQC's final report overall provided positive feedback. The Trust received compliance for three essential standards of quality and safety in relation to the following outcomes:

Outcome 01:	Respecting and involving people who use services
Outcome 07:	Safeguarding people who use services from abuse
Outcome 13:	Staffing

The Trust also received two minor improvement actions as defined by the Care Quality Commission on two standards which had been identified as not being met. Minor impact is defined by the CQC as. – 'People who use the service experienced poor care that had an impact on their health, safety or welfare or there was a risk of this happening. The impact was not significant and the matter could be managed or resolved quickly'. The CQC considered the category of minor areas for improvement in relation to the following outcomes:

Outcome 05:	Meeting nutritional needs. We have judged that this has a minor impact on people who use the service. **How the regulation is not being met:** Patients were not always protected from the risks of inadequate hydration and clinical nutrition.
Outcome 21:	Records. We have judged that this has a minor impact on people who use the service. **How the regulation is not being met:** By omitting information on some patients' records, had the potential to put patients at risk.

Based on the final report the Trust developed an action plan and commenced implementation of the recommendations to address the two areas for improvement detailed above. The completed action plan and progress report detailed above has been submitted to the Care Quality Commission in February 2013 following approval by the Board. The CQC undertook an unannounced follow up visit on the 19th March 2013 and compliance of the above outcomes were confirmed on the 10th May 2013.

Planned visit at Ashton Road Community Dental Clinic

The Care Quality Commission (CQC) carried out a visit on the 5th July 2012 at Ashton Road Community Dental Clinic as part of a planned routine schedule in order to review the Trust's compliance with the essential standards of quality and safety. The CQC provided positive feedback with no recommendations identified and confirmed that Ashton Road was meeting the essential standards of quality and safety reviewed in relation to the following outcomes:

Outcome 02:	Before people are given any examination, care, treatment or support, they should be asked if they agree to it
Outcome 04:	People should get safe and appropriate care that meets their needs and supports their rights
Outcome 16:	People should be cared for in a clean environment and protected from the risk of infection
Outcome 14:	Staff should be properly trained and supervised, and have the chance to develop and improve their skills
Outcome 21:	People's personal records, including medical records, should be accurate and kept safe and confidential

4.9 Compliance with the NHS Pension Scheme Regulations

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

4.10 Compliance with Equality, Diversity and Human Rights Legislation

Control measures are in place to ensure that all Trust's obligations under equality, diversity and human rights legislation are complied with. This is evidenced by the annual review during the year of the Single Equality Scheme at the Equality and Diversity and Human Right Steering Committee which reports to the Clinical Governance Committee. This is also evidenced by demonstrating that all procedural documents incorporate an equality impact assessment prior to ratification by the relevant committee.

4.11 Compliance with Climate Adaptation Requirements under the Climate Change Act 2008

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

5 Review of Economy, Efficiency and Effectiveness of the Use of Resources

On Monday, 21st May 2012, the Trust was de-escalated from significant breach of its Terms of Authorisation. The Trust has demonstrated considerable progress towards addressing Monitor's concerns and has demonstrated that it has robust plans in place to continue to do so.

As a consequence, the Trust's governance risk rating published on Monitor's website was updated to Green and the Trust was removed from the published table of foundation trusts in significant breach of their Terms of Authorisation.

The Trust achieved its planned recovery to a Financial Risk Rating of 3 (FRR3) within quarter 3 of 2012/13 and delivered a FRR of 3 at the 31st March 2013.

The Trust is meeting Monitor's quarterly monitoring requirements on an ongoing basis.

The Trust has arrangements in place for setting objectives and targets on a strategic and annual basis and during 2012/13 the Trust has consolidated and developed a number of systems and processes to help deliver an improvement in the financial performance which includes the following, namely: -

- Heads of Department Budget presentations to a group of Executive Directors and Non Executive Directors; incorporating: -
  - Department SWOT analysis;
  - Providing more care in the community;
  - QuIPP ideas;
  - Department activity plan;
  - Key deliverables;
  - Clinical and quality priorities;
  - Key risks and mitigations.
- Approval of the annual budgets by the Board of Directors.
- Monthly Finance and Business Monitoring Committee to ensure Directors meet their respective financial targets reporting to the Board.
- Monthly Divisional Performance Meetings attended by the Executive Team to ensure that Divisions meet the required level of performance for key areas.
- Monthly Cash Committee is actively continuing with measures to further improve cash balances which reports to the Finance and Business Monitoring Committee. The Cash Committee has minimised the risk of the Trust using the Working Capital Facility. The measures taken include creditor stretch, improvements in receivables processes and improvements to cash forecasting.
- The Trust has in place a Programme Management Office and permanent Head of Programme Management Office and administrative support to scrutinise QuIPP planning and delivery. In addition, the Trust is utilising external support to identify areas of improvement and develop / implement action plans to deliver the required efficiency.
- In light of the recently published Francis Report on Mid Staffordshire and the Trust being identified as having a high mortality, the Trust has been selected to be part of a review by a national advisory group set up by NHS medical director Professor Sir Bruce Keogh into 14 hospitals which have had higher than expected mortality rates. Further details are outlined in section 7.
  The review has been scheduled to be undertaken on the 17 June 2013 in which Professor Sir Bruce Keogh will publish a public report summarising the findings and actions. The Trust will produce an action plan based on the findings of the Keogh review, and will monitor the implementation of the action plan through the Board.
- The Divisions play an active part in ongoing review of financial performance including Cost Improvement Requirements / Quality, Innovation, Productivity and Prevention (QuIPP) delivery.
- Monthly reporting to the Board of Directors on key performance indicators covering Finance activity; Quality and Safety activity and Human Resource targets.
- Weekly reporting to the Executive Team on key influences on the Trust's financial position including activity on quality and safety performance and workforce indicators.

The Trust also participates in initiatives to ensure value for money, for example: -

- Value for money is an important component of the Internal and External Audit plans that provide assurance to the Trust regarding processes that are in place to ensure the effective use of resources.
- In-year cost pressures are rigorously reviewed and challenged, and mitigating strategies are considered.
- Weekly QuIPP theme meetings are held by each of the Executive Directors to monitor staff to ensure the delivery of the cost saving initiatives. Improvements to QuIPP processes include: -
  - Improvements to QuIPP governance; including meetings of the QuIPP Programme Board;
  - Improvements to QuIPP planning;
  - Strengthening the PMO through the appointment of a permanent Head of PMO.

- The Trust subscribes to a national benchmarking organisation (CHKS). This provides comparative information analysis on patient activity and clinical indicators. This informs the risk management process and identifies where improvements can be made.
- The Trust uses lean methodology to optimise the efficient and effective use of resources whilst enhancing the patient experience and improving the quality of care provision into the delivery of our day to day services. The Lean methodology principles focus on developing a culture of continual improvement and reducing duplication and waste from processes.
- The Trust has a standard assessment process for future business plans to ensure value for money and to ensure that full appraisal processes are employed when considering the effect on the organisation Procedures are in place to ensure all strategic decisions are considered by the Board of Directors.
- The Trust is renegotiating the Contract with the Commissioners to ensure the delivery of quality care.

6. Annual Quality Report

The Trust's Directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. Monitor has issued guidance to NHS Foundation Trust Boards on the form and content of Annual Quality Reports which incorporate the above legal requirements in the *NHS Foundation Trust Annual Reporting Manual.*

The Trust has built on the extensive work undertaken to develop the Quality Account and has drawn on the various guidance published in-year in relation to the Quality Account. We developed our vision, values and priorities through wide involvement and in consultation with patients, staff, external stakeholders and Governors. The consultation of the Quality Account was launched and included a number of presentations made to the Council of Governors on Quality Accounts, a workshop session with representatives from the Council of Governors and Local Healthwatch (previously known as LINk) as well as members of the public. In addition a website has been developed to obtain the views of the public regarding the quality accounts priorities for 2012/13. Through this engagement, the Trust has been able to ensure the areas chosen provide a balanced view of the organisation's priorities for 2012/2013. In the preparation of the Quality Account, the Trust appointed a Quality Account Project Lead to develop the Quality Account, reporting direct to the Director of Nursing and Quality, and a Quality Account Steering Group was established. A formal review process was established, involving the submission of our initial draft Quality Report to our external stakeholders (Commissioners, Overview and Scrutiny Committees and Healthwatch). The Quality Account drafts were formally reviewed through the Trust's governance arrangements, formal Executive Directors' meeting and the Board of Directors. The Trust set 2013/14 priorities for improvement for clinical effectiveness, quality of the patient experience and patient safety. Priorities were developed to embed and monitor quality improvement processes, set against the needs of our patients in the delivery of our services.

The Board of Directors can confirm that they have met the necessary requirements under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 to prepare its Quality Accounts for the financial year 2012/13. Steps have been put in place to assure the Board that the Quality Report presents a balanced view and that there are appropriate controls in place to ensure the accuracy of data. These steps cover the following areas as detailed below:

- **Governance and Leadership**
  The quality improvement system is led directly by the Board of Directors which also exercises its governance responsibilities through monitoring and review of the Trust's quality performance. The Healthcare Governance Committee reporting directly to the Board leads the quality improvement strategy and reviews quality improvement projects on a regular basis.

- **Policies**
  Key policies for quality improvement are in place and these are linked to risk management and clinical governance policies. Trust data quality policies and procedures score highly on the national Information Governance Toolkit and all evidence is delivered and audited. Data quality reports are developed and submitted through the Health Informatics Committee, Performance Board and through to the Trust Board. Data quality staff are in post with relevant job descriptions whose remit is to provide training, advice and review and (where applicable) correct anomalies.

- **Systems and Processes**
  The Board of Directors ensures that adequate systems and processes are maintained to measure and monitor the Trust's effectiveness, efficiency and economy as well as the quality of its healthcare delivery. The Board regularly reviews the performance of the Trust in these areas against regulatory requirements and approved plans and objectives.

- **People and Skills**
  The 'Blackpool Way' outlines and reinforces the culture across the Trust and actively encourages and supports employees to gain the skills and qualifications that will support their future employability and meet the needs of the organisation. Locally the focus in 2012/13 was to continue developing managers in coaching and leadership skills particularly for those colleagues who lead our clinical teams to ensure that all staff are safe to practice and to care for our patients.

  The Learning and Development Team continues to provide skills support through widening access to education for staff in the workforce. The purpose is to ensure that all staff are skilled, competent and able to make a full contribution to the success of the organisation.

- **Data Use and Reporting**
  The Trust is provided with external assurance on a selection of the quality data identified within the Quality Report which was taken from national data submissions, CHKS and national patient survey results, Local Inpatient Survey results and Information Governance Toolkit results. Local internal assurance is also provided via the analysis of data following local internally led audits in relation to nursing care indicators, analysis of data following incidents in relation to medication errors and slips, trips and falls incidents for patients. The quality and safety metrics are also reported monthly to the Board through the business monitoring report and the quality and safety report.

  The Trust has a fully controlled process for the provision of external information with control checks throughout the process. Formal sign off procedures and key performance indicators on data are submitted through the Information Management Department.

  Data reporting is validated by internal and external control systems involving Clinical Audit, the Audit Commission and Senior Manager and Executive Director reviews.

The Trust has reviewed its objectives and re-emphasised its commitment to quality, with the aim of achieving excellence in everything it does. Its aspirations for quality improvement in 2012/13 were to:

- Improve our hospital standardised mortality rate;
- Conform to best practice by fully implementing Advancing Quality, 100,000 Lives and Saving Lives interventions;
- Reduce avoidable harms; and
- Improve the patient experience.

The Trust has maintained progress to deliver top 10% performance for clinical quality and has strengthened its performance management structure in relation to delivering the Care Quality Commission (CQC) quality and safety standards. The Trust believes quality should be supported at every level of the organisation and has ensured that all Divisions have implemented the actions required to meet the quality standards. Monitoring was overseen through a number of committees and forums.

