Chesterfield Royal Hospital NHS
NHS Foundation Trust

Annual Report and Accounts 2011/12

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

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INTRODUCTION TO THE TRUST

A BRIEF HISTORY

For more than one hundred and fifty years, a Royal Hospital has served the population of Chesterfield and the surrounding towns and villages of North Derbyshire. With choice, its patients now often come from further afield – drawn by our specialist services, reputation and the quality of service we aspire to achieve.

The hospital has built a solid reputation for high-quality services and excellent patient care, meeting local needs within available resources. This status continues today – the Royal is modern and progressive and strives to make continual improvement for the benefit of its community.

On 29 April 1984 the current hospital was opened in Calow, two miles outside Chesterfield's town centre. On 1 April 1993, the Royal became one of the country's first NHS trusts, remaining in the NHS and still under direct control of the Department of Health. NHS trusts had more control over their own affairs, but central financial constraints remained.

Developments over the last 28 years have allowed the Royal to continually improve services and facilities for patients and staff. In the largest area of the hospital all the main surgical and medical specialties are provided, as well as clinical and non-clinical support services. These include:

- Intensive care and high dependency care;
- Emergency services (including A & E and an emergency management unit);
- A theatre suite including specialist theatres for orthopedics and two post anaesthetic care units;
- Pathology laboratories, physiotherapy and occupational therapy;
- Diagnostic radiology, CT scanning and MRI scanning;
- A cardiac catheter suite;
- Osteoporosis centre;
- Ten out-patient suites including a rapid access chest pain clinic;
- Scarsdale Wing, housing: antenatal clinic, chemotherapy unit, dialysis unit and day care unit dedicated to cataract operating theatre; and Nightingale Ward for children; and
- The Den – named by local school children, this centre provides a range of specialist services for children, including physiotherapy and child and adolescent mental health.

In 2003, by achieving a three-star rating in the national 'league tables', the Royal was able to apply for NHS foundation trust status. Monitor (the independent regulator of NHS foundation trusts) approved the application in December 2004 and Chesterfield Royal Hospital NHS Foundation Trust began life on 1 January 2005 as a 'public benefit corporation'.

As a foundation trust, the Royal remains firmly within the NHS. It is accountable to the local people it serves through their membership of the trust and election to the council of governors. They are working with the trust to shape the Royal's future and build a hospital they can be proud of.

Foundation trust status is allowing the organisation greater freedoms and more control over the services we provide and develop. It also means for the first time that we have been using financial gains to our benefit, reinvesting them in-patient services and developments. And as a result, the foundation trust has invested over £80 million in new services and facilities over the past seven years.

Whilst the last few years have seen rapid development, the challenge looking forward will be to build on quality services, improve patient experience and work cost effectively for the benefit of the community and beyond.

STRATEGIC STATEMENT

Our Vision

To be a hospital that provides exceptional quality healthcare the community can be confident in - because of our safe services, excellent clinical outcomes;
and the outstanding patient experience we offer.

To be in the top 20% for everything we do - one of the country's most modern, progressive and forward thinking hospitals and one that can genuinely say
'WE'RE PROUD TO CARE'.

Our Mission

To be the hospital of choice for patients, staff and partners.

Our Values

CARE representing the core values of
Compassion, Achievement, Reputation and Equality

Compassion
Compassion, alongside professionalism and a positive attitude is everyone's responsibility and should mirror how we are perceived by our communities.
We will provide care that protects dignity and privacy and acknowledges individual needs, putting patients at the heart of all our actions.

Achievement
Our achievements will come from striving to exceed expectations by delivering first-class performance and innovation.
We will offer excellent quality of care, safe services and positive experiences whatever the situation or circumstance.

Reputation
Our reputation will be based on integrity, dignity and trust with a willingness to listen when problems occur, to learn from errors and to act swiftly to address weaknesses.
We will have an open and honest relationship with our patients, staff, partners and our communities.

Equality
We will be fair, positive and inclusive, recognising diversity and using it to enrich our organisation.
We will respect different backgrounds and circumstances to meet the varied needs of the populations we serve and those we employ.

