



# Annual Report 2019/20



*Putting Patients First*

## Acknowledgements and feedback

### Acknowledgements

Worcestershire Acute Hospitals NHS Trust wishes to thank its entire staff and the contributors to this Annual Report.

### Feedback

Readers can provide feedback on the report and make suggestions for the content of future reports to the Communications Department.

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# Welcome from the Chief Executive and Chairman



**Matthew Hopkins**  
Chief Executive

## **Welcome to Worcestershire Acute Hospitals NHS Trust's 2019/20 Annual Report.**

At the time of writing this introduction to the 2019/20 Annual Report, it is a time like no other. Our hospitals, and the wider NHS, are in the midst of dealing with the biggest challenge we have ever faced. The COVID-19 pandemic affects every aspect of life for our staff, patients and the public.

For those on the frontline in particular, it is an unprecedented, unparalleled and unrelenting situation. We are confident though, that the progress we have made as an organisation over the past 12 months has, in some part, helped to ensure our hospitals are as equipped and are as ready as we can be to cope with the additional pressures that coronavirus continues to bring.

In spite of significant operational and financial pressures, there has been continuing progress



**Sir David Nicholson**  
Chairman

on our overall Trust strategy. We have published our Digital Strategy and Communications and Engagement Strategy. These are important foundations which support the developments set out in our Clinical Services Strategy - the cornerstone of our transformation plans into next year and beyond.

Our '4ward' culture programme has also continued to embed and develop, with the CQC noting that 'culture had positively changed' and that there had been a 'year-on-year improvements across all 11 of the themed areas in the national NHS Staff Survey.'

In support of the urgent care pathway, we opened 99 additional beds across Worcestershire Royal and the Alexandra Hospitals, and launched the Onward Care Team, with the support of our health and social care partners. Furthermore, we have renewed our focus

on our emergency care improvement plan, known as HomeFirst Worcestershire – including launching a new surgical assessment pathway at Worcestershire Royal.

In addition, there have been many awards, accreditations and a myriad of other service improvements, many of which were recognised in our CQC report published in September. Most notably, our overall rating was lifted from 'Inadequate' to 'Requires Improvement,' and not forgetting the fantastic achievement at Kidderminster with a 'Good' overall rating.

We want to pay tribute to all of our staff and volunteers who have played a part in these achievements, and who continue to show bravery, resolve and determination day in, day out to confront the enormous challenge we are currently facing.

In particular, we must highlight the extraordinary, compassionate care for our patients who, at the very time they need the love and support of their nearest and dearest most, are unable to directly receive it. I must also thank our local communities, whose kindness and generosity at this time continues to both overwhelm us and spur us on in equal measure.

We don't yet know what the future holds, but we are determined to work together with our health and social care partners to ensure that we emerge from this pandemic a stronger organisation that can move '4ward' with pride, safe in the knowledge that we did our upmost to confront this challenge and continued to put our patients first.



**Matthew Hopkins**  
Chief Executive



**David Nicholson**  
Chairman





# Performance Report

## Performance Overview

### What we do

Worcestershire Acute Hospitals NHS Trust provides hospital-based services from three main sites; the Alexandra Hospital in Redditch, Kidderminster Hospital and Treatment Centre, and Worcestershire Royal Hospital in Worcester as well as some community based services.

We provide a wide range of services to a population of more than 590,000 people in Worcestershire as well as caring for patients from surrounding counties and further afield.

In 2019/20 we provided care to more than 244,912 different Worcestershire patients

– that is 41% of the Worcestershire population receiving care at one of our hospitals.

We saw 670 patients per day, including:

- ▶ 161,011 A&E attendances (WRH, ALX and KTC)
- ▶ 158,589 Inpatients
- ▶ 623,538 Outpatients
- ▶ 5,137 births (i.e. individual babies)
- ▶ 5,043 deliveries (i.e. mothers giving birth)

We employ nearly 6,000 people and more than 400 local people volunteer with us helping to deliver care. We have an annual turnover of

over £443 million. The Trust provides a range of Acute Services for the people of Worcestershire. This includes general surgery, general medicine, oncology, emergency care and women and children services. There are a range of support services as well including diagnostics and pharmacy. A list of the services provided can be found on our website [www.worcsacute.nhs.uk/services](http://www.worcsacute.nhs.uk/services)

The Trust's catchment population is both growing and ageing when considered within the population demographics. Both the male and female population show a projected increase by 2025 in the 70-plus age groups. This is especially apparent in the 75-79 age range, although proportionally the projected rise in the 90-plus age range is higher. The forecast increase in numbers of older people is due to increased life expectancy resulting in greater numbers of older people, particularly females, surviving to very old age (ONS, 2010). The population demographic impacts the type of patients that present at our Hospitals and the types of conditions we treat.

We note from national statistical data that the number of older people with dementia is expected to double in the next 20 years. Of note the rate of population growth is greatest in the very old age groups who present the greatest requirements for 'substantial and critical' care. Worcestershire has proportionally a greater number of resident older people than the nation in general.

The Trust's catchment population extends beyond Worcestershire itself, as patients are also attracted from neighbouring areas including South Birmingham, Warwickshire, Shropshire, Herefordshire, Gloucestershire and South Staffordshire. This results in a catchment population which varies between 420,000 and 800,000 depending on the service type.



# A YEAR IN NUMBERS 2019/2020



**97,066**  
Walk-in patients (A&E)



**54,845**  
Patients arriving by  
ambulance



**158,589**  
Inpatients



**623,538**  
Outpatients



**5,137**  
Births



**4,109**  
Emergency Operations



**23,620**  
Elective Operations



**2,063**  
Trauma Operations



**6.4 days**  
Average length  
of stay



**893,100**  
Number of meals served

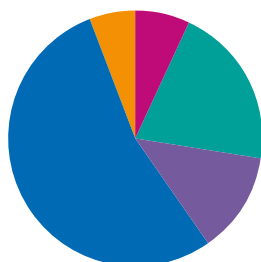


**1,448,060**  
Number of sheets  
laundered



**£49.8m**  
Value of prescriptions  
issued

## Diagnostics



MRI scans - **20,084**  
Non-obstetric ultrasound scans - **65,463**  
CT scans - **53,549**  
Plain film X-Rays - **216,486**  
Endoscopies - **30,891**

## Staff



**Total Staff**  
**5,566**



**Nurses**  
**1,594**



**Doctors and  
Consultants**  
**653**



**Allied Health  
Professionals**  
**356**



**Midwives and Midwifery  
Support Workers**  
**252**



**Other  
Support Staff\***  
**2,711**



**Volunteers**  
**423**



## Performance Summary

Description	Indicator	2019/20 Target	Year End	Period
Quality				
Mortality	HSMR – Hospital Standardised Mortality Ratio	<=100	102.47 (as expected)	Rolling 12 months to November 2019
	SHMI – Summary Hospital Mortality Indicator	<=1	1.06 (as expected)	Rolling 12 months to November 2019
Infection Control	Clostridium Difficile	<=59	61	April 2019 - March 2020
	MRSA	0	0	April 2019 - March 2020
Prevention	VTE - Venous Thromboembolism Risk Assessment	>=95%	94.56%	April 2019 - March 2020
Patient Experience	Mixed Sex Accommodation Breaches	0	603	April 2019 - March 2020
Operational				
Cancer	62 days: Wait for first treatment from urgent GP referral: All Cancers (unadjusted)	>=85%	69.16%	April 2019 - March 2020
	31 days: Wait for first treatment: All Cancers	>=96%	97.25%	April 2019 - March 2020
	2 Week Wait: All Cancer Two Week Wait (suspected Cancer)	>=93%	85.97%	April 2019 - March 2020
	2 Week Wait: Wait for symptomatic breast patients (Cancer not initially suspected)	>=93%	47.62%	April 2019 - March 2020
18 Weeks Waiting Time	RTT - Referral to Treatment: Incomplete - 92% in 18 weeks	>=92%	78.75%	March 2020
Diagnostic Waiting Time	6 week Diagnostic Waits (% of breaches on the waiting list)	<=1%	5.71%	March 2020
A&E Waiting Time	4 Hour Waits (%) - Trust inc MIU	>=95%	77.90%	April 2019 - March 2020

Description	Indicator	2019/20 Target	Year End	Period
<b>Stroke</b>	80% of patients spend 90% of time in a Stroke Ward	>=80%	73.60%	April 2019 - March 2020
	Direct admission (via A&E) to Stroke Ward	>=90%	48.00%	April 2019 - March 2020
	TIA - Transient Ischaemic Attack - High Risk Patients seen within 24 hours	>=70%	62.00%	April 2019 - March 2020
	CT scan within 24 hours of arrival	>=80%	46.70%	April 2019 - March 2020
<b>Patient Experience</b>				
<b>Friends and Family Test</b>	Acute Wards (% recommend)	-	95.35%	April 2019 - March 2020
	Acute Wards (Response Rate %)	>=30%	33.30%	April 2019 - March 2020
	A&E (% recommend)	-	82.29%	April 2019 - March 2020
	A&E (Response Rate %)	>=20%	14.06%	April 2019 - March 2020
	Maternity (% recommend)	-	98.15%	April 2019 - March 2020
	Maternity (Response Rate %)	>=30%	27.66%	April 2019 - March 2020

# Performance Analysis

## Performance Measurement

Trust performance is measured with reference to a range of national priority standards and targets, covering operational performance, quality and safety, patient experience and the statutory duty to achieve financial breakeven and future sustainability.

Our priorities for 2019/20 were aligned to our new strategic objectives and delivered through actions in relation to:

- ▶ Strategy
- ▶ Operational Performance
- ▶ Quality
- ▶ Finance
- ▶ People and Culture

## Care Quality Commission

Following the publication of the most recent Trustwide inspection report in September 2019, the overall quality rating for the Trust was upgraded from "Inadequate" to "Requires Improvement".

Between 14<sup>th</sup> and 29<sup>th</sup> May 2019, the CQC visited the Trust to inspect six Core Services; Urgent Care (including Minor Injuries Unit), Medical Care, Surgery, Children & Young People, Outpatients and Diagnostics. A review of the "Well-Led" domain was also conducted.

The inspection report published in September 2019 identified and rated the following as outstanding:

- ▶ Diagnostic Imaging at the Alexandra General Hospital "Outstanding" for the "Caring" domain.

In addition to the above, the inspection report identified the following areas as areas of improvement:

- ▶ Medicines' Management
- ▶ Infection Prevention and Control
- ▶ Incident Reporting
- ▶ Sharing learning across the Trust
- ▶ Divisional and Local Leadership
- ▶ Engagement in the Trust's improvement journey
- ▶ Complaints Management
- ▶ Compassionate and caring staff

The September 2019 inspection report saw an improvement in the overall quality rating, and the Trust is rated "Requires Improvement".

Overall, the Trust continues to be rated Good" in the "Caring" domain, and "Requires Improvement" in the "Well-Led" domain. The ratings for "Safe" and "Responsive" improved to "Requires Improvement", and the rating for "Effective" improved to "Good".

## CQC Inspection Report published 20 September 2019:

### Ratings for the whole Trust

Safe	Effective	Caring	Responsive	Well-led	Overall
Requires improvement	Good	Good	Requires improvement	Requires improvement	Requires improvement
⬆	⬆	↔	⬆	↔	⬆
Sept 2019	Sept 2019	Sept 2019	Sept 2019	Sept 2019	Sept 2019

## Ratings for the acute services/acute trust

	Safe	Effective	Caring	Responsive	Well-led	Overall
Worcestershire Royal Hospital	Requires improvement ⬆️ Sept 2019	Good ➡️ ⬅️ Sept 2019	Good ➡️ ⬅️ Sept 2019	Requires improvement ⬆️ Sept 2019	Requires improvement ⬆️ Sept 2019	Requires improvement ⬆️ Sept 2019
Alexandra Hospital	Requires improvement ⬆️ Sept 2019	Requires improvement ⬆️ Sept 2019	Good ➡️ ⬅️ Sept 2019	Requires improvement ⬆️ Sept 2019	Good ⬆️ ⬆️ Sept 2019	Requires improvement ⬆️ Sept 2019
Kidderminster Hospital and Treatment Centre	Good ⬆️ ⬆️ Sept 2019	Good ⬆️ Sept 2019	Good ➡️ ⬅️ Sept 2019	Requires improvement ⬆️ Sept 2019	Good ⬆️ ⬆️ Sept 2019	Good ⬆️ ⬆️ Sept 2019
Evesham Community Hospital	Requires improvement ⬇️ Sept 2019	Good ➡️ ⬅️ Sept 2019	Good ➡️ ⬅️ Sept 2019	Requires improvement ⬇️ Sept 2019	Requires improvement ⬇️ Sept 2019	Requires improvement ⬇️ Sept 2019
Overall trust	Requires improvement ⬆️ Sept 2019	Good ⬆️ Sept 2019	Good ➡️ ⬅️ Sept 2019	Requires improvement ⬆️ Sept 2019	Requires improvement ➡️ ⬅️ Sept 2019	Requires improvement ⬆️ Sept 2019



In December 2019, The Urgent and Emergency Core Services at Worcestershire Royal Hospital and the Alexandra General Hospital were inspected as part of an unannounced focused Inspection. The CQC identified that further improvement was required to ensure timely ambulance handovers, patient assessment and speciality review.

Although no safety concerns were raised during the on-site inspections, Urgent & Emergency Core service ratings were downgraded from "Requires Improvement" to "Inadequate" for "Safe",

"Responsive" and "Well-Led", and the Trust was issued with a Section 31 Conditions Notice for both sites. The overall Trust ratings received in the September 2019 Inspection Report remain unchanged.

Following the CQC inspection, the Trust has implemented further safety, quality and risk assessment and assurance tools in response to CQC's concerns. At the time of writing this report, the Trust's Urgent and Emergency Services were working to satisfy the Section 31 Conditions.

	Safe	Effective	Caring	Responsive	Well-led	Overall
Worcestershire Royal Hospital	Inadequate ↓ Feb 2020	Good ↔ ↔ Sept 2019	Requires improvement ↓ Feb 2020	Inadequate ↓ Feb 2020	Inadequate ↓ Feb 2020	Inadequate ↓ Feb 2020
Alexandra General Hospital	Inadequate ↓ Feb 2020	Requires improvement ↔ ↔ Sept 2019	Requires improvement ↔ ↔ Sept 2019	Inadequate ↓ Feb 2020	Inadequate ↓ Feb 2020	Inadequate ↓ Feb 2020

## Performance Management Framework

In April 2017, the Trust developed a Performance Management and Accountability Framework for implementation across the organisation. It continues to be revised to ensure it aligns with the Trust's operating model whilst drawing on best practice across the NHS.

Performance is reviewed in line with the five themes set out in the Single Oversight Framework:

- Quality of care
- Finance and use of resources
- Operational performance
- Leadership and improvement capability
- Strategic change.

The Divisional performance matrix aligns metrics to these five themes whilst ensuring that all of the annual priorities have been accounted for. Performance is monitored against the targets set out in the Single Oversight Framework or against agreed improvement trajectories. In all other cases, targets or improvement trajectories are agreed with Divisions.

Performance tracking is based on these general principles:

- High quality care and patient safety is the over-riding goal
- Transparency of performance metrics and reporting
- Decisions are based on transparent quality (determined by the Data Quality Kitemark), timely and reliable information built on clinical leadership of data quality
- Information is shown in trends; using SPC charts where appropriate
- Clear targets are set reflecting national and local priorities

- Targets provide a balanced view of performance across the Single Oversight Framework themes
- Key performance indicators are established, with clear links to drivers so that changed be understood, and subject to continual review.

Corporate objectives/priorities targets are broken down to Divisions and sub specialities and where appropriate team and individual targets, in order to enhance accountability.

## Delivery of Operational Performance Standards

The Trust is committed to delivering strong operational performance and ensuring safe, high quality, efficient services, which provide a good experience for the patient and their families.

High levels of emergency demand, and the lack of available capacity and flow within the Trust and within the wider health and social care system continued to present significant challenges in 2019/20. Coupled with the significant impact of COVID-19 in February and March 2020, these have been key limiting factors to the Trust achieving best possible operational performance and quality of care. Workforce capacity has been a major contributing factor to the deterioration in operational performance, particularly in relation to high numbers of consultant vacancies.

Consequently, the four key national standards in relation to Emergency Access, Referral to Treatment (RTT), 62 day Cancer waiting time and Diagnostics have not been met during 2019/20. Plans to improve performance are highly dependent on the ability to recruit consultants, the availability of beds and delivery of planned productivity improvements and how government policy influences hospital activity in 2020/21.

Development of specialty level improvement trajectories for the key national performance

standards based on demand and capacity modelling will provide clear actions and performance requirements against which divisions will be held to account through the Performance Management Group.

The summary of our performance in 2019/20 can be seen within the Performance Summary section, page 9 and is described in more detail below.

### **Emergency Access Standard**

95% of patients treated/admitted from A&E within 4 hours of arriving in A&E

Performance for the Emergency Access Standard has not met the national target of 95% for more than 5 years and in 2019/20 only 77.90% of patients were admitted, transferred or discharged within 4 hours. This is a slight deterioration in performance from the previous year (75.93% in 2018/19). However, this decrease in performance should be seen in the context of 2,449 more patients attending our Accident and Emergency departments this year. The lack of availability of inpatient beds was one of the main causes of delay in the patient pathway. The lack of bed availability, particularly during winter, also resulted in 934 patients waiting more than 12 hours in the A&E departments from the point at which a decision had been made to admit them; a significant increase from 535 in 2018/19. The focus is on supporting the timely discharge of patients through the implementation of national best practice and closer working with partner organisations across the county. The Trust accessed external help and support from the NHS Emergency Care Intensive Support Team.

### **Referral to Treatment (RTT)**

92% of patients to be treated within 18 weeks of referral

Due to the impact of COVID-19, the decision was taken to cancel outpatient appointments and elective surgery in March 2020, the Trust has not met the 92% standard in 2019/20. In March 2020 78.67% of patients were within 18 weeks of referral compared to 80.77% the previous March. There have been 9 month end breaches of patients waiting for longer than 52 weeks during 2019/20 and the Trust continued to focus on reducing the number of patients waiting longer than 40 weeks; 155 reported in March 2020 down from 357 reported at March 2019, but was down to 70 at the end of February 2020. Plans to address performance in 2020/21 have yet to be agreed due to the uncertainty of the length of time COVID-19 will impact on health services.

### **Cancer**

85% of cancer patients to commence treatment within 62 days of referral

Over the year 69.16% of patients had commenced treatment within 62 days. This is a slight decrease from the previous year which saw 72.02% of patients commencing treatment within 62 days. There has been a slight decrease in the number of patients treated, 2120 in 2019/20 compared to 2130 in 2018/19. Performance against this standard continued to be impacted by increased referrals resulting from national awareness cancer campaigns, emergency pressures and medical staffing gaps across a number of specialties. Delays in diagnostic tests are also impacting performance against this standard.

## Diagnostics

No more than 1% of patients to wait more than 6 weeks for a diagnostic test

The Diagnostics standard not been met in 2018/19 with 7.60% of patients waiting more than 6 weeks at the 31st March 2019. The previous year's performance in 2017/18 did not hit the standard with 3.79% of patients waiting more than 6 weeks. The delay in patients receiving diagnostic tests is having an adverse impact on the time elapsed before cancer treatment commences. Plans are in place to address the capacity issues in endoscopy and CT scanning with the expectation that the standard will be delivered at the end of the next financial year; but only if appropriate funding levels are provided.



**Matthew Hopkins**

Chief Executive

Date: 22<sup>nd</sup> June 2020



## Financial Performance in 2019/20 - finance

The Trust has three key financial duties and has achieved compliance with the Capital Resource Limit and External Financing Limit but has not achieved the Statutory Breakeven duty. The Breakeven duty is where the Trust must achieve a breakeven position over a 3 year period (or where agreed with NHSI a 5 year period). The Trust has struggled with this in recent years and as required under statute, our external auditors have formally notified the Department of Health and Social Care (DHSC).

The Trust has reported an Operational Financial Performance excluding Provider Sustainability Fund (PSF), Financial Recovery Fund (FRF) and Marginal Rate Emergency Threshold (MRET)

funding and impairments, deficit of £(81.5)m against a comparable plan target of £(82.8)m for the 2019/20 financial year. This is in line with the forecast outturn. The Trust did not sign up to its 2019/20 Control Total of £(64.6)m pre PSF, FRF and MRET funding as based on the assumptions and information available at the time it was not considered deliverable. Work has continued in-year, internally and externally with our system partners to improve overall financial performance. In 2019/20 the Trust received £0.5m of Special Measures funding to support improvement initiatives. The Trust additionally received £0.5m of 2018/19 Provider Sustainability Fund (PSF) which was awarded after the closure of the 2018/19 accounts and so is reported in 2019/20.

There are other below the line adjustments for Capital Donations; Grants; and Impairments, as detailed below, which are included in the overall Income and Expenditure position.

Financial Position - Income and Expenditure	Actual 2019/20 £000s	Actual 2018/19 £000s
<b>Operational (Adjusted) Financial performance surplus/(deficit) excluding PSF, FRF, MRET funding and impairments</b>	<b>(81,466)</b>	<b>(73,712)</b>
<i>Adjust Provider Sustainability Funding (PSF)</i>		4,922
<b>Performance against Control Total/Plan adjusted to include PSF</b>	<b>(81,466)</b>	<b>(68,790)</b>
<i>Adjust Remove impact of prior year PSF post accounts reallocation</i>	493	
<i>Adjust Remove capital donations/grants I&amp;E impact</i>	(70)	(86)
<i>Adjust I&amp;E impairments/(reversals)</i>	<b>(7,288)</b>	<b>(6,828)</b>
<i>Surplus/(deficit) for the year including PSF, FRF and MRET funding and after Impairments</i>	<b>(88,331)</b>	<b>(75,704)</b>

The Trust achieved £12.0m of nominal gross Cost Improvement Programme savings during the year, which have a further £1.0m of full year effect benefit into 2020/21. The recurrent effect of this year's programme secured £11.2m to improve the Trust's underlying position.

The Trust has met its original planned deficit in 2019/20, although it was not able to achieve the stretch target deficit of £(73.7)m. During the year the Trust has received £65.5m revenue cash support from the DHSC to be able to maintain the payment of creditors through the year. The Trust also received capital loans of £7.7m and Public Dividend Capital (PDC) of £4.6m making the total new borrowings of £77.8m in 2019/20. The Trust repaid £1.87m revenue loans and £4.6m capital loans in 2019/20. An improved cash flow, despite the increased deficit, has led to an improvement in Better Payment Performance in 2019/20 compared to 2018/19. In 2019/20, the Trust achieved 96% by number (80% in 2018/19) and 90% of value (76% in 2018/19).

The Trust has invested £13.7m of capital resources in 2019/20 in line with its Capital Resource Limit. This was funded from: internally generated funds; capital loan funding; Urgent and Emergency Care PDC; Health System Led Investment (HSLI) PDC and Cyber Security Schemes PDC. Schemes included major developments such as the ASR Aconbury East ward scheme; cyber security; replacement of clinical equipment; improvements in IT systems/infrastructure; and maintenance of the estate.

## Looking forward to 2020/21 and beyond

The Trust still has a challenging financial outlook entering 2020/21. In light of the COVID-19 response, the planning cycle has been paused and the Trust is operating under the revised national funding regime for the period to end July 2020. Under this regime, the Trust is funded based on the expected cost base.

At the point the planning cycle was paused, the Trust had not concluded contract negotiation with its main commissioners, nor had it formally indicated acceptance of the Financial Improvement Trajectory of £(60.5)m excluding FRF and MRET. Discussions between the STP and the regional and national team were ongoing to agree an acceptable system financial plan. In March 2020, the Trust Board received an update on the Annual Plan which projected a deficit in 2020/21 of £(78.9)m (pre FRF/MRET) after inclusion of £14.5m of efficiency improvements. The 2020/21 financial plan will need to be refreshed when national guidance for the remainder of 2020/21 is clear.

The NHS faces continued pressure with substantial challenges driven by an ageing population; increases in the prevalence of long-term conditions; and rising costs and public expectations within a challenging financial environment. In order to respond to these significant challenges health and social care providers across Herefordshire and Worcestershire are working towards a longer term vision for a truly integrated health and social care system and transforming the way in which services are delivered aligned with the ambitions of the NHS Long Term Plan. The shared focus is the move towards Integrated Care Systems, which will need to demonstrate a system-wide sustainable return to financial balance.