The Board of Directors at the Trust can confirm it has the appropriate mechanisms in place to prepare, approve and publish its Quality Report for 2012/13. The Board of Directors is satisfied that the Quality Report provides a balanced view and the appropriate controls are in place to ensure accuracy of data and a true reflection of overall quality within the organisation.

7. Review of Effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the quality report attached to this Annual Report and other performance information available to me. My review is also informed by comments made by the external auditors in their Management Letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee and Healthcare Governance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

In describing the process that has been applied in maintaining and reviewing the effectiveness of the system of internal control I have detailed below some examples of the work undertaken and the role of the Board of Directors, the Audit Committee, Healthcare Governance Committee, Clinical Audit, Internal Audit and External Audit in this process. My review has been informed by:

- KPMG LLP undertook an assessment of the evidence available to support the Trust's own assessment of its compliance with Monitor's Quality Governance Framework. Using Monitor's scoring methodology as detailed in "Applying for NHS Foundation Trust Status-Guide for Applicants" (July 2010). KPMG LLP calculated the Trust's overall score as being 3.5 which is in line with Monitor's best practice and is on par with the requirements for the authorisation of aspirant Foundation Trusts'.

- The self-assessment of the maintenance of compliance against NHSLA Level 3 Risk Management Standards status that provided assurance on controls.

- The self-assessment of the maintenance of compliance against CNST Maternity Level 2.

- Self-assessment of the Trust's performance against the Key Lines of Enquiry for Auditors Local Evaluation standards and the progress of this review was considered by the Audit Committee throughout the current year.

- The Clinical Quality Department facilitates the participation in projects and monitoring of reports that result from national clinical audits. In response to the audit findings, the Clinical Audit Group monitors the actions taken to improve the patient safety and quality outcomes and an assurance report is provided to the Audit Committee and the Board of Directors.

- Internal Audit reviewed the Board Assurance Framework and the effectiveness of the overall system of internal control as part of the Internal Audit Annual Plan which is agreed by the Deputy Chief Executive and the Audit Committee.

- The Head of Internal Audit Opinion, dated 30/04/2013, gave an overall Significant Assurance opinion on the system of internal control for 2012/13. Significant assurance can be given that there is a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently. However, some weaknesses in the design and/or inconsistent application of controls put the achievement of particular objectives at risk.

- The Trust maintained registration with the CQC without compliance conditions for 2012/13.

- The Trust's assessment of 84% compliance (Satisfactory) with the Information Governance Toolkit standards for 2012/13 (version 10) in comparison to 83% compliance in 2011/12 demonstrates continuous improvement against these standards.

- The Annual Risk Management Report and the Quality and Safety Report, which evidence action on all aspects of governance including, risk management.

- The Board Assurance Framework itself provides the Trust with evidence of the effectiveness of the system of internal controls that manage the risks to the organisation. The Board of Directors also monitor and review the effectiveness of the Board Assurance Framework on a quarterly basis. Internal Audit provided a Significant Assurance opinion on the Board Assurance process.

- The Board of Directors, Audit Committee, Executive Directors Meeting and the Healthcare Governance Committee have advised me on the implications of the result of my review of the effectiveness of the system of internal control. These committees also advise outside agencies and myself on serious untoward events.

- All of the relevant committees within the Corporate Governance Structure have a clear timetable of meetings and a clear reporting structure to allow issues to be raised.

- The Healthcare Governance Committee manages and reviews the Board Assurance Framework in conjunction with Executive Directors. The minutes of the Healthcare Governance Committee are presented to the Board of Directors. The Healthcare Governance Committee produce an annual Risk Management report, which is presented to the Audit Committee followed by the Board of Directors and this provides assurance on controls.

- The Audit Committee review the establishment and maintenance of an effective system of Integrated Governance, Risk Management and internal control across the whole of the Trust's activities (both clinical and non-clinical) that supports the achievement of the overall Trust objectives. The Audit Committee review the Board Assurance Framework on a quarterly basis.

- Comments made by External Auditors and other review bodies in their reports. For example on 25 February 2013, the Trust had a re-assessment of performance by the Information Standards EMQC against national standards in relation to developing patient information leaflets and maintained Accreditation in February 2013.

The Trust has a robust process for ensuring recommendations made in assurance reports are implemented on a timely basis.

Internal Audit provided an overall significant assurance opinion across 26 areas for the reporting period. 21 of these audits were undertaken by NHS Audit North West and five were undertaken by KPMG LLP. Of these 26 audits, there were seven areas where limited assurance opinions were given which relate to the following:

- Charitable Funds;
- Payroll: Protection and Acting Up Enhancement;
- Payroll: Additional payments to Consultants;
- Transfer of Patients;
- Maintenance of Medical Devices Equipment;
- Security; and
- Data Quality: VTE Assessment Follow-Up.

These audits were as a result of weaknesses in design and operation of the controls therein. Actions have been agreed to improve the systems of control and the Management Team have already implemented or are in the process of implementing these actions in order to improve systems of internal control in the areas identified. Progress is monitored by the Quality Governance Committee and the Healthcare Governance Committee. The Audit Committee also monitors the implementation of the action plans and progress against the recommendations made in order to be provided with assurance that improvements are made.

As at 31st March 2013, the Trust had the following potential significant risks Identified which are currently being mitigated, although in 2013/14 they could have a direct bearing on compliance with the terms of Authorisation, CQC registration or the achievement of corporate objectives should the mitigation plans be ineffective:

- In relation to clinical sustainability and quality risk and ensuring the reduction in Hospital Standardised Mortality Index (Dr Foster) and the Summary Hospital Mortality Indicators, the Trust has embarked on an intensive plan for reducing mortality both in hospital and within 30 days of discharge. A series of distinct work streams have been developed to ensure that national mortality ratio measures accurately reflect the Trust's position as well as ensuring safe, appropriate, harm free care is being delivered.

  At the same time we have maintained our focus on harm reduction strategies such as reducing medical outliers (medical patients receiving treatment on non-medical wards), hospital acquired infections and medication errors. Progress on all these objectives has been reported to the Board on a regular basis. The emphasis has been on improving processes so that the improvements are local, measurable and immediate and are owned by the team providing the care.

  The Trust has shown a significant and sustained improvement in not only Risk Adjusted Mortality Index (RAMI) over the last three years but has also since July 2012 shown marked improvements in HSMR and SHMI mortality measures that have historically portrayed the Trust in a poor light. The Trust has a mortality action plan and progress is monitored by the Mortality Board and the Board of Directors on a monthly basis to ensure improvements are made.

  In light of the recently published Francis Report on Mid Staffordshire and the Trust being identified as having a high mortality, the Trust has been selected to be part of a review by a national advisory group set up by NHS medical director Professor Sir Bruce Keogh into 14 hospitals which have had higher than expected mortality rates. The review will seek to determine whether there are any sustained failings in the quality of care and treatment being provided to patients at these trusts, in particular seeking to identify:
  - whether existing action to improve quality is adequate and whether any additional steps should be taken;
  - any additional external support that should be made available to aid improvement; and
  - any areas that may require regulatory action in order to protect patients.

- The review has been scheduled to be undertaken on the 17th June 2013 in which Professor Sir Bruce Keogh will publish a public report summarising the findings and actions. The Trust will produce an action plan based on the findings of the Keogh review, and will monitor the implementation of the action plan through the Board.

- In relation to the risk in ensuring the year-end MRSA target is not breached. The Trust achieved the MRSA and Clostridium Difficile targets during 2012/13. To mitigate the risk of breaching the Trust's infection prevention targets, we continued to deliver a wide ranging programme of work which emphasises to all staff that remaining compliant with the requirements of the Code of Practice for Healthcare Associated Infections is everyone's responsibility. Ongoing mitigation included:
  (i) Continuing to raise awareness and leading by example;

(ii) Ongoing audits of compliance to ensure all infection prevention and control policies and procedures continue to be implemented, including in particular hand hygiene, environmental and decontamination standards; and

(iii) Training on all aspects of infection prevention continues to be delivered;

(iv) Outcomes were assessed by reviewing progress with the MRSA and Clostridium Difficile targets, and auditing compliance with national standards/regulations.

- In relation to the financial performance and the economic downturn risk, the Trust achieved a Financial Risk Rating of 3 in 2012/13. In response to the potential stabilisation or fall in NHS income, and potential failure of PCT demand management schemes we identified a risk in respect of PCT affordability and this risk was adequately mitigated in 2012/13. A satisfactory outcome was achieved with a level-3 Financial Risk Rating which, under Monitor's Compliance Framework, indicates sound financial performance.

- In relation to the Transforming Community Services risk, the Trust took on the provider arm of NHS Blackpool and part of NHS North Lancashire as at 1st April 2012. Performance of integration was monitored through achievement of actions in the Post Transaction Action Plan by the Transformation Programme Board. Divisional update reports on Transformation projects are submitted to the Transformation Programme Board. Monthly Strategic Direction reports are also submitted to the Board. The Pre Transaction Action Plan and Benefits Realisation Plan was monitored and signed off by the Board in April 2012. The New 'Families' and Community Adults/Long Term Conditions Divisions has been formally integrated into the organisation in April 2013. Work is ongoing on pathway redesign and improved service modelling. Close working relationships have been established with the local Clinical Commissioning Groups, Local Authorities and the National Commissioning Board to identify and implement service development, improvements and new models of care, as identified through the Strategic Framework. Friends and Family Test is being undertaken, Patient Experience Revolution project instigated, Ward Audits and Patient Led Assessment of Care Environment (PLACE) are undertaken.

- In relation to failing to implement ALERT as the Trust's full electronic patient record, the Trust has reviewed its strategic approach to the development and implementation of electronic health records across the local health community. The Trust recognises that it must ensure that electronic health records are readily accessible across all healthcare services and geographic settings, including GPs, community services, acute services and tertiary services, and can be updated by relevant healthcare professionals across these services. Given this, the Trust's forward strategy will be one that is based on the integration of existing systems, along with the use of multiple specialist systems, with all systems being used across the Trust's range of geographic settings and linked via interoperability.