Our Aims

- Put the patient and our communities first
- Provide the right care or service, first time
- Offer excellence, safety and quality
- Unlock the potential of staff and use their knowledge
- Find opportunity in partnerships
- Listen, learn and act
- Use resources wisely and invest shrewdly

STATEMENT FROM THE CHAIRMAN AND CHIEF EXECUTIVE

Reflecting on 2011/12

Look back on the past year and it's clear that dedicated staff have once again been the Royal's reason for success. And on 25 June 2011 – when the hospital suffered a devastating fire in its main entrance – that dedication once again shone through. The fire took hold on the Saturday night, leading to the evacuation of the emergency department. By 1pm on the Sunday afternoon - less than 24 hours after the incident; and thanks to a deluge of staff volunteering their time - emergency services were operating as usual and contingencies were in place to make sure patients could still come for their out-patient appointments by the time Monday morning arrived. Nothing was cancelled as a result – truly amazing.

So, as we now (May 2012) look forward to re-opening the entrance after a ten-month re-build, it's timely to reflect on how much has changed this year; and how services have improved for patients – the reason all of us are here. In the pages following this statement you can read a month-by-month account of some of our developments and key achievements, including the new facilities that now exist at Chesterfield Royal Hospital. Staff are very much at the heart of these new ideas and innovations. The contributions they have made this year have helped to provide better quality services.

One excellent example is the new purpose-built stroke unit on site, which combines acute care and rehabilitation services. The brain-child of the medical directorate, the new facility puts all care for stroke patients in one place. In partnership with Derbyshire Community Health Services (who previously managed the rehabilitation phase of the stroke care pathway at Walton Hospital) staff developed a facility that combines the emergency medical care required immediately after a stroke (including thrombolysis treatment) with intensive physiotherapy and occupational therapy – offering immediate and intensive rehabilitation. It's not the only service that has benefited from a partnership approach this year. In conjunction with Chesterfield Borough Council we have been able to set up a community midwifery base in Staveley's Health Living Centre – a seven day a week service that places the Royal in the community, to support mums-to-be.

Working with other organisations in the NHS and elsewhere is just one way we can instigate new ways of working that not only expand our horizons – but offer local people more choice and improved standards of care. It will help us to thrive as a district general hospital in a challenging healthcare 'market'.

The 400,000+ patients we see in clinics, treat in our emergency department or care for on our wards every year often say that cleanliness and low rates of infection are a top priority for them. We can assure you that they are a key priority for us as well. This year we've recorded five cases of bMRSA and 42 cases of Clostridium difficile, two of the most common hospital acquired infections. Both rates are within the target range set by our independent regulator, Monitor, but we continue to put new processes in place to make further improvements. Next year the standards for both these infection measures are incredibly challenging, but we will face the challenge head-on and continue to do our best to meet them.

Our patients also tell us that waiting for appointments, treatment or surgery can be worrying and distressing. That's why we still believe that seeing people quickly (but still offering a quality service) is paramount. Our performance figures on pages 18-20 illustrate that commitment, with patients waiting short times for routine surgery. We also make sure patients in the Emergency Department wait as little time as possible (well within the four hour maximum) and that cancer patients are a top priority. Last year, if they needed surgery or anti-cancer drug therapy, 100% of our cancer patients were treated well within a one month timescale.

We've been fortunate to be able to concentrate on these sorts of targets and measures because – even in these difficult economic times – we have financial stability. This stability will be harder to maintain in the coming years, with increased financial pressure and the need to make even more efficiencies. Even so, we will not allow finance to overshadow quality. We continue to invest our savings in superb new developments and the latest medical equipment. In the next few months we will see our £2 million Chesterfield Eye Centre come to fruition – part of more than £8 million of capital investment we made during 2011/12.

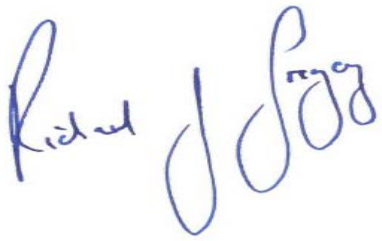
For the coming financial year we still plan to invest more than £4 million in schemes and projects, including a redesigned Women's Health Unit and Trinity Ward (new mums and babies), a second CT scanner, upgrades to laminar flow theatres and improvements to estates management in general. Cavendish Suite (cancer and renal patients) will also benefit from a new reception and patient waiting area.