The Trust's internal capital resources remain limited in 2020/21 and beyond, although the conversion of historic interim capital loans to PDC from April 2020, and the capital loan already secured for the most urgent schemes across 2019/20 and 2020/21, provides security of our ability to meet the most pressing priorities. It is likely that further capital loan applications may be required to fund critical and urgent schemes in future years. From 2020/21, capital resources will be collectively overseen within the local system.

The Trust Board will consider, and then submit for national approval, the Full Business Case for the Acute Service Reconfiguration in May 2020, and in doing so will access the £11.4m of capital allocated for the scheme in 2020/21 and the balance of the required funding in subsequent years.

An application for Sustainability and Transformation Plan (STP) funding was successful and consequently we are finalising the Full Business Case to secure £4.0m of PDC across 2020/21 and 2021/22 to fund the Breast Service Improvement scheme.

The Trust faces a range of risks and operates in a challenging financial environment. In March 2020 the Board made an assessment of the risks, opportunities and uncertainties faced and considers itself to be a going concern in line with published guidance. The published accounts are therefore produced on a going concern basis. There is clear evidence of continued provision of services being planned by NHSI, Commissioners and within the Trust. The primary risk to the Trust remaining as a going concern is the underlying financial deficit and resultant cash shortfall to discharge our liabilities. In 2019/20 we accessed £65.5m of revenue support for the deficit position. The continued breach in the achievement of the breakeven duty resulted in the s30 referral by the external auditor to the Secretary of State. The 2020/21 financial plan (prior to COVID-19) continues to be based on a material deficit (£78.9m after inclusion of £14.5m efficiencies). The conversion of historic revenue and capital interim loan funding to PDC from April 2020 will reduce the risk associated with the going concern assessment, albeit the in-year position is not materially improved as a result of PDC dividend payments replacing interest charges.

As a result of COVID-19, interim arrangements for contracting and payment were put in place nationally. The Trust is now being paid under

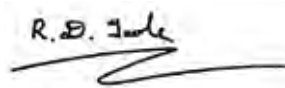
these arrangements with suspension of local contracting and funding through a nationally calculated block payment, designed to result in a break even position. The board assessment of going concern has not materially changed: there remains an expectation of continued provision of services during 2020/21.

## Better Payments

The Better Payments Practice Code (BPPC) targets NHS bodies with paying all non-NHS trade creditors within 30 days of the receipt of goods or a valid invoice (whichever is later) unless other payment terms have been agreed.

The increase in the Trust's deficit in 2018/19, above the original planned level has resulted in a tight cash flow and impacts payments to creditors within the required Better Payment Practise Code (BPPC) target. An improved Cash flow despite the increased deficit arising from the Trust's financial position has led to an improvement in performance in 2018/19 compared to 2017/18. The Trust performance in 2017/18 was 64% by number and 65% of value, against the national target of 95%. The Trust achieved 80% and 76% respectively in 2018/19. The Trust's cash position will remain challenging in 2019/20 with another deficit forecast but plans have been put in place to manage liquidity.

The audited financial statements are attached to this report and give a more detailed understanding of the financial position.



**Robert D Toole**  
Chief Finance Officer

BPPC Target Performance : 95%	Number	£000
<b>Non-NHS Payables</b>		
Total Non-NHS Trade Invoices Paid in the Year	101,681	232,317
Total Non-NHS Trade Invoices Paid Within Target	98,244	216,409
% of Non-NHS Invoices Paid Within Target	96.62%	93.15%
<b>NHS Payables</b>		
Total NHS Trade Invoices Paid in the Year	2,936	16,513
Total NHS Trade Invoices Paid Within Target	2,221	7,741
% of NHS Invoices Paid Within Target	75.65%	46.88%
<b>Total Payables</b>		
Total Invoices Paid in the Year	104,617	248,830
Total Invoices Paid Within Target	100,465	224,150
% of Invoices Paid Within Target	96.03%	90.08%



## Herefordshire and Worcestershire Sustainability and Transformation Partnership (STP)

The vision across the STP footprint of Herefordshire and Worcestershire is that *“Local people will live well in a supportive community with joined up care underpinned by specialist expertise and delivered in the best place by the most appropriate people”*.

The NHS Long Term Plan was published in January 2019, followed by an implementation framework published in June 2019. In November 2019, the Herefordshire and Worcestershire STP submitted a refreshed 5 year STP plan in line with the priorities identified in the NHS Long Term Plan. This included a system perspective on annual activity and financial planning that has been carried forward into 2020/21 annual operational plans at organisational and aggregate system level.

As part of the framework for implementation of the NHS Long Term Plan, STPs will continue to evolve towards Integrated Care Systems (ICS). The Herefordshire and Worcestershire STP has established an Integrated Care System Executive forum that draws on membership from the constituent organisations and sectors across the STP, that is tasked with developing the local ICS and identifying the priority areas of focus for integrated care.

Worcestershire Acute Hospitals NHS Trust is represented at the ICS Executive forum, the STP Partnership Board and is involved in a range of programmes supporting the STP transformation priorities.

In 2019, the Trust published its strategy for clinical services to 2025. The strategy is based on three strategy ‘pillars’: integrated care, urgent and emergency care and acute and specialised planned care. The Clinical Services Strategy is aligned with

both the ambitions in the NHS Long Term Plan and the local Herefordshire and Worcestershire STP plan whilst also providing important future direction for Trust services and the staff that deliver them.

## Acute Services Review (ASR)

In July 2017, following an extensive development and consultation process on the Future of Acute Hospital Services in Worcestershire programme (FoAHSW), the Governing Bodies of Worcestershire’s three Clinical Commissioning Groups (CCGs) formally stated their support for the clinical model designed to bring stability and certainty to the local acute health service through the reconfiguration of services between the Alexandra Hospital (AH), Redditch and the Worcestershire Royal Infirmary (WRH), Worcester.

Delivery of the clinical model is supported by a capital business case and capital development at both WRH and AH, totalling c£30m. An outline business case for the capital development was approved in January 2018 and STP wave one capital funding was allocated in July 2018, subject to full business case approval. The full business case will be completed in spring 2020, following a lengthy procurement process covering the six separate schemes across the two sites.

During the first half of 2018, the Trust was able to access £11m in capital PDC and loans to allow work to begin (pre FBC) on the construction of a link bridge between the main Worcestershire Royal Hospital building and the Aconbury East ward block building on the former Newtown Road Hospital site. The link bridge opened in January 2019 and the refurbishment of the Aconbury East building is well advanced with the last of four new wards opening in May 2020, providing 79 additional acute beds. This development has provided much needed additional general and acute bed capacity at the Worcestershire Royal Hospital site to support both the centralisation of services and ongoing capacity issues at the Trust.



## Engaging with our stakeholders

Developing our relationships with our partner organisations has continued throughout 2019/20.

The Trust works collaboratively wherever possible with the appropriate local authorities, voluntary sector, Universities and other local education establishments as well as NHS Commissioners, NHS/E, and other NHS providers. The Trust has a range of formal and informal mechanisms in place to facilitate effective working with key partners in the Worcestershire Health Economy and is an active partner in the Herefordshire and Worcestershire Sustainability and Transformation Partnership (STP).

We also continue to work closely with a wide range of external agencies, including the Health Overview and Scrutiny Committee and HealthWatch – as well as regional and national organisations that monitor and assess the Trust, including the Care Quality Commission.

The Trust has continued to build relationships with a wide range of stakeholders including our local MPs and other elected representatives.

### Working together with our patients, carers, volunteers and the public - Together We Are Patient Experience

Over the last 12 months we have continued to increase opportunities for people to work with us to improve patient care and the patient experience. Our commitment to listen and bring about change from what we are hearing is now possible at every level. Every month our Trust Board meetings have begun with a patient or staff story which provides a direct connection with our staff, patients and carers and the opportunity to connect first hand; and our Trust has worked closely with our Patient Public Forum members to understand what matters most to





Visual notes from the Volunteer Strategy Engagement Day.

our patients through meetings, consultations and hundreds of volunteer led audits informed by our CQC 'Must' and 'Should Dos'. We have worked with the Patient Public Forum to develop a new model of engagement which supports their involvement with governance and representation at all levels on Committees and steering groups. The Patient Public Forum was actively involved in the development of the Clinical Services Strategy, creating Top Tips for Engagement to support staff across the Trust to effectively engage and collaborate with stakeholders. Members also attended two engagement events alongside local healthcare providers, Trust staff, volunteers and community representatives.

In the summer of 2019, we launched our first hospital youth forum, for young people aged 14-24 with an interest in health. The group meets every month and works in partnership with our Trust. In the last 6 months the group has developed quality improvement projects in response to parent, carer and young patient survey feedback focusing on food tasting, Wi-fi connection and the clinical environment.

During 2019 we launched **Together We Are Patient Experience** – a movement for positive change and engagement which brings together Patient Experience Champions twice every three months, to explore and share ideas and solutions. We have recruited, trained and supported more than 100 champions from across our hospitals to really understand that patient experience



Poster recruiting members for our first Hospital Youth Forum.

is “everybody’s business” empowering staff to bring about change from everyday feedback. A core component of the movement is to make it clear that Patient Experience Champions have “permission” to bring about positive change.

Our champions are role models and have led on projects that have been instrumental in enabling a greater number of our patients, friends and families to regularly share their feedback and demonstrate that we are a listening Trust. We have measured this through the increased number of Friends and Family Test responses received month on month throughout the year.

You can spot our champions who have attended the full training programme wearing our smiley Patient Experience Champion badges on our wards and in our clinics!

In Patient Experience Week April 2019 (#Expo of Care) we relaxed visiting hours and developed a Visitor’s Charter with public focus groups and staff feedback. We also developed posters and awareness to welcome carers across our hospitals and we launched a film and tools for staff to promote our Patient Experience Champions programme. During this week our tweets were seen more than 23,000 times locally and nationally and this simple way of messaging, stood as a positive action against negative press which was a concern shared by the public during our Quality Account consultations the previous year.

We relocated our bereavement service at Worcestershire Royal Hospital to a quieter location on the same site in response to face to face and questionnaire feedback. We created a photographic and art competition open to the public and staff to improve the new waiting and meeting rooms and received over 200 entries in the first stage and over 887 votes to select the favourite images.

Volunteers were involved throughout the process and the office has been designed following active consultation with office staff, the dementia team and members of the public visiting the service.

We have continued to gather feedback throughout the year using national and local surveys, the daily Friends and Family Test, online mechanisms, on-going informal conversations, discussions with families and visitors and more formal consultations and events. All feedback is shared with the relevant departments who are supported to develop action plans and bring about change and share the compliments. The majority of feedback received at the Trust remains positive and the focus in 2020-2021 will be to increase how this is shared.

2019-2020 has been our year of the volunteer with significant focus on infrastructure and strategic development. Completion of a new database and app enabled the Trust to recruit 86% more volunteers from April-July than in previous months and paved the way for a new way of working.

More than 100 volunteers came together at two engagement workshops in October which were open to any volunteer supporting the Trust and included volunteers from the Royal Voluntary Service, Age UK, Alzheimer’s Society, The League of Friends, and Sight Concern. The purpose of the events was to explore key experiences, ideas, issues and solutions to begin to design a future strategy together. November public consultations led by volunteers and Trust staff ensured all stakeholders were included in development of the volunteers’ strategy. 76 volunteers and staff came together at two December events to look at the themes and discuss priorities.

We have the ambition to grow, develop and raise the profile of volunteering at the Trust and our process to design this strategy has been about inclusivity and continued conversation throughout the development process; starting as we mean to continue forwards, valuing the contribution of volunteers alongside paid professionals.

We are excited to launch our strategy publically in 2020.

# Accountability Report

## Corporate Governance Report

### Directors' Report

The Board of Worcestershire Acute Hospitals NHS Trust sets the strategic direction for the Trust.

The aim of the Board is to lead by example and to learn from experience and oversee the delivery of safe, effective, personalised and integrated care for local people, delivered consistently across all services by skilled and compassionate staff.

In 2019/20 the Board met in public on 11 occasions, with meetings covering all three of our main sites. In the period covered by this annual report, the Board was part of the NHS E/I sponsored *Learning from Improvement*. Four sessions were held during the year. Other Board development sessions included work on the Clinical Services Strategy, risk management and the strategic direction of the Trust.

The Trust is committed to setting high standards and the whole board has signed up to the Nolan principles, requiring honesty and integrity in all matters.

### The Trust Board

The voting members of Trust Board during 2018/19 were as follows:

- ▶ **Paul Brennan**, Chief Operating Officer /Deputy CEO
- ▶ **Anita Day**, Non-Executive Director
- ▶ **Mike Hallissey**, Chief Medical Officer *from July 2019*
- ▶ **Matthew Hopkins**, Chief Executive
- ▶ **Graham James**, Acting Chief Medical Officer, *May-July 2019*
- ▶ **Suneil Kapadia**, Chief Medical Officer *until May 2019*

- ▶ **Dame Julie Moore**, Non-Executive Director
- ▶ **Vicky Morris**, Chief Nursing Officer
- ▶ **Sir David Nicholson**, Chairman
- ▶ **Robert Toole**, Interim Chief Finance Officer, Chief Finance Officer *from September 2019*
- ▶ **Bill Tunncliffe**, Non-Executive Director
- ▶ **Steve Williams**, Non-Executive Director
- ▶ **Mark Yates**, Non-Executive Director

### Non-voting members of Trust Board

- ▶ **Richard Haynes**, Director of Communications and Engagement
- ▶ **Colin Horwath**, Associate Non-Executive Director
- ▶ **Helen Lewis (Vikki)**, Chief Digital Officer *from January 2020*
- ▶ **Dame Julie Moore**, Non-Executive Director
- ▶ **Tina Ricketts**, Director of People and Culture
- ▶ **Richard Oosterom**, Associate Non-Executive Director
- ▶ **Kimara Sharpe**, Company Secretary
- ▶ **Sarah Smith**, Director of Strategy and Planning

Details of all the Board members and their declaration of interests can be viewed at [www.worcsacute.nhs.uk/our-trust/our-board](http://www.worcsacute.nhs.uk/our-trust/our-board)

### Non-Executive Directors

The non-executive directors (NEDs) bring a wealth of experience to the Trust Board, from private sector commercial business to management within a large public sector organisation. Associate non-executives were also appointed during the year to support the work of the board.

## Clinical Engagement in decision making

Input from senior clinicians to the strategic direction of the Trust has been led by the five clinical divisions and the active engagement of their leadership teams.

The Trust Management Executive meets monthly to discuss the operational direction of the Trust. This Group, chaired by the Chief Executive, consists of the Board Executive Directors, the Divisional Medical Directors and other key senior staff from throughout the organisation.

## Governance

The Governance Structure for the Trust was revised during the year. The revised structure allows the board to gain assurance on the delivery of the corporate objectives, quality of services and the financial and operational performance of the Trust.

Audit and Assurance Committee has reviewed Finance and Performance, People and Culture and Quality Governance Committees. Audit and Assurance Committee has undertaken a self-assessment in accordance with guidance in the Audit Committee handbook.

The Board has been developing its approach to risk management with the approval of its risk appetite in January 2020. From April 2020, the Board and committee agendas will be structured around the key risks, as identified by the Board Assurance Framework and the Corporate Risk Register, both of which are linked to the Annual Plan objectives.

The **Quality Governance Committee's** purpose is to enable the Board to obtain assurance that the quality of care within the Trust is of the highest possible standard and ensure that there are appropriate clinical governance systems and processes and controls are in place throughout the Trust. The Committee is chaired by Dr Bill Tunnicliffe.

The **Finance and Performance Committee's** purpose is to give the Board assurance on the management of the financial and corporate performance of the Trust and to monitor and support the financial planning and budget setting process. The Committee is chaired by Richard Oosterom.

The **Audit and Assurance Committee's** role is to critically review the governance and assurance processes upon which the Trust Board places reliance, ensuring that the organisation operates effectively and meets its strategic objectives. The Audit and Assurance committee works closely with the External and Internal Auditors. The process for managing the Board Assurance Framework is presented to the Committee on a regular basis. It also receives regular reports from the Freedom to Speak Up Guardian, Data Quality Champion, Local Counter-Fraud Specialist and Local Security Management Specialist. The Trust currently complies fully with the National Strategy to combat and reduce NHS fraud. The Committee is chaired by Steve Williams.

The **Charitable Funds Committee** has been established to manage the Trust's Charitable Funds on behalf of the Trust, as Corporate Trustee. The Committee is chaired by Mark Yates.

The **Remuneration and Terms of Service Committee** is constituted as a standing committee of the Board for reviewing the structure, size and composition of the Board of Directors and making recommendations for changes where appropriate. The Committee is chaired by Sir David Nicholson.

The **People and Culture Committee** oversees the implementation of the Trust's People and Culture Strategy and is chaired by Mark Yates.

There is overlap of membership of NEDs on the board subcommittees.

Full details of membership of the Trust Committees can be found on page 45 in the Annual Governance Statement section.



## Personal Data Incidents 2019/20

Details of Information Governance related incidents can be found on page 43 in the Annual Governance Statement.

## Cyber security preparedness

The risk around cyber security is currently sitting on the corporate risk register, supported by a robust Cyber Security Action Plan. This plan is monitored by the Information Technology Security and Risk forum, which in turn reports in Information Governance Steering Group. The Cyber Security Action Plan is sensitive in nature, but full assurance is provided on the detail through these meetings.

An NHS Digital sponsored review of the Trusts Cyber Operational and Resilience reported back to the Trust in 2019. The review covered technical infrastructure security, procurement, communications and policy. The procurement recommendations take into account partners, suppliers and third parties and set out to deal with standardising cyber security within current contracts, and setting clear processes in place for cyber in terms of future procurement.

## Statement on disclosure to auditors

Each director knows of no information which would be relevant to the auditors for the purposes of their audit report, and of which the auditors are not aware, and has taken 'all the steps that he or she ought to have taken' to make himself/herself aware of any such information and to establish that the auditors are aware of it.



**Matthew Hopkins**  
Chief Executive

Date: 22<sup>nd</sup> June 2020

# Annual Governance Statement 2019/20

## 1. Introduction

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS 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 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 Trust Accountable Officer Memorandum.

I have a duty of partnership to discharge, and therefore work collaboratively with other partner organisations. The Trust is working collaboratively wherever possible with the appropriate Local Authorities, voluntary sector, University and other local education establishments as well as NHS Commissioners (CCGs and NHS England and Improvement) and other NHS providers of services. The Trust has a range of formal and informal mechanisms in place to facilitate effective working with key partners in the Worcestershire health economy. We are an active partner in the Herefordshire and Worcestershire Sustainability and Transformation Partnership (STP), with a number of our Executives and senior leaders leading key bodies of work, such as the Herefordshire and Worcestershire Local Maternity and Neonatal System development. We also attend the Worcestershire Health Overview and Scrutiny Committee as required.

Other partnership groups have been operationally focussed due to the operational and financial challenges currently faced by the Health Economy. These groups include the A&E Delivery Board and the System Improvement Board. The Trust also has a formal partnership arrangement with University Hospitals Coventry and Warwickshire NHS Trust in relation to oncology services for Worcestershire.

During 2019/20 we undertook an option appraisal to determine our future formal partnership arrangements for oncology, head and neck and urology services. We are working with University Hospitals Birmingham to formalise a working relationship.

The Trust is an active partner in the System Wide Command and Control, set up to manage the COVID-19 pandemic. This includes daily Gold and Silver Command meetings and the local system resilience forum. These meetings are in addition to the internal incident response to the pandemic.

The Trust has been monitored and assessed by a wide range of external agencies. These have included the three local Clinical Commissioning Groups (merged into one from 1 April 2020), Cancer Peer Review, Royal Colleges, Health Education West Midlands, NHS England/Improvement (NHS E/I), the Care Quality Commission (CQC), NHS Resolution and the Health and Safety Executive. This is not an exhaustive list of organisations that monitor and assess the Trust for assurance purposes. The Trust is also monitored by Healthwatch and the Worcestershire Overview and Scrutiny Committee.

I have regular contact with NHS E/I through a range of groups, individual, informal and formal meetings. Effective relationships are also in place with the executive team for the three Worcestershire clinical commissioning groups. All Executive Directors are fully engaged in the relevant networks, including nursing, medical, finance, operations and human resources. I hold regular meetings with the six County MPs and with the Worcestershire County Council Cabinet Member for Adult Social Care and the Chair of that Council's Overview and Scrutiny Committee.

As at 31 March 2020 the Trust's adjusted financial performance deficit excluding PSF, FRF and MRET funding and impairments for 2019/20

was £(81.5)m against a £(82.8)m planned deficit and its cumulative deficit against the break-even duty was £(349.8)m. The Trust did not sign up to the Control Total in 2019/20 (£(64.6)m pre PSF, FRF and MRET funding) and was therefore not eligible to earn any 2019/20 Provider Sustainability Fund income amounting to £26.9m, although a final payment of £0.5m relating to 2018/19 performance was received during the year.

The Trust delivered marginally better than its submitted financial plan, although it was unable to reduce the deficit to its internal stretch target of £(73.7)m as efficiency improvements did not deliver above the originally identified level. The position against submitted financial plan is largely driven by income margin growth; slippage in planned business case expenditure, and reduced costs related to the provision of additional bed capacity.

The Trust has met its statutory duties of External Funding Limit and Capital Resources Limit. However the Trust has not complied with its statutory Break Even Duty required by the National Health Service Act 2006. Grant Thornton, the Trust's external auditors, issued a referral to the Secretary of State under section 30 of the Local Audit and Accountability Act 2014 in March 2020 due to the Trust's failure to comply with the Break Even Duty.

The Annual Plan for 2019/20, Building for the future, was approved by the Board at its June 2019 meeting setting out a different way of working. This Plan detailed the revised Strategic Objectives for the Trust and launched the 'pyramid' for Putting Patients First. The Annual Plan for 2020/21 was approved by the Board in March 2020. Performance against objectives will be monitored and actions identified through a number of channels:

- ▶ Approval of annual budget by the Trust Board.
- ▶ Detailed Monthly review by the Finance and Performance Committee on key performance indicators covering finance and activity

- ▶ Monthly reporting to the Quality Governance Committee on patient safety and quality
- ▶ Bimonthly reporting to the People and Culture Committee on human resource performance indicators
- ▶ Reporting by the Committees to the Trust Board at each meeting
- ▶ Monthly review of the delivery of Cost Improvement Plans by the Finance and Performance Committee to ensure that savings targets are being met.
- ▶ Monthly divisional performance meetings
- ▶ Monthly Trust Management Executive meetings where key operational decisions are made
- ▶ Divisional Board and Governance meetings

During the first half of 2018, the Trust was able to access £11m in capital PDC and loans to allow work to begin (pre Full Business Case) on the construction of a link bridge between the main Worcestershire Royal Hospital building and the Aconbury East ward block building on the former Newtown Road Hospital site. The link bridge opened in January 2019 and the refurbishment of the Aconbury East building is well advanced with the last of four new wards opening in May 2020, providing 79 additional acute beds. This development has provided much needed additional G&A bed capacity at the WRH site to support both the centralisation of services and ongoing capacity issues at the Trust. The Full Business Case is to be presented to the Trust Board in May 2020.

I will now outline the key areas of responsibility and control in more detail.

## 2. Quality

We have been in the Trust Quality Special Measures regime since December 2015. The Trust improved its overall CQC rating to requires improvement in September 2019, following a planned inspection in May/June 2019 (see overall rating below).

At the time of publication, the CQC recommended that the Trust came out of quality special measures. However, NHS E/I Provider Oversight Committee did not uphold this recommendation pending evidence of a sustained improvement in performance and quality and evidence of a system-wide improvement approach. NHS E/I has continued to provide support in assigning an Intensive Support Director to the Trust, allocating special measures funding to pump prime quality and performance improvement initiatives and earmarking funds for the appointment of a System Intensive Support Director.

Until December 2019, we had no conditions on our CQC registration. Following an unannounced inspection of our emergency departments in December 2019, the Trust had the following section 31 conditions placed on its registration:

- **Regulation 12 (2) (a) (b) (i)**  
The trust must ensure that ambulance handovers are timely and effective.
- **Regulation 12 (2) (a) (b) (i)**  
The trust must ensure that all patients are assessed in a timely manner and ensure that patients receive assessment and treatment in appropriate environments.
- **Regulation 12 (2) (a) (b) (i)**  
The trust must ensure that patients receive medical and specialty reviews in a timely manner.
- **Regulation 12 (c)**  
The trust must ensure that consultant and nurse cover in the department meets national

guidelines. Trainee consultants must not be classed as 'consultants' on the staffing rota.