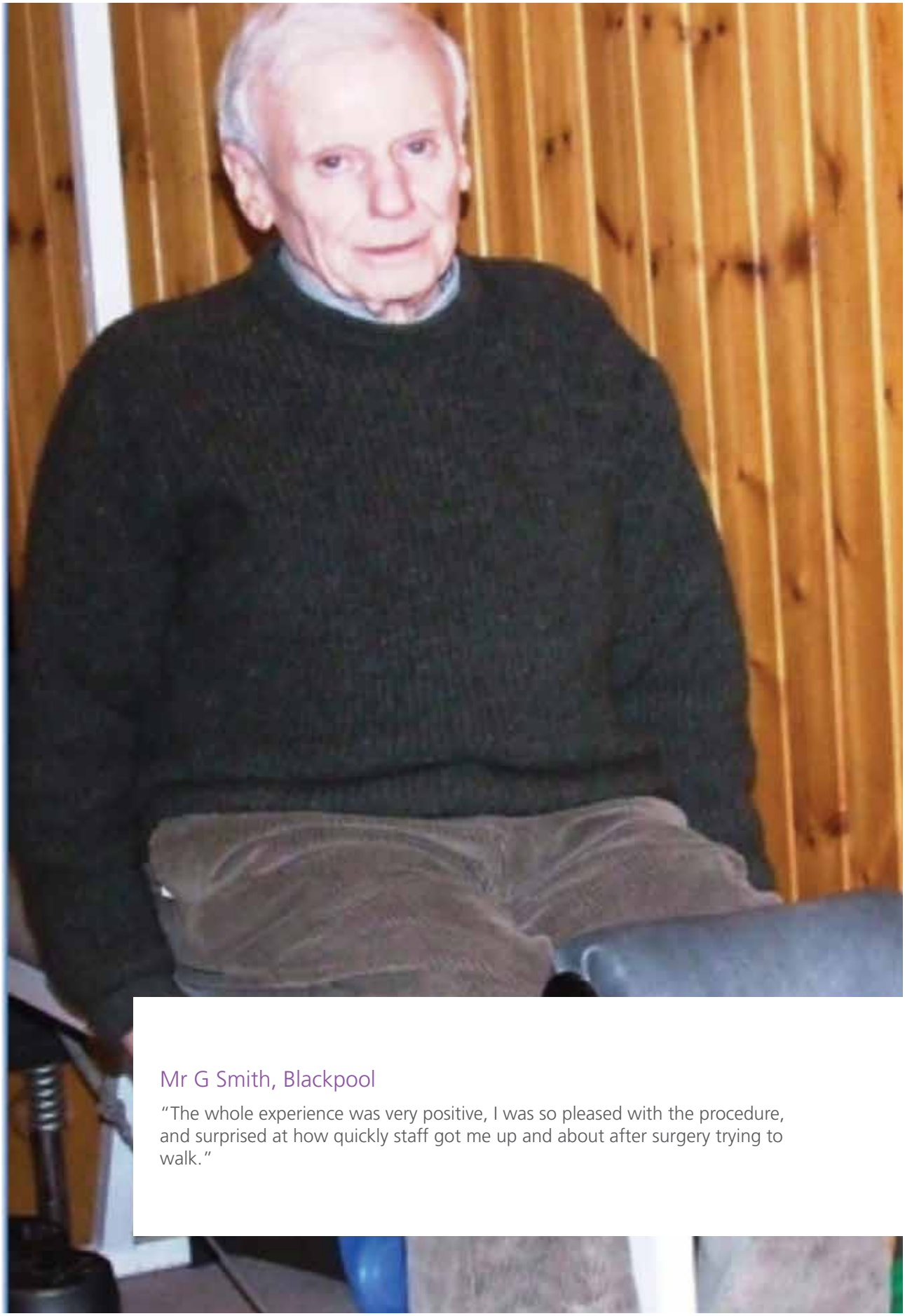
  The Trust has engaged with ALERT Life Sciences Computing, and the parties have mutually agreed to a change in scope of the ALERT® deployment in order to support the Trust's revised way of working. It has been agreed that the Trust will continue to use the ALERT® solution in the A&E Department at the Trust and in a selected number of outpatient services including Senior Review Clinic, the Colposcopy Outpatients Service and the Paediatric Diabetes Outpatients Service. The Trust will be engaging with third party suppliers, for both clinical systems that are currently in use and proposed new clinical systems, in order to ensure that the Trust achieves its aim of electronic health records.

8. Conclusion

My review of the effectiveness of the systems of internal control has taken account of the work of the Executive Management Team within the organisation, which has responsibility for the development and maintenance of the internal control framework within their discreet portfolios. In line with the guidance on the definition of the significant internal control issues, I have not identified any significant control issues.

Signed: Date: 23rd May 2013

Gary Doherty
Chief Executive



Mr G Smith, Blackpool

"The whole experience was very positive, I was so pleased with the procedure, and surprised at how quickly staff got me up and about after surgery trying to walk."

Annex G: Accounts for the Period 1st April 2012 to 31st March 2013

FOREWORD TO THE ACCOUNTS

BLACKPOOL TEACHING HOSPITALS NHS FOUNDATION TRUST

These accounts for the period ended 31st March 2013 have previously been prepared by Blackpool Teaching Hospitals NHS Foundation Trust in accordance with Schedule 7, Sections 24 and 25 of the National Health Services Act 2006 in the form which Monitor (the Independent Regulator of foundation trusts) has directed.

Signed:

Date: 23rd May 2013

Gary Doherty
Chief Executive

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 March 2013

	NOTE	2012/13 £000	2011/12 £000
Income from activities	3	**333,315**	256,124
Other operating income	4	**34,409**	28,081
Operating income		**367,724**	284,205
Operating expenses	5	**(358,149)**	(274,645)
OPERATING SURPLUS		**9,575**	9,560
Finance Costs			
Finance income	8	**184**	121
Finance costs	9	**(2,343)**	(2,116)
Public Dividend Capital dividends payable		**(4,204)**	(4,248)
Net Finance Costs		**(6,363)**	(6,243)
SURPLUS FOR THE YEAR		**3,212**	3,317

Surplus for the financial year before exceptional items		3,375	4,487
Exceptional items			
Net gain/(loss) from non current asset impairments	11	3,977	(1,079)
Net gain as a result of change in charitable income accounting treatment *		0	1,691
Net profit/ (loss) on disposal of non current assets	7	(3,095)	27
Redundancy	6	(1,045)	(1,809)
Surplus for the financial year after exceptional items as stated above		3,212	3,317

* The change in accounting policy in relation to the recognition of charitable income was classed as an exceptional item in 2011/12. In 2012/13 a gain of £0.691 million is reported within the surplus before exceptional items.

Other comprehensive income:			
Revaluation losses on property, plant and equipment	11	**(997)**	(1,836)
Revaluation gains on property, plant and equipment	11	**4,407**	375
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**6,622**	1,856

The notes on pages v to xxxvi form part of these accounts.
All revenue and expenditure is derived from continuing operations.

STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH 2013

	NOTE	**31st March 2013 £000**	31st March 2012 £000	1st April 2011 £000
NON-CURRENT ASSETS:				
Intangible assets	10	**2,178**	4,487	5,333
Property, plant and equipment	11	**192,591**	185,392	183,698
Trade and other receivables	14	**549**	913	1,145
Total non-current assets		**195,318**	190,792	190,176
CURRENT ASSETS:				
Inventories	13	**2,394**	2,279	2,855
Trade and other receivables	14	**11,440**	9,942	6,851
Cash and cash equivalents	15	**27,358**	19,641	15,393
Total current assets		**41,192**	31,862	25,099
CURRENT LIABILITIES:				
Trade and other payables	16	**(32,080)**	(29,138)	(30,436)
Borrowings	18	**(2,762)**	(2,637)	(1,223)
Provisions	19	**(5,412)**	(4,376)	(553)
Other liabilities	17	**(5,673)**	(5,581)	(7,016)
Total current liabilities		**(45,927)**	(41,732)	(39,228)
NON-CURRENT LIABILITIES:				
Borrowings	18	**(37,568)**	(34,600)	(31,637)
Provisions	19	**(1,233)**	(1,162)	(1,106)
Total non-current liabilities		**(38,801)**	(35,762)	(32,743)
TOTAL ASSETS EMPLOYED		**151,782**	145,160	143,304
TAXPAYERS' EQUITY				
Public dividend capital	Page iii	**141,031**	141,031	141,031
Revaluation reserve	Page iii	**27,467**	26,094	27,627
Income and expenditure reserve	Page iii	**(16,716)**	(21,965)	(25,354)
TOTAL TAXPAYERS' EQUITY		**151,782**	145,160	143,304

The financial statements on pages v to xxxvi were approved by the Trust Board on 23rd May 2013 and are signed on its behalf by:

Signed: Gary Doherty, Chief Executive  Date: 23rd May 2013

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY AT 31st March 2013

	NOTE	Total taxpayers' equity £000	Public Dividend Capital £000	Revaluation reserve £000	Income and Expenditure reserve £000
Taxpayers' equity at 1 April 2012		**145,160**	141,031	26,094	(21,965)
Total Comprehensive Income for the year:					
Surplus for the financial year		**3,212**	0	0	3,212
Impairment of property, plant & equipment	11	**(997)**	0	(997)	0
Revaluation gains on property, plant & equipment	11	**4,407**	0	4,407	0
Transfer between reserves		**0**	0	(2,037)	2,037
Total Comprehensive Income for the year		**6,622**	0	1,373	5,249
Taxpayers' equity at 31st March 2013		**151,782**	**141,031**	**27,467**	**(16,716)**
Taxpayers' equity at 1st April 2011		**143,304**	141,031	27,627	(25,354)
Total Comprehensive Expense for the year:					
Surplus for the financial year		**3,317**	0	0	3,317
Impairment of property, plant & equipment	11	**(1,836)**	0	(1,836)	0
Revaluation gains on property, plant & equipment	11	**375**	0	375	0
Transfer between reserves		**0**	0	(72)	72
Total Comprehensive Income for the year		**1,856**	0	(1,533)	3,389
Taxpayers' equity at 31st March 2012		**145,160**	**141,031**	**26,094**	**(21,965)**

The notes on pages v to xxxvi form part of these accounts.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2013

	NOTE	Year ended 31st March 2013	Year ended 31st March 2012
		£000	£000
Cash flows from operations			
Total operating surplus		**9,575**	9,560
Adjusted for:			
Depreciation	11	**5,566**	5,359
Amortisation	10	**1,101**	1,063
Impairments	11	**1,409**	1,962
Reversal of Impairments	11	**(5,387)**	(883)
Decrease/(increase) in trade and other receivables		**(1,409)**	(2,608)
Decrease/(increase) in inventories		**(115)**	576
Increase/(decrease) in trade and other payables		**2,544**	(955)
Increase/(decrease) in other liabilities		**91**	(1,435)
Increase/(decrease) in provisions		**1,020**	3,834
Other movements in operating cash flows		**2,452**	(2,013)
Net cash generated from operations		**16,847**	14,460
Cash flows from investing activities			
Interest received		**185**	86
Purchase of property, plant and equipment		**(6,491)**	(8,204)
Purchase of intangible assets		**(222)**	(167)
Sales of property, plant and equipment		**470**	195
Net cash used in investing activities		**(6,058)**	(8,090)
Cash flows from financing activities			
Loans received		**13,300**	5,600
Loans repaid to the Department of Health		**(2,485)**	(1,085)
Capital element of on-statement of financial position PFI repaid		**(7,722)**	(138)
Interest paid		**(970)**	(939)
Interest paid in respect of on-statement of financial position PFI		**(472)**	(1,144)
Finance charge in respect of on-statement of financial position PFI termination		**(794)**	0
Public Dividend Capital dividends paid		**(3,929)**	(4,416)
Net cash used in financing activities		**(3,072)**	(2,122)
Increase in cash and cash equivalents		**7,717**	4,248
Cash and cash equivalents at the beginning of the financial year		**19,641**	15,393
Cash and cash equivalents at the end of the financial year	15	**27,358**	19,641

The notes on pages v to xxxvi form part of these accounts.
All revenue and expenditure is derived from continuing operations.

NOTES TO THE ACCOUNTS

1. Accounting policies and other information

Monitor has directed that the financial statements of NHS Foundation Trusts shall meet the accounting requirements of the NHS Foundation Trust Annual Reporting Manual which has been agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the 2012/13 NHS Foundation Trust Annual Reporting Manual issued by Monitor. The accounting policies contained in that manual follow International Financial Reporting Standards (IFRS) and HM Treasury's Financial Reporting Manual (the "FReM") to the extent that they are meaningful and appropriate to NHS Foundation Trusts. The accounting policies have been applied consistently unless otherwise stated in dealing with items considered material in relation to the accounts.

Accounting convention
These accounts have been prepared under the historical cost convention modified to account for the revaluation of certain non-current assets.

1.1 Income

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the Trust is contracts with commissioners in respect of healthcare services. Where income is received for a specific activity which is to be delivered in the following financial year, that income is deferred.

The NHS Foundation Trust estimates the month 12 patient related income based on an average cost for the activity delivered in the month for each speciality, as fully coded Healthcare Resource Group (HRG) data is not available in time for the closure of the annual accounts.

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

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 less the carrying amount of the asset sold.

1.2 Expenditure on Employee Benefits

Short-term Employee Benefits
Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of 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 Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the Secretary of State, in England and Wales. It is not possible for the Trust to identify its share of the underlying scheme liabilities. Therefore, the scheme is accounted for as a defined contribution scheme.

Employers 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.

1.3 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.

1.4 Exceptional items

Exceptional Items are those items that, in the Trust's view, are required to be disclosed separately by virtue of their size or incidence to enable a full understanding of the Trust's financial performance.

1.5 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; and
- the cost of the item can be measured reliably.

Additionally, for items of property, plant and equipment to be capitalised they:

- individually have a cost of at least £5,000; or
- form a group of assets which collectively have a cost of at least £5,000, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- form part of the initial setting-up cost of a new building or refurbishment of a 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. Land and buildings are subsequently measured at fair value based on periodic valuations less subsequent depreciation and impairment losses.