The 29 public, staff and partner governors who represent Chesterfield Royal Hospital continue to advise and challenge the board of directors, making sure we have the right focus and drive for patients and the local community. This year governors have played a vital role in supporting our bid to provide excellent quality services. Their ward visits, involvement in contracts (such as in-patient meal provision) and the support they give to service development, provide us with wide-ranging views and a realistic assessment of what's working well for our patients, and what we need to do to improve. Many of our governors are now in their second and third terms of office and we continue to be grateful for the time they give up to work alongside us.

The interest of governors is well-matched by that of the local community. We have an established 17,000 'band' of official foundation trust members; and thanks to developing social networks, more than 6,000 people follow our Facebook profile. This two-way interaction allows us to keep in touch with local people quickly and easily. Along with developments such as our YouTube channel, it provides a range of ways to share information and to find out opinion and views.

It is this sort of direct engagement that has created our new values. This year more than 2000 local people took the opportunity to tell us what they want and expect from their local hospital. After a lengthy exercise the strategic statements you can read on pages 4 and 5 of this report were written – not by us, but by our patients and local people who provided comments, thoughts and ideas. We have placed the values of compassion, achievement, respect and equality under the banner 'We're Proud to Care'.

This year we'll be promoting these values to our staff as a reminder of why we are here, what we are here for, and how we expect our patients and their families to be treated. We want our hospital to be not just the one you'd choose – but the one you would choose for your own loved ones. We're working towards this goal of making Chesterfield Royal an exemplar district general hospital; and over the next 12-months we're determined to make it a great place for patients to be treated and an even better place for staff to work.



Richard Gregory OBE
Chairman
30 May 2012

Gavin Boyle
Chief Executive
30 May 2012

DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 March 2012.

THE DIRECTORS OF THE TRUST

The directors appointed to membership of the board of directors who were in post during the year from 1 April 2011 to 31 March 2012 were:

Designation	Dates	Name
Chairman	1 April 2011 – 31 March 2012	Richard Gregory OBE
Chief Executive	1 April 2011 – 4 March 2012 5 March 2012 – 25 March 2012 26 March 2012 – 31 March 2012	Eric Morton Paul Briddock (acting) Gavin Boyle
Deputy Chairman, Senior Independent Director and Non-Executive Director	1 April 2011 – 31 March 2012	Michael Hall
Non-Executive Director	1 April 2011 – 31 March 2012	Janet Birkin MBE
Non-Executive Director	1 April 2011 – 31 March 2012	Deborah Fern OBE
Non-Executive Director	1 April 2011 – 31 March 2012	Pam Liversidge OBE
Non-Executive Director	1 April 2011 – 31 March 2012	David Whitney
Corporate Secretary	1 April 2011 – 31 March 2012	Terry Alty
Director of Finance and Contracting	1 April 2011 – 4 March 2012 and 26 March 2012 – 31 March 2012 5 March 2012 – 25 March 2012	Paul Briddock Eileen Peacock (acting)
Chief Nurse	1 April 2011 – 31 March 2012	Alfonzo Tramontano
Medical Director	1 April 2011 – 31 March 2012	Dr Ian Gell

The trust considers each of the listed non-executive directors to be independent.

Further details about the board of directors and the directors of the trust can be found on page 52 of this report.

THE PRINCIPAL ACTIVITIES OF THE YEAR

The principal purpose of the trust is the provision of goods and services for the purposes of the health service in England.

Services are delivered within a strong support infrastructure of high quality staff who are appropriately trained and rewarded.

Services are delivered in a modern estate where the quality of the patient environment is continually improved to ensure it is fit for purpose and meets all legislative requirements, using the most appropriate and up to date technology.

The trust's activities are governed by the Terms of Authorisation as agreed by Monitor and by legislation. During the year the trust has continued to develop the services that it offers.

The trust provides high quality timely healthcare, delivered in a way that focuses on positive experiences with the hospital, and ensures that patients, relatives and their carers, attend, and indeed return to, the Royal Hospital as their provider of choice.