- **Regulation 12 (2) (a) (b) (i)**  
Fully implement the trust wide actions to reduce overcrowding in the department.
- **Regulation 10 (1)**  
The trust must ensure that the privacy and dignity of patients receiving care and treatment in the emergency department is maintained at all times.

Additionally, the Trust has been mandated to report fortnightly to the CQC in relation to effective management of patients, environmental risk assessments and paediatric staffing levels.

The report relating to the unannounced visit was published on 13 February 2020 and the overall rating for the emergency departments was reduced to inadequate.

As this was a partial inspection, not all domains were reviewed and our overall rating of requires improvement, was not altered. The altered ratings are shown below:

The Trust is otherwise fully compliant with the registration requirements of the Care Quality Commission. Our registration details have been checked and meet the statutory requirements.

Following the Trust-Wide inspection and Well-Led review carried out by the CQC in 2019, the Trust retained its overall rating of "Requires Improvement" for the Well-Led domain, and the CQC noted that the Trust was continuing to establish an experienced Executive Team with a comprehensive knowledge of Trust priorities and challenges facing the Trust, and the "skills, abilities and commitment to provide high-quality services".

The improvements in leadership across the Trust were reflected in the improved ratings by site, which saw Worcestershire Royal Hospital (WRH) improving from "Inadequate" to "Requires

Improvement", and the Alexandra General Hospital (AGH) and Kidderminster Hospital and Treatment Centre (KTC) increasing by two ratings, moving up from "Inadequate" to "Good" in the Well-Led domain.

Improvements were seen in the Well-Led domain for individual Core Services as follows:

- ▶ Urgent and Emergency Services improved from "Inadequate" to "Requires Improvement" at WRH, AGH and KTC
- ▶ Medical Care improved from "Requires Improvement" to "Good" at WRH, AGH and KTC
- ▶ Surgery increased by two ratings from "Inadequate" to "Good" at WRH, AGH and KTC, (the rating decreased to "Requires Improvement" at Evesham Community Hospital)
- ▶ Services for Children and Young People improved from "Requires Improvement" to "Good" at WRH
- ▶ Outpatient Services increased by two ratings from "Inadequate" to "Good" at WRH, AGH and KTC
- ▶ Diagnostic Imaging Services improved from "Requires Improvement" to "Good" at KTC, and retained the rating of "Requires Improvement" at WRH and AGH

The report also stated that the Board and the Senior Leadership Team had a clear vision and values which are at the centre of all work within the organisation, ensuring that a patient-centred culture is embedded, and continuing the commitment to providing development opportunities for managers throughout the organisation.

## 2.1 Quality Improvement Strategy

Our Quality Improvement Strategy and associated plans, presented to the Trust Board in March 2018, have been monitored through the Quality Governance Committee and the Trust Management Executive (chaired by myself) and reported to the Trust Board. Divisional implementation plans are in place to support implementation and ensure a golden thread from Board to Ward. A key action for 2020/21 is the development of another three-year Quality Improvement Strategy and we have been undertaking engagement events during 2019/20 in preparation for this work.

## 2.2 Quality Governance

I should like to emphasise the importance of the Quality Governance Committee (QGC) and the Clinical Governance Group (CGG). The CGG consists of the Trust senior clinical staff who then are able to assure the QGC on the work of the Trust wide Groups and Divisions. The Groups accountable to the CGG are as follows:

- ▶ Patient and Carer
- ▶ Research and Development
- ▶ Trust Infection, Prevention and Control
- ▶ Safeguarding
- ▶ Medicine optimisation
- ▶ Incident learning and review
- ▶ Medical devices
- ▶ Improving patient outcomes
- ▶ Avoidable mortality
- ▶ Blood transfusion
- ▶ Harm free

CGG is supported by the Divisional Governance Forums and specialist groups covering areas such as infection prevention control, clinical effectiveness and safeguarding. Attendance by the clinicians is excellent and they present their quality exception reports, key risks and mitigations through the corrective action statements.

The Trust Management Executive (TME) has been operational for the whole of 2019/20. Membership includes the Executive Team, the Divisional Directors, the Chief Pharmacist, Director of Estates and the Head of Allied Health Professionals. This monthly meeting is our operational decision making forum and discusses and approves key items before they are presented to the relevant Committee for assurance.

The CGG reports every month to the Trust Management Executive and through the Integrated Quality Report, to the Quality Governance Committee for assurance.

## 2.3 Learning from Deaths

During 2019/20, The Trust commissioned an external review into the elevated mortality indicators and this was published in November 2019. Despite the high mortality indicators most of the 225 deaths reviewed were due to irreversible disease and contrary to other comparative reviews the frequency of avoidable factors was low which reflects well on the staff caring for an elderly frail population. No specific cases required escalation.

However, a number of concerns in care were identified which included: prolonged lengths of stay; nutrition and hydration; extended stays in ED while waiting for an appropriate inpatient bed; multiple handovers of patients between clinicians; delays in escalation and lack of recognition of end of life care. As the review did not raise any significant concerns with failures of care, it was agreed to focus on the review of cases from January 2019 where learning would be most applicable to current practice. Therefore any outstanding reviews prior to this will not be pursued. Additional medical examiner capacity is being identified and the aim is to provide real time review which will support both families and junior medical staff.

Clinical engagement with the mortality reviews had been suboptimal and there had been too much focus on process. Meaningful learning

from deaths was therefore compromised. From the beginning of 2020/21, we now have a full complement of medical examiners and we are reviewing deaths in a timely manner. We will maintain this position throughout 2020/21.

We continue to report quarterly to the Trust Board on the learning from deaths.

### 2.3.1 Regulation 28 letters

During the year, the Trust received one Regulation 28 letter (a report to prevent future deaths) from the Coroner. This concerned record keeping. We have reviewed our discharge records and in particular the information given to patients on discharge to reflect the coroners' findings.

## 2.4 Quality impact assessments

The process for undertaking Quality Impact Assessments has been revised during 2019/20. Quality impact assessments (including equality and diversity) are undertaken for all developments and cost improvement plans that could have an impact on quality. These are reported to the TME and Quality Governance Committee and to the Audit and Assurance Committee for assurance on the process undertaken. We have plans to truncate the Quality Impact Assessment process during the COVID-19 pandemic.

## 2.5 Research and Development

We recognise that R&D is integral to a successful Trust. We will be reinvigorating our strategy during 2020-21. We have appointed a new lead for R&D and participation in R&D based activity continues to rise. The Trust is progressing in line with its targets, increasing overall recruitment of patients into trials from 1082 to 1206 increasing the number of principal investigators (PI) by 10 in the last 12 months. A third target was increasing the number of specialities participating in R&D to 18 which has been achieved as we are currently recruiting into 22 Clinical Research Network defined specialities. All of the commercial research



studies closing this year have recruited to time and target. Of the non-commercial research, 81.8% of studies closed so far this year have recruited to time and target. The forecast for the end of the year is that 87.5% of studies will recruit to time and target. The team were shortlisted as a national centre for Commercial trial development which demonstrates the increasing skill set in the department.

## 2.6 Annual Quality Account

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year.

The Quality Governance Committee assures the Trust Board in relation to the quality account and is overseeing the production of the 2019/20 Quality Account. The quality priorities have been developed following consultation with our staff and patients and were agreed at the February 2020 meeting of the Committee. Comments have been sought from partners to ensure a balanced view. There is no requirement for a quality accounts audit opinion this year.

## 2.7 Management of risk

### 2.7.1 The risk and control framework

Risk Management is embedded within the organisation including throughout our Committee structure. We are undertaking further work to ensure that our Board and Committees focus on areas with the highest level of risk and are our greatest priorities. In March 2020 the Board agreed a statement of risk appetite for the Trust to aid the quantification of risks.

We have an incident reporting and feedback system and risk management is included within all job descriptions, including both training and the processes for the assessment of risk as well as the reporting and investigation of incidents.

### 2.7.2 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 Worcestershire Acute Hospitals NHS Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Worcestershire Acute Hospitals NHS Trust for the year ended 31 March 2020 and up to the date of approval of the annual report and accounts.

### 2.7.3 Capacity to handle risk

I have designated the following posts as executive leads:

- ▶ **Clinical risk management**  
Chief Nursing Officer
- ▶ **Clinical governance**  
Chief Nursing Officer
- ▶ **Medical education, audit and effectiveness and research and development**  
Chief Medical Officer
- ▶ **Patient safety, medicines optimisation, learning from deaths and medical revalidation**  
Chief Medical Officer
- ▶ **Information governance**  
Chief Finance Officer
- ▶ **Financial risk and anti-fraud**  
Chief Finance Officer
- ▶ **Corporate governance**  
Company Secretary
- ▶ **Data Protection Officer**  
Company Secretary

## 2.7.4 Risk Management Strategy

The Risk Management Strategy (RMS) is an integral part of the Trust's approach to continuous quality improvement and is intended to support and assist us in delivering our key objectives as well as meeting the requirements contained within the NHS Constitution. A revised RMS was presented to and approved by the Board in January 2020. Risk appetite statements were also approved and during 2020/21 the Trust will be embedding the use of the statements. There is continuous review of the risk registers and the Board Assurance Framework shows clear links to the risks on the corporate risk register.

The Audit and Assurance Committee gives assurance on the implementation of the Risk Management Strategy.

## 2.7.5 Identification of risks

The Trust identifies risks from a range of internal, external, proactive and reactive sources. The stages involved in risk management are defined in the Trust Risk Management Strategy as follows:

- Identify the risk and the owner
- Evaluate the risk
- Compare against tolerance
- Identify controls and actions required
- Implement controls
- Monitor/measure effectiveness.

## 2.7.6 Staff Awareness

Staff continue to be made aware of their risk management responsibilities as part of the induction process, and existing staff are required to attend a mandatory annual update in respect of risk management. Training needs of staff in relation to risk management are assessed through a formal training needs analysis process with staff receiving training appropriate to their authority and duties. The role of individual staff in managing risk is also supported by a framework of policies and procedures which promote learning from experience and sharing of good practice.

Specific training targeted at Executive Directors, Non-Executive Directors and Managers has been undertaken.

## 2.7.7 Incident reporting

Our e-based reporting system, Datix, has been rolled out throughout the organisation so that incidents can be input at source and in real time and data can be interrogated through ward, team and locality processes, thus encouraging local ownership and accountability for incident management. The Trust has an on-going training programme around Datix and how to register incidents, risks and complaints that is open to all staff from Board to Ward on both a classroom-based approach and 1-2-1 intensive training.

## 2.7.8 Corporate Risk Register

The Trust has a Corporate Risk Register in place which outlines the key corporate risks for the organisation and action identified to mitigate these risks. This register has been formed from the risks identified within clinical divisions and corporate services, Trust Committees and through other risk identification activities. The key clinical risks relate to:

- Infection Prevention and Control
- Patient Flow
- Sterile Services

There has been a focus on infection control throughout the year and whilst the Trust has not met its targets for key infection numbers, assurance on the systems and processes has been gained through the NHSE/I inspection regime and in October 2019, the Trust was rated green. A review of surgical instruments by an external provider identified concerns over practice in Sterile Services. As a result there has been a review of all surgical instruments and implementation of a replacement programme. In addition an external review of current practice in Sterile Services has resulted in the development of a rectification plan which is being implemented.

## 2.7.9 Risk Management Governance

The Risk Management Group has matured during 2019/20 and assurance has been obtained at the Audit and Assurance Committee in respect of its working. The Risk Management Group approves risks for inclusion onto the Corporate Risk Register. High rated risks are presented to the Risk Management Group which then recommends risks for inclusion within the Corporate Risk Register to TME. In relation to clinical risks, the Trust Management Executive oversees the mitigations for each risk and the Quality Governance Committee receives reports for assurance. The Finance and Performance Committee oversees mitigations for the finance and operational performance risks and the People and Culture Committee oversees mitigations for the staff risks. Outcomes are assessed at the Risk Management Group where the risk rating is determined and changed, according to the progress of the mitigations.

## 2.7.10 Serious incidents and never events

Serious incidents and never events are thoroughly investigated and improvements made at local and corporate levels to reduce the likelihood of re-occurrence. There were 83 confirmed serious incidents reported between 1 April 2019 and 31 March 2020 (compared to 102 the previous year). Of these 83, 16 are under investigation and are still within the timescales for submission. This number includes 8 cases being investigated by the HSIB (Healthcare Safety Investigation Branch). Of the 59 that have been submitted to Commissioners, 100% were submitted within the national timescale of 60 days. Four cases (in addition to the 59) were submitted late but they had been investigated by the HSIB and so were outside our control. By 31 March 2020, we had 0 serious incidents overdue which compares to 1 in March 2019.

A fundamental part of embedding a safety culture is ensuring robust identification and management of incidents and ensuring learning is shared at an

organisational level. The Trust has weekly multi-disciplinary Serious Incident (SI) Learning and Review meetings chaired by the Chief Medical Officer. All incidents are categorised for level of harm by the divisional governance teams using a checklist and escalated to the SI group accordingly. The group reviews the root cause analyses of all SIs and assess whether any deaths are as a consequence of the event, were avoidable or not through the mortality review process. They also consider Initial Case Reviews (ICRs) for all new incidents which Divisions have categorised the outcome as moderate harm or above, and those which may require external notification. In addition, the group assesses compliance with Duty of Candour, whether the terms of reference are appropriate, and that an investigating officer has been allocated. Each meeting concludes with a lesson of the week for wider learning across the Trust. Once a month, cases with important learning which affect multiple divisions are presented at the start of the meeting which is open to all staff to attend.

There were 8 never events reported in the Trust between 1 April 2019 and 31 March 2020, two related to retained foreign objects (ophthalmology ports and surgical swab), and six related to wrong site surgery. This resulted in minor (6) and moderate (2) harm to the patients; an apology and explanation was given to all patients as part of Duty of Candour. Learning from the incidents to date highlighted that;

- ▶ Advances in technology may result in changes to procedural techniques that require the reassessment of a procedure/task against existing policies or guidelines in place to ensure the continued safety of patient care;
- ▶ The impact of not having a medical illustration service or sufficient photography equipment on specialties where it is considered best practice to ensure high-quality medical photography as an essential part in the recording, surveillance and storage of images for clinical decision making, and;

- ▶ The importance of accurate descriptions using anatomical terms as an essential component for communicating surgical sites to colleagues who are expected to carry out procedures but are not present at the time of consultation and action has been taken to address this.

A quarterly report from the group is submitted to the Clinical Governance Group and then to the Trust Management Executive followed by the Quality Governance Committee which then assures the Board.

### 2.7.11 Complaints

We have also committed to ensuring that we do not delay in responding to complaints and investigating serious incidents. By 31 March 2020, we had 15 complaints overdue which compares to 17 in March 2019.

### 2.7.12 Learning lessons

The Trust continues to learn lessons in a variety of ways, including from the following sources:

- ▶ Incidents
- ▶ Patients' Advice and Liaison Service (PALS)
- ▶ Complaints and compliments
- ▶ Friends and Family Test
- ▶ Litigation Claims
- ▶ Clinical Audit and Clinical Outcome Reviews
- ▶ Clinical Incident Reports, reviews and analysis including serious incidents and never events
- ▶ Morbidity and Mortality data (HSMR/SHMI)
- ▶ External Reports (for example the National Confidential Enquiry into Peri-operative Death, reports from the Royal Colleges)

- ▶ Patient and Staff surveys
- ▶ Internal quality inspections
- ▶ Huddles
- ▶ Mortality reviews
- ▶ Duty of Candour
- ▶ Quality performance metrics
- ▶ Board Executive safety walk rounds
- ▶ Health Education West Midlands – visits and inspections
- ▶ External reviews by the CQC, NHSE/I, Royal Colleges and Clinical Commissioning Group.

This is not an exhaustive list. Learning lessons is programmed into the weekly serious incident meeting and there is a regular newsletter on learning lessons.

As well as this, a 'lesson of the week' is communicated via the weekly brief and some lessons communicated have been in relation to: rebooking outpatient appointments, supernumerary /supervised practice for all doctors new to the NHS, MRSA swabbing of patients post admission, those with chronic wounds and those with indwelling catheters and allergic reactions vs side effect/intolerance.

All lessons of the week are on the Trust's intranet site and accessible via the front page.

### 2.7.13 COVID-19

We have responded promptly to the significant change in circumstances of the COVID-19 pandemic by invoking the Major Incident Plan. The Command and Control structure is now embedded with Bronze, Silver and Gold meeting seven days a week. The Bronze Commander is

the Director of Strategy and Planning, Silver is the Chief Nurse and Gold is the Deputy Chief Executive. We have an active risk register in place specifically for COVID-19 with a risk being placed on the Board Assurance Framework. We are aware that with the cancellation of routine surgery and delays to some cancer screening, harm may well take place to some patients. We are developing a robust approach to the harm review process specifically for use within the pandemic.

The Board agreed in March 2020 that for the foreseeable future Board and Committee (including Trust Management Executive) meetings be held virtually using a recognised video conference platform with a focussed agenda. As specified by NHS England, our Trust Board meetings will not be open to the public. There is a notice on our website letting the public know that we will be undertaking virtual meetings in April and May 2020, and papers will be published as normal. HealthWatch Worcestershire will be invited to participate in virtual meetings.

The meeting attendance is reduced to enable key operational leaders to focus on immediate incident response matters, although each meeting is quorate. The agendas for Committees have focused on assurance of the impact of COVID-19 on the business of the Trust, as well as elements of the normal assurance or performance management work plan of the Committees. Minutes and actions are produced as normal together with a summary of the key issues for the Trust Board. A log will be kept of items deferred from the normal agendas and these will be considered with the lead Executive Director when the incident is scaled down. The Chairs of these meetings remain as identified on the extant terms of reference and the scheme of delegation remains.

### 3. Safety & leadership walkabouts

Safety and leadership walkabouts by the Executive Management Team and Non-Executive Directors were in place during 2019/20 prior to the onset of the COVID-19 pandemic. The process is undergoing a Plan Do Study Act (PDSA) cycle and will be implemented as soon as safety and leadership walkabouts are re-introduced in 2020/21 with the introduction of a real time electronic application being used to record visits. This approach will be reviewed before the end of 2020/21.

### 4. Board Assurance Framework

We recognise the importance of a robust Board Assurance Framework (BAF) and as such, it is received four times a year by the TME, each committee and the Trust board (May, July, November, March). The Audit and Assurance Committee reviews the process and controls for each Board submission. The BAF was revised in January 2020 to reflect the annual plan priorities for 2020/21 and the revised BAF was approved by the Board in March 2020. An extra BAF risk on COVID-19 was approved following the Trust Board in March 2020.

The strategic risks, controls and mitigations presented to the Board through the Board Assurance Framework, identified by the Board and monitored through the Committees, are as follows:

Priority/risk	Summary of controls/mitigations*
<b>Priority 1. Deliver safe, high quality compassionate patient care</b>	
IF we do not have in place robust clinical governance for the delivery of high quality compassionate care THEN we may fail to consistently deliver what matters to patients RESULTING IN negative impact on patient experience (including safety & outcomes) with the potential for further regulatory sanctions.	Development of a framework for clinical governance.
IF we do not deliver the Quality Improvement Strategy (incorporating the CQC 'must and should' dos) THEN we may fail to deliver sustained change RESULTING IN required improvements not being delivered for patient care and reputational damage.	Ongoing sustained implementation of the Quality Improvement Strategy including a refreshed strategy and year 2 divisional plans.  Publication of Quality Account.
IF we do not deliver the statutory requirements under the Health and Social Care Act (Hygiene code) THEN there is a risk that patient safety may be adversely affected RESULTING IN poor patient experience and inconsistent/varying patient outcomes.	Ongoing sustained implementation of the Quality Improvement Strategy including a refreshed strategy and year 2 divisional plans.  Publication of Quality Account.
IF we do not achieve safe and efficient patient flow and improve our processes and capacity and demand planning THEN we will fail the national quality and performance standards RESULTING IN a negative patient experience and a failure to exit special measures and to attain STF funding.	Development of an Urgent Care Improvement Plan.
IF we do not have effective IT systems which are used optimally THEN we will be unable to utilise the systems for the benefit of patients RESULTING IN poorly coordinated care for patients and a poor patient experience.	Development of a Digital Strategy.
If COVID -19 manifests itself as is modelled by the Government, then there is a serious risk that the safety of patients will be compromised due to the lack of medical and nursing staff and equipment to enable treatment of the most seriously ill resulting in excess deaths.	Major incident control plan.
<b>Priority 2. Design healthcare around the needs of our patients, with our partners</b>	
IF there is a lack of a strategic plan which balances demand and capacity across the county THEN there will be delays to patient treatment RESULTING IN a major impact on the Trust's ability to deliver safe, effective and efficient care to patients.	Development of the winter plan and system plan.



Priority/risk	Summary of controls/mitigations*
<b>Priority 3. Invest and realise the full potential of our staff to provide compassionate and personalised care</b>	
IF we do not deliver a cultural change programme THEN we may fail to attract and retain staff with the values and behaviours required RESULTING IN lower quality care for our patients.	Implementation of 4ward.
IF are unable to recruit, retain and develop sufficient numbers of skilled, competent and trained staff, including those from the EU THEN there is a risk to the sustainability of some clinical services RESULTING IN lower quality care for our patients.	Implementation of the learning and development plan and the recruitment and retention plan.
<b>Priority 4. Ensure the Trust is financially viable and makes the best use of resources for our patients.</b>	
IF we are unable to resolve the structural imbalance in the Trust's income and expenditure position THEN we will not be able to fulfil our financial duties RESULTING IN the inability to invest in services to meet the needs of our patients.	Development of a medium term financial strategy.
IF we are not able to unlock funding for investment THEN we will not be able to modernise our estate, replace equipment or develop the IT infrastructure RESULTING IN the lack of ability to deliver safe, effective and efficient care to patients.	Development of a medium term financial strategy.
<b>Priority 5. Continuously improve our services to secure our reputation as the local provider of choice.</b>	
IF we are unable to sustain our clinical services THEN the Trust will become unviable RESULTING IN inequity of access for our patients.	Development of a clinical services strategy.
IF we have a poor reputation THEN we will be unable to recruit or retain staff RESULTING IN loss of public confidence in the Trust, lack of support of key stakeholders and system partners and a negative impact on patient care.	Implementation of the People and Culture Strategy.

\* the full controls, mitigations and assurances can be reviewed in the Board Assurance Framework approved at the Trust Board in May 2019 & March 2020.

## 5. Quality Performance Data

During 2019 we commissioned an external review of our data quality. MBT (an organisation specialising in this areas of work) reviewed our data quality and whilst they were able to assure that the technical data quality was very good, they ascertained that the Trust was not using the data to its full potential. A set of recommendations will be completed by the Autumn 2020. We are committed to continuous improvement in data quality. We support a culture of valuing high quality data and strive to ensure all data is accurate, valid, reliable, timely, relevant and complete. Identified risks and relevant mitigation measures are included in the risk register. Work continues to ensure the completeness and validity of all data entry, analysis and reporting.

To support this, and to triangulate learning and evidence of compliance, we undertake quality audits. These audits provide regular information at a ward level as to adherence to key clinical assessments and patient documentation completeness, in addition to information regarding environmental standards. The quality audits identify areas of good practice and highlight where further training or support is required.

The Safety and Quality Information Dashboard (SQulD) continues to evolve and is utilised within the Trust. The system is a Ward to Board system which highlights performance around quality and safety, and when we are not where expected to be, what is being done about it. It incorporates all our agreed key quality metrics, and is aligned to risks, gaps in controls and corrective actions. This can be viewed by all and is used as part of the Trust's process to provide Ward to Board assurance. Critically, over the last financial year, significant work has taken place to align SQUID with the new Pathway to Platinum (P2P) (ward accreditation scheme), to support the quantitative element of P2P with robust reporting. Ward metrics under the P2P scheme are available for review by all our staff and used to help identify

high performing wards and exemplars, and wards which need additional support.

### 5.1 Waiting time elective data

We have a Data Quality Framework to facilitate an understanding amongst staff as to what 'Data Quality' means, the methodology to use when monitoring data quality, and to emphasise that any individual who creates, records or uses data is accountable for understanding and making transparent the level of confidence using the data quality domains.

We assure the quality and accuracy of the elective waiting time data through rigorous quality assurance mechanisms, checks on patient level daily reporting, regular internal training around use of systems and RTT rules, and operational sign off of data. The risks to the quality and accuracy of this data are as follows: issues with data entry can lead to reporting inaccuracies, enabling staff to access systems without having undertaken training, application of the Trust Access Policy, complex workarounds being in place to compensate for limited validation within our systems and staff capturing data outside of the electronic systems.