The valuations are carried out by professionally qualified valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual, and performed with sufficient regularity to ensure that the carrying value is not materially different from fair value at the reporting date. Fair values are determined as follows:

- Specialised operational property - Depreciated Replacement Cost using a Modern Equivalent Asset (MEA) approach
- Non specialised property - Existing Use Value
- Land - Market value for existing use

Assets in the course of construction are valued 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 (Borrowing Costs) for assets held at fair value. Assets are revalued when they are brought into use. Operational plant and equipment are carried at depreciated historic cost as this is not considered to be materially different to fair value. Plant and equipment surplus to requirements is valued at net recoverable amount.

Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is added to the asset's carrying value. Where subsequent expenditure is simply restoring the asset to the specification assumed by its economic useful life then the expenditure is charged to operating expenses.

Depreciation

Items of property, plant and equipment are depreciated using the straight line method over their estimated useful economic lives as follows:

Buildings & Dwellings	90 years
Plant & Machinery	5 to 15 years
Transport equipment	5 to 10 years
Information Technology	5 to 15 years
Furniture & Fittings	5 to 15 years

Freehold land is considered to have an infinite life and is not depreciated.

Management have determined that each building within the Trust's estate is one component, the whole of which is maintained to a standard such that the useful economic life of the whole building and the elements within the building is the same.

The assets' residual values and useful lives are reviewed annually, where significant.

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 are not depreciated until the asset is brought into use.

Depreciation is charged to operating expenses from the first day of the quarter commencing 1st April, 1st July, 1st October, or 1st January, following the date that the asset becomes available for use. Depreciation is charged in full in the quarter in which an asset becomes unavailable for use or is sold and then ceases to be charged.

Where assets are revalued any accumulated depreciation is eliminated against the gross carrying amount of the asset with the net amount restated to equal the revalued amount.

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 FT ARM, impairments that are due to a loss of economic benefit or service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment arising from a loss of economic benefit or service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating income to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

De-recognition

Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- the sale must be highly probable i.e.:
  - 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 and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

1.6 Leases

Finance Leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the Trust, the asset is recorded as Property, Plant and Equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The implicit interest rate is that which produces a constant periodic rate of interest on the outstanding liability. Assets are depreciated over the lower of their useful economic life and the period of the lease.

The asset and liability are recognised at the inception of the lease, and are de-recognised when the liability is discharged, cancelled or expires. The annual rental is split between the repayment of the liability and a finance cost. The annual finance cost is calculated by applying the implicit interest rate to the outstanding liability and is charged to Finance Costs in the Statement of Comprehensive Income.

Operating Leases

Payments made under operating leases (net of any incentives received from the lessor) are charged to operating expenses on a straight-line basis over the period of the lease.

Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

1.7 Private Finance Initiative (PFI) transactions

HM Treasury has determined that government bodies shall account for infrastructure PFI schemes where the government body controls the use of the infrastructure and the residual interest in the infrastructure at the end of the arrangement as service concession arrangements, following the principles of the requirements of IFRIC 12. The 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 and;
b) Payment for the PFI asset, including finance costs

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.

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.

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.

Assets contributed by the Trust to the operator for use in the scheme
Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the Trust's Statement of Financial Position.

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 an asset can be measured reliably, and where the cost is at least £5,000, or form a group of assets which collectively have a cost of at least £5,000, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control.

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 for 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 service delivery benefits e.g. The presence of a market for it or its output, or, where it is to be used for internal use, the usefulness of the asset;
- 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 e.g. An operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware e.g. Application software, is capitalised as an intangible asset.

Measurement
Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Intangible assets relate to development expenditure, software and licences and are carried at amortised cost which management consider to materially equate to fair value and a review for impairment is performed annually. Increases in asset values arising from impairment reviews are recognised in the revaluation reserve, except where, and to the extent that, they reverse an impairment previously recognised in operating expenses, in which case they are recognised in operating income. Decreases in asset values and impairments 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'.

Intangible assets held for sale are measured at the lower of their carrying amount or 'fair value less costs to sell'.

Amortisation

Intangible assets are amortised on a straight line basis over their expected useful economic lives, as follows:

Software licences	5 to 15 years
Licences and Trademarks	5 to 15 years

Amortisation is charged to operating expenses from the first day of the quarter commencing 1st April, 1st July, 1st October, or 1st January, following the date that the asset becomes available for use. Amortisation is charged in full in the quarter in which an asset becomes unavailable for use or is sold and then ceases to be charged.

1.9 Donated, government grant and other grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation / grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation / grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

1.10 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.11 Inventories

Inventories are valued at the lower of cost and net realisable value using the weighted average cost method for drugs and the first-in first-out method for other inventories, less any provisions deemed necessary.

1.12 Financial instruments and financial liabilities

Recognition

Financial assets and financial liabilities which arise from contracts for the purchase 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 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 at note 1.6.

All other financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

De-recognition

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the Trust has transferred substantially all of the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Classification and measurement

Financial assets are categorised as 'Loans and receivables'.
Financial liabilities are classified as 'Other Financial Liabilities'.

Financial assets and financial liabilities at 'Fair Value through Income or Expenditure'

Financial assets and financial liabilities at 'Fair Value through Income or Expenditure' are financial assets or financial liabilities held for trading. The Trust does not have financial assets or liabilities classified in this category.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. They are included in current assets.

The Trust's loans and receivables comprise: cash and cash equivalents, NHS receivables, accrued income and 'other receivables'.

Loans and receivables are recognised initially at fair value, net of transactions costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

At each period end, the Trust reviews trade receivables for recoverability and makes provisions to the extent that recovery of specific debts is considered to be doubtful.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income.

Other financial liabilities

Other financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

They are included in current liabilities except for amounts payable more than 12 months after the statement of financial position date, which are classified as non-current liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to Finance Costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

Impairment of financial assets

At the statement of financial position date, the Trust assesses whether any financial assets are impaired. Financial assets are impaired and impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the Statement of Comprehensive Income through the use of a bad debt provision.

1.13 Provisions

The Trust provides for legal or constructive obligations that are of uncertain timing or amount at the reporting date on the basis of the best estimate of the expenditure required to settle the obligation. Provisions are recognised where 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. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rate of 2.2% in real terms (2011/12: 2.2%), except for early retirement provisions and injury benefit provisions which both use the HM Treasury's pension discount rate of 2.35% in real terms (2011/12: 2.8%).

Clinical negligence costs

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the Trust pays an annual contribution to the NHSLA, which, in return, settles all clinical negligence claims. Although the NHSLA is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the Trust is disclosed at note 19. A provision is held in the Trust's accounts for the excess payable by the Trust to the NHSLA and is disclosed under 'other legal claims' in note 19.

Non-clinical risk pooling

The Trust participates in the Liabilities to Third Parties Scheme. This is a risk pooling scheme under which the Trust pays an annual contribution to the NHS Litigation Authority and in return receives assistance with the costs of claims arising. The annual membership contributions, and any 'excesses' payable in respect of particular claims are charged to operating expenses when the liability arises.

1.14 Borrowings

The Trust is permitted to borrow funds to the extent that it complies with the Prudential Borrowing Code for NHS foundation trusts. The capital sum is recognised as a liability and Interest incurred is charged to finance expenses in the statement of comprehensive income. Total borrowings of the Trust and performance against the prudential borrowing limit is disclosed in note 18.

1.15 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 21 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 21, unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

- Possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- Present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

1.16 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

A charge, reflecting the cost of capital utilised by the NHS foundation trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the NHS foundation trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for (i) donated assets (including lottery funded assets), (ii) net cash balances held with the Government Banking Services (GBS), excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and (iii) any PDC dividend balance receivable or payable. In accordance with the requirements laid down by the Department of Health (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the 'pre-audit' version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

1.17 Value Added Tax (VAT)

Most of the activities of the Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.18 Corporation Tax

The Trust is a Health Service Body within the meaning of s519A ICTA 1988 and accordingly is exempt from taxation in respect of income and capital gains within categories covered by this. There is power for the Treasury to disapply the exemption in relation to specified activities of a Foundation Trust (s519A (3) to (8) ICTA 1988). Accordingly, the Trust is potentially within the scope of corporation tax in respect of activities which are not related to, or ancillary to, the provision of healthcare, and where the profits therefrom exceed £50,000 per annum.

1.19 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.

1.20 Foreign currencies

The Trust's functional currency and presentational currency is sterling. Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the spot exchange rate on 31 March. Resulting exchange gains and losses for either of these are recognised in the Trust's surplus/deficit in the period in which they arise.

1.21 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, excluding provisions for future losses, but including losses which would have been made good through insurance cover had the Trust not been bearing its own risks (with insurance premiums then being included as normal revenue expenditure).

However the losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

1.22 Accounting standards not adopted

Monitor have directed that Foundation Trusts adopt International Financial Reporting Standards set out by the International Accounting Standards Board. The Trust have adopted all relevant standards as they apply to Foundation Trusts.

IAS27, 'Consolidated and separate financial statements': HM Treasury have issued a dispensation to NHS Foundation Trusts for 2012/13 in relation to the consolidation of their Charitable Fund balances into the Trust's financial statements where the Trust meets the "control test" set out within IAS27. The Blue Skies Hospitals Fund (charity registration number 1051570) has its own Trustees drawn from the Trust Board and files an annual report and accounts with the Charity Commission. The last audited accounts for the financial year ended 31st March 2012 reported net outgoings of £0.533 million and net assets of £1.992m. The due date for the filing of the 2012/13 annual report and accounts is 31st January 2014.

1.23 Accounting standards adopted early

The Trust has not adopted any accounting standards early in 2012/13.

1.24 Accounting standards not yet effective and not adopted early

The following standards and amendments to existing standards have been published and are mandatory for the Trust's accounting periods beginning on or after 1st April 2013 or later periods, but the Trust has not early adopted them:

IFRS 9, Financial instruments. This is a new standard which will eventually replace IAS 39 Financial Instruments: Recognition and Measurement. Two elements of the standard have been issued so far: Financial Assets and Financial Liabilities. The main changes are in respect of financial assets where the existing four categories will be reduced to two: Amortised Cost and 'Fair Value through Profit and Loss'. At the present time it is not clear when this standard will be applied because the EU has delayed its endorsement.

The following changes have been published:- IFRS 7 Financial Instruments, IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements, IFRS 12 Disclosure of Interests in Other Entities, IFRS 13 Fair Value Measurement, IAS 1 Presentation of financial statements on other comprehensive income, IAS 12 Income Taxes amendment, IAS 27 Separate Financial Statements, IAS 28 Associated and joint ventures, IAS 19 (Revised 2011) Employee Benefits all have an effective date of 2013/14 and have not yet been adopted by the EU. IAS 32 Financial Instruments has an effective date of 2014/15 but has not yet been adopted by the EU.

1.25 Accounting estimates, judgements and critical accounting policies

Component depreciation

IAS 16 (Property, Plant and Equipment) requires that "each part of an item of property, plant and equipment with a cost which is significant in relation to the total cost of the item, shall be depreciated separately". The standard also states, "A significant part of an item of PPE may have a useful life and a depreciation method that are the same as the useful life and depreciation method of another significant part of the same item. Such parts may be grouped in determining the depreciation charge".

The Trust has elected to depreciate each building and its constituent elements as a single component on the basis that this more fairly reflects the way that the Trust is managed and maintained. The appropriateness of this treatment will be reviewed annually.

Revaluation of land, buildings and dwellings

At 31st March 2013 the Trust's valuer carried out a desktop revaluation of the land, buildings and dwellings based on indices movements in the RICS tables. This has resulted in an upward valuation of these non-current assets by £8.8 million, split between a revaluation reserve increase of £3.7 million and recognition of £5.4 million in operating income relating to the reversal of impairments previously charged to operating expenses in prior years.
See Note 11 for further details on these revaluations.