The trust maintains strong governance and management arrangements, which are fit for purpose and react to the changing NHS environment.

Developments and Key Achievements during the Year

2011/12 was another very busy year across the trust as the hospital suffered from a devastating fire in the main entrance, began a very exciting project to revolutionise the way it delivers ophthalmic care and welcomed a new purpose built stroke and therapy unit alongside the fruition of a partnership with the Borough Council that resulted in the Staveley Community Midwifery Base. There was plenty of recognition in the local and national press, as well as further strides into social media, in all areas of hospital life, including:

April 2011

- The trust was awarded 'Baby Friendly' status once again, a WHO and UNICEF standard designed to assess the compliance of maternity services to support breastfeeding. 34 out of the 36 strict standards were met prompting UNICEF to talk about developing a 'gold award' that we may be interested in achieving in the future.

- The Care Quality Commission national annual inpatient survey results were published and the Royal scored 'about the same' as other trusts in all but two of the comparative reports. The survey is designed to give patients the tools to evaluate one hospital with another via its website.

- Two members of the Pharmacy team set up a cancer drop in centre in Chesterfield with the aim of providing support and, eventually, aromatherapy and massage. The pair found premises above the indoor market after a sister of one of them was diagnosed with terminal cancer. The first support group met on 1 April 2011.

- The trust was recognised for the work it does with the Bolsover Apprenticeship Scheme. In 2010/11 the trust took on the highest number

of apprentices within the scheme (fifteen across a number of directorates) and took on a further ten apprentices of its own. The trust was awarded a plaque by programme co-ordinator Mike Gibson.

- STARS 2011 was launched on 18 April 2011. It was the third annual event following two highly successful events that were acclaimed by staff and received some very positive attention from patients, the general public and local press. This year's categories included a 'Derbyshire Times Award' to be nominated and voted for by DT readers.

- The trust secured its 4,000th 'friend' on Facebook. The social media tool really began to take off at the beginning of 2011, two months after it was set up, giving the trust the ability to answer specific questions, relay important information immediately and promote links to external sites and its own YouTube site.

- The new stroke unit was officially opened in mid-April 2011. The purpose-built unit was unveiled on Eastwood ward and the therapy and rehabilitation services from Speedwell ward moved to the Royal from Walton Hospital as part of a £1.4million project. Its opening received wide publicity from local media.

- The portering and estates teams transformed their workloads thanks to the BacktraqFM system that enables job requests to be taken electronically and automatically allocated via hand held PDA devices. The system reduces the risk of writing down patients' names incorrectly, speeds up the service by cutting out the need to return to the base for a new job, and creates an 'at a glance' update of jobs in the system.

May 2011

- The trust's stroke unit secured an excellent report in the National Sentinel Stroke Audit with a score of 93% compared to a national average of 78%, scoring higher than average in all nine of the key standards. The report gave a comprehensive review of stroke care for patients admitted between 1st April 2010 and 30th June 2010.

- The Pharmacy team took the lead with several stands, displays and talks to mark a national awareness campaign of venous thromboembolism (VTE). An estimated 25,000 people die in hospital from blood clots every year in England. The trust was one of the first to be awarded VTE Exemplar Status in 2010.

- The second 'Making Medicines Safer' event was launched for staff throughout May 2011 and took a similar format to the previous year. Aimed at highlighting the potential pitfalls when administering medicines to patients, the half hour sessions were once again very well attended.

- The Continuing Healthcare Team was introduced as part of a joint initiative between the Royal and NHS Derbyshire. Their role was to look at ongoing care and funding for patients with complex needs in their own home or nursing home following discharge. Continuing care has been around since 2007 but this is the first time such close links have been set up at ward level.

- The trust laid on a special event to celebrate National Nurses Day on 12 May 2011. Marking the anniversary of the birth of Florence Nightingale, nursing teams carried out presentations and were treated to an awards ceremony based on the nursing metrics results. It's the first time the trust has marked this day in such a way and a YouTube video and Flickr photo gallery proved to be a hit with a number of positive responses from viewers.