### 5.2 Data Quality Steering Group (DQSG)

Our clinically led Data Quality Steering Group meets bi monthly and has oversight of our data quality log. It continues to support the improvement in the recording of all patient data at source in line with the 'Right First Time' policy. Work is ongoing with clinical staff to improve the timeliness and quality of the Electronic Discharge Summary (EDS) and real time Admissions Discharges and Transfers (ADTs), and with clerical staff to ensure the correct GP is recorded at source. Our Informatics led Ward Clerk forum which brings together our ward clerks and helps support 'getting it right first time' at the front line.

We operate a Data Quality Kitemark for key data items, highlighting known issues within the six domains as defined in the Data Quality Framework (accuracy, validity, reliability, timeliness, relevance and completeness).

The Clinical Lead for data quality is ensuring that the clinical voice is heard in respect of data issues. We are implementing a strategy to assure the complete, accurate and timely recording of all patient information.

The DQSG report to the Information Governance Steering Group (IGSG) and through to the Trust Management Executive on a regular basis.

## 6. People and Culture

The Trust is in year three of its People and Culture Strategy which is structured around three themes – an engaged, skilled and supported workforce. Metrics in all areas except for staff sickness have improved during the year. We will be developing the Strategy for 2020-23 in the early part of 2020/21. Progress relating to the People and Culture Strategy is reported through the Trust Management Executive for action and the People and Culture Committee for assurance.

The People and Culture Committee has oversight of the short, medium and long-term workforce strategies on behalf of the Board. The Committee meets bi-monthly and receives regular updates on progress against the Trust's people and culture strategy and strategic workforce plan.

In addition, key workforce metrics including establishment, vacancy rates and bank and agency usage are reported through the monthly Integrated Performance Report.

Compliance with the "Developing Workforce Safeguards" is overseen by the Chief Nursing Officer with monthly safer staffing reports submitted to either the People & Culture Committee (on the months that it meets) or

directly to the Board. Regular acuity audits using recognised evidence based tools are undertaken to inform the Trust's staffing models. The Trust has also adopted the safer staffing module on Allocate to ensure daily oversight of staffing levels.

### 6.1 Mandatory training

Our systems and processes in relation to the monitoring of mandatory training have much improved during 2019/20. Staff are able to undertake a large part of mandatory training through e-learning and can attend any of the Trust's libraries for support. The monitoring of mandatory training levels takes place through the performance management system and is monitored via the Trust Management Executive and the People and Culture Committee. There has been significant improvement in both the data quality and mandatory training levels attained by all staff across all subject areas.

### 6.2 Culture

We have undertaken considerable work as a Board to define the culture we wish to nurture and to be ambassadors for our 4ward behaviours. We monitor our culture through the triangulation of the NHS staff survey results and themes raised through the Freedom to Speak Up Guardian, HR casework, Occupational Health and staff engagement events. This analysis had confirmed that there is further work to do to improve our culture with actions being identified to address the root causes. We will continue to ensure that we demonstrate our 4 signature behaviours at every opportunity.

### 6.3 Staff survey

The 2019 national staff survey results showed improvements overall. The survey has 11 sections containing over 90 questions, with the results summarised in the table below.

## 6.4 Leadership development

A full programme of leadership and management development is in place with over 830 colleagues having participated in a programme during 2019. The latest staff survey results evidence the impact these programmes are having within the Trust.

## 6.5 Strategic workforce plan

The first iteration of our strategic workforce plan was issued in October 2019 and has been further developed as part of the annual planning round. We are working with the STP to develop a system strategic workforce plan as we recognise that workforce is a key element to the success of our Clinical Services Strategy and there are finite staff who work within the Worcestershire footprint.

## 6.6 Recruitment

We have had a successful international nurse recruitment drive which will result in over 100 additional registered nursing staff employed by the Trust by March 2020. We are actively recruiting to clinical fellow and physician associates posts and we are reviewing the roles of the clinical nurse specialists to determine how they can support further support the medical workforce.

## 6.7 Safe Staffing

Senior nursing staff review record our staffing levels at every shift make sure we continue to provide the best care and treatment for our patients. Following reviews of nurse and midwifery staffing reports to Board have confirmed that the Trust in March 2020 has an establishment that affirms safe staffing across ward areas.

## 6.8 Freedom to Speak Up

Our new Freedom to Speak Up Guardian, appointed in February 2020, is working to take the role forward and recruit more local champions. There are regular reports to the People and Culture Committee and Trust Board on her work and the Audit and Assurance Committee have a role in

reviewing the systems and processes in place to ensure staff have every opportunity to discuss workplace attitudes.

## 6.9 Pension Scheme

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

## 6.10 Equality, diversity, human rights

Control measures are in place to ensure that all our obligations under equality, diversity and human rights legislation are complied with. We have published both our equal pay report and our equality and diversity annual report.

## 7. Digital

The Board approved the Digital Strategy in June 2019. The objective of the Digital Strategy is to improve patients' health and well-being outcomes. It has three main areas of focus: remediation of failing IT infrastructure, and rolling out a Digital Care Record (DCR) across the Trust, and enabling innovative and effective digital enhancements to improve ways of working. The Digital Care Record Business Case was approved by the Trust Board in January 2020. This important step towards digital transformation further demonstrates the organisations focus and dedication to the digital element of Putting Patients First. The DCR will take three years to implement, and initial financial benefits are expected in year three.

We continue to ensure clear read-across to the aspirations in the STP Digital Strategy, to ensure consistency with STP level digital plans. The STP priority around a Local Health Care Record, along with the information sharing agenda is fully supported by the Trust. The NHS Long Term Plan has also been taken into account in the latest iteration of the Strategy, allowing the Trusts Digital Strategy to run co-terminously with the timescales set out in the Digital Chapter of the Long Term Plan.

## 7.1 Cybersecurity

The Trust received an external report on cybersecurity preparedness and is currently working to resource the requirements to ensure that we meet the national standards. The report (official secret) was considered by the Audit and Assurance Committee. Work is progressing well on the different domains of this report (policy and strategy, procurement, communications and technical remediation) with the limiting factors being capital funding to remediate aging infrastructure.

## 7.2 Information Governance

We place a high priority on the secure handling and accurate recording of personal identifiable information (PII) on behalf of our patients and staff. All staff are provided with an IG awareness session at induction. Our staff are aware of their responsibilities in relation to handling personal information in a confidential and secure manner through completion of the national Data Security Awareness training. As at February 2020, 86% of staff had completed their annual training and there is an action plan in place to improve the compliance rate by March.

There are regular articles in relation to IG and data security placed in the Trust's Weekly Brief and on the PC home screens. A newsletter is planned to go out to all staff in the early part of 2020/21 and will include all the latest news and guidance for staff. Following an incident in June 2019 which

the Trust reported to the Information Commissions Office (ICO), the Trust has run an extensive 'no excuse' campaign to inform staff that there is no excuse for accessing anyone's records unless they have a legitimate reason and are directly involved in that persons care. In February 2020 the Trust has reported a misplaced handover sheet to the ICO which had been handed in by a member of the public. There is a policy in place for the safe keeping of handover sheets and all new staff are instructed at induction on how to keep their handover sheets secure. This is also reiterated at the junior doctors forums, included in the Trust's Weekly Brief and there will be a reminder on the PC home screens in the near future. The Trust reported two data security incidents to Senior Information Risk Owner (SIRO) who approved the reporting to the Information Commissioners Office (ICO). There has been one disciplinary associated with data security.

All new systems and projects have a Data Protection Impact Assessment (DPIA) completed and where required data sharing or processing agreements are completed. Following the completion of the data mapping project which has identified all of the flows of personally identifiable data, internally and externally to other organisations, the Trust is now in a position to ensure data sharing agreements are in place where required.

Our Board has completed Cyber Security awareness training and specialist training has been provided to support the roles of the Senior Information Risk Owner (SIRO), the Data Protection Officer (DPO), the Caldicott Guardian and the Senior Information Asset Owners (IAO). The Trust has been working with Cyber specialist from NHS Digital who have provided the Trust with recommendations to further enhance its security posture along with the implementation of Cyber Essential requirements. The Governance structure around IG and cyber security is being strengthened and formalised through delegating system level information risk ownership to relevant information asset owners across the Trust. A meeting will be

convened to include those involved, at which roles, responsibilities and structures as well as interfaces with IG and IT will be explained.

The Information Governance Steering Group (IGSG) acts as a subcommittee of the Trust Management Executive (TME) and is set up to ensure the Trust has effective policies and management arrangements covering all aspects of Information Governance in line with the Trusts overarching Information Governance Policy. IGSG has three subcommittees; an IT Security and Risk Forum which brings together operational IT staff, the Data Protection Officer and the Caldicott Guardian to determine the data security risks, including cybersecurity; The Data Quality Steering Group (DQSG) provides assurance to IGSG that the Trust is fulfilling its duties to accurately record all patient activity on a timely basis, and to ensure that the Trust has a single set of Trust-wide effective policies and management arrangements covering all aspects of data quality. The Health Records Group (HRG) provides assurance to IGSG on the capture and usability of clinical information; the quality, availability and storage of clinical documentation as well as supporting the development and implementation of the Digital Care Record (DCR).

Due to COVID-19 the submission of the 2019/20 the Data Security and Protection Toolkit has been delayed until 30 September 2020.

## 8. Patient, Public Involvement

The Trust works closely with public stakeholders to involve them in understanding and supporting the management of risks that impact upon them. Stakeholders are able to influence the Trust in a number of ways, including patient involvement groups and public involvement in the activities of the Trust. In addition, the Chief Executive and Chairman meet the local MPs regularly. The Trust has directly engaged public stakeholders in the risk management process through the Patient and Public Forum and through PALS. In

addition a patient and public forum member sits on the Quality Governance Committee. Public involvement also occurs through the Trust complaints procedure and summaries of complaints are reviewed at the Patient and Public Involvement Forum. There is an opportunity for questions from the public following each Trust Board meeting held in public. We have reviewed our quality priorities as part of the Quality Account and have actively sought views from patients and the public in this review.

My review is also informed by reports from external inspecting bodies including External Audit and the PLACE (Patient-Led Assessments of the Care Environment) inspections. This is the system for assessing the quality of the patient environment. The action plans developed following the PLACE inspections are reviewed by the Patient and Carer Experience Committee. Our Patient and Public Forum carry out regular assessments across the Trust. These focus on the patient environment. The Forum also regularly carry out audits for example care in the corridor, drinks and mixed sex breaches.

## 9. Counter Fraud

We are committed to ensuring NHS resources are appropriately protected from fraud, bribery and corruption and follow the national NHS counter fraud strategy and the series of standards for providers of NHS services. As an NHS Provider the Trust ensures that NHS funds and resources are safeguarded against those minded to commit fraud, bribery or corruption. Failure to do so impacts on our ability to deliver services and treatment, as NHS funds and resources are wrongfully diverted from patient care.

In order to reduce economic crime against the NHS, it is necessary to take a multi-faceted approach that is both proactive and reactive. The Trust's Local Counter Fraud Specialist (LCFS) follows the four key principles, in accordance with the NHS counter fraud strategy. These are



designed to minimise the incidence of economic crime against the NHS and to deal effectively with those who commit crime.

The four key principles are:

- ▶ **Strategic Governance** - this sets out the standards in relation to the organisation's strategic governance arrangements. The aim is to ensure that anti-crime measures are embedded at all levels across the organisation.
- ▶ **Inform and involve** those who work for, or use the NHS, about economic crime and how to tackle it. NHS staff and the public should be informed and involved to increase everyone's understanding of the impact of economic crime against the NHS. This takes place through communications and promotion such as face to face counter fraud presentations, public awareness campaigns and media management. Working relationships with stakeholders are strengthened and maintained through active engagement.
- ▶ **Prevent and deter** economic crime in the NHS to take away the opportunity for crime to occur or to re-occur and discourage those individuals who may be tempted to commit economic crime. Successes are publicised internally during counter fraud presentations and using other media opportunities so that the risk and consequences of detection are clear to potential offenders. Those individuals who are not deterred should be prevented from committing economic crime by robust systems, which will be put in place in line with policy, standards and guidance.
- ▶ **Hold to account** those who have committed economic crime against the NHS. The Trust's LCFS is a professionally accredited investigator and is qualified to the required standards. Once allegations of suspected economic crime are received by the Trust, the LCFS must ensure that investigations are undertaken to satisfy national legislation. The Trust

encourages the prosecution of offenders, and where appropriate refers offenders to their professional bodies for disciplinary sanction. Economic crimes must be detected and investigated, suspects prosecuted where appropriate, and other methods of redress sought where possible. Where necessary and appropriate, economic crime, investigation and prosecution will take place locally wherever possible. Nevertheless the LCFS also works in partnership with the police and other crime prevention agencies to take investigations forward to criminal prosecution.

## 10. Governance

### 10.1 The Trust Board

The Board of Worcestershire Acute Hospitals NHS Trust sets the strategic direction for the Trust. The Trust is committed to setting high standards and the whole Board has signed up to the Nolan principles, requiring honesty and integrity in all matters.

The Non-Executive Directors (NEDs) bring a wealth of experience to the Trust Board, from private sector commercial business to management within a large public sector organisation. We have two Associate Non-Executive Directors supporting the work of the Board, specifically governance and finance/information technology.

The aim of the Board is to lead by example and to learn from experience and oversee the delivery of safe, effective, personalised and integrated care for local people, delivered consistently across all services by skilled and compassionate staff.

Procedures are in place to ensure all strategic decisions are considered at Executive and Board level.

The national emergency of COVID-19 meant that the Board needed to reconsider its way of working from the end of March 2020. It was determined that Board meetings would be

held virtually without the public (government social isolation requirements constitute ‘special reasons’ ref 001559 NHS publication) for at least the months of April and May 2020. Committee meeting agendas would be shortened with limited attendance, but at all times would be quorate during the major incident. I have held weekly virtual meetings with the Chair and the non-executive directors and the Chairman continues to have a regular presence on both main hospital sites. We have followed the guidance within the Russell and Reynolds paper Performance in a Crisis as well as the HFMA paper, NEDs and COVID-19.

In 2019/20 the Board met in public on 11 occasions, with meetings covering all three of our main sites. In the period covered by this annual report, the Board also held development sessions covering a wide range of topics including an in depth review of the Digital Care Record Business Case, the Digital Strategy, risk appetite and setting the strategic direction for the Trust. Additionally, the Board took part in Learning for Improvement, an NHS E/I sponsored development programme consisting of four seminars: organising for improvement, measurement for improvement, cultures and behaviours for improvement and governing for improvement.

#### The voting members of Trust Board during 2019/20 were as follows:

- ▶ **Paul Brennan**, Chief Operating Officer /Deputy CEO
- ▶ **Anita Day**, Non-Executive Director
- ▶ **Mike Hallissey**, Chief Medical Officer, *from July 2019*
- ▶ **Matthew Hopkins**, Chief Executive
- ▶ **Graham James**, Interim Chief Medical Officer – *May 2019 – June 2019*
- ▶ **Suneil Kapadia**, Chief Medical Officer *until May 2019*

- ▶ **Dame Julie Moore**, Non-Executive Director
- ▶ **Vicky Morris**, Chief Nursing Officer
- ▶ **Sir David Nicholson**, Chairman
- ▶ **Robert Toole**, Interim Chief Finance Officer *from 14 March 2019*, Chief Finance Officer *from September 2019*
- ▶ **Bill Tunncliffe**, Non-Executive Director
- ▶ **Steve Williams**, Non-Executive Director
- ▶ **Mark Yates**, Non-Executive Director

#### Non-voting members of Trust Board

- ▶ **Richard Haynes**, Director of Communications and Engagement
- ▶ **Colin Horwath**, Associate Non-Executive Director
- ▶ **Helen Lewis (Vikki)**, Chief Digital Officer *from 27 January 2020*
- ▶ **Tina Ricketts**, Director of People and Culture
- ▶ **Richard Oosterom**, Associate Non-Executive Director
- ▶ **Kimara Sharpe**, Company Secretary
- ▶ **Sarah Smith**, Director of Strategy and Planning

At all meetings there were more Non-Executive Director voting members present than Executive Director voting members.

#### 10.1.2 Public Board attendance

(maximum number of meetings – 11. Attendance is shown relative to the number of meetings that could have been attended)

		Attended
David Nicholson	Chairman	11/11
Matthew Hopkins	Chief Executive	10/11
Paul Brennan	Chief Operating Officer/Deputy CEO	10/11
Anita Day	Non-executive director	11/11
Mike Hallissey	Chief Medical Officer	7/8
Richard Haynes	Director of Communications	10/10*
Colin Horwath	Associate Non-Executive Director	10/11
Graham James	Interim CMO	2/2
Suneil Kapadia	Chief Medical Officer	1/1
Helen Lewis (Vikki)	Chief Digital Officer	1/3
Julie Moore	Associate Non-Executive Director	10/11
Vicky Morris	Chief Nursing Officer	8/10*
Richard Oosterom	Associate Non-Executive Director	9/11
Tina Ricketts	Director of People and Culture	10/11
Kimara Sharpe	Company Secretary	10/11
Sarah Smith	Director of Strategy and Planning	9/11
Robert Toole	Chief Finance Officer	11/11
Bill Tunnicliffe	Non-executive director	9/11
Steve Williams	Non-executive director	11/11
Mark Yates	Non-executive director	9/11

\* due to a visit from the Secretary of State, these Directors were unable to attend one meeting.

## 10.2 Committees

All Committees of the Trust Board are chaired by a Non-Executive Director to reflect the need for independence and objectivity, ensuring that effective governance and controls are in place. This structure ensures that the performance of the organisation is fully scrutinised. The Committee structure supports the necessary

control mechanisms throughout the Trust. The Committees have met regularly throughout the year and each report to the Board following their meetings.

During 2019/20, the Trust Board had the following Committees:

- ▶ Audit and Assurance
- ▶ Charitable Funds
- ▶ Finance and Performance
- ▶ Quality Governance
- ▶ Remuneration and Terms of Service
- ▶ People and Culture

All terms of reference for the Committees have been revised during the year and approved by the Trust Board.

Each Committee reports to the Trust Board following a meeting. These reports highlight the activities of the Committee and draw the Board's attention to areas of concern. The highlights of the Quality Governance and Audit and Assurance Committee reports to the Trust Board are follows (this is not an exhaustive list):

### Quality Governance

Learning from deaths  
Quality Improvement Strategy oversight  
Infection prevention and control  
Ward accreditation  
Deep dives  
Serious Incidents  
Complaints

### Audit and Assurance

Review of effectiveness of Quality Governance/Finance and Performance/People and Culture  
Board Assurance Framework  
Data quality  
Local Security Management Specialist  
Anti-Fraud  
Internal Audit Reports

The purpose together with the attendance for each Committee is shown below:

### 10.2.1 Audit and Assurance Committee

**Purpose:** The Audit and Assurance Committee has been established to critically review the governance and assurance processes upon which the Trust Board places reliance, ensuring that the organisation operates effectively and meets its strategic objectives. The Audit and Assurance Committee works closely with the External and Internal Auditors. The process for managing the Board Assurance Framework is presented to the Committee on a regular basis. It also receives regular reports from the Freedom to Speak Up Guardian, Data Quality Champion, Local Counter-Fraud Specialist and Local Security Management Specialist. The Trust currently complies fully with the National Strategy to combat and reduce NHS fraud.

The Audit and Assurance Committee is charged with monitoring the effectiveness of internal control systems on behalf of the Board and continues to do so as part of its work programme.

*(maximum number of meetings – 7. Attendance is shown relative to the number of meetings that could have been attended).*

Attended		
Chairman	Steve Williams	7/7
Non-Executive Director	Anita Day	6/7
Non-Executive Director	Mark Yates	7/7

### 10.2.2 Charitable Funds Committee

**Purpose:** The Charitable Funds Committee has been established to manage the Trust's Charitable Funds on behalf of the Trust, as Corporate Trustee.

*(maximum number of meetings – 4. Attendance is shown relative to the number of meetings that could have been attended)*

Attended		
Chairman	Mark Yates	4/4
Non-Executive Director	Anita Day	4/4
Non-Executive Director	Steve Williams	4/4

### 10.2.3 Finance and Performance Committee

**Purpose:** The purpose of the Finance and Performance Committee (F&P) is to give the Board assurance on the management of the financial and operational performance (including Home First Worcestershire) of the Trust and to monitor and support the financial planning and budget setting process. The Committee also reviews business cases with a significant financial impact or those referred by the Trust Management Executive and oversee developments in financial systems and reporting, for example Service Line Reporting and Patient Level Information and Costing Systems.

*(maximum number of meetings – 12. Attendance is shown relative to the number of meetings that could have been attended)*

Attended		
Chairman	Richard Oosterom	10/12
Non-Executive Director	Steve Williams	12/12
Associate Non-Executive Director	Colin Horwath	12/12
Director of People and Culture	Tina Ricketts	10/11
Chief Medical Officer	Suneil Kapadia/ Mike Hallissey	8/11
Chief Nursing Officer	Vicky Morris	6/11
Chief Executive	Matthew Hopkins	7/12
Chief Operating Officer	Paul Brennan	9/11
Chief Finance Officer	Robert Toole	11/12
Director of Strategy and Planning	Sarah Smith	11/12
Chief Digital Officer	Helen Lewis (Vikki)	3/3

## 10.2.4 Quality Governance Committee

**Purpose:** The Quality Governance Committee:

- ▶ Enables the Board to obtain assurance that the quality of care within the Trust is of the highest possible standard.
- ▶ Ensures that there are appropriate clinical governance systems and processes and controls are in place throughout the Trust in order to:
  - Promote safety and excellence in patient care
  - Identify, prioritise and manage risk arising from clinical care
  - Review and comment on compliance with avoidable mortality incidence
  - Ensure the effective and efficient use of resources through evidence based clinical practice.

The Quality Governance Committee is key to the assurance to the Trust Board in respect of the Quality Improvement. Membership and attendance at the QGC is shown below. The QGC also has regular attendance by a patient forum representative, HealthWatch and the CCGs.

*(maximum number of meetings – 12. Attendance is shown relative to the number of meetings that could have been attended).*

Attended		
Chairman	Bill Tunnicliffe	10/12
Chief Operating Officer	Paul Brennan	3/11
Chief Executive	Matthew Hopkins	8/11
Chief Medical Officer	Suneil Kapadia/ Mike Hallissey	11/11
Non-executive Director	Julie Moore	9/12
Chief Nursing Officer	Vicky Morris	8/12
Non-Executive Director	Mark Yates	10/12

## 10.2.5 Remuneration and Terms of Service Committee

**Purpose:** The Remuneration and Terms of Service Committee reviews the structure, size and composition of the Board and making recommendations for changes where appropriate.

The Committee gives full consideration to and makes plans for succession planning for the Chief Executive and other Executive Board Directors taking into account the challenges and opportunities facing the Trust and the skills and expertise needed on the Board in the future.

The Committee is responsible for setting the remuneration of executive members of staff, senior managers earning over £70,000 or accountable directly to an executive director and on locally-determined pay.

*(maximum number of meetings – 7. Attendance is shown relative to the number of meetings that could have been attended)*

Attended		
Chairman	Sir David Nicholson	7/7
Non-Executive Director	Mark Yates	7/7
Non-Executive Director	Steve Williams	7/7

## 10.2.6 People and Culture Committee

**Purpose:** This Committee oversees the development and implementation of the Trust's People and Culture Strategy and associated plans and monitors the effectiveness of the strategy and reports on progress against plan. The Committee assesses the workforce implications of the Trust strategic objectives, national HR workforce strategies, employment legislation and local initiatives. It also provides assurance to the Board on the operation of effective and robust HR, workforce and organisational development practices and governance frameworks.



*(maximum number of meetings – 7. Attendance is shown relative to the number of meetings that could have been attended).*

Attended		
Chairman	Mark Yates	7/7
Non-Executive Director	Anita Day	7/7
Chief Executive	Matthew Hopkins	5/7
Director of People and Culture	Tina Ricketts	7/7
Associate Non-Executive Director	Richard Oosterom	5/7
Director of Communications	Richard Haynes	4/6
Chief Medical Officer	Suneil Kapadia	1/1
Chief Nursing Officer	Vicky Morris	6/6
Chief Finance Officer	Robert Toole	3/6

## 10.3 Declaration of interests

The Trust has published an up-to-date register of interests, including gifts and hospitality, for decision-making staff (defined by the Trust as Executive Directors, Consultants and other staff on Band 8d and above) within the past twelve months, as required by the 'Managing Conflicts of Interest in the NHS' guidance. This is available on the Trust website at [www.worcsacute.nhs.uk/our-trust/our-board](http://www.worcsacute.nhs.uk/our-trust/our-board)

## 10.4 Provider licence conditions

The Trust considered its compliance with conditions FT4 and G6 of the provider licence (as at 31 March 2020) at the Board meeting in May 2020. These are set out below. This will be published on the website by 31 May 2020 as required by NHS Improvement.