Selection of asset lives

Property, plant & equipment assets are allocated an asset life as stated in note 1.5 when acquired. The useful economic lives of assets are reviewed annually by management where significant. Individual asset lives are adjusted where these are materially different to their remaining life.

Impairment of intangible assets

A review of Trust strategy in relation to implementation of electronic patient records across the health economy has necessitated a change in deployment scope of some systems resulting in an impairment. See note 10.

Restructuring costs

The Trust has recognised termination benefits to staff of £1 million during the financial year arising from the efficiency programme. See Note 6 for further details.

Going concern

These financial statements have been prepared on a going concern basis. Management have conducted an appraisal of the Trust's financial forecasts for a two year period to 31st March 2013 in support of this assessment.

1.26 Transforming Community Services

Under the TCS initiative, services historically provided by PCTs have transferred to other providers - notably NHS Trusts and NHS Foundation Trusts. As a result of the TCS initiative, services historically provided by Blackpool PCT and North Lancashire PCT have transferred to this Trust. On the 1st April 2012 the Trust took over the provision of £25m services from Blackpool PCT and £40m services from North Lancashire PCT, the transaction did not involve any significant asset transfers.

Where an NHS foundation trust transfers a function to, or receives a function from another entity within the Whole of Government Accounts boundary this represents a 'machinery of government change' regardless of the mechanism used to effect the combination.
As per the NHS Foundation Trust Annual Reporting Manual for 2012/13 the Trust will account for a 'machinery of government change' as a Transfer by Absorption. This includes all transfers of functions involving other bodies within the Department of Health's Resource Accounting boundary. The use of transfer by absorption from 2012/13 does not require the restatement of transactions that occurred in 2011/12 or earlier.

2. Operating segments

2012/13	Unscheduled Care	Scheduled Care	Community Health Services	Clinical Support & Facilities Management	Corporate Services	Total
	£000	£000	£000	£000	£000	£000
Income	105,170	139,951	70,889	14,016	32,177	362,203
Expenditure	(75,482)	(109,446)	(65,536)	(60,779)	(34,556)	(345,799)
EBITDA	**29,688**	**30,505**	**5,353**	**(46,763)**	**(2,379)**	**16,404**

Restructuring costs	(1,045)
Net gain on revaluation of property, plant & equipment	3,978
Depreciation and amortisation	(6,667)
Net loss on disposal of non current assets	(3,095)
Interest receivable	184
Interest payable	(2,343)
PDC dividend	(4,204)
Surplus for the Financial Year	**3,212**

In 2012/13 the Trust has reported Surgery, Cardiac and Women's & Children's divisions as Scheduled Care Division, and created a new Community Health Services Division following the transfer of services from Blackpool and North Lancashire PCT's (see note 1.26).

2011/12	Unscheduled Care	Surgery	Cardiac	Women's & Children's	Clinical Support & Facilities Management	Corporate Services	Total
	£000	£000	£000	£000	£000	£000	£000
Income	94,459	67,866	45,522	23,745	15,588	33,571	280,751
Expenditure	(91,318)	(64,003)	(45,683)	(26,296)	(13,751)	(22,854)	(263,905)
EBITDA	**3,141**	**3,863**	**(161)**	**(2,551)**	**1,837**	**10,717**	**16,846**

Restructuring costs	(2,309)
Contribution to restructuring costs	500
Income from donations	1,997
Property, plant & equipment impairments	(1,079)
Depreciation and amortisation	(6,422)
Net gain on disposal of non current assets	27
Interest receivable	121
Interest payable	(2,116)
PDC dividend	(4,248)
Surplus for the Financial Year	**3,317**

2. Operating segments continued

Segmental information

Financial and operational performance data is reviewed by the Trust Board of Directors on a monthly basis. The Board are responsible for setting financial performance targets for each of the divisions within the Trust. The Trust Board of Directors are therefore considered to be the Chief Operating Decision Maker (CODM).

Each of the Trust's healthcare divisions have been deemed to be a reportable segment under IFRS 8 (Segmental Reporting).

The financial performance of each segment is managed against an EBITDA target. The Trust does not report on assets or liabilities by segment.

During 2011/12 recharges of indirect activity based costs are recharged between divisions at unit costs. Overheads and fixed costs are apportioned on the floor area, staff numbers or expenditure levels. In 2012/13 overheads and fixed costs were not apportioned.

The majority of the Trust's revenue is generated from external customers in England, with the exception of the bodies listed below, and transactions between segments are immaterial.

	2012/13 £000	2011/12 £000
Scottish NHS bodies	**322**	442
Local Health Boards in Wales	**237**	207
Northern Ireland Health and Social Care Trusts	**59**	41

The Trust has three external customers which generate income amounting to more than 10% of the Trust's total income. The values of income from the largest customers are set out in note 25. The income from these customers is included in all of the segments reported above.

3. Income from activities

3.1 Income from Activities by category

	Year ended 31st March 2013 £000	Year ended 31st March 2012 £000
Elective income	**60,510**	57,707
Non elective income	**80,164**	77,268
Outpatient income	**33,511**	30,530
A & E income	**8,146**	7,264
Other NHS Clinical income	**149,583**	82,127
Private patient income	**1,401**	1,228
	333,315	256,124

Transforming Community Services:
Under the TCS initiative, services historically provided by PCTs have transferred to other providers - notably NHS Trusts and NHS Foundation Trusts. As a result of the TCS initiative, services historically provided by Blackpool PCT and North Lancashire PCT have transferred to this Trust. On the 1st April 2012 the Trust took over the provision of £25m services from Blackpool PCT and £40m services from North Lancashire PCT. See note 1.26.

3.2 Private patient income

With effect from 1st October 2012, the statutory limitation on private patient income earned by NHS Foundation Trusts under section 44 of the 2006 Act was repealed by the Health and Social Care Act 2012. Consequently the requirement to disclose income against the base year (2002/03) has been removed.

3.3 Income from activities by source

	Year ended 31st March 2013	Year ended 31st March 2012
	£000	£000
NHS Foundation Trusts	**888**	966
NHS Trusts	**13**	1
Strategic Health Authorities	**558**	395
Primary Care Trusts	**327,902**	249,184
Department of Health	**37**	0
Local Authorities	**1,041**	433
NHS Other	**0**	12
Non NHS:		
- Private patients	**1,401**	1,228
- NHS Injury scheme income	**590**	1,300
- Other	**885**	2,605
	333,315	256,124

3.4 Mandatory and Non Mandatory Income

Under the National Health Service Act (2006) the Trust is required to provide Health Services in England. The mandatory goods and services are listed in Schedule 2 of the Foundation Trust's Terms of Authorisation. Of the total income from activities, £325.7m (2011/12: £244.2m) relates to Mandatory Goods and Services and £7.6m (2011/12: £11.9m) relates to Non Mandatory Goods and Services.

4. Other Operating Income

	Year ended 31st March 2013	Year ended 31st March 2012
	£000	£000
Research and Development	**3,189**	1,750
Education, training and research *	**12,435**	10,679
Charitable and other contributions to expenditure **	**692**	2,357
Non-patient care services to other bodies ***	**7,252**	6,601
Profit on disposal of property, plant & equipment	**198**	75
Reversal of impairments of property, plant & equipment	**5,387**	883
Sales of goods and services ****	**2,333**	2,462
Income in respect of staff costs where accounted on gross basis	**932**	697
Other	**1,991**	2,577
	34,409	28,081

* Education, training and research income comprises income relating the North West Leadership Academy for which the Trust is the host organisation, and funding received from NHS Northwest for junior doctors training.

** Charitable and other contributions to expenditure in 2011/12 included £1.5m relating to the Children's Unit development funded by the League of Friends via the Blue Skies Charitable Fund.

*** Non-patient care services to other bodies includes service level agreement income from other NHS bodies for estates, IT and payroll services provided by the Trust.

**** Sales of goods and services includes income from catering sales, commercial laundry services, staff accommodation rentals, and car parking.

5. Operating expenses

5.1 Operating expenses comprise:

	NOTE	Year ended 31st March 2013	Year ended 31st March 2012
		£000	£000
Services from Foundation Trusts		**1,435**	250
Services from NHS Trusts		**126**	175
Services from other NHS bodies		**2,488**	402
Purchase of healthcare from non NHS bodies		**7,187**	3,824
Non Executive Directors' costs		**139**	133
Executive Directors' costs	6	**1,055**	789
Employee costs (excluding Executive Directors' costs)	6	**224,045**	167,389
Redundancy *	6	**1,045**	2,309
Drug costs		**23,637**	18,361
Supplies and services - clinical		**38,427**	32,335
Supplies and services - general		**8,168**	7,706
Establishment		**5,602**	3,036
Transport		**908**	438
Premises		**16,214**	11,966
Rentals payable under operating leases		**2,141**	2,123
Increase / (decrease) in provision for impairment of receivables		**(426)**	412
Increase in other provisions	19	**1,355**	4,254
Depreciation	11	**5,566**	5,359
Amortisation	10	**1,101**	1,063
Non-current asset impairments	11	**1,409**	1,962
Loss on disposal of property, plant and equipment **	11	**3,293**	48
Audit services - statutory audit		**76**	83
Other auditor's remuneration		**0**	185
Clinical negligence		**4,010**	4,220
Training, courses and conferences		**4,259**	2,979
Legal, professional and consultancy fees		**2,057**	1,499
Insurance costs		**288**	247
Other ***		**2,544**	1,098
		358,149	274,645

* Redundancy costs consist of amounts paid to staff and an accrual for other agreed redundancies as part of the Trust's efficiency programme.

** The loss on disposal of property, plant and equipment relates to demolition of properties prior to the construction of the multi-storey car park and main entrance. See note 7 for further details.

*** Other expenditure includes costs for internal audit services, and losses and special payments.

2011/12 Restatement

A new expenditure category to identify rentals payable under operating leases has been added in 2012/13. Operating lease costs in 2011/12 recorded in "Supplies and services - general" and "Premises" have been reclassified.

Transforming Community Services:
Under the TCS initiative, services historically provided by PCTs have transferred to other providers - notably NHS Trusts and NHS Foundation Trusts. As a result of the TCS initiative, services historically provided by Blackpool PCT and North Lancashire PCT have transferred to this Trust. On the 1st April 2012 the Trust took over the provision of £25m services from Blackpool PCT and £40m services from North Lancashire PCT. See note 1.26.

5.2 Other auditor's remuneration

	Year ended 31st March 2013	Year ended 31st March 2012
Other auditor's remuneration comprises:	**£000**	£000
Transforming Community Services due diligence	**0**	162
Consultancy services	**0**	23
TOTAL	**0**	185

PricewaterhouseCoopers LLP provide statutory audit services to the Foundation Trust and to the Blackpool Teaching Hospitals Charitable Fund. The cost of audit services for the charitable fund are not included in operating expenses but are paid for by the charity. The cost for statutory audit of the charity was £9,600 in 2012/13 (2011/12: £9,600)

5.3 Auditor liability limitation agreements

The audit engagement contract with PricewaterhouseCoopers LLP dated 31st January 2013 contains a £1million limit on their liability for losses or damages in connection with the audit contract for their audit work. This limitation does not apply in the event of losses or damages arising from fraud or dishonesty of PricewaterhouseCoopers LLP.

5.4 Operating leases

As lessee

5.4.1 Payments recognised as an expense

	Year ended 31st March 2013	Year ended 31st March 2012
	£000	£000
Minimum lease payments	**2,141**	2,123
	2,141	2,123

5.4.2 Total future minimum lease payments

	Year ended 31st March 2013	Year ended 31st March 2012
Payable:	**£000**	£000
Not later than one year	**1,648**	2,096
Between one and five years	**1,245**	2,329
	2,893	4,425

5.4.3 Significant leasing arrangements

The significant operating lease arrangements held by the Trust relate to medical equipment and buildings and are subject to the following terms:

- No transfer of ownership at the end of the lease term.
- No option to purchase at a price significantly below fair value at the end of the lease term.
- Leases are non-cancellable or must be paid in full.
- No secondary period rental or at best market rate.
- Lease payments are fixed for the contracted lease term.