June 2011

- The patient safety team got behind a national campaign to try and reduce the number of falls. The Age UK-backed awareness drive prompted the team to set up stalls, information and advice for staff, patients and visitors alongside a poster campaign that lasted beyond the week-long initiative. Media attention focussed on what the trust was doing to reduce the number of falls that has seen 152,000 reported in acute hospitals nationally.

- Teams from stroke, cardiology and diabetes were involved in a regional conference that offered support and advice for people affected by those conditions. UK renowned experts spoke alongside our team representatives at the event, held at Chesterfield's B2Net Stadium. The event was supported by Derbyshire Local Involvement Network and the North Trent Network of Cardiac Care.

- The trust's Advanced Life Support course celebrated its 50th anniversary on 13 June 2011 having taught more than 1,000 people, some from as far away as France and South Africa, all aspects of resuscitation. Dr David Sandler, who was a candidate on the first Chesterfield course in 1995, was instructor for the course that has gained an enviable reputation across the UK.

- The Staveley Community Midwifery Base was opened at the Staveley Healthy Living Centre, a joint venture between the trust and the Chesterfield Borough Council. The move was designed to offer more choice for women in accessing midwifery services and a great deal of consultation was done with local GPs. The unique setting of the base gives greater access to health classes such as aquanatal alongside midwifery drop in sessions. This received a great deal of positive media coverage.

- The trust initiated a major fire exercise to test effectiveness of the systems that would come into play if a fire broke out on a ward. The test took place just a few weeks before the main entrance fire and involved some major cross-directorate working as well as the participation of the fire service. The afternoon was filmed from several different vantage points to allow the safety teams to see different responses in real time for detailed analysis.

- A major fire virtually destroyed the main entrance facilities on Saturday 25 June 2011. The way the trust dealt with the blaze, evacuation of A&E, the speed of the media response and the swift return of essential services and clinics received a lot of local and national attention. This was the first 'major incident' for which social media became a central method of both

relaying important and contemporaneous information to the public and receiving feedback and queries from communities.

- Another highly successful membership evening took place on Tuesday 28 June 2011 showcasing the work done by the diabetes team. Diabetes has been diagnosed in 2.8million people in the UK with an estimated 850,000 undiagnosed. The evening featured a memorable and heartfelt talk by a former patient who lost a limb following his refusal to take insulin as a treatment.

July 2011

- The trust launched its 'Donations by Text' service making it easier for people to make donations or charitable gifts with 100% of the amount going to the charitable funds account. The service was developed for free and allows for the donations to be made to value of £1.50, £5.00 or £10.00.

- Ian Fretwell, the trust's nurse consultant for endoscopy was invited to speak about the development of nurse-led endoscopy clinics at a major conference in Cairns. During the trip (paid for by the organisers) Mr Fretwell was shown around several hospitals in Melbourne to advise them on the system that had to be adopted in Australia where the clinics were led by medical consultants. Mr Fretwell is one of 353 nurse endoscopists in the UK.

- The trust took great strides in getting back to its feet following the devastating fire of 25 June 2011. Alternative accommodation was found for security, patient accounts, Ambuline and main reception staff whilst the fracture clinic, orthopaedics and advice centre were able to return to their places of work by the end of July after smoke/water damage was repaired.

- The trust organised a first aid study day at Deer Park School in Wingerworth where an Ambuline ambulance and crew member demonstrated life saving skills. They were shown how to resuscitate through using a realistic dummy and given first aid advice during the health information day that was aimed at 4 to 11 year olds.

August 2011

- The trust announced that the green light had been given to a £2 million project that would revolutionise the way ophthalmic services were provided. A purpose built eye centre would be created in the Chatsworth Suite that previously housed private health care. The building would bring all ophthalmic services, currently situated in several locations on and off site, under one roof.

- The trust's car parking returned to normal after repairs to the barriers and restored audio-visual links to security resulted in the end of the effective free parking for visitors. This fact was communicated to the media and feedback from the public was positive with praise coming towards the hospital for its continued efforts to 'get back on its feet'. Meanwhile demolition work was well under way in the main entrance.

- The trust launched its 'Choices' programme online. Designed to give staff the opportunity to put their ideas forward as to how to run services more efficiently, the programme itself had been running for some time but the launch of a major section on the Intranet made it much more accessible to staff. The site allows staff to follow the progress of ideas, find out what's going on in each directorate and introduces each directorate link point.