## Condition FT4

	Corporate Governance Statement	2020
<b>1</b>	The Board is satisfied that the Licensee applies those principles, systems and standards of good corporate governance which reasonably would be regarded as appropriate for a supplier of health care services to the NHS.	Not confirmed
<b>2</b>	The Board has regard to such guidance on good corporate governance as may be issued by NHS Improvement from time to time.	Confirmed
<b>3</b>	The Board is satisfied that the Licensee has established and implements: (a) Effective board and committee structures; (b) Clear responsibilities for its Board, for committees reporting to the Board and for staff reporting to the Board and those committees; and (c) Clear reporting lines and accountabilities throughout its organisation.	Confirmed Confirmed Confirmed Confirmed
<b>4</b>	The Board is satisfied that the Licensee has established and effectively implements systems and/or processes: (a) To ensure compliance with the Licensee's duty to operate efficiently, economically and effectively; (b) For timely and effective scrutiny and oversight by the Board of the Licensee's operations; (c) To ensure compliance with health care standards binding on the Licensee including but not restricted to standards specified by the Secretary of State, the Care Quality Commission, the NHS Commissioning Board and statutory regulators of health care professions; (d) For effective financial decision-making, management and control (including but not restricted to appropriate systems and/or processes to ensure the Licensee's ability to continue as a going concern); (e) To obtain and disseminate accurate, comprehensive, timely and up to date information for Board and Committee decision-making; (f) To identify and manage (including but not restricted to manage through forward plans) material risks to compliance with the Conditions of its Licence; (g) To generate and monitor delivery of business plans (including any changes to such plans) and to receive internal and where appropriate external assurance on such plans and their delivery; and (h) To ensure compliance with all applicable legal requirements.	Not confirmed Confirmed Confirmed Confirmed Not confirmed Confirmed Confirmed Confirmed Confirmed

	Corporate Governance Statement	2020
<b>5</b>	<p>The Board is satisfied that the systems and/or processes referred to in paragraph 4 (above) should include but not be restricted to systems and/or processes to ensure:</p> <p>(a) That there is sufficient capability at Board level to provide effective organisational leadership on the quality of care provided;</p> <p>(b) That the Board's planning and decision-making processes take timely and appropriate account of quality of care considerations;</p> <p>(c) The collection of accurate, comprehensive, timely and up to date information on quality of care;</p> <p>(d) That the Board receives and takes into account accurate, comprehensive, timely and up to date information on quality of care;</p> <p>(e) That the Licensee, including its Board, actively engages on quality of care with patients, staff and other relevant stakeholders and takes into account as appropriate views and information from these sources; and</p> <p>(f) That there is clear accountability for quality of care throughout the Licensee including but not restricted to systems and/or processes for escalating and resolving quality issues including escalating them to the Board where appropriate.</p>	Confirmed
<b>6</b>	<p>The Board is satisfied that there are systems to ensure that the Licensee has in place personnel on the Board, reporting to the Board and within the rest of the organisation who are sufficient in number and appropriately qualified to ensure compliance with the conditions of its NHS provider licence.</p>	Confirmed

## Condition G6

Following a review for the purpose of paragraph 2(b) of licence condition G6, the Directors of the Licensee are satisfied that, in the Financial Year most recently ended, the Licensee took all such precautions as were necessary in order to comply with the conditions of the licence, any requirements imposed on it under the NHS Acts and have had regard to the NHS Constitution.

### Not compliant

## 10.5 Climate Change

The Trust has undertaken risk assessments and has a sustainable development management plan in place which takes account of UK Climate Projections 2018 (UKCP18). The Trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

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

### 11.1 Finance

The External Auditor has indicated that he intends to issue a qualified Value for Money (VfM) Conclusion for 2019/20. Similarly, the Head of Internal Audit's limited assurance opinion indicates that there are caveats to his opinion with respect to the Trust's use of resources. In May 2019, the CQC Use of Resources (UOR) assessment, in relation to 2018/19 resulted in a UOR rating of Inadequate. The report concluded that: operational performance was below national standard and national average; workforce costs were high; there is significant scope to improve efficiency in the Trust's support services; and the financial position over recent years has been on a worsening trend.

Performance against financial objectives is monitored and actions identified through a number of channels:

- ▶ Approval of annual budget by the Trust Board.
- ▶ Detailed monthly review by the Finance and Performance Committee on key performance indicators covering finance and activity.
- ▶ Monthly oversight of the delivery of Cost Improvement Plans by the Finance and Performance Committee to ensure that savings targets are being met.
- ▶ Monthly Trust Management Executive meetings where key operational decisions are made.
- ▶ Monthly Divisional performance review meetings.
- ▶ Regular Budget Holder meetings.

The Trust reported a deficit excluding PSF, FRF and MRET funding and impairments for 2019/20 of £(81.5)m against a deficit plan of £(82.8)m for the year ended 31 March 2020. The Trust aspired to achieve a stretch deficit of £(73.7)m which was not achieved in-year. The Trust achieved efficiency savings of £12.0m against a £13.7m target. Of these savings, with the inclusion of £1.0m of full year effect benefit, £11.2m was achieved recurrently.

The financial deficit position for 2019/20 has required the Trust to access £65.5m of cash support from the DHSC to be able to maintain the payment of creditors through the year. The Trust also received capital loans of £7.7m and Public Dividend Capital (PDC) of £4.6m making the total new borrowings of £77.8m in 2019/20.

The Trust outsources elements of its transactional financial services to a third party supplier.

Assurance on the effective operation of the control environment is gained through measures including independent Auditor reports. In May 2020, the Trust received the supplier's Finance and Accounting ISAE3402 report, covering Finance and Accounting and associated general IT controls for the period 1 April 2019 to 31 March 2020. The audit did not identify any exceptions in respect of all twenty one control objectives, however, unfortunately due to COVID-19 and the closure of the supplier's India offices the auditors were unable to test a small number of controls for the period February 2020 to March 2020 and as a result a qualified opinion was issued. We have reviewed the audit report and are satisfied that no material control weaknesses were identified.

The Trust has an annual planning process which considers the resources required to deliver the organisation's service plans in support of the strategic objectives. These annual plans detail the workforce and financial resources required to deliver the service objectives and include the identification of cost savings based on an assessment of benchmarked opportunities including the use of Model Hospital and the Get It Right First Time (GIRFT) programme. Cost savings are aligned to the drivers of the deficit analysis to target those areas that will improve the financial run rate including productivity and efficiency and workforce.

The Trust has a standard assessment process for future business plans to ensure value for money and full appraisal processes are employed when considering the effect on the organisation.

Procedures are in place to ensure all strategic decisions are considered at Executive and Board level.

As part of the annual accounts review, the Trust's efficiency and effectiveness of its use of resources in delivering clinical services are assessed by its External Auditors and the auditor's qualified Value for Money Conclusion is published with the Trust's 2019/20 accounts.

## 11.2 Auditors

### 11.2.1 External Audit

The External Auditor has indicated that he intends to issue a qualified Value for Money (VfM) Conclusion for 2019/20. This is due to the Trust's financial deficit, performance management metrics, the CQC inspection and the Trust remaining in Special Measures. The qualified VfM Conclusion means that External Audit will not be providing assurance on effective use of resources for the year 2019/20. Similarly, the Head of Internal Audit's limited assurance opinion indicates that there are caveats to his opinion with respect to the Trust's use of resources.

The Trust has a standard assessment process for future business plans to ensure value for money and full appraisal processes are employed when considering the effect on the organisation.

### 11.2.2 Internal audit

The emphasis in Internal Audit work is providing assurances on internal controls, risk management and governance systems to the Audit and Assurance Committee and to the Board. Where scope for improvement, in terms of value for money was identified during an Internal Audit review, appropriate recommendations were made and actions were agreed with management for implementation. All internal audit reports are presented to a Trust Management Executive meeting prior to being approved by the Audit and Assurance Committee.

#### **The Head of Internal Audit Opinion for 2019/20 is as follows:**

Only limited assurance can be given as weakness in the design, and inconsistent application of control, put the achievement of the organisation's objectives at risk. The Trust has been operating under the quality Special Measures regime since December 2015, which was put in place by the NHS regulatory body the Care Quality



Commission (CQC), following inspection at that time. We acknowledge that the Trust has delivered improvements that have been reported in subsequent inspection (reported September 2019), which saw the Trust's overall CQC rating improve to Requires Improvement, within which use of resources was rated inadequate and the Trust continue to operate under licence conditions. In addition to remaining under Special Measures, the Trust has highlighted other significant internal control issues within its Annual Governance Statement, which includes its ongoing, serious underlying financial deficit.

The assurance levels provided for all assurance reviews undertaken (\*denotes those at draft report stage) is summarised below:

#### **Significant**

- ▶ Financial Systems
- ▶ Data Quality
- ▶ Governance Arrangements\*
- ▶ Budget Setting, Monitoring and Reporting Processes\*

#### **Moderate**

- ▶ Trust Access Policy
- ▶ Job Planning\*
- ▶ Bank and Agency Staffing\*
- ▶ Financial Sustainability and Outcomes\*

#### **Limited**

- ▶ None

## **12. Compliance with key national targets and standards**

The Trust is committed to delivering all national and contractual targets and standards. On 31 March 2020, the Trust was non-compliant with the following key targets:

- ▶ Emergency Access Targets
- ▶ 18 weeks referral to treatment
  - incomplete pathways
- ▶ Cancer performance (62 days)
- ▶ Diagnostics waiting time
- ▶ C-Diff, MSSA and MRSA

## **13. Review of effectiveness**

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the information provided in this annual report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the board, the Audit and Assurance Committee, Quality Governance Committee and the People and Culture Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Assurance Framework provides me with evidence that the effectiveness of controls put in place to manage the risks to the organisation achieving its principle objectives have been reviewed. The Assurance Framework will be reviewed in 2020/21 to ensure that it aligns with the strategic objectives of the Trust.

I am supported by the Executive Team, consisting of the Executive Directors. The Divisional Structure ensures that the Trust is clinically led. This restructuring of the Divisions in early 2020 to strengthen accountability within the Trust enables me to ensure that clinical leadership and management arrangements are in place supported

by robust and clear governance and accountability processes. During 2019, I have reviewed the directors' portfolios and clarified responsibilities. I have also appointed a Chief Digital Officer who has overall accountability for information governance and information technology. This post is the Senior Information Risk Owner (SIRO). The Chief Operating Officer is now accountable for the estates and facilities function. The change in portfolios means that the Chief Finance Officer can concentrate on Finance and Performance.

NHS Improvement appointed an Intensive Support Director to support us in turning around our performance. This post has been in place throughout 2019/20.

NHS bodies are not required to comply with the UK Code of Corporate Governance. However, we have reported on our corporate governance arrangements by drawing upon the best practice available, including those aspects of the UK Corporate Governance Code we consider to be relevant to the Trust and best practice.

## 14. Conclusion

I consider that we have had six significant issues during the year 2019/20 as detailed below.

### ISSUE 1

The Trust has remained in Quality Special Measures for the whole year 2019/20. This means that the Trust has enhanced oversight from NHS England/Improvement. The Trust agreed to a Statement of Undertakings (May 2019), progress with which was discussed at the Trust Board (meeting in public) in January 2020. This issue was on our Board Assurance Framework for 2019/20 (risk 2) and is on the BAF for 2020/21 (risk 4).

Following the CQC planned inspection in the summer 2019, the Trust was rated Requires Improvement overall. Previously it had been rated inadequate. The CQC recommended the Trust be removed from Quality Special Measures once

robust support from health partners was in place and the Trust achieved a sustained improvement in performance and quality.

As part of the CQC winter inspections, the Trust was visited on 16 December. Following this visit, the following conditions were imposed on the Trust's registration with the CQC:

- **Regulation 12 (2) (a) (b) (i)**  
The trust must ensure that ambulance handovers are timely and effective.
- **Regulation 12 (2) (a) (b) (i)**  
The trust must ensure that all patients are assessed in a timely manner and ensure that patients receive assessment and treatment in appropriate environments.
- **Regulation 12 (2) (a) (b) (i)**  
The trust must ensure that patients receive medical and specialty reviews in a timely manner.
- **Regulation 12 (c)**  
The trust must ensure that consultant and nurse cover in the department meets national guidelines. Trainee consultants must not be classed as 'consultants' on the staffing rota.
- **Regulation 12 (2) (a) (b) (i)**  
Fully implement the trust wide actions to reduce overcrowding in the department.
- **Regulation 10 (1)**  
The trust must ensure that the privacy and dignity of patients receiving care and treatment in the emergency department is maintained at all times.

In response to the notices, we took a number of immediate actions including

- Increased staffing in a range of areas across the emergency departments.
- Implementation of a Dynamic Trigger Tool (DTT).

- ▶ Daily safety/ escalation calls to Clinical Commissioning Group and NHSE/I.
- ▶ Quality Assurance Visits by CNO, DCNO's and Quality Improvement matron.

## ISSUE 2

Key to the Trust being able to provide services in a timely manner is to ensure that there is flow through the hospitals which will enable patients arriving at the emergency departments to be admitted on a timely basis. The Trust has struggled to maintain flow during 2019/20 and developed the HomeFirst Worcestershire programme to improve the safety, efficiency and performance of the urgent and emergency care pathways at the Trust, focusing primarily on the elements of the pathway that are within our control.

The HFW Programme Board (chaired by the CEO) drives the implementation of the six work streams and the headline measures of improvement:

- ▶ Implementation of SAFER and Red2Green
- ▶ Reduction in Long Length of Stay
- ▶ Same Day Emergency Care (SDEC) and Primary care streaming
- ▶ Clinical Site Management
- ▶ Internal Professional Standards
- ▶ Implementation of a Frailty sensitive approach to care including Hospital Acquired Functional Decline (HAFD)

Key metrics have been developed to determine progress with the Programme and these are monitored through the Trust Management Executive and the Finance and Performance Committee, as well as Trust Board.

The Quality Governance Committee will be reviewing metrics in relation to the quality and safety aspects of the Programme and the People

and Culture Committee will start reviewing specific workforce indicators in 2020/21.

The System Improvement Board was developed during 2019/20 to hold system partners to account in relation to flow and discharge of patients. An Onward Care Team is in place (from February 2020) which is managed by the Health and Care Trust but attends ward rounds with both hospitals. An extra 33 beds have been opened within the Trust during 2019/20 and additional experienced consultants have been employed to ensure timely assessment within the emergency department. The Trust has also benefited from external support from ECIST (the emergency care intensive support team).

There was a system to Board meeting in January with NHS E/I. Assurance was given in respect of the system commitment to supporting the Trust in ensuring better flow through the hospitals.

The issue of patient flow was on the BAF for 2019/20 (risk 4) and is on the 2020/21 BAF (risks 1&5).

## ISSUE 3

The Trust ended financial year 2019/20 with a deficit better than the submitted plan and forecast outturn but adverse to the internally set stretch target. The non-achievement of the stretch target deficit is driven by an inability to increase identification and in-year delivery of further CIP, as a result of continued requirement for additional capacity and workforce pressures.

A focussed piece of work was undertaken by the external auditors in January 2019 due to the deteriorating financial position in 2018/19. Eight issues were identified which the Trust acted upon and have monitored at subcommittee level, most recently in February 2020. The issues related to: deliverability of financial planning and cost improvement assumptions; ensuring cost improvements were embedded in start point budgets; developing a Board approved Medium Term Financial Plan; and ensuring key risks to

financial delivery and the impact of mitigating actions are understood by the Finance and Performance Committee and clearly reported to Board. The Trust did not sign up to its 2019/20 Control Total of £(64.6)m pre PSF, FRF and MRET funding as based on the assumptions and information available at the time it was not considered deliverable.

Whilst the Trust has met the submitted plan, the on-going deficit position remains a significant risk. Through the development of the Integrated Care System approach, a system finance forum meets regularly to ensure a collective approach to financial sustainability. Work has continued in year as a Trust and within the system to improve the system overall financial performance.

#### ISSUE 4

The Trust continues to have significant challenges in delivering key national standards. These include the 4-hour Emergency Access Target, 18 weeks referral to treatment – incomplete pathways and 62-day cancer performance standard. There was one patient who was waiting over 52 weeks for their first definitive as at 31st March 2020 and 155 waiting over 40 weeks, down from 357 as at 31st March 2019. In 2019/20 there were 9 reported breaches where patients were waiting longer than 52 weeks to receive their first definitive treatment on the RTT pathway, compared to 6 breaches in 2018/19. We have not achieved 3 of the 4 key infection prevention year end performance trajectories; namely C-Diff, MSSA and MRSA.

#### ISSUE 5

A significant element of the Trust's IT infrastructure is ageing to the point of obsolescence. This represents a risk to the current systems being used by the Trust in terms of performance, cybersecurity and even of system failure.

The ageing IT hardware is impacting on the Trust's ambition to improve patient care and clinical practice through the use of digital services such as the Digital Care Record and electronic prescribing.

The lack of investment in IT infrastructure has resulted in legacy technology debt which now needs to be resolved. The Trust recognises that the risk is no longer acceptable and is making capital available to remedy the worst components. The Trust also recognises that with increasing use of modern digital technologies the underlying technical infrastructure must be kept at an optimum level of operational effectiveness.

This will require ongoing investment in the core critical infrastructure to ensure resilient, secure digital platforms to meet the needs of improving the experience of both patients and staff through the deployment of digital technologies including the digital care record to build a long term sustainable future.

During the year, we approved the Digital Strategy and the business case for the Digital Care Record. 2020/21 will see the first year of the implementation of the digital care record.

The risks have been identified and monitored through the Board Assurance Framework for 2019/20 (risk 7&8) and 2020/21 (risks 6&8).

#### ISSUE 6

COVID-19 is the worst public health crisis for a generation. The Trust is following national guidance during this time and has invoked the major incident plan. The risk appears on the Board Assurance Framework and within the Corporate Risk Register, both rated as a 25.



**Matthew Hopkins**  
Chief Executive

Date: 22<sup>nd</sup> June 2020





Members of the colorectal nursing team who were chosen as national finalists in the Nursing Times Awards.

## Developments and highlights from 2019/20



Cardiac Physiologist,  
Amanda Hayden



Consultant Radiologist,  
Dr Ashim Lahiri

### April 2019

- ▶ **Cardiac Physiologist, Amanda Hayden receives international recognition** after being asked to present about a life-saving heart case performed in Worcester, at the World Cardiology Conference in America.
- ▶ **Consultant Radiologist, Dr Ashim Lahiri receives 'Frank Farr Award'** by the regional West Midlands Association of Radiologists, in recognition of his 'exemplary commitment and contribution to training Radiologists in the West Midlands'.



## June 2019

- ▶ **The catering team at the Alexandra Hospital receive a national prize for the quality and sustainability of food they produce.** The Soil Association's 'Food For Life Served Here' award is a widely respected acknowledgement of raising standards for food quality and sustainability in both public and private sector catering.
- ▶ **A 'Cake and Shake' scheme is put in place on Ward 12 at the Alexandra Hospital.** The daily slice of cake and a milkshake helps frail and elderly patients recover more quickly.
- ▶ **Maternity Bereavement team become national finalists in the NHS Parliamentary Awards.**



Members of the catering team at the Alexandra Hospital.

## July 2019

- ▶ **The colorectal nursing team are chosen as national finalists in the cancer nursing category in the Nursing Times Awards.** The team were selected for the improvements they have made following the successful pilot of a new telephone triage system which has helped reduce waiting times for patients with suspected bowel cancer.
- ▶ **Julia Rhodes (pictured left) received the prestigious Society of Radiographers' Silver Medal award** after nominations from across the region.



Staff on Ward 12 at the Alexandra Hospital delivering their 'Cake and Shake' round.

## August 2019

- ▶ **The national Infection Prevention Society (IPS) Awards chooses Sue Arthur among the finalists in the link practitioner of the year category.** Sue had recently received an internal award recognising her efforts and leadership to achieve high standards of infection prevention, improving patient safety and providing the best care for patients.



Lead Radiographer,  
Julia Rhodes



Ward Housekeeper,  
Sue Arthur.



## September 2019

- ▶ **The team running the Bowel cancer screening programme in Herefordshire and Worcestershire celebrates 10 years of helping to detect cancer earlier.** The programme has proved to be a resounding success screening over 402,000 patients since its launch.
- ▶ **Bereavement support midwife Ashlea Gormley is nominated for Midwife of the Year in the annual Butterfly Awards,** which celebrates the survivors and champions of baby loss.
- ▶ **The Trust's overall rating is lifted from 'Inadequate' to 'Requires Improvement' in a CQC report.** The report showed improved ratings in 41 out of 79 categories rated, including double rating uplifts in 9 areas.



## October 2019

- ▶ **The Trust holds its first 'pyramid week'** - a chance to collectively remind colleagues of our purpose, vision and strategic objectives and celebrate how we are working towards delivery of these through our improvement plans, supporting strategies and 4ward behaviours to ensure we are always Putting Patients First.

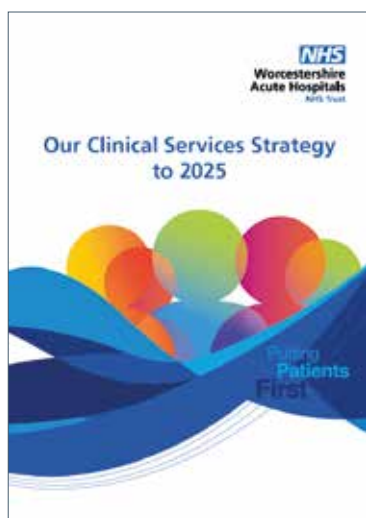




- ▶ **A new process to support people to get the care they would want in a medical emergency is introduced across healthcare settings in Worcestershire.** The Recommended Summary Plan for Emergency Care and Treatment, or ReSPECT, creates personalised recommendations for a person's clinical care in a future emergency in which they are unable to make or express choices.
- ▶ **Endoscopy services awarded national accreditation** by the Joint Advisory Group (JAG) of the Royal College of Physicians and British Society of Gastroenterology after a rigorous assessment process.

## November 2019

- ▶ **The Trust's Clinical Services Strategy is signed off.** The strategy determines how and where our services will be delivered over the next five years.



- ▶ **A £4.2million investment in endoscopy** means that patients having endoscopy procedures for gastrointestinal, respiratory or urology-related conditions will receive more advanced investigations, including high-definition cameras and top-of-the-range optical technology – all of which allow for clearer examination of patients.

## December 2019

- ▶ **A new surgical assessment pathway is launched at Worcester.** The aim of the new dedicated assessment areas in the Surgical Clinical Decision Unit (SCDU), is to help our number one priority of improving patient flow by enabling patients to be assessed by a surgical registrar, with a view to referring them to one of our daily clinics for continued investigation and advice if they do not need admission to a bed.
- ▶ **Team Ruby and Team Sapphire – Continuity of Carer midwives from Worcestershire Acute Hospitals NHS Trust – are nominated for Team of the Year in the RCM Awards 2020.** The roll out of the continuity of carer model – which aims to ensure that more mums-to-be see their named midwife, or a midwife from a small team, right through their pregnancy journey including birth – aim to ensure most pregnant women receive their care this way by 2021.



## January 2020

- ▶ Patients, families and carers affected by cancer benefit from a new monthly programme of health and wellbeing events across Worcestershire aimed at encouraging a positive approach to moving forward after diagnosis. The events offer a 'one stop shop', providing advice and information across a range of topics.



- ▶ Procurement Team (pictured left) receive national accreditation by Department of Health and Social Care.

## February 2020

- ▶ Nurses and social care staff start working together to help ensure that hospital patients who are fit to go home, get there in a safe and timely way. The Onward Care Team (pictured above) ensure discharge from hospital is timely and effective, in turn reducing delays for people accessing urgent or emergency care.

- ▶ New mums who are separated from their babies immediately after birth are given iPads to help them bond with their child via a live video link. Babies that suffer complications or premature babies are often sent straight to a neonatal unit so they can receive specialist care, meaning that new mums can often spend hours, without being able to hold or bond with their new-born baby.
- ▶ Consultant Anaesthetist, Dr Satinder Dalay was awarded the highest honour by the Association of Anaesthetists at their 2020 meeting.