Significant operating lease arrangements held by the Trust relate to:	**Annual commitment**	Lease term
	£000	Years
- Cardiac centre equipment	468	7
- Catheter laboratory 1	216	7
- Catheter laboratory 2	196	5
- Telecommunications equipment	174	6
- MRI Scanner	167	5
- Zoo Car Park	164	5
- CT Scanner	162	5
- Endoscopy equipment	134	5

6. Employee costs and numbers

6.1 Staff costs

	Permanently employed	Other	**Year ended 31st March 2013 Total**	Year ended 31st March 2012 Total
	£000	£000	**£000**	£000
Salaries and wages	179,431	308	**179,739**	136,428
Social security costs	12,798	0	**12,798**	9,976
Employers contribution to NHS Pension Scheme	20,507	0	**20,507**	15,133
Agency / Contract staff	0	12,056	**12,056**	6,641
Termination benefits	1,045	0	**1,045**	2,309
Total	213,781	12,364	**226,145**	170,487

Employee costs above reconciles to the total of Executive Directors' costs and Employee costs on Note 5.1 Operating expenses.

Termination benefits relate to amounts paid to staff for agreed departures under the schemes set out in note 6.2.

6.2 Exit Packages

As part of its efficiency programme the Trust has commenced a review of its functions to reduce costs. During the year exit packages have been agreed with staff to enable a reduction in pay costs. Termination benefits consist of three types of exit package used by the Trust:

- Compulsory redundancy
- Voluntary redundancy
- Mutually agreed resignation scheme (MARS)

The following table discloses the number and cost to the Trust of all exit packages that were agreed as at 31 March 2013. **(2011/12 comparatives shown in brackets).**

Exit package cost band	Compulsory redundancies Number	Other departures agreed Number	**Total Number**
<£10,000	0 (1)	10 (8)	**10 (9)**
£10,000 - £25,000	0 (3)	12 (4)	**12 (7)**
£25,001 - £50,000	0 (1)	10 (18)	**10 (19)**
£50,001 - £100,000	0 (0)	4 (10)	**4 (10)**
£100,001 - £150,000	0 (0)	0 (1)	**0 (1)**
£150,001 - £200,000	0 (0)	1 (2)	**1 (2)**
£200,001 - £250,000	0 (0)	0 (1)	**0 (1)**
Total number of packages by type	0 (5)	37 (44)	**37 (49)**
	£000	£000	**£000**
Total resource cost - 2012/13	0	1,045	**1,045**
Total resource cost - 2011/12	91	2,218	**2,309**

No exit packages have been agreed for non executive and executive directors of the Trust.

6. Employee costs and numbers

6.3 Average number of persons employed

	Permanently employed	Other	**Year ended 31st March 2013 Total**	Year ended 31st March 2012 Total
	WTE	WTE	**WTE**	WTE
Medical and Dental	342	70	**412**	349
Administration and estates	1,092	128	**1,220**	892
Healthcare assistants and other support staff	1,218	2	**1,220**	939
Nursing, midwifery and health visiting staff	1,979	14	**1,993**	1,339
Scientific, therapeutic and technical staff	688	22	**710**	478
	5,319	236	**5,555**	3,997

6. Employee costs and numbers continued

6.4 Retirements due to ill health

In the period ended 31st March 2013 there were 6 early retirements from the Trust on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £337,087. (2011/12: 5 cases with estimated liability of £472,918) The cost of these ill-health retirements will be borne by the NHS Pension Scheme. Accordingly, no provision is recognised in the Trust's accounts.

6.5 Pension costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. The scheme is an unfunded, defined benefit scheme that covers NHS employers, GP practices and other bodies, allowed under the direction of Secretary of State, in England and Wales. The Scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as a defined contribution scheme: the cost to the Trust of participating in the Scheme is taken as equal to the contributions payable to the Scheme for the accounting period.
In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Full actuarial (funding) valuation
The purpose of this valuation is to assess the level of liability in respect of the benefits due under the scheme (taking into account its recent demographic experience), and to recommend the contribution rates.
The last formal actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2004. Consequently, a formal actuarial valuation would have been due for the year ending 31 March 2008. However, formal actuarial valuations for unfunded public service schemes have been suspended by HM Treasury on value for money grounds while consideration is given to recent changes to public service pensions, and while future scheme terms are developed as part of the reforms to public service pension provision. Employer and employee contribution rates are currently being determined under the new scheme design.

b) Accounting valuation
A valuation of the scheme liability is carried out annually by the scheme actuary as at the end of the reporting period. Actuarial assessments are undertaken in intervening years between formal valuations using updated membership data are accepted as providing suitably robust figures for financial reporting purposes. However, as the interval since the last formal valuation now exceeds four years, the valuation of the scheme liability as at 31st March 2012, is based on detailed membership data as at 31st March 2010 updated to 31st March 2012 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts, published annually. These accounts can be viewed on the NHS Pensions website. Copies can also be obtained from The Stationery Office.

7. Gains/(losses) on disposal of assets

	Year ended 31st March 2013	Year ended 31st March 2012
	£000	£000
Gain on disposal of property, plant and equipment	**198**	75
(Loss) on disposal of property, plant and equipment	**(3,293)**	(48)
	(3,095)	27

The loss on disposal of property, plant and equipment in 2012/13 has arisen due to the demolition of properties on the Victoria Hospital site in advance of construction of the new multi-storey car park and hospital main entrance. The gain on disposal arises from the sale of residential properties no longer required.

8. Finance income

	Year ended 31st March 2013	Year ended 31st March 2012
	£000	£000
Interest from bank accounts	**184**	121

9. Finance costs

	NOTE	**Year ended 31st March 2013**	Year ended 31st March 2012
		£000	£000
Interest on obligations under on-statement of financial position PFI schemes		**303**	769
Finance charge on early termination of PFI schemes	20	**794**	0
Contingent rentals under on-statement of financial position PFI schemes		**169**	375
Loans from Foundation Trust financing facility		**1,037**	939
Unwinding of discount on provisions	19	**40**	33
		2,343	2,116

10. Intangible assets

Intangible assets comprise the following elements:

	Software Licences	Licences & Trademarks	Total
	£000	£000	£000
Cost at 1st April 2012	5,187	1,072	6,259
Additions purchased	160	9	169
Cost at 31st March 2013	**5,347**	**1,081**	**6,428**
Accumulated amortisation at 1st April 2012	1,416	356	1,772
Charged during the year	958	143	1,101
Impairments recognised in operating expenses *	1,377	0	1,377
Accumulated amortisation at 31st March 2013	**3,751**	**499**	**4,250**
Net book value at 31st March 2013	**1,596**	**582**	**2,178**
Net book value			
Purchased at 31st March 2013	1,596	582	2,178
Total at 31st March 2013	**1,596**	**582**	**2,178**
Prior year - restated:			
Cost at 1st April 2011	4,999	1,043	6,042
Additions purchased	188	29	217
Cost at 31st March 2012	**5,187**	**1,072**	**6,259**
Accumulated amortisation at 1st April 2011	493	216	709
Charged during the year	923	140	1,063
Accumulated amortisation at 31st March 2012	**1,416**	**356**	**1,772**
Net book value at 31st March 2012	**3,771**	**716**	**4,487**
Net book value			
Purchased at 31st March 2012	3,771	716	4,487
Total at 31st March 2012	**3,771**	**716**	**4,487**
Purchased at 1st April 2011	4,506	827	5,333
Total at 1st April 2011	**4,506**	**827**	**5,333**

* A review of Trust strategy in relation to implementation of electronic patient records across the health economy has necessitated a change in deployment scope of some systems resulting in an impairment.

11. Property, plant and equipment

11.1 Property, plant and equipment

Property, plant and equipment comprises the following elements:

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant and Machinery	Transport Equipment	Information Technology	Furniture & fittings	**Total**
	£000	£000	£000	£000	£000	£000	£000	£000	**£000**
Cost or valuation at 1st April 2012	9,209	158,564	6,530	182	27,700	76	7,509	328	**210,098**
Additions purchased	0	2,143	0	4,266	285	0	173	6	**6,873**
Additions donated	0	296	0	0	396	0	0	0	**692**
Impairment charges to revaluation reserve	0	(996)	(1)	0	0	0	0	0	**(997)**
Impairments recognised in operating expenses/income	0	5,355	0	0	0	0	0	0	**5,355**
Reclassifications	0	0	0	0	339	0	(48)	(291)	**0**
Revaluations	0	4,334	73	0	0	0	0	0	**4,407**
Disposals	0	(888)	(2,657)	0	(2,110)	0	(452)	0	**(6,107)**
Transfer of depreciation to gross book value following revaluation	0	(2,428)	(72)	0	0	0	0	0	**(2,500)**
Cost or valuation at 31st March 2013	**9,209**	**166,380**	**3,873**	**4,448**	**26,610**	**76**	**7,182**	**43**	**217,821**
Accumulated depreciation at 1st April 2012	0	0	0	0	20,976	70	3,514	146	**24,706**
Charged during the year	0	2,447	109	0	1,971	1	1,034	4	**5,566**
Reclassifications	0	0	0	0	156	0	(20)	(136)	**0**
Disposals	0	(19)	(37)	0	(2,034)	0	(452)	0	**(2,542)**
Transfer of depreciation to gross book value following revaluation	0	(2,428)	(72)	0	0	0	0	0	**(2,500)**
Accumulated depreciation at 31st March 2013	**0**	**0**	**0**	**0**	**21,069**	**71**	**4,076**	**14**	**25,230**
Net book value at 31st March 2013	**9,209**	**166,380**	**3,873**	**4,448**	**5,541**	**5**	**3,106**	**29**	**192,591**
Net book value									
Owned									
Purchased at 31st March 2013	9,209	162,480	3,873	4,448	4,278	5	3,102	29	**187,424**
Donated at 31st March 2013	0	3,900	0	0	1,263	0	4	0	**5,167**
Total at 31st March 2013	**9,209**	**166,380**	**3,873**	**4,448**	**5,541**	**5**	**3,106**	**29**	**192,591**
Protected status									
Protected assets at 31st March 2013	9,209	166,380	0	0	0	0	0	0	**175,589**
Unprotected assets at 31st March 2013	0	0	3,873	4,448	5,541	5	3,106	29	**17,002**
Total at 31st March 2013	**9,209**	**166,380**	**3,873**	**4,448**	**5,541**	**5**	**3,106**	**29**	**192,591**

As at the end of the reporting period all Land, Buildings and Dwellings are Freehold.

Protected assets are those assets required for providing the mandatory goods and services set out in the Trust's terms of authorisation approved by Monitor, the Independent Regulator of Foundation Trusts. The Trust may not dispose of any protected property without the approval of Monitor.

11. Property, plant and equipment (continued)

Revaluation of property, plant and equipment

Land and buildings (including dwellings) valuations are carried out by professionally qualified valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual. The last desktop revaluation took place on 31st March 2013 based on modern replacement cost and was undertaken by Andrew M Wilson MRICS of DTZ.

The revaluation of some assets has resulted in market value revaluation gains that reverse market value impairments charged to operating expenses in previous years. Gains up to the value of any previous impairment on the same asset have been recognised in operating income with any excess being recognised in the revaluation reserve.