- The finalists were announced for STARS 2011 that proved to be the most popular so far in terms of nominations. More than 350 staff were nominated and this was reduced to 38 finalists for the main event.

September 2011

- Nightingale ward set up a number of events to mark 'National Play in Hospital Week'. It's the first time the hospital has been so heavily involved in the awareness week that is designed to show how play can benefit the treatment of children and aid their recovery. The event was supported by visits from a number of organisations, entertainers and local celebrities.

- From 5 September 2011, patients who were first on the theatres list went straight to theatre reception without being collected by a member of the theatres team. This marked a change from patients reporting to several locations including surgical wards, Holywell and the women's health unit. This was part of the Theatres Efficiency Programme and an idea generated from the Choices programme.

- The trust entered into a joint arrangement with Derby Hospitals to pilot the Employment Assistant Programme, a 24/7 confidential telephone service for staff and their families to access for counselling on work, personal and domestic problems. The scheme replaced the 'Resolve' service and was for an initial six month trial.

- Around 200 people went to the Casa Hotel in Chesterfield for this year's Annual General Meeting that also showcased the fantastic work done by the surgical and research teams. The first part of the evening featured 17 stalls from across the directorate whilst the second part featured the AGM with presentations from chief executive Eric Morton, chairman Richard Gregory, governors Barry Whittleston and Sheila Smith and a video presentation about the role of the governors.

- The maternity assistant role was introduced to maternity services as a way of combining the healthcare assistant (HCA) and midwifery support worker (MSW) roles to improve patient care. The number of MSWs had declined, putting pressure on midwives so the role was combined with the HCA to give midwives consistent support, allowing them to do the specific duties that only they can provide. A total of 47 maternity assistants were created, 42 of whom were HCAs who received NVQ training and will continue to receive regular training and support.

October 2011

- The trust joined in a three way partnership with Derbyshire Community Health Services and the County Council's Adult Care Service to sign up to the Dignity in Care Campaign. The partnership aimed to raise standards in care by meeting a ten-point dignity challenge and improve links with

adult social care teams. Three matrons were the first to become dignity champions and the launch received wide local press attention and a YouTube video was produced.

- Building work officially got underway on the main entrance as contractors Styles and Wood set up their site base on 30 October 2011. Elements of the new design were released to the media including the plans for a new shop, smaller help desk, lighter floor and the introduction of a sprinkler system. It was announced that the entrance would re-open in the Spring 2012.

- The trust held a 'Meet Your Governors' event where staff and public governors were on hand to talk to the people they represent about their role and any issues they'd like to raise. The evening was held on 5 October 2011 shortly after 'The role of the governor' video that was shown at the AGM was posted on YouTube. The evening was planned to promote the work of the governors and came just as this year's election process began.

- The trust launched its staff flu vaccination programme and promoted this fact to the public via its YouTube page. The Royal was keen to be seen to be protecting its patients by protecting its staff and the internal campaign was intended to last until the end of the year to vaccinate as many front line staff as possible.

- The Royal's stroke team took their place at the popular continental market in Chesterfield's market square to mark World Stroke Day. The event attracts thousands of visitors and the team were able to talk about the signs and symptoms of stroke.

- Another highly successful membership evening attracted more than 150 people – so popular it had to be held over two nights (one in November). The subject was ophthalmology and contained talks on glaucoma, age related macular degeneration, the vision screening service and more. The main topic was the new eye centre with a computer generated fly-through of the plans making up part of the presentation and a very animated Q&A session.

- In an effort to reduce the number of inpatient admissions, the trust introduced an ambulatory care unit on bay 5 of the clinical decision unit (CDU). The unit would identify the less serious unplanned emergency referrals and attempt to conduct all tests and administer any treatment before the end of the day to free up beds requiring inpatient admission on clinical grounds. This was achieved by having a consultant on duty from 9am until 9pm and also relieved the pressure on junior doctors. It was a six month trial.