- ▶ Two new, additional wards open at Worcestershire Royal Hospital, providing an extra 33 beds.

## March 2020

- ▶ Kelly Bill, a Clinical Scientist from Worcestershire Royal Hospital, is shortlisted for the national Healthcare Scientist of the Year award. She was nominated by her colleagues after introducing a ground-breaking new way of assessing patients in the Neurophysiology department in Worcester.

# Statement of the Chief Executive's responsibilities as the Trust's accountable officer

The Chief Executive of NHS Improvement, in exercise of powers conferred on the NHS Trust Development Authority, has designated that the Chief Executive should be the Accountable Officer of the trust. The relevant responsibilities of Accountable Officers are set out in the *NHS Trust Accountable Officer Memorandum*. These include ensuring that:

- ▶ there are effective management systems in place to safeguard public funds and assets and assist in the implementation of corporate governance;
- ▶ value for money is achieved from the resources available to the trust;
- ▶ the expenditure and income of the Trust has been applied to the purposes intended by Parliament and conform to the authorities which govern them;
- ▶ effective and sound financial management systems are in place; and
- ▶ annual statutory accounts are prepared in a format directed by the Secretary of State to give a true and fair view of the state of affairs as at the end of the financial year and the income and expenditure, other items of comprehensive income and cash flows for the year.

As far as I am aware, there is no relevant audit information of which the Trust's auditors are unaware, and I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as an Accountable Officer.



**Matthew Hopkins**  
Chief Executive

Date: 22<sup>nd</sup> June 2020



# Statement of directors' responsibilities in respect of the accounts

The Directors are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of HM Treasury, directs that these accounts give a true and fair view of the state of affairs of the Trust and of the income and expenditure, other items of comprehensive income and cash flows for the year. In preparing those accounts, the directors are required to:

- ▶ apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury;
- ▶ make judgements and estimates which are reasonable and prudent;
- ▶ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts and
- ▶ prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and to enable them to ensure that the accounts comply with requirements outlined in

the above mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the accounts.

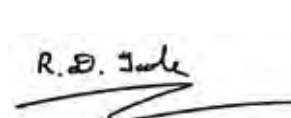
The Directors confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS Trust's performance, business model and strategy.

By order of the Board.



**Matthew Hopkins**  
Chief Executive

Date: 22<sup>nd</sup> June 2020



**Robert D Toole**  
Chief Finance Officer

Date: 22<sup>nd</sup> June 2020

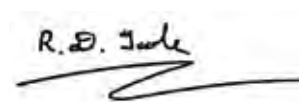
# Certificate on summarisation schedules

## Trust Accounts Consolidation (TAC) Summarisation Schedules for Worcestershire Acute Hospitals NHS Trust

Summarisation schedules numbers TAC01 to TAC34 and accompanying WGA sheets for 2019/20 have been completed and this certificate accompanies them.

### Finance Director Certificate

1. I certify that the attached TAC schedules have been compiled and are in accordance with:
  - the financial records maintained by the NHS Trust,
  - accounting standards and policies which comply with the Department of Health and Social Care's Group Accounting Manual and,
  - the template accounting policies for NHS Trusts issued by NHS Improvement, or any deviation from these policies has been fully explained in the Confirmation questions in the TAC schedules.
2. I certify that the TAC schedules are internally consistent and that there are two validation errors which have been accepted by NHSI and Auditors.
3. I certify that the information in the TAC schedules is consistent with the financial statements of the NHS Trust.



**Robert D Toole**  
Chief Finance Officer

Date: 22<sup>nd</sup> June 2020

### Chief Executive Certificate

1. I acknowledge the attached TAC schedules, which have been prepared and certified by the Finance Director, as the TAC schedules which the Trust is required to submit to NHS Improvement.
2. I have reviewed the schedules and agree the statements made by the Chief Finance Officer above.



**Matthew Hopkins**  
Chief Executive

Date: 22<sup>nd</sup> June 2020



## Staff Report - Creating a Great Place to Work

The Trust's **People and Culture** strategy, agreed by the Trust Board in November 2017, acts as the framework to ensure the Trust's workforce is safely configured and empowered to provide high quality care. It undertakes to assure the board that the workforce is engaged, skilled and supported, working in a culture shaped by our 4 signature behaviours.

### The 4ward Programme



4ward is the 'way we do things around here' at the Trust which has now been being embedded since October 2017. 4ward is a long-term, far-reaching initiative which aims to help colleagues across our Trust work more effectively together in a spirit of mutual support and respect as we tackle the challenges we face and make the most of the opportunities that the future will bring.

For colleagues across the organisation, 4ward is how we will deliver the best possible care for our patients ensuring they have the best experience and that we are always putting them first in everything that we do. 4ward helps to create a great culture, one which encourages innovation, new ideas and supports colleagues.

At the heart of 4ward are four signature behaviours. Our aim is to have all our staff positively demonstrating these behaviours and working together to achieve our shared goals.

#### The behaviours are:



Do what we say we will do



No delays, every day



We listen, we learn, we lead



Work together, celebrate together

## Look back

4ward has helped us to achieve a number of improvements across our organisation over the last two years as colleagues work together to face some of our challenges. Some examples of these improvements are as follows:

### CQC report

4ward helped us to deliver an improved CQC position during our inspection in May and June 2019 with the organisation moving from inadequate to overall ratings of requires improvement and a good rating for Kidderminster Treatment Centre. CQC mentioned 4wards impact a number of times within their report including:



*"The culture had positively changed, with team working collaboratively to achieve a common goal."*



*"We also saw examples of where long-standing attitudinal issues in some areas were addressed immediately by the leadership team."*



*"We saw that all strategies, planned processes and documents reflected the signature behaviours and staff articulated and demonstrated them."*



*"The 4ward programme was embedded with staff aware of the signature behaviours' and evidencing them in all processes."*

Reference as at 30.01.20: <https://www.cqc.org.uk/provider/RWP/reports>.

## Staff Survey Results 2019

Our final response rate for the 2019 survey was 39% (2,331) colleagues.

We saw year-on-year improvements across all 11 of the themed areas, with our Trust ranking average or better than average for equality, diversion and inclusion; quality of care; team working; offering a safe working environment; and staff morale.

These latest results give us much cause for optimism, and reflect the hard work that has been taking place over the last few months as part of our People and Culture Strategy and 4ward – both of which aim to create a more positive, supportive working environment.

Our focus now is on improving the experience of all our staff. We will be undertaking a full review of the staff survey results against our People and Culture Strategy and drawing up an action plan in partnership with each division and our staff, as well as sharing more information about what is being done in response to feedback from colleagues.

## 4ward Advocates

We currently have 400 4ward advocates working across the organisation and championing the 4ward behaviours. Some of our most successful 4ward advocate initiatives are explained in more detail below:

### Pyramid Launch

The launch in 2019 of our Putting Patients First strategy 'pyramid' puts our 4ward behaviours at the heart of our vision for the future of the Trust, enhancing opportunities for our advocates to actively support the delivery of our strategic objectives. 4ward advocates helped to launch our new strategy, were engaged during the development stages and helped to socialise it with colleagues across the organisation.





## Happy Cafés

The launch of Happy Cafés took place in October 2019 at Worcestershire Royal Hospital, Kidderminster Treatment Centre and the Alexandra Hospital. In the spirit of our 4ward behaviour 'Work together, celebrate together' and in line with our People & Culture Strategy and 'Best People' strategic objective, a 4ward advocate proposed the idea of the Trust launching a Happy Café for staff in partnership with Action for Happiness (<https://www.actionforhappiness.org/>).

A Happy Café (pictured above) is a place where those seeking happier lives for themselves and others can connect with each other over a coffee and learn science-based skills for enhancing psychological wellbeing. Happy cafés provide a safe space for colleagues to focus on their health and wellbeing whilst promoting mindfulness.

## #ThankYouThursday

4ward advocates continue to support our #ThankYouThursday initiative which encourages colleagues to thank those around them for excellent practice and for demonstrating our 4ward behaviours. 4ward advocates also linked this initiative to World Mental Health Day and World Kindness Day.

### Some of the other successes of 4ward advocates include:

- ▶ A fortnight-long celebration across all sites of '2 years of 4ward' in October 2019.
- ▶ A cohort of 400 Advocates and advocate development programme to support these colleagues in becoming local cultural leaders.
- ▶ Over 1000 #Thank You Thursdays issued over the last year.



- Celebration of #WorldMentalHealthDay and #WorldKindnessDay for the first time in the Trust's history.
- Successful launch and embedding of Trustwide Happy Cafés (Health and wellbeing cafés held for colleagues across the organisation).
- Helped to create, share and celebrate our award-winning Staff Facebook Group [www.facebook.com/groups/WorcsAcuteStaff/](https://www.facebook.com/groups/WorcsAcuteStaff/)
- 4ward behaviour boards on every single ward linking 4ward behaviours to #PuttingPatientsFirst and encouraging 4ward language to be embedded at all levels.
- Patient engagement including a patient 'we do this by' and audit tool developed to see how 4ward is impacting our patients' experience.
- Greater levels of staff engagement.
- Improved staff survey results.
- Greater community engagement as 4ward advocates bridge the gap with local homeless shelters, food banks and local businesses.
- An improved recruitment and retention position.
- Evidence of improvement for most recent CQC inspection this summer.
- The first-ever BIG #ThankYouThursday from our Executive Team was awarded to our 4ward advocates.
- Another 50 4ward showcases published in Worcestershire Weekly.



## Communication

All staff have access to information through a number of different communication channels. Our Chief Executive provides a weekly email update to all staff, and weekly staff e-bulletin; 'Worcestershire Weekly' shares key information about Trust initiatives and news.

We also publish comprehensive news updates, policies and other information of relevance and interest to staff on the Trust intranet and award-winning staff Facebook group.

There are a number of other Trust forums, such as our Senior Leaders Brief and Meet the Chief Sessions which act as an opportunity for leaders and staff to learn more and ask questions on policy and performance issues.

We work in partnership with Staff Side colleagues through the formal Joint Negotiation and Consultative Committee, which meets monthly. In addition, we encourage participation from Staff Side representatives, and staff at all levels from across the Trust, to take a role within our People and Culture Committee Group including, 4ward Culture Change Group.

## Freedom to Speak Up Themes

The following table provides an overview of the concerns raised through the Freedom to Speak up Guardian in 2019. There were 79 instances raised although some were group reports so the number of staff affected will be more than 79. From the table it can be seen that 113 of the cases relate to poor attitudes and behaviours.

### Summary of concerns raised to the Freedom to Speak Up Guardian in 2019:

Summary of concerns raised	
Total number of speak up incidences	79
Total number of speak up incidences reported anonymously	5
Total number of speak up incidences where there was a bullying or harassment element	113 where attitudes and behaviours was a theme
Total number of speak up incidences where there was a patient safety or quality element	1 quality; 15 patient experience
Total number of speak up incidences where there was a perception of detriment to the reporter	None recorded



## Our Workforce

Our staff have been commended by the CQC for the care that they provide to service users, and the Board is proud of the commitment and contribution of every member of staff.

The Trust launched its Recruitment and Retention Plan in February 2018 and submits a Recruitment and Retention Assurance Report to People and Culture Committee quarterly. The recruitment and retention of our staff remains a key priority and focus has been given to the challenging areas this year, of doctors and nurses.

Significant reductions in vacancy numbers and staff turnover have been achieved in both staff groups following various campaigns which have included showcasing the Trust as an employer of choice through social media campaigns, targeted local recruitment within specialist areas, open days and an overseas recruitment project for doctors.

However, there are a number of service changes that have taken place this year that have increased our workforce by 246 FTE due to recruitment to vacancies and opening of additional wards to respond to capacity and flow issues.

### Snapshot of key workforce indicators:




	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	Trendline
<b>Cumulative Sickness Absence Rate</b>	4.09%	4.35%	4.27%	4.17%	4.20%	4.72%	
<b>Actual staff in post in full-time equivalent (FTE)</b>	5079.14	5083	5106.18	5199.57	5316.38	5566.85	
<b>Headcount staff in post</b>	5959	5935	5951	6055	6207	6453	
<b>Mandatory Training Compliance</b>	78%	76%	89%	89%	84%**	89%	
<b>Appraisal Completion %</b>	78%	80%	76%	65%	77%	81%	
<b>Staff Turnover</b>	10.42%	12.97%	12.57%	11.04%	12.30%	11.12%	

\*\* Drop in compliance in 2018/19 is due to breaking mandatory training down into levels rather than reporting at base level.

## Sickness Absence

In the last year the cumulative absence rate has deteriorated slightly by 0.50% to 4.72%. We monitor our sickness rates against the national and peer median via the Model Hospital.

Our sickness was better than the national average on Model Hospital in September 2019 which is the most up to date comparison data. Our sickness was 4.23% on Model Hospital compared to national average of 4.35% which demonstrates that we are not an outlier:

Staff Sickness	2016-17	2017-18	2018-19	2019-20	Trendline
<b>Total FTE Days lost</b>	80,277	76,071	80,266	88,100	
<b>Total staff (headcount)</b>	5,951	6,055	6,207	6,453	
<b>Average number of working days lost</b>	13.48	12.56	12.93	13.65	

## Absence due to Covid-19

In addition to sickness absence the Trust has experienced other absence due to self-isolation, social distancing and shielding which have been dealt with as paid medical suspension in line with national guidance. These absences range from 7 days for symptomatic staff, 14 days for those with a family member symptomatic and 12 weeks for shielding.

As at 31<sup>st</sup> March 2020 the absence levels related to Covid 19 medical suspensions were as follows:

Staff Group	Total
Add Prof Scientific and Technic	28
Additional Clinical Services	237
Administrative and Clerical	197
Allied Health Professionals	96
Estates and Ancillary	65
Healthcare Scientists	26
Medical and Dental	74
Nursing and Midwifery Registered	291
GP Trainees	34
<b>Grand Total</b>	<b>1048</b>

## Staff Turnover

We have been closely monitoring overall Trust turnover since it started steadily increasing in July 2015 peaking at 13.03% in November 2016. Our overall staff turnover has been reducing since July 2015 to 11.12% in March 2020 which is within Trust target of 12% despite the increase in establishment.

Our breakdown of staff by staff group as at 31<sup>st</sup> March 2020 is as follows:

Workforce profile	FTE					
Staff group	31 March 2016	31 March 2017	31 March 2018	31 March 2019	31 March 2020	Trendline
Additional Prof. Scientific and Technic.	169.96	179.43	174	191.32	193.42	
Additional Clinical Services	942.48	950.72	977.43	995.04	1,050.37	
Administrative and Clerical	913.58	957.75	966.76	995.65	1,043.24	
Allied Health Professionals	339.21	332.92	344.64	363.15	356.21	
Estates and Ancillary	256.12	246.11	259.68	278.94	293.55	
Healthcare Scientists	175.17	176.75	178.88	178.88	174.43	
Medical and Dental	590.93	553.15	581.88	606.82	653.25	
Nursing and Midwifery Registered	1,673.65	1,678.35	1,692.29	1,697.58	1,800.38	
Students	19	29	24	9.00	2	
<b>Grand Total</b>	<b>5,080.09</b>	<b>5,104.18</b>	<b>5,199.57</b>	<b>5,316.38</b>	<b>5,566.85</b>	

Our profile of Senior Managers as at 31<sup>st</sup> March 2020 was as follows:

Senior Managers Profile as at 31 March 2020					
Staff Category	Band 8	Band 9	Consultant	Trust Board	Total
Trust Board (Female)				6	6
Trust Board (Male)				9	9
Senior Manager (Female)	78	3	7		88
Senior Manager (Male)	20	1	25		46
<b>Grand Total</b>	<b>98</b>	<b>4</b>	<b>32</b>	<b>15</b>	<b>149</b>

## Vacancies

The Trust has relied on a high percentage of agency workers to address additional capacity due to the opening of additional wards. The breakdown of staff as at 31<sup>st</sup> March 2020 was as follows:

Substantive/Bank/Agency as at Month 12 (Source - Finance ADI)	Funded WTE	Contracted WTE	Vacant WTE	Worked WTE
<b>Agency</b>	3.4	0	3.4	298.64
<b>Bank</b>	68.29	0	68.29	409.24
<b>Substantive</b>	6017.98	5634.98	383	5571.89
<b>Grand Total</b>	<b>6089.67</b>	<b>5634.98</b>	<b>454.69</b>	<b>6279.77</b>

*NB. Contracted on Finance ledger (ADI) differs from ESR Staff in Post due to leavers part month who remain on the finance ledger for budget purposes for the whole month.*

From the staff on our payroll on ESR as at 31<sup>st</sup> March 2020 we had the following assignment categories:

Assignment Category	Sum of FTE	Sum of Employee Headcount
<b>Fixed Term Temp</b>	486.32	526
<b>Locum</b>	2.13	3
<b>Permanent</b>	5078.40	5924
<b>Grand Total</b>	<b>5566.85</b>	<b>6453</b>

The total staff costs for 2019/20, excluding remuneration of non-executive directors are:

Staff Cost 2019/20	Permanent £'000	Other £'000	Total £'000
<b>Salaries and Wages</b>	206,009	0	206,009
<b>Social Security Costs</b>	20,373	1,543	21,916
<b>Apprenticeship Levy</b>	1,056	0	1,056
<b>NHS Pension Costs</b>	35,923	937	36,860
<b>Other Pension Costs</b>	0	62	62
<b>Temporary Staff</b>	0	49,228	49,228
<b>Less: recoveries in respect of outward secondments (where treated net).</b>	0	0	0
<b>Total Staff Costs</b>	<b>263,361</b>	<b>51,770</b>	<b>315,131</b>

(Audited)

The analysis of average WTE employed are below by category:

Average number of employees (WTE basis 2019/20)	Permanent Number	Other Number	Total Number
<b>Medical and dental</b>	634	104	738
<b>Ambulance staff</b>	1	-	1
<b>Administration and estates</b>	1,047	9	1,056
<b>Healthcare assistants and other support staff</b>	1,263	179	1,442
<b>Nursing, midwifery and health visiting staff</b>	1,727	331	2,058
<b>Nursing, midwifery and health visiting learners</b>	7	-	7
<b>Scientific, therapeutic and technical staff</b>	569	22	591
<b>Healthcare science staff</b>	194	-	194
<b>Social care staff</b>	-	-	0
<b>Other</b>	-	-	0
<b>Total Average Numbers</b>	<b>5,442</b>	<b>645</b>	<b>6,087</b>

(Audited)

## Health and Wellbeing

Our Occupational Health and Wellbeing service promotes and helps improve the health and wellbeing of people in work – both within our Trust and for external public and private sector organisations.

The service offers independent advice both to managers and employees, which includes staff counselling, physiotherapy, return to work guidance, advice on the working environment; and assessment of health risks associated with the workplace. In addition, the team offer a range of services including a 'Self Care Programme' to help staff to make lifestyle changes and improve their health and wellbeing, and a Stress Awareness course for Managers and vaccination and surveillance programmes such as winter flu campaign to keep our staff and patients safe.

Occupational Health record the reasons (from the staff member's perspective) of what is contributing to their work related stress. Of 146 cases recorded to March 31st 2020, 42 (29%) were due to workload, 28 (19%) were due to investigations or being performance managed, 24 (16%) were due to relationship issues with manager, 15 (10%) were due to working relationships with colleagues and 11 (7%) were due to working hours. 12 (8%) were a combination of above.

The Occupational Health Team have worked with our Counselling provider to offer a wide range of emotional support as part of our COVID-19 response.



## Staff Appraisals

The Trust believes appraisals are vital in valuing staff and all staff should have an appraisal every year. The Trust's appraisal rate for non-medical staff as at 31 March 2020 improved to 81% from 77% last year and 65% the previous year. However this is still short of our target against a Model Hospital average of 83%.

Appraisal was to be linked to pay progression for new managers and staff from 2020 and for all staff from 2021 which will be a key driver in improving our appraisal rates. This has been put on hold nationally for 2020 as part of the national COVID-19 response.

## Electronic Staff Record – Self Service

The Trust rolled out ESR Employee Self Service in October 2017. This enables all staff to view the information that is recorded about them on the payroll system and to update their own personal information. It also enables them to view their training compliance via a Competency Matrix which is RAG rated and sends them reminders four months before their training is due to expire.

ESR Employee Self Service continues to be a key tool in improving our training and appraisal compliance. We have also rolled out electronic payslips in 2019/20 to reduce IG risks and provide staff with up to date information at all times.

## Employee Policies

We have a programme for reviewing and consulting on changes to staff policies prior to approval at the JNCC. All agreed policies and any other information for staff are subject to an Equalities Impact Assessment and are available through email, Worcestershire Weekly and on the intranet. We regularly monitor our workforce KPIs at JNCC, People and Culture Committee Group and Trust Board.

## Equality and Diversity

Our commitment to Equality and Diversity is stated in all relevant policies including our Recruitment and Selection Policy, Dignity at Work Policy, Equality, Diversity and Inclusion Policy and Freedom to Speak Up Policy which are available to all staff on the intranet. The Trust is committed to providing fair opportunities and treatment for all applicants and employees which respects diversity and dignity.

We offer guaranteed interviews to all applicants who declare themselves as disabled and meet the minimum criteria. We also offer proactive return to work plans and redeployment opportunities or reasonable adjustments, for staff who develop health problems or disabilities during their career.

The Trust Board aims to ensure that all staff are aware that any form of discrimination against people because of their gender, marital status, race, age, sexual orientation, religion, disability, part-time or fixed-term working, or any other unfair reason, is prohibited. Equality and Diversity Training is part of induction and mandatory training and all staff are required to complete a national e-learning programme at least once every 3 years.

We have published our Workforce Race Equality Scheme (WRES) data on the national portal and on our intranet and website. As at 31<sup>st</sup> March 2020 the ethnic breakdown of our staff was as follows:

Headcount by Ethnicity as at 31 March 2020			
Ethnicity	Female	Male	Total
Asian or Asian British	505	232	737
Black or Black British	79	31	110
Mixed Race	43	23	66
Not Stated / Undisclosed	35	9	44
Other	78	40	118
White	4589	789	5378
<b>Grand Total</b>	<b>5329</b>	<b>1124</b>	<b>6453</b>

## Gender Pay Gap

In accordance with the Equality Act 2010 (Gender Pay Gap Information Regulations 2017), the Trust has undertaken a gender pay gap review for 31 March 2017, 31 March 2018 and 31 March 2019. The results have been uploaded into the designated government portal and on the Trust's website.

As at 31<sup>st</sup> March 2019, the Trust had 6186 employees of which 5084 (82.203%) were female and 1101 (17.80%) were male. This ratio is not reflected in certain occupational categories.

Average Mean Hourly Rates as at 31 March 2019	
Gender	Avg. Hourly Rate
Male	£23.4880
Female	£15.7669
Difference	£7.7211
Pay Gap %	32.87%

It is noted that in including all staff, this information is skewed by the numbers of male employees in senior medical posts and particularly bank/agency doctor posts. 66.6% of our consultant workforce are male. When we remove all doctors (including agency/bank doctors) from

the calculation the gender pay gap shows a small pay difference of 0.85% in favour of males. This is a slight change from last year where the difference was 1.15% in a more favourable position for females.

Average Mean Hourly Rates as at 31 March 2019 (excluding doctors)	
Gender	Avg. Hourly Rate
Male	£15.0132
Female	£14.8858
Difference	£0.1273
Pay Gap %	0.85%

## Remuneration Report

This report sets out the salaries, allowances and pension entitlements of the Chief Executive and Executive Directors (Senior Managers) of the Trust. In addition the remuneration and expenses of the Chairman and Non-Executive Directors are included. For the purpose of this report we provide details of the remuneration and staff that users of the accounts see as key to accountability.

### Role of the Remuneration Committee

The Committee establishes pay ranges, progression and pay uplifts for the Chief Executive, Executive Directors and other Senior Manager posts including their terms of employment.

#### Membership of the Remuneration Committee

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

- ▶ Chairman Sir David Nicholson commenced from 14<sup>th</sup> May 2018 until the present date.

#### Non-Executive Directors:

- ▶ Mr Mark Yates
- ▶ Mr Stephen Williams

### Senior Manager's Remuneration Policy

Senior Manager's Remuneration is determined by the Remuneration Committee with 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. In line with NHS Improvement requirements the Committee also undertakes a review of executive director performance each year which includes benchmarking pay against comparative roles within the NHS.

All Executive Directors are on permanent contracts. Notice and termination payments are made in accordance with NHS Improvement guidance and contracts of employment.