The impact of the revaluation on charges to operating expenses and reserves is as follows:

	2012/13 £000	2011/12 £000
Revaluation gains recognised in the revaluation reserve	**(4,407)**	(375)
Impairments charged to the revaluation reserve	**997**	1,836
Impairments recognised in operating expenses	**32**	1,962
Reversal of impairments recognised in other operating income	**(5,387)**	(883)
	(8,765)	2,540

11. Property, plant and equipment (continued)

Prior year:	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant and Machinery	Transport Equipment	Information Technology	Furniture & fittings	**Total**
	£000	£000	£000	£000	£000	£000	£000	£000	**£000**
Cost or valuation at 1st April 2011	9,209	130,411	7,279	23,979	27,752	172	7,133	328	**206,263**
Additions purchased	0	4,723	0	2,278	431	0	381	0	**7,813**
Additions donated	0	1,573	0	0	424	0	0	0	**1,997**
Impairment charges to revaluation reserve	0	(1,248)	(588)	0	0	0	0	0	**(1,836)**
Reclassifications	0	26,075	0	(26,075)	0	0	0	0	**0**
Revaluations	0	353	22	0	0	0	0	0	**375**
Disposals	0	0	(64)	0	(907)	(96)	(5)	0	**(1,072)**
Transfer of depreciation to gross book value following revaluation	0	(3,323)	(119)	0	0	0	0	0	**(3,442)**
Cost or valuation at 31st March 2012	**9,209**	**158,564**	**6,530**	**182**	**27,700**	**76**	**7,509**	**328**	**210,098**
Accumulated depreciation at 1st April 2011	0	0	0	0	19,764	164	2,528	109	**22,565**
Charged during the year	0	2,244	120	0	1,970	2	986	37	**5,359**
Impairments recognised in operating expenses/income	0	1,079	0	0	0	0	0	0	**1,079**
Disposals	0	0	(1)	0	(758)	(96)	0	0	**(855)**
Transfer of depreciation to gross book value following revaluation	0	(3,323)	(119)	0	0	0	0	0	**(3,442)**
Accumulated depreciation at 31st March 2012	**0**	**0**	**0**	**0**	**20,976**	**70**	**3,514**	**146**	**24,706**
Net book value at 31st March 2012	**9,209**	**158,564**	**6,530**	**182**	**6,724**	**6**	**3,995**	**182**	**185,392**
Net book value									
Owned									
Purchased at 31st March 2012	8,871	147,992	6,530	182	5,509	6	3,990	182	**173,262**
Donated at 31st March 2012	0	3,349	0	0	1,215	0	5	0	**4,569**
Assets under PFI arrangement									
Finance lease at 31st March 2012	338	7,223	0	0	0	0	0	0	**7,561**
Total at 31st March 2012	**9,209**	**158,564**	**6,530**	**182**	**6,724**	**6**	**3,995**	**182**	**185,392**
Owned									
Purchased at 1st April 2011	8,871	121,187	7,279	23,979	6,928	8	4,600	219	**173,071**
Donated at 1st April 2011	0	1,924	0	0	1,060	0	5	0	**2,989**
Assets under PFI arrangement									
Finance lease at 1st April 2011	338	7,300	0	0	0	0	0	0	**7,638**
Total at 1st April 2011	**9,209**	**130,411**	**7,279**	**23,979**	**7,988**	**8**	**4,605**	**219**	**183,698**
Protected status									
Protected assets at 31st March 2012	9,209	158,564	0	0	0	0	0	0	**167,773**
Unprotected assets at 31st March 2012	0	0	6,530	182	6,724	6	3,995	182	**17,619**
Total at 31st March 2012	**9,209**	**158,564**	**6,530**	**182**	**6,724**	**6**	**3,995**	**182**	**185,392**
Protected status									
Protected assets at 1st April 2011	9,209	130,411	0	0	0	0	0	0	**139,620**
Unprotected assets at 1st April 2011	0	0	7,279	23,979	7,988	8	4,605	219	**44,078**
Total at 1st April 2011	**9,209**	**130,411**	**7,279**	**23,979**	**7,988**	**8**	**4,605**	**219**	**183,698**

12. Capital Commitments

Commitments under capital expenditure contracts at the statement of financial position date were £13.19m. All commitments relate to the acquisition of property, plant and equipment assets.

	2012/13 £000	2011/12 £000
Multi-storey Car Park / Main Entrance	**12,126**	0
Stroke Ward	**433**	0
Midwife Led Therapy Unit	**631**	0
Surgical Centre	**0**	61
Mortuary	**0**	7
Other	**0**	87
	13,190	155

13. Inventories

	31st March 2013	31st March 2012
	£000	£000
Drugs and consumables	**2,394**	2,279

There have been no write-downs or reversal of write-downs of inventories during 2012/13 (2011/12: Nil). Management have performed a review for obsolete or slow moving stock in order to identify the need for an inventory provision and do not consider that a provision is required as at 31st March 2013.

Inventories charged to operating expenses include drugs totalling £18.731m (2011/12 £17.681m) issued through the in-house pharmacy and cardiac consumables totalling £3.596m (2011/12: £3.441m). The figure reported for drugs in operating expenses includes costs of non-inventory items.

14. Trade and other receivables

14.1 Trade and other receivables

	31st March 2013	31st March 2012
	£000	£000
NHS receivables	**3,460**	1,807
Other receivables with related parties	**1,037**	113
Provision for impairment of receivables	**(338)**	(830)
Prepayments	**1,013**	944
Accrued income	**2,298**	3,940
Interest receivable	**39**	39
PDC dividend receivable	**214**	489
VAT receivable	**705**	549
Other receivables	**3,012**	2,891
Trade and other receivables - current	**11,440**	9,942
Other receivables	**808**	1,158
Provision for impairment of receivables	**(259)**	(245)
Trade and receivables - non-current	**549**	913
Total	**11,989**	10,855

The Trust has declared an amount receivable of £2.1m (2011/12 £2.4m) from the Compensation Recovery Unit (CRU) in respect of charges due under the NHS Injury Scheme. The Trust recovers approximately £1.25m each year and this amount has been classified as current.

14.2 Ageing of receivables past their due date but not impaired

	31st March 2013	31st March 2012
	£000	£000
0 - 30 days	**385**	142
30 - 60 days	**193**	70
60 - 90 days	**79**	7
90 - 180 days	**274**	136
Over 180 days	**136**	42
	1,067	397

14.3 Analysis of provision for impairment of receivables

	NHS Debts	Non NHS Debts	**Total**
	£000	£000	**£000**
As at 1st April 2012	689	386	**1,075**
Amounts written off during the year as uncollectible	(34)	(18)	**(52)**
Amounts reversed unused during the year	(655)	(15)	**(670)**
Increase in allowance recognised in operating expenses	167	77	**244**
As at 31st March 2013	167	430	**597**

14. Trade and other receivables (continued)

14.4 Ageing of impaired receivables

	31st March 2013 £000	31st March 2012 £000
0 - 30 days	**167**	655
30 - 60 days	**0**	1
60 - 90 days	**9**	5
90 - 180 days	**9**	29
Over 180 days	**412**	385
	597	1,075

15. Cash and cash equivalents

	31st March 2013 £000	31st March 2012 £000
Balance at beginning of the year	**19,641**	15,393
Transfers by absorption	**(453)**	0
Net change in the year	**8,170**	4,248
Balance at 31st March	**27,358**	19,641
Made up of:		
Cash with Government Banking Service	**27,238**	19,591
Cash in transit and in hand	**120**	50
	27,358	19,641

16. Trade and other payables

	31st March 2013 £000	31st March 2012 £000
NHS payables	**4,074**	2,769
Amounts due to other related parties	**2,963**	1,901
Non-NHS trade payables - revenue	**10,712**	14,873
Non-NHS trade payables - capital	**1,900**	1,569
Accruals	**7,992**	4,613
Subtotal	**27,641**	25,725
Tax & social security costs	**4,439**	3,413
Trade and other payables - current	**32,080**	29,138

17. Other liabilities

	31st March 2013 £000	Restated 31st March 2012 £000
Deferred income	**5,673**	5,581
Other liabilities - current	**5,673**	5,581

18. Borrowings

18.1 Borrowings

	31st March 2013 £000	31st March 2012 £000
Loans from Foundation Trust Financing Facility	**2,762**	2,485
Obligations under PFI contracts	**0**	152
Borrowings - current	**2,762**	2,637
Loans from Foundation Trust Financing Facility	**37,568**	27,030
Obligations under PFI contracts	**0**	7,570
Borrowings - non-current	**37,568**	34,600
Total borrowings	**40,330**	37,237

The Trust has three Foundation Trust Financing Facility loans:

Loan 1: £25m expiring on 30 March 2034 and attracts interest at a fixed rate of 3.7%. The Trust is committed to repaying 2.17% of the balance in each September and March with effect from 30th September 2011.

Loan 2: £5.6m expiring on 30th March 2016 and attracts interest at a fixed rate of 1.45%. The Trust is committed to repaying 12.5% of the balance in each September and March with effect from 30th September 2012.

Loan 3: £16.5m expiring on 18 June 2037 and attracts interest at a fixed rate of 2.06%. The Trust is committed to repaying 2.08% of the balance in each September and March with effect from 18th December 2013. At 31st March 2013 the Trust had drawn down £13.3m against this loan.

18.2 Prudential borrowing limit

The Trust is required to comply and remain within a prudential borrowing limit. This is made up of two elements:

- The maximum cumulative amount of long-term borrowing. This is set by reference to the four ratio tests set out in Monitor's Prudential Monitoring Code (see table below). The financial risk rating set under Monitor's Compliance Framework determines one of the ratios and therefore can impact on the long term borrowing limit; and
- The amount of any working capital facility approved by Monitor.
- Further information on the NHS Foundation Trust Prudential Borrowing Code and Compliance Framework can be found on the website of Monitor, the Independent Regulator of Foundation Trusts.

The Trust performance against approved PBL ratios is as follows :-

Financial ratio	**Actual ratios 2012/13**	Actual ratios 2011/12	Approved PBL ratios
Minimum dividend cover	3.4x	3.5x	>1x
Minimum interest cover	11.5x	8.0x	>3x
Minimum debt service cover	3.5x	3.6x	>2x
Maximum debt service to revenue	1.3%	1.7%	<2.5%

18.3 Prudential borrowing limit - long term borrowing	**31st March 2013 £000**	31st March 2012 £000
Long term borrowing limit set by Monitor	**68,100**	53,500
Working capital facility set by Monitor *	**24,000**	19,000
Total Prudential borrowing limit	**92,100**	72,500
Long term borrowing at 1st April	**37,237**	32,860
Net borrowing in year - long term	**3,093**	4,377
Long term borrowing at 31st March	**40,330**	37,237

The Trust has had no working capital borrowings during 2011/12 or 2012/13

* As at 31st March 2013 the Trust has a £24m working capital facility with Barclays Corporate. This agreement due to expire on 1st October 2013 and subsequently been extended to 31st May 2014.

19. Provisions

19.1 Provisions analysis	**31st March 2013 £000**	31st March 2012 £000
Pensions relating to other staff	**17**	16
Permanent Injury Benefit	**71**	67
Other legal claims	**162**	192
Other	**5,162**	4,101
Provisions - current	**5,412**	4,376
Pensions relating to other staff	**140**	138
Permanent Injury Benefit	**1,093**	1,024
Other legal claims	**0**	0
Other	**0**	0
Provisions - non-current	**1,233**	1,162
TOTAL	**6,645**	5,538

19.2 Provisions in year movement and timing of cash flows

	Pensions relating to other staff £000	Permanent Injury Benefit £000	Other Legal Claims £000	Other £000	**Total £000**
At 1st April 2012	154	1,091	192	4,101	**5,538**
Change in discount rate	3	45	0	0	**48**
Arising during the year	12	64	136	5,162	**5,374**
Utilised during the year	(17)	(71)	(166)	(82)	**(336)**
Reversed unused	0	0	0	(4,019)	**(4,019)**
Unwinding of discount	5	35	0	0	**40**
At 31st March 2013	**157**	**1,164**	**162**	**5,162**	**6,645**
Expected timing of cash flows:					
Within one year	17	71	162	5,162	**5,412**
Between one year and five years	63	268	0	0	**331**
After five years	77	825	0	0	**902**
Total	**157**	**1,164**	**162**	**5,162**	**6,645**

The provisions for pensions relating to other staff and permanent injury benefit are stated at the present value of future amounts estimated as payable using life expectancy tables provided by the Office of National Statistics. Payments are made on a quarterly basis to the NHS Pension Scheme and NHS Injury Benefit Scheme respectively.