New Executive Directors were appointed this year: Mike Hallisey (Chief Medical Officer); and Helen Lewis (Vikki) (Chief Digital Officer). Suneil Kapadia (Chief Medical Officer) resigned in May 2019.

Robert Toole, Chief Finance Officer was appointed substantively in September 2019. Prior to this he was in post on an interim basis.

The following disclosures in respect of Executive remuneration are made in accordance with the Department of Health and Social Care (DHSC) Group Accounting Manual.

		2019/2020								2018/2019											
		Salary and fees			All taxable benefits	All pension-related benefits			Total		Salary and fees			All taxable benefits	All pension-related benefits			Total			
		£000s			£s	£000s			£000s		£000s			£s	£000s			£000s			
Job title (and period of office if relevant)		(in bands of £5k)			(nearest £100)	(in bands of £2.5k)			(bands of £5k)		(in bands of £5k)			(nearest £100)	(in bands of £2.5k)			(bands of £5k)			
David Nicholson	Trust Chairman	35	-	40	0		-		35	-	40	35	-	40	0		-		35	-	40
Matthew Hopkins	Chief Executive	210	-	215	500		-		210	-	215	40	-	45	0		-		40	-	45
Paul Brennan	Chief Operating Officer & Deputy Chief Executive	170	-	175	0		-		170	-	175	75	-	80	0		-		75	-	80
Mike Hallisey	Chief Medical Officer - from 25.06.19 (secondment)	75	-	80	0		-		75	-	80	-	-	-	0		-			-	
Suneil Kapadia	Chief Medical Officer - to 07.05.19	15	-	20	0		-		15	-	20	185	-	190	0		-		185	-	190
Victoria Morris	Chief Nursing Officer	125	-	130	0	7.5	-	10	135	-	140	125	-	130	0		-		125	-	130
Robert D Toole	Chief Finance Officer	150	-	155	1,800	27.5	-	30	180	-	185	5	-	10	0		-		5	-	10
Jill Robinson	Director of Finance (seconded)	70	-	75	0	37.5	-	40	110	-	115	140	-	145	200	22.5	-	25.0	160	-	165
Sarah Smith	Director of Strategy & Planning	105	-	110	0	27.5	-	30	135	-	140	95	-	100	0	115.0	-	117.5	210	-	215
Richard Haynes	Director of Communications & Engagement	100	-	105	0	22.5	-	25	125	-	130	95	-	100	100	65.0	-	67.5	160	-	165
Tina Ricketts	Director of People & Culture	120	-	125	200	22.5	-	25	145	-	150	110	-	115	100	60	-	62.5	170	-	175
Helen Lewis (known as Vikki)	Chief Digital Officer - from 27.01.2020	20	-	25	0	67.5	-	70	90	-	95	-	-	-	0		-			-	

(Audited)

## NOTES

- ▶ All taxable benefits relate to cars and the benefits in kind are based on the HMRC guidance.
- ▶ Pension related benefits have been calculated in line with the 2019/20 Group Accounting Manual 2019/20.
- ▶ There are no performance pay, long-term performance pay or bonuses for the directors in either 2018/19 or 2019/20.
- ▶ **Chair**  
Sir D. Nicholson remains as the Chair
- ▶ **Chief Executive**  
Mr M. Hopkins remains as the Chief Executive
- ▶ **Chief Finance Officer**  
Mr R. D Toole remains as the Chief Finance Officer.
- ▶ **Chief Operating Officer**  
Mr P. Brennan remains as the Chief Operating Officer.
- ▶ **Chief Nursing Officer**  
Ms V. Morris remains as the Chief Nursing Officer.
- ▶ **Chief Medical Officer**  
Mr M Hallisey commenced as the Chief Medical Officer on 25 June 2019.
- ▶ **Chief Digital Officer**  
Ms H Lewis commenced as the Chief Digital Officer on 27 January 2020.



## Non-Executive Directors

The following disclosures in respect of Non- Executive remuneration are made in accordance with the DHSC Group Accounting Manual.

		2019/20									2018/19										
		Salary and fees			All taxable benefits	All pension-related benefits			Total			Salary and fees			All taxable benefits	All pension-related benefits			Total		
		£000s			£s	£000s			£000s			£000s			£s	£000s			£000s		
Job title (and period of office if relevant)		(in bands of £5k)			(nearest £100)	(in bands of £2.5k)			(bands of £5k)			(in bands of £5k)			(nearest £100)	(in bands of £2.5k)			(bands of £5k)		
Anita Day	Non Executive Director	5	-	10	1,200		-		5	-	10	0	-	5	1,000		-		0	-	5
William Tunncliffe	Non Executive Director	5	-	10	0		-		5	-	10	5	-	10	0		-		5	-	10
Steven Williams	Non Executive Director	5	-	10	2,300		-		5	-	10	5	-	10	700		-		5	-	10
Mark Yates	Non Executive Director	5	-	10	700		-		5	-	10	5	-	10	800		-		5	-	10
Colin Horwath	Non Executive Director	5	-	10	1,200		-		5	-	10	0	-	5	0		-		0	-	5
Julie Moore	Non Executive Director	5	-	10	0		-		5	-	10	0	-	5	0		-		0	-	5
Richard Oosterom	Non Executive Director	10	-	15	0		-		10	-	15	5	-	10	0		-		5	-	10

(Audited)

## NOTES

- All taxable benefits relate to cars and the benefits in kind are based on the HMRC guidance.

## Pension Benefits

Pension related benefits represent the benefit in year from participating in the NHS Pension Scheme, including any previous posts held in the Trust prior to becoming a Very Senior Manager (Board Member). The amount is calculated by taking the full pension due to the Director upon retirement if they were to retire at 31 March 2020 and deducting the equivalent value from the amount due at 31 March 2019.

This includes lump sum and annual pension entitlement and uses a factor of 20 for grossing up purposes in accordance with the HMRC method (derived from section 229 of the Finance Act 2004). Where no figures are calculated for 2019/20 the Director was either not a Director at the beginning of the year or is not a member of the NHS Pension Scheme.

### Salary and Pension Entitlements of Senior Managers – Pension Benefits

	Real Increase in pension at pension age	Real increase in lump sum at pension age	Total accrued pension age at pension age at 31 March 2020	Lump sum at pension age related to accrued pension at 31 March 2020	Cash Equivalent Transfer Value at 31 March 2020	Cash Equivalent Transfer Value at 01 April 2019	Real increase in Cash Equivalent Transfer Value	Employer's contribution to stakeholder pension
	(bands of £2,500)	(bands of £2,500)	(bands of £5,000)	(bands of £5,000)	£000	£000	£000	£000
Matthew Hopkins	0	0	0	0	0	0	0	0
Jill Robinson	0-2.5	0-2.5	25-30	0-5	429	395	34	10.37
Victoria Morris	0-2.5	2.5-5	45-50	140-145	1,034	1,003	31	18.81
Tina Ricketts	0-2.5	0	25-30	55-60	511	491	20	17.15
Sarah Smith	0-2.5	5-7.5	35-40	115-120	915	862	53	15.01
Richard Haynes	0-2.5	0	15-20	35-40	313	298	15	14.58
Paul Brennan	0	0	55-60	165-170	1,310	1,853	0	17.62
Helen Lewis (known as Vikki)	0-2.5	0-2.5	20-25	50-55	456	395	61	3.11
Robert D Toole	2.5-5	2.5-5	25-30	65-70	593	563	30	21.57

(Audited)

## Notes

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 as a particular point in time. The CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension 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.

The Real increase in CETV takes into account the increase in accrued pension due to inflation, contributions paid by the employee.

Trust employees are covered by the provisions of the NHS Pension Scheme which is a defined contribution scheme and provides pensions related to final salary. No payments are made to any other pension scheme on behalf of Executive Directors.

The table on page 83 details the current pension benefits of the Trust's senior managers. As Non-Executive Directors do not receive pensionable remuneration, there are no entries in respect of Non Executives. Where the Executive Director in post at 31 March 2020 is not a member of the NHS Pension Scheme, there are no pension benefits to be disclosed.

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any 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 NHS Pension Scheme, not just their service in a senior capacity to which the disclosure applies.

The CETV figures and 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 pension benefit accrued to the member as a result of their purchasing additional years of pension service in the Scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

The Real Increase in CETV does not include the effects of inflation or 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.

NHS Pensions are using pension and lump sum data from their systems without any adjustment for a potential future legal remedy required as a result of the McCloud judgement (a legal case concerning age discrimination over the manner in which UK public service pension schemes introduced a CARE benefit design in 2015 for all but the oldest members who retained a Final Salary design).

During the year, the Government announced that public sector pension schemes will be required to provide the same indexation in payment on part of a public service scheme pensions known as the Guaranteed Minimum Pension (GMP) as applied to the remainder of the pension i.e. the non GMP. Previously the GMP did not receive full indexation. This means that with effect from August 2019 the method used by NHS Pensions to calculate CETV values was updated. So the method in force at 31 March 2020 is different to the method used to calculate the value at 31 March 2019. The real increase in CETV will therefore be impacted (and will in effect include any increase in CETV due to the change in GMP methodology).

## Exit Packages

The figures disclosed below relate to exit packages agreed in the year. The actual date of departure might be in a subsequent period, and the expense in relation to the departure costs may have been accrued in a previous period.

The data here is therefore presented on a different basis to other staff cost and expenditure notes in the accounts. A single Exit Package can be made up of several components, each of which is counted separately in this note.

Exit Package Cost Band (including any special payment element)	Number of Compulsory Redundancies	Cost of Compulsory Redundancies £	Number of Other Departures Agreed	Cost of Other Departures Agreed £	Total Number of Exit Packages	Total Cost of Exit Packages £	Number of Departures Where Special Payments Have Been Made	Costs of Special Payment Element included in Exit Packages £
Less than £10,000			5	4,580				
£10,000 to £25,000			1	15,000				
£25,001 to £50,000			1	30,833				
£50,001 to £100,000								
£100,001 to £150,000			1	120,773				
£150,001 to £200,000								
> £200,000								
<b>Totals</b>			<b>8</b>	<b>171,187</b>				

(Audited)

No non-contractual payments were made to employees where the payment value was more than 12 months' of their annual salary. The Remuneration Report includes disclosure of exit payments made to individuals named in that report.

Exit Package - disclosures (excluding compulsory redundancies)	Number of Exit Package Agreements	Total Value of Agreements £
Voluntary Redundancies including Early Retirement Contractual Costs	1	1,964
Mutually Agreed Resignations (MARS) Contractual Costs	0	0
Early Retirements in the Efficiency of the Service Contractual Costs	1	30,833
Contractual Payments in Lieu of Notice	4	2,616
Exit Payments Following Employment Tribunals or Court Orders	2	135,773
Non-Contractual Payments Requiring HM Treasury Approval	0	0
<b>Totals</b>	<b>8</b>	<b>171,187</b>

(Audited)

## Off Payroll Engagements

When a vacancy or project post is to be filled, the Trust considers if an off-payroll Business Case Approval needs to be completed and submitted to NHS Improvement to gain their approval before the worker is engaged. With the changes to IR35 rules in April 2017 the Trust established a review process for any off payroll posts as per the HMRC guidance. The Trust was audited in 2017 by CW

Audit around its IR35 processes and received "full assurance".

When an engagement is agreed whereby the worker is not directly employed by the Trust, then the relevant checks are made to assess against the IR35 rules using HMRC guidance and the online assessment tool.

Off-payroll engagements longer than 6 months: For all payroll engagements as at 31 March 2020, for more than £245 per day and that last longer than six months.	Number of engagements
Number of existing engagements as at 31 March 2020	4
Number that have existed for less than one year at a time of reporting	2
Number that have existed for between one and two years at a time of reporting	0
Number that have existed for between two and three years at a time of reporting	1
Number that have existed for between three and four years at a time of reporting	1



New off-payroll engagements: All new payroll engagements, or those that have reached six months in duration, between 1 April 2019 and 31 March 2020, for more than £245 per day and that last for longer than six months.	Number of engagements
Number of new engagements, or those that reached six months duration between 1 April 2019 and 31 March 2020	3
Of which:	
▶ Number assessed as within the scope of IR35	
▶ Number assessed as not within the scope of IR35	3
▶ Number engaged directly (via PSC contracted to Trust) and are on the Trust's payroll	
▶ Number of engagements reassessed for consistency/assurance purposes during the year	
▶ Number of engagements that saw a change to IR35 status following the consistency review	

## Fair Pay Disclosure (Audited)

The Trust is required to disclose the relationship between the remuneration of the highest paid director and the median remuneration of the workforce.

The banded remuneration of the highest paid Director at Worcestershire Acute Hospitals NHS Trust in the financial year 2019/20 was between £210k–215K. This was 8.2 times the median remuneration of the workforce, which was £26,220.

In 2018/19 the banded remuneration highest paid Director was £185-190k which was 7.7 times the median remuneration of £28,050. There has been a change to the most highly paid Director as they have been in post for the full financial year.

Calculations are based on the full-time equivalent of all staff in post at 31 March and salaries have been annualised. Total remuneration of the highest paid director includes salary and benefits in kind. It does not include employer pension contributions or the cash equivalent transfer value of pensions and also excludes any severance payments.

During the year 2 employees received remuneration in excess of the highest paid director. In 2018/19 6 employees received remuneration in excess of the highest paid director.

Remuneration ranged from £5,338 and £209,300 for 2019/20. The range of remuneration for 2018/19 was between £4,100 and £237,300.

# **The Annual Audit Letter for Worcestershire Acute Hospitals NHS Trust**

**Year ended 31 March 2020**

**14 July 2020**



# Contents



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**Appendices**

- A Reports issued and fees

# Executive Summary

## Purpose

Our Annual Audit Letter (Letter) summarises the key findings arising from the work that we have carried out at Worcestershire Acute Hospitals NHS Trust (the Trust) for the year ended 31 March 2020.

This Letter is intended to provide a commentary on the results of our work to the Trust and external stakeholders, and to highlight issues that we wish to draw to the attention of the public. In preparing this Letter, we have followed the National Audit Office (NAO)'s Code of Audit Practice and Auditor Guidance Note (AGN) 07 – 'Auditor Reporting'. We reported the detailed findings from our audit work to the Trust's Audit and Assurance Committee as those charged with governance in our Audit Findings Report on 15 June 2020.

## Our work

<b>Materiality</b>	We determined materiality for the audit of the Trust's financial statements to be £7.0 million, which is 1.5% of the Trust's gross revenue expenditure.
<b>Financial Statements opinion</b>	<p>We gave a qualified opinion on the Trust's financial statements on 22 June 2020.</p> <ul style="list-style-type: none"><li>• We qualified the audit opinion due to a limitation of scope as due to the Covid19 pandemic we were unable to attend the planned stocktakes at year end</li><li>• We included a going concern material uncertainty paragraph in our report on the Trust's financial statements to draw attention to the note which explains the basis on which the Trust has determined that it is still a going concern.</li><li>• We included an emphasis of matter paragraph in our report on the uncertainty over asset valuations as at 31 March 2020 due to the pandemic.</li></ul>
<b>NHS Group consolidation template (WGA)</b>	We also reported on the consistency of the financial statements consolidation template provided to the National Audit Office with the audited financial statements. We concluded that these were consistent.
<b>Use of statutory powers</b>	We referred a matter to the Secretary of State, as required by section 30 of the Act, on 2 April 2020 because the Trust had taken a course of action that has led to a breach of the Trust's breakeven duty for the three-year period ending 31 March 2020.

## Respective responsibilities

We have carried out our audit in accordance with the NAO's Code of Audit Practice, which reflects the requirements of the Local Audit and Accountability Act 2014 (the Act). Our key responsibilities are to:

- give an opinion on the Trust's financial statements (section two)
- assess the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources (the value for money conclusion) (section three).

In our audit of the Trust's financial statements, we comply with International Standards on Auditing (UK) (ISAs) and other guidance issued by the NAO.

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# Executive Summary

<b>Value for Money arrangements</b>	We were not satisfied that the Trust put in place proper arrangements to ensure economy, efficiency and effectiveness in its use of resources because of the matters we identified in respect of operational performance and CQC assessment, and the management of the Trust's finances. We therefore issued an adverse value for money conclusion in our audit report to the Directors of the Trust on 22 June 2020.
<b>Quality Accounts</b>	Due to the Covid-19 pandemic, the Department of Health and Social Care suspended the requirement for the Trust's Quality Accounts to be certified.
<b>Certificate</b>	We certified that we had completed the audit of the financial statements of Worcestershire Acute Hospitals NHS Trust in accordance with the requirements of the Code of Audit Practice on 22 June 2020.

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# Executive Summary

### Working with the Trust

This has been a year like no other for all of us and for the Trust as a healthcare provider. Trust staff have been on the front-line in the national effort to contain and manage the pandemic and save lives. This has reminded us how lucky we are to have the NHS and what a fantastic and dedicated workforce Worcestershire Acute Hospitals NHS Trust has. We thank you for your commitment to and care for all patients you treat.

Before the pandemic hit the Trust was continuing to respond to both the patient care and financial challenges it was facing. The improvement in the Care Quality Commission (CQC) rating to 'requires improvement' was encouraging and recognised that the Trust's leadership was moving the organisation in the right direction. However, system wide pressures remained, not least the management of emergency care patient flows. These were brought into sharp focus by the CQC's findings of its unannounced visits to the Trust's Emergency Departments. The Trust has both increased its bed capacity and is working with its partners to improve this situation.

The Trust financial challenge remains severe. Although the Trust delivered a financial outcome in 2019/20 within its budget, the annual deficit was over £80 million and cash support in excess of £60 million was required to keep the Trust solvent. Understanding the scale and nature of the Trust's structural deficit and implementing a plan to reduce the annual deficit to this level is in our view a key priority for the Trust Board.

Our overall value for money conclusion, whilst recognising the positive steps the Trust is making is again an 'adverse' qualification. The Trust needs to make further demonstrable improvements in both its operational performance and financial management.

Delivering the annual report and accounts for audit during at the height of the national lock down put more pressure on the Trust's Finance Team. Extended deadlines for completion of the annual report and accounts and audit were set by the DHSC to reflect the increased challenges producing and auditing accounts remotely and the new risks associated with Covid19.

The quality of the working papers to support the balances in the accounts was good in many areas and the Trust team were responsive to our requests for information. However, our work took more time to complete, due to the challenges of remote working, and the quality of the evidence that was supplied to support some of our sample testing.

In previous years our audit opinion has drawn attention to the going concern "material uncertainty" disclosure in the Trust's accounts. As a result of the uncertainties in the property market due to the pandemic there was also a "material uncertainty" disclosure relating to the valuation of land and buildings in the accounts. We drew attention to both of these material uncertainties in our audit opinion.

The Trust was unable to fully complete stock takes in all areas and we were unable to gain our planned audit assurance over the inventory balance in the accounts. We concluded that it was necessary to issue a qualified limitation of scope audit opinion. This was due to uncertainty over the completeness of the inventory reported in the accounts. It is not indicative of any governance or control failures in the Trust's management of its inventory. NHS England and NHS Improvement have confirmed that there will be no adverse consequences as a result of this.

We would like to record our appreciation for the assistance and co-operation provided to us during our audit by the Trust's staff during these extraordinary times.

**Grant Thornton UK LLP**  
July 2020

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# Audit of the Financial Statements

## Our audit approach

### Materiality

In our audit of the Trust's financial statements, we use the concept of materiality to determine the nature, timing and extent of our work, and in evaluating the results of our work. We define materiality as the size of the misstatement in the financial statements that would lead a reasonably knowledgeable person to change or influence their economic decisions.

We determined materiality for the audit of the Trust's financial statements to be £7.0 million, which is 1.5% of the Trust's gross revenue expenditure. We used this benchmark as, in our view, users of the Trust's financial statements are most interested in where the Trust has spent its revenue in the year.

We also set a lower level of specific materiality for senior officer remuneration of £100,000 and £200,000 for the Cash Equivalent Transfer Value of senior officer pensions.

We set a lower threshold of £300,000, above which we reported errors to the Audit and Assurance Committee in our Audit Findings Report.

### The scope of our audit

Our audit involves obtaining sufficient evidence about the amounts and disclosures in the financial statements to give reasonable assurance that they are free from material misstatement, whether caused by fraud or error. This includes assessing whether:

- the accounting policies are appropriate, have been consistently applied and adequately disclosed;
- the significant accounting estimates made by management are reasonable; and
- the overall presentation of the financial statements gives a true and fair view.

We also read the remainder of the Annual Report to check it is consistent with our understanding of the Trust and with the financial statements included in the Annual Report on which we gave our opinion.

We carry out our audit in accordance with ISAs (UK) and the NAO Code of Audit Practice. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach was based on a thorough understanding of the Trust's business and is risk based.

We identified key risks and set out overleaf the work we performed in response to these risks and the results of this work.

# Audit of the Financial Statements

## Significant Audit Risks

These are the significant risks which had the greatest impact on our overall strategy and where we focused more of our work.

Risks reported in our audit plan and audit findings report	How we responded to the risk
<p><b>Covid19</b></p> <p>In our audit plan addendum we noted our expectation that the Covid19 pandemic would have an impact on the production and audit of the financial statements for the year ended 31 March 2020, including but not limited to:</p> <ul style="list-style-type: none"><li>• remote working arrangements and redeployment of staff to critical front line duties impacting on the quality and timing of the production of the financial statements, and the evidence we can obtain through physical observation</li><li>• the volatility of financial and property markets increasing the uncertainty of assumptions applied by management to asset valuation and receivable recovery estimates, and the reliability of evidence we can obtain to corroborate management estimates</li><li>• financial uncertainty requiring management to reconsider financial forecasts supporting their going concern assessment and whether material uncertainties have arisen; and</li><li>• disclosures revisions within the financial statements to reflect the unprecedented situation and its impact on the preparation of the financial statements as at 31 March 2020 in accordance with IAS1.</li></ul>	<p>As part of our audit work we:</p> <ul style="list-style-type: none"><li>• evaluated the adequacy of the disclosures in the financial statements that arose in light of the Covid-19 pandemic</li><li>• evaluated whether sufficient audit evidence could be obtained in the absence of physical verification of assets through remote technology</li><li>• evaluated whether sufficient audit evidence could be obtained to corroborate significant management estimates such as asset valuations and recovery of receivable balances</li><li>• evaluated management's assumptions that underpinned financial forecasts and the impact on management's going concern assessment</li><li>• discussed with management any potential implications for our audit report where we were unable to obtain sufficient audit evidence.</li></ul> <p><b>Auditor findings</b></p> <p>The main areas of the accounts impacted by COVID -19 were:</p> <ul style="list-style-type: none"><li>• Inventories (stock): we were unable to attend sufficient stock takes to provide the planned assurance over the accuracy and completeness of stock</li><li>• Property, plant and equipment: the valuer included reference to material valuation uncertainty in relation to his valuations due to the uncertainty in the current property market.</li><li>• Going concern: reflecting the Trust's financial deficit, the lack of secure plans to achieve a balanced budget and the uncertainty around funding arrangements for much of 2020/21 and the following year.</li></ul> <p>These matters were referred to in our audit opinion.</p>

# Audit of the Financial Statements

Risks reported in our audit plan and audit findings report	How we responded to the risk
<p><b>Going concern material uncertainty disclosures</b></p> <p>It has been a challenging year due to the impact of the Covid-19 pandemic on the Trust. This has included the need to free up capacity resulting in the cancellation of planned treatments, staff sickness absence, and a high influx of patients with Covid-19 in addition to the Trust's normal patient care responsibilities. With the outbreak of the pandemic the NHS implemented changes to funding arrangements and confirmed that trusts' expenditure will be supported, including additional funding for specific Covid-19 related additional costs. Funding arrangements were confirmed for the first four months of 2020/21 but not for the remainder of the year.</p> <p>The Trust is facing significant financial challenges and has reported a (£81.5m) deficit position for 2019/20, with further budget deficits forecast for 2020/21 and 2021/22. The Trust forecast a deficit of (£78.9m) in its annual plan for 2020/21 (before the interim financial arrangements were put in place) and the draft medium term financial plan confirms that annual deficits will continue for the foreseeable future. It therefore seems probable that the Trust will require further cash support in 2020/21 and 2021/22 to pay its expenses in these years.</p> <p>The source and amount of support is not confirmed although NHS England and NHS Improvement have assured provider trusts that access to distressed revenue financing will continue to be available under the new capital and cash regime.</p> <p>We identified the adequacy of disclosures relating to material uncertainties that may cast doubt on the Trust's ability to continue as a going concern in the financial statements as a significant risk.</p>	<p>As part of our audit work we considered management's assessment process for confirming that the Trust is a going concern and its disclosure of a going concern "material uncertainty" in note 1.2 of the accounts.</p> <ul style="list-style-type: none"> <li>• Management prepared a going concern assessment which was presented to the Trust's Finance and Performance (F&amp;P) Committee in February 2020, and Trust Board in March 2020. An assessment was also made by management in the 'informing the risk assessment' audit planning document presented to the March 2020 Audit and Assurance Committee. A draft medium term financial plan (MTFP) has been prepared and considered by the F&amp;P committee in December 2019.</li> <li>• We reviewed management's assessment and the cash flow forecast prepared up to June 2021, and considered the key assumptions of both.</li> <li>• We carried out a detailed review of the Trust's outturn and underlying financial challenges as part of our value for money conclusion work.</li> <li>• We also reviewed the going concern disclosure in the draft accounts and suggested changes which were made in the final version of the accounts.</li> </ul> <p><b>Auditor findings</b></p> <p>We agreed that there is a going concern material uncertainty and draw attention to this in our audit opinion. Our opinion is not modified in respect of this matter.</p>

# Audit of the Financial Statements

Risks reported in our audit plans and audit findings report	How we responded to the risk
<p><b>Income from contract variations and other operating revenue</b></p> <p>Trusts are facing significant external pressure to restrain budget overspends and meet financial targets, coupled with increasing patient demand and cost pressures. In this environment, we considered whether there was a material fraud risk in the recognition of revenue streams.</p> <p>We concluded that there was a low risk of material fraud in:</p> <ul style="list-style-type: none"> <li>• the block contract income element of patient care revenues; and</li> <li>• education and training income.</li> </ul> <p>We focused our attention on the variable elements of patient care income and other operating revenue. We identified the occurrence and accuracy of these income streams and the existence of associated receivable balances as a significant risk of material misstatement.</p>	<p>As part of our audit work we:</p> <ul style="list-style-type: none"> <li>• evaluated the Trust's accounting policy for recognition of income from patient care activities and other operating revenue for appropriateness and compliance with the DHSC Group Accounting Manual 2019/20.</li> <li>• updated our understanding of the Trust's system for accounting for income from patient care activities and evaluated the design of the associated controls.</li> <li>• reviewed all significant signed contracts with commissioners and schedules of variations, and confirmed annual amounts and payment mechanisms to the signed contracts.</li> <li>• tested a sample of contract variations and agreed these back to supporting evidence, ensuring that the income belonged to the Trust, had been recorded in the correct financial year and any judgements made by management were reasonable.</li> <li>• considered the DHSC mismatch report and investigated unmatched revenue and receivable balances over the NAO £0.3m threshold.</li> </ul> <p><b>Auditor findings</b></p> <p>No significant matters arose from our work.</p>
<p><b>Management override of internal controls</b></p> <p>Management override controls is a risk requiring special audit consideration.</p> <p>The Trust faces external pressures to meet the agreed targets, and this could potentially place management under undue pressure in terms of how they report performance.</p>	<p>As part of our audit work we tested journal postings in the Trust's ledger. In particular we:</p> <ul style="list-style-type: none"> <li>• evaluated the design effectiveness of management controls over journals</li> <li>• analysed the journals listing and determined our criteria for selecting high risk journals</li> <li>• tested high risk journals made during the year and at the accounts production stage for appropriateness and corroboration.</li> </ul> <p>We also:</p> <ul style="list-style-type: none"> <li>• gained an understanding of the accounting estimates and critical judgements applied by management and considered their reasonableness</li> <li>• evaluated the rationale for any changes in accounting policies, estimates or significant unusual transactions.</li> </ul> <p><b>Auditor findings</b></p> <p>No significant matters arose from our work.</p>



# Audit of the Financial Statements

Risks reported in our audit plan audit findings report	How we responded to the risk
<p><b>Valuation of Property, plant and equipment</b></p> <p>Revaluation of property, plant and equipment should be performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Additionally, the valuation is a material and significant estimate made by management in the accounts.</p> <p>We identified land and buildings revaluations and impairments as a risk requiring special audit consideration.</p>	<p>As part of our work we:</p> <ul style="list-style-type: none"> <li>• evaluated management's processes and assumptions for the calculation of the valuation estimate, the instructions issued to the valuation experts and the scope of their work</li> <li>• evaluated the competence, capabilities and objectivity of the valuation expert</li> <li>• wrote to the valuer to confirm the basis on which the valuations were carried out</li> <li>• used our own valuation expert and challenged the information and assumptions used by the valuer to assess the completeness and consistency of the valuation</li> <li>• tested a sample of revaluations made during the year to ensure they had been input correctly into the Trust's asset register</li> <li>• considered the impact of uncertainty in the property market due to the Covid-19 pandemic, how the valuer had taken this into account and the disclosure in the accounts.</li> </ul> <p><b>Auditor findings</b></p> <p>We noted that whilst the Trust provided accurate Gross Internal Area information to the valuer it was not specified how much of this area was used by each department within the hospitals (the valuation can differ based on the purpose of a particular area of each hospital). We did some simple sensitivity analysis of the impact of this approach and concluded that the maximum impact would be a misstatement of the valuation by £927k.</p> <p>The valuer concluded that the valuation was subject to material uncertainty due to the unknown impact of the Covid-19 pandemic on the property market. This material uncertainty is referred to in note 1.33 of the accounts and we have made reference to this in our audit opinion. Our opinion is not modified in respect of this matter.</p>

# Audit of the Financial Statements

## Other Risks and Issues

These are new issues and risks which were identified during the course of the audit that were not previously communicated in the Audit Plan.

Risks and issues reported in our audit findings report	How we responded to the risk or issue
<b>Inventory</b> <p>As a result of the Covid-19 restrictions and Major Incident status, the Trust was unable to fully complete stock takes in all areas and made reasonable adjustment to assess stock balances at year-end. We attended the stock takes in pharmacy at the Worcestershire Royal Hospital on 10 March and the Alexandra Hospital on 6 March. We were not able to attend the stocktake at Worcestershire Royal Hospital theatres due to the impact of Covid-19. At our stock attendances we noted difference to records and stock counts which were subsequently adjusted for.</p>	<p>We were able to gain sufficient assurance over the accuracy and completeness of inventory for £2.7m of the £8.9m balance. At the time of drafting our audit findings report we were considering whether there was a risk that the untested £6.2m balance was understated and could be in excess of £7.0m (our materiality level).</p> <p>We noted that £2.2m the 'general stock' carrying value was rolled forward from 2018/19 and an error in the 2018/19 balance means there is no comparative for the £0.6m of 'ward drugs'.</p> <p><b>Auditor findings</b></p> <p>Following discussions with management and consideration by our national consistency panel we concluded that it was necessary to issue a qualified limitation of scope audit opinion. This was due to uncertainty over the completeness of the inventory reported in the accounts. It is not indicative of any governance or control failures in the Trust's management of its inventory.</p> <p>NHS England and NHS Improvement have written to all providers to confirm that "There will be no adverse consequences from an NHS England and NHS Improvement oversight perspective for trusts with a qualified opinion resulting from limitation of scope on inventory."</p>
<b>IFRS 16 Leases implementation</b> <p>Although the implementation of IFRS 16, the new leasing standard, has been delayed to 1 April 2021, the Trust still needed to include disclosure in the 2019/2020 financial statements. As a minimum the following needed to be disclosed; the title of the standard, the date of initial application and the nature of the changes in accounting policy for leases.</p>	<p>We considered the paper the Trust produced to assess IFRS16 implementation and concluded that the approach adopted was reasonable. The deferral of implementation is referenced in the accounts (note 1.31) with the conclusion that it is not possible to make an accurate financial assessment of the impact of the standard due to the delay in implementation.</p> <p><b>Auditor findings</b></p> <p>The Trust's 2019/20 accounts include the required disclosures</p>

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# Audit of the Financial Statements

## **Audit opinion**

We gave a qualified due to limitation of scope on stock opinion on the Trust's financial statements on 22 June 2020.

## **Preparation of the financial statements**

The Trust presented us with draft financial statements in accordance with the revised national deadline and pandemic lockdown restrictions. A good set of working papers was provided to support the draft accounts. The finance team responded promptly and efficiently to our queries remotely during the course of the audit. There were however some areas where further improvements are required which we have brought to management's attention.

## **Issues arising from the audit of the financial statements**

We reported the key issues from our audit to the Trust's Audit and Assurance Committee on 15 June 2020. These are summarised in this Annual Audit Letter.

## **Annual Report, including the Annual Governance Statement**

We are also required to review the Trust's Annual Report, including the Annual Governance Statement. It provided these on a timely basis with the draft financial statements with supporting evidence.

We reviewed the Annual Report and completed our audit testing on the auditable elements of the Report. We also reviewed and commented on the draft Annual Governance Statement.

## **Whole of Government Accounts (WGA)**

We issued a group return to the National Audit Office in respect of Whole of Government Accounts, which did not identify any issues for the group auditor to consider.

## **Other statutory powers**

We are also required to refer certain matters to the Secretary of State under section 30 of the Local Audit and Accountability Act 2014. On 2 April 2020 we reported to the Secretary of State that Trust had breached its financial duty to breakeven taking one year with another.

## **Certificate of closure of the audit**

We certified that we have completed the audit of the financial statements of Worcestershire Acute Hospitals NHS Trust in accordance with the requirements of the Code of Audit Practice on 22 June 2020.

# Value for Money conclusion

## Background

We carried out our review in accordance with the NAO Code of Audit Practice, following the guidance issued by the NAO in April 2020 which specified the criterion for auditors to evaluate:

*In all significant respects, the audited body takes properly informed decisions and deploys resources to achieve planned and sustainable outcomes for taxpayers and local people.*

## Key findings

Our main considerations were:

- Financial performance in 2019/20 and its financial planning for 2020/21 and beyond before the impact of the Covid19 pandemic.
- Progress made with our 2018/19 financial planning recommendations.
- Outcomes of Care Quality Commission (CQC) reviews of the Trust during 2019/20 and the Trust's response
- Performance against the four key national standards, Emergency Access, Diagnostics Six Week Waits, Referral to Treatment (RTT) in 18 Weeks and All Cancer 62 Day Waits.

We noted overall that the Trust was making progress with its improvement agenda before the Covid-19 pandemic. Moving from an 'inadequate' CQC rating to 'requires improvement' was an important achievement.

The Trust continued to struggle with capacity issues in both of its Emergency Departments and it was both disappointing and concerning that following an unannounced CQC visit in December they were both assessed as 'inadequate' and an enforcement notice was issued. The additional capacity generated by the capital investment in the Worcestershire Royal Hospital site and the partnership leadership through the "Home First Worcestershire" programme are designed to alleviate these pressures.

Overall performance indicated by the four key national standards was mixed. The Trust did not achieve its agreed trajectory for any of these standards at the end of 2019/20, but clearly since February 2020 the pandemic has impacted on this. During the year there were significant improvements against the Diagnostics Six Week Waits and RTT in 18 Weeks standard.

The Trust continued to manage a major financial challenge. Although the overall financial delivery was within the (£82.8)m planned deficit, the "stretch target" set by the Board was not achieved.

Based on the planning assumptions included in the 2020/21 Annual Plan a deficit of (£78.9)m is forecast and it is clear that without financial support the Trust will continue to have annual deficits. Understanding the scale and nature of the Trust's structural deficit and reducing the level of dependence on bank and agency staff are in our view key priorities for the Trust's financial planning and management.

## Critical Business Continuity

We considered the arrangements to maintain critical business continuity during the Covid-19 pandemic as reported to the April 2020 Board meeting. This included revisions to governance arrangements, the Trust's operational response and the temporary revised financial controls in place. The Trust has taken clear actions to maintain business continuity during the Covid-19 Pandemic.

## Overall Value for Money conclusion

Because of the significance of the matters we identified in our work, we were not satisfied that the Trust put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2020.

# Value for Money conclusion

## Value for Money Risks

Risks identified in our audit plan and audit findings report	Findings and conclusions
<p><b>Informed decision-making: operational performance and CQC assessment</b></p> <p>In our audit plan we said that the Trust was assessed as “requires improvement” in the CQCs report published in September 2019. Following an unannounced visit in December 2019 the Trust’s emergency department was rated as “inadequate”. We also said that delivery of key national targets is a continuing challenge for the Trust. Particular concerns exist in urgent care and patient flow.</p>	<p><b>Care Quality Commission Assessment</b></p> <p>The Trust’s latest inspection report was published on the 20 September 2019 following an inspection visit in May and a well-led visit in June 2019. It also included a Use of Resources assessment for the first time. The overall rating was an improvement on the previous two inspections, moving the Trust up to requires improvement. CQC made a recommendation that the Trust should be taken out of Special measures, although at this current time the Trust remains in special measures.</p> <p>The Trust was rated as good for the effective and caring domains and requires improvement for the safe, responsive and well-led domains. It is pleasing to note that the inspection report also highlighted outstanding practice in diagnostic imaging at the Alexandra Hospital.</p> <p>Areas for improvement included four regulations breaches in urgent and emergency services, surgery, maternity, and end of life care services.</p> <p>In December 2019, the CQC carried out unannounced visits to the Trust’s Emergency Departments at the Worcestershire Royal Hospital and the Alexandra Hospital. They concluded that both departments were inadequate and issued an enforcement notice. This reflected the concerns on the time taken to assess people on arrival, the adequacy of risk assessments and the impact of overcrowding. It was however also noted that staff are professional and caring and leaders and staff are committed to improvements to keep patients safe and improve the patient experience.</p> <p><b>Responding to Care Quality Commission Assessment</b></p> <p>During 2019/20 the Trust responded to the issues raised by the CQC’s assessments with the central aim of improving patient care and the patient experience. The completion of the Aconbury link bridge on Worcestershire Royal Hospital site enabled the opening of much needed additional acute capacity.</p> <p>The Trust has also worked with its partners to develop the “Home First Worcestershire” programme. The aim of the programme is to improve the safety, efficiency and performance of the urgent and emergency care pathways. Although this is helping to ensure a system-wide to patient flow issues the findings of the CQC unannounced visit clearly indicated that further improvements are urgently needed.</p> <p>Trust leadership are giving priority to providing a clear organisational direction and has published the Clinical Services Strategy to 2025. It states a clear commitment to “lead the delivery of comprehensive integrated healthcare in Worcestershire providing the best possible patient experience and outcomes.”</p>

# Value for Money conclusion

## Value for Money Risks

Risks identified in our audit plan and audit findings report	Findings and conclusions
<p><b>Informed decision-making: operational performance and CQC assessment</b></p> <p>In our audit plan we said that the Trust was assessed as “requires improvement” in the CQCs report published in September 2019. Following an unannounced visit in December 2019 the Trust’s emergency department was rated as “inadequate”. We also said that delivery of key national targets is a continuing challenge for the Trust. Particular concerns exist in urgent care and patient flow.</p>	<p><b>Performance against national targets</b></p> <p>We considered the Trust’s performance against the four key national standards, Emergency Access, Diagnostics Six Week Waits, Referral to Treatment (RTT) in 18 Weeks and All Cancer 62 Day Waits. For all of these standards monthly trajectories were agreed with NHS Improvement at the start of 2019/20. The Trust did not achieve planned trajectory for any of these national standards in February or March 2020. There were, however, significant improvements in performance during the year against the Diagnostics Six Week Waits and RTT in 18 Weeks standard.</p> <p><b>Auditor conclusions</b></p> <p>Overall, the Trust has demonstrated improvements that are reflected in its improved CQC rating and it has responded positively to the issues raised in CQC assessments. The outcome of the unannounced emergency department visits was disappointing and reflects the continuing need to improve both patient flows and the physical environments in both of the Trust’s emergency departments.</p> <p>There is now a clear improvement plan for the Trust, centred on the Clinical Services Strategy to 2025 with clear milestones to achieve.</p> <p>Responding to Covid-19 has stress tested many of the Trust’s arrangements and it has had to be highly adaptive whilst staff have been working under extreme pressure. Nationally the pandemic has resulted in decreases in patients presenting at hospitals for non-Covid-19 related illnesses. There is however an expectation that as the pandemic passes, numbers will again increase. The Trust leadership has identified a clear focus on both the “Restoration” and “Recovery” phases and the opportunities for transformation on care delivery.</p> <p>The Trust’s performance against national standards continued to be below the required level throughout 2019/20. It is however encouraging to see improvements against two of the four standards and longer-term capacity and patient flow measures should help to deliver improvements in the Emergency Access standard. Performance against the cancer waiting metrics needs to improve.</p> <p>The Covid-19 pandemic has resulted in a national decrease in people presenting at hospitals for non-Covid-19 related illness. There is however an expectation that as the pandemic passes, numbers will again increase, and the Trust will face challenges in improving its performance against national standards</p>



# Value for Money conclusion

## Value for Money Risks

Risks identified in our audit plan and audit findings report	Findings and conclusions
<p><b>Sustainable resource deployment: Management of Trust Finances</b></p> <p>We said in our audit plan that the Trust continues to face very significant financial challenges. The Trust did not agree with the NHSI control total set for 2019/20. The Trust set a financial plan with a year-end deficit of £(82.8) m. We noted that the Trust was reporting against, and managing the financial position in line with this plan. We also said that a timetable for producing a three-year financial plan was expected to be provided by the Director of Finance in December 2019 and that the Trust had been assessed as inadequate in its Use of Resources assessment.</p> <p>We said we would review the arrangements for managing and reporting financial resources. We also said we would review progress with our 2018/19 recommendations and how the Trust is responding to the issues raised in its Use of Resources Assessment.</p>	<p><b>Managing and reporting financial resources: 2019/20</b></p> <p>The Trust committed to delivering a deficit of no more than £(82.8)million with a “stretch target” of £(73.7)million. The Trust did not sign up to the regulator’s control total of £(64.4)m (excluding PSF, FRF and MRET funding) as the Board concluded that this was not deliverable.</p> <p>The year-end financial position was a £(81.5m) deficit, a £1.3m favourable variance against plan, but a £(7.8)m adverse variance against the stretch target. There was additional cost impact in March due to the Trust’s response to managing the Covid-19 pandemic. The main reasons identified by the Trust for not achieving the stretch target were that:</p> <ul style="list-style-type: none"><li>• demand in emergency care pathways was significantly in excess of the system plan leading to premium costs for additional staffing with only marginal recovery of income; and</li><li>• -insufficient identification and delivery of recurrent productivity and efficiency improvement schemes.</li></ul> <p>Overall income was £10.0 million more than originally planned (prior to inclusion of notional income to reflect the nationally paid additional pension contributions). The favourable variance was largely due to the national approach to 2019/20 contract settlements and reimbursements in response to the Covid-19 pandemic.</p> <p>Total pay costs including bank and agency were very close to plan overall. The full year agency staffing spending exceeded the agency cost ceiling by £12.0 million. Non- pay expenditure exceeded the original plan by £6.7m.</p> <p>The Trust delivered cost and efficiency savings totalling £12.0 million. The 2019/20 financial plan included a savings requirement of £13.7m, although the Board set a more challenging target of £22.5 million.</p> <p>The Trust continued to rely on additional cash support from the DHSC to maintain its financial liquidity enabling it to meet its pay bill and pay its creditors. During 2019/20 the net additional revenue cash support was £63.6 million.</p>

# Value for Money conclusion

## Value for Money Risks

Risks identified in our audit plan and audit findings report	Findings and conclusions
<p><b>Sustainable resource deployment: Management of Trust Finances</b></p> <p>We said in our audit plan that the Trust continues to face very significant financial challenges. The Trust did not agree with the NHSI control total set for 2019/20. The Trust set a financial plan with a year-end deficit of £(82.8) m. We noted that the Trust was reporting against, and managing the financial position in line with this plan. We also said that a timetable for producing a three-year financial plan was expected to be provided by the Director of Finance in December 2019 and that the Trust had been assessed as inadequate in its Use of Resources assessment.</p> <p>We said we would review the arrangements for managing and reporting financial resources. We also said we would review progress with our 2018/19 recommendations and how the Trust is responding to the issues raised in its Use of Resources Assessment.</p>	<p><b>Financial Planning 2020/21 and the Medium-Term Financial Plan</b></p> <p>As part of the national response to the Covid-19 pandemic the national financial planning exercise for 2020/21 was suspended and at the time of drafting this was still the case.</p> <p>NHS England and NHS Improvement also simplified funding arrangements for at least the first four months of 2020/21. It also made clear that the additional costs of dealing with the pandemic would be funded. The Trust's financial planning assumptions for 2020/21 have therefore been largely superseded by the impact of the pandemic and at the time of drafting it was not clear whether and for how long these arrangements would be extended.</p> <p>The Trust's draft Annual Plan for 2020/21 was considered by the Board at its March 2020 meeting. Continued growth in activity is assumed, particularly in A&amp;E attendances and outpatients. It is recognised that workforce efficiencies are key to financial delivery. Based on the planning assumptions included in the Annual Plan a deficit of £(78.9) million is forecast for 2020/21.</p> <p>The draft Medium-Term Financial Plan (MTFP) covers the period to 2023/24. The overall aim of the MTFP is to reduce the annual deficit to no more than the level of the structural deficit. It was intended to do more work on analysing and understanding the structural deficit in the last quarter of 2019/20 but was curtailed due to the Covid-19 pandemic.</p> <p>It is noted in the draft MTFP that the Trust has been issued with a Financial Improvement Trajectory that requires the delivery of a £(35.6) million deficit in 2023/24. The draft MTFP identifies two other trajectories, the 'Modelled Deficit' with 2.5% efficiencies that would deliver a 2023/24 deficit of £(68.0) million and a 'Stretch 3.5% Efficiency' that would deliver a 2023/24 deficit of £(44.9) million. The deficit forecast in the 2020/21 Annual Plan is in line with the 'Modelled Deficit'. Prior to the suspension of the planning cycle, the Trust had been working with system partners to model the system financial position against the system Financial Improvement Trajectory.</p>

# Value for Money conclusion

## Value for Money Risks

Risks identified in our audit plan and audit findings report	Findings and conclusions
<p><b>Sustainable resource deployment: Management of Trust Finances</b></p> <p>We said in our audit plan that the Trust continues to face very significant financial challenges. The Trust did not agree with the NHSI control total set for 2019/20. The Trust set a financial plan with a year-end deficit of £(82.8) m. We noted that the Trust was reporting against, and managing the financial position in line with this plan. We also said that a timetable for producing a three-year financial plan was expected to be provided by the Director of Finance in December 2019 and that the Trust had been assessed as inadequate in its Use of Resources assessment.</p> <p>We said we would review the arrangements for managing and reporting financial resources. We also said we would review progress with our 2018/19 recommendations and how the Trust is responding to the issues raised in its Use of Resources Assessment.</p>	<p><b>Auditor conclusion</b></p> <p>The Trust continues to face a fundamental financial issue with the scale of its deficit. The Board recognised at the outset of the year that it was important to work to a realistic financial target but was also clear that a more challenging target should be delivered. Although it is disappointing that the Trust was not on course to deliver this stretch target before the financial impact of the response to Covid-19, the agreed financial plan was delivered.</p> <p>The Trust's Use of Resources Assessment highlighted key improvement areas that the Trust has continued to maintain a focus on. It has further developed its partnership working and has move forward with its strategic planning. There are however continuing significant issues that need to be addressed including high workforce costs and below average operational performance.</p> <p>The Trust has responded positively to our 2018/19 financial planning recommendations and it is pleasing to note the progress made. There are still big challenges for the Trust and its partners in moving to a sustainable financial position.</p> <p>It is clear from the both the draft Annual Plan 2020/21 and the draft MTFP that the Trust's financial challenges will continue for the foreseeable future. It does, however, remain to be seen what impact the national response to the Covid19 pandemic will have on the Trust's future finances. The underlying key dynamics to achieve financial sustainability remain. Understanding the scale and nature of the Trust's structural deficit and reducing the level of dependence on bank and agency staff are central to this.</p>

## Trust's Annual General Meeting

The date and venue of the Annual General Meeting of Worcestershire Acute Hospitals NHS Trust has yet to be agreed, due to the current COVID-19 outbreak.

Further information can be obtained by writing to:

Mrs Kimara Sharpe  
Company Secretary  
Worcestershire Acute Hospitals NHS Trust  
Charles Hastings Way  
Newtown Road  
Worcester  
WR5 1DD

Alternatively further information can be obtained from our website [www.worcsacute.nhs.uk](http://www.worcsacute.nhs.uk)

**Please note:** The hyperlinks within the Annual Report and Accounts are not subject to audit.



[www.worcsacute.nhs.uk](http://www.worcsacute.nhs.uk)

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