Other legal claims represent an estimate of the amounts payable by the Trust in relation to the excess on claims for clinical negligence and injury to third parties. In return for an annual contribution from the Trust to the NHS Litigation Authority, the claims are settled by the NHSLA on the Trust's behalf and excess amounts charged to the Trust at that point. £52,994,659 is included in the provisions of the NHSLA at 31 March 2013 in respect of clinical negligence liabilities of the Trust (2011/12: £49,752,522).

The other category consists of provisions for the following:
1) Potential return of £2.7m non-recurrent funding conditional on completion of development initiatives in 2013/14.
2) Potential return of £2.1m 2012/13 non-recurrent contractual income conditional on compliance with performance targets.
3) Lease property dilapidation costs £0.3m
4) Additional contract costs relating to the Victoria Hospital Commercial Centre, £0.1m

20. Private Finance Initiative Transactions

PFI scheme deemed on-Statement of Financial Position
During 2012/13 the Trust terminated the PFI Partnership Agreement for the provision of healthcare services to the public at Wesham, Rossall and Bispham. The contract was due to run for 27 years from April 2001.

The termination of the contract has resulted in the Trust acquiring the rights, title and interest in the assets which are recorded as held under freehold ownership at 31st March 2013. The Trust has also brought in-house the facility management services previously provided by the contractor.

The financial impact of the termination agreement, which took effect on 24 August 2012 was that the liability of £7.722 million with the contractor was extinguished and a finance charge arising from the early termination of £0.794 million was recognised.

During the year the following PFI financing payments have been made to the contractor:

	31st March 2013 £000	31st March 2012 £000
Repayment of borrowings	**7,722**	138
Finance expense - Interest	**303**	769
Finance expense - Contingent rent	**168**	375
Finance expense - Termination charge	**794**	0
	8,987	1,282

The Trust is also made the following service payments of £0.5 million (2011/12: £1.049 million) for facility management which are charged to operating expenses.

21. Contingencies

Contingent liabilities	**31st March 2013 £000**	31st March 2012 £000
Employer and Occupier Liability	**77**	108

This is the maximum potential liability for Staff and Occupiers Liability, which represents the difference between the balance provided and the excess due to the NHS Litigation Authority (NHSLA) scheme of which the Trust is a member. This estimate is based on an assessment of the outcome of each case and as such may vary up to the point of settlement or withdrawal. Costs are charged to the Trust up to the value of the excess by the NHSLA as they are incurred.

The Trust has no contingent assets.

22. Financial Instruments

The Trust does not have any listed capital instruments and is not a financial institution. Due to the nature of the Trust's current financial assets/liabilities and non current financial liabilities, book value equates to fair value.

All financial assets and liabilities are held in sterling.
The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the board of directors. Trust treasury activity is subject to review by the Trust's internal auditors.

Credit Risk
The bulk of the Trust's commissioners are part of the NHS, which minimises the credit risk from these customers. Non-NHS customers do not represent a large proportion of income and the majority of these relate to bodies which are considered low risk - e.g. universities, local councils, insurance companies, etc.

Liquidity Risk
The Trust's net operating costs are incurred under service agreements with local Primary Care Trusts, which are financed from resources voted annually by Parliament. The Trust largely finances capital expenditure through internally generated funds and from loans that can be taken out up to an agreed borrowing limit. The borrowing limit is based upon a risk rating determined by Monitor, the Independent Regulator for Foundation Trusts and takes account of the Trust's liquidity.

Market Risk
All of the Trust's financial liabilities carry nil or fixed rate of interest. In addition the only element of the Trust's financial assets that is currently subject to variable rate is cash held in the Trust's main bank account and therefore the Trust is not exposed to significant interest rate risk.

22.1 Financial Assets by category

	31st March 2013 Loans and Receivables £000	31st March 2012 Loans and Receivables £000
NHS Trade and other receivables	**4,917**	5,058
Non-NHS Trade and other receivables	**3,303**	2,161
Cash and cash equivalents	**27,358**	19,641
Total Financial Assets	**35,578**	26,860

22.2 Other Financial Liabilities by category

	31st March 2013 £000	Restated 31st March 2012 £000
NHS Trade and other payables	**(4,074)**	(2,769)
Non-NHS Trade and other payables	**(23,567)**	(21,756)
Subtotal - Trade and other payables	**(27,641)**	(24,525)
PFI Obligations	**0**	(7,722)
Other borrowings	**(40,330)**	(29,515)
Subtotal - Borrowings	**(40,330)**	(37,237)
Total Financial Liabilities at amortised cost	**(67,971)**	(61,762)

The Trust has three loans with the Foundation Trust Financing Facility categorised within financial liabilities. The carrying value of the liability is considered to approximate to fair value as the arrangement is of a fixed interest rate and equal instalment repayment feature and the interest rate is not materially different to the discount rate.

23. Third party assets

The Trust held the following cash and cash equivalents on behalf of third parties which have been excluded from cash and cash equivalents in the Trust's statement of financial position:

	31st March 2013 £000	31st March 2012 £000
Patients' monies	**5**	7
Blackpool, Fylde and Wyre Hospitals Charitable Fund	**1,580**	1,784
	1,585	1,791

24. Losses and special payments

There were 77 cases of losses and special payments totalling £0.180 million in the accounting period (2011/12: 107 cases totalling £0.088 million).

25. Related party transactions

Ultimate parent
The FT is a public benefit corporation established under the NHS Act 2006. Monitor, the Regulator of NHS Foundation Trusts has the power to control the FT within the meaning of IAS 27 'Consolidated and Separate Financial Statements' and therefore can be considered as the FT's parent. Monitor does not prepare group accounts but does prepare separate NHS Foundation Trust Consolidated Accounts. The NHS Foundation Trust Consolidated Accounts are then included within the Whole of Government Accounts. Monitor is accountable to the Secretary of State for Health. The FT's ultimate parent is therefore HM Government.

Whole of Government Accounts Bodies
All government bodies which fall within the whole of government accounts boundary are regarded as related parties because they are all under the common control of HM Government and Parliament. This includes, for example, all NHS bodies, all local authorities and central government bodies.

During the year the FT has had a significant number of transactions with the other NHS bodies. The entities with which the highest value of transactions occurred are listed below:

	Income		**Receivables**	
			31st March	31st March
	2012/13	2011/12	**2013**	2012
	£'000	£'000	**£'000**	£'000
Blackpool PCT	**130,846**	103,512	**1,349**	1,707
Central Lancashire PCT	**4,147**	2,900	**68**	0
Cumbria PCT	**1,781**	1,298	**250**	60
East Lancashire Teaching PCT	**1,294**	783	**224**	24
North Lancashire PCT	**145,229**	99,439	**1,258**	883
North West SHA	**10,119**	9,777	**0**	9
Western Cheshire PCT	**43,798**	42,251	**10**	287
Lancashire Care NHSFT	**1,384**	2,276	**110**	196
Lancashire Teaching Hospitals NHSFT	**1,823**	1,130	**821**	855
University Hospitals of South Manchester NHSFT	**1,821**	166	**25**	58
	342,242	263,532	**4,115**	4,079

Most income from PCTs is in respect of services provided under healthcare contracts and priced using national prices (Payment by Results).

	Expenditure		**Payables**	
			31st March	31st March
	2012/13	2011/12	**2013**	2012
	£'000	£'000	**£'000**	£'000
Blackpool PCT	**3,508**	879	**544**	206
North Lancashire PCT	**2,948**	618	**1,645**	293
North West Ambulance Service NHS Trust	**15**	36	**5**	3
Lancashire Teaching Hospitals NHS Foundation Trust	**1,373**	846	**434**	600
National Blood Authority	**2,832**	2,580	**71**	251
NHS Litigation Authority	**4,014**	4,220	**0**	0
	14,690	9,179	**2,699**	1,353

None of the receivable or payable balances are secured. Amounts are generally due within 30 days and will be settled in cash.

In addition to the amounts above, provisions in respect of the excess on legal claims have been recognised and, if due, are payable to the NHS Litigation Authority. These are disclosed and explained in note 19.

25. Related party transactions (continued)

Non Whole of Government Accounts Bodies

Some of the Governors of the Trust hold positions at Universities or with Spiral Health CIC. The Trust has had transactions with these bodies as set out below:

	Income		Receivables	
	2012/13 £000	2011/12 £000	**31st March 2013 £000**	31st March 2012 £000
University of Central Lancashire	**234**	199	**7**	17
University of Cumbria	**105**	0	**28**	0
Spiral CIC	**1,334**	0	**634**	0
	1,673	199	**669**	17

	Expenditure		Payables	
	2012/13 £000	2011/12 £000	**31st March 2013 £000**	31st March 2012 £000
University of Central Lancashire	**397**	54	**191**	9
University of Cumbria	**14**	0	**2**	0
Spiral CIC	**2,964**	0	**0**	0
	3,375	54	**193**	9

Key management personnel

Key management includes directors, both executive and non-executive. The compensation paid or payable in aggregate to key management for employment services is shown below:

	Aggregate		Highest paid director	
	Year ended 31st March 2013 £000	Year ended 31st March 2012 £000	**Year ended 31st March 2013 £000**	Year ended 31st March 2012 £000
Salaries and other short term benefits	**1,183**	1,066	**268**	191
Pension contributions:				
Employer contributions to the NHS Pension Scheme	**141**	127	**24**	23
Accrued pension under NHS Pension Scheme	**349**	305	**78**	72
Accrued lump sum under NHS Pension Scheme	**1,020**	898	**234**	216
			Number	Number
Number of directors to whom benefits are accruing under the NHS Pension Scheme			**10**	8

25. Related party transactions (continued)

During the period reported in these accounts, none of the Board Members, Governors or key management staff have undertaken any material transactions with Blackpool Teaching Hospitals NHS Foundation Trust.

None of the key management personnel received an advance from the Trust. The Trust has not entered into guarantees of any kind on behalf of key management personnel. There were no amounts owing to Key Management Personnel at the beginning or end of the financial year. No compensation payments for loss of office to directors has been made.

Blackpool Teaching Hospitals Charitable Fund

The Trust has also received revenue and capital payments from Blackpool Teaching Hospitals Charitable Fund and related charities (formerly Blackpool, Fylde and Wyre Hospitals Charitable Fund). The Charity is registered with the Charity Commissioners (Registered Charity 1051570) and has its own Trustees drawn from the Trust Board.

Transactions with the fund are as follows:

	2012/13	2011/12
	£000	£000
Donations received from the charitable fund, recognised as income	**691**	2,357
Amounts receivable from the fund as at 31st March	**105**	13

The amount receivable at 31st March is not secured and is not subject to particular terms and conditions.

NHS Pension Scheme

The NHS Pension Scheme is a related party to the Foundation Trust.

Transactions with the NHS Pension Scheme comprise the employer contributions disclosed in note 6.1. At 31st March 2013 the Trust owed £2.752 million (31 March 2012: £1.889 million) relating to employees and employer contributions to the scheme. Additionally, the Trust has recognised provisions in respect of reimbursements to the NHS Pension Scheme for early retirement costs. These are explained in note 19.

26. Events after the reporting period

The are no events after the reporting period.

Annex H: Notice of the Trust's Annual Members and Public Meeting

The Annual Members and Public Meeting of the Blackpool Teaching Hospitals NHS Foundation Trust will be held on Monday, 23rd September 2013.

Further copies of the Annual Report and Accounts for the period 1st April 2012 to 31st March 2013 can be obtained by writing to:

Miss J A Oates
Foundation Trust Secretary
Blackpool Teaching Hospitals NHS Foundation Trust
Trust Headquarters
Blackpool Victoria Hospital
Whinney Heys Road
Blackpool
FY3 8NR

Alternatively the document can be downloaded from our website www.bfwhospitals.nhs.uk

If you would like to make comments on our Annual Report or would like any further information, please write to:

Chief Executive
Blackpool Teaching Hospitals NHS Foundation Trust
Trust Headquarters
Blackpool Victoria Hospital
Whinney Heys Road
Blackpool
FY3 8NR

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