<u>November 2011</u>

- The third annual STARS awards went ahead and once again the event was a huge success. There were 38 individual and team finalists from more than 350 nominees across all walks of hospital life with the ceremony itself taking place at The Winding Wheel in Chesterfield on Friday 11 November 2011, hosted by Peak FM's Sean and Becky at Breakfast. Photographs from the event and an extensive write up were

included in a two-page spread in the Derbyshire Times with a report and photo gallery on Facebook that received lots of attention and 'tags'.

- The Royal joined forces with the Bolsover Apprenticeship Scheme to introduce a volunteer programme for one month in association with the Prince's Trust. A number of youngsters were given a one month work experience placement in the estates directorate. All those who completed the programme were automatically interviewed for the Apprenticeship Scheme and recognised by the Royal at a closing ceremony in December.

December 2011

- It was announced that Darley Birth Centre would close and a six month notice was issued following a lengthy public consultation. All views were taken into account but the reduced usage combined with the fact that any complications would result in a transfer to the Chesterfield Birth Centre meant that the most simple births were the most expensive and the centre was no longer sustainable. The decision resulted in a great deal of press, particularly from the Matlock Mercury who were at the forefront of a 'stop the closure' campaign, with NHS Derbyshire taking on most of the media enquiries.

- A Police Community Support Officer (PCSO) set up a base in the Emergency Department to increase communication and help make staff, patients and visitors feel safer. Adele Chapman-Jones would spend one day a week (dates and times were relayed to staff via all staff bulletins) carrying out patrols, running crime awareness sessions and acting as a point of contact. It also provides a visible police presence in the very busy emergency setting.

- The stroke unit activities co-ordinator and ward sister set up a monthly social evening for patients, former patients and their relatives. The sessions are designed to act as a bridge between a ward setting where there is constant support and a social environment where the challenges of being back at home can be felt. The sessions take place at the new Speedwell Therapy Suite.

- The trust took delivery of 200 brand new fans as part of further measures to reduce the risk of infection. Traditional fans can be difficult to clean as the blades can harbour germs but these new fans are bladeless, using an electric motor to feed air into the cylinder that is released as a breeze, and they can be wiped clean in seconds. They are also more energy efficient. These fans were released onto the wards through charitable funds and purchased from a local firm in Whittington Moor.

- The chemotherapy unit based on Cavendish suite was given the MacMillan Quality Environment Mark designed to assess aspects of cancer care associated with the welcoming nature of a unit. The Royal was the only trust in the North Trent Cancer Network to have attained the mark.

January 2012

- Since 1January 2012, all emergency and elective admission have been screened for MRSA. The move coincides with a change in the trust's

MRSA policy and was done to ensure the Royal's MRSA rates remain as low as possible following an increase in the number of cases recorded. Clinical staff were asked to attend mandatory briefings to ensure all staff were made aware of the changes to policy.

- New cannulation packs were implemented across the trust from 9 January 2012 as further efforts to prevent the risk of infection to patients. All staff involved in their insertion were asked to attend mandatory training sessions.

- The 'We're Proud To Care' logo was officially adopted after more than 2,000 members took part in a fact-finding survey in 2011. The feedback and strapline contributed to the new mission statement with the tag featuring on all written correspondence from the Royal.

- Work began on a refurbishment of the trust's blood transfusion department in Pathology. The three-month project will ensure that there is a more efficient service based on how the service has developed over the years. It's the first time the area has been altered since the 1990s and will feature a new blood collection area, updated furniture, better lighting and additional storage to bring it into line with the regulatory agency suggestions.

- The Royal's stroke unit extended the use of its thrombolysis service to 24 hours thanks to the introduction of its telemedicine service. A video link between the Royal and hospitals in Barnsley, Sheffield, Doncaster and Rotherham, as well as an on call consultant, meant that the decision to thrombolyse could be made out of hours. Thrombolysis can only be delivered within three hours of stroke symptoms occurring and the decision can only be made following a consultant-led clinical assessment.

<u>February 2012</u>

- The trust officially unveiled its 'Innovation Centre' the main point of contact for the Choices programme. The centre was designed to maximise the creativity and inception of ideas needed to help the trust reach its efficiency targets. An open day was held on Thursday 23 February 2012, including a few words from chairman Richard Gregory and staff activities surrounding the concepts of change and continuous improvement.

- The audiology department developed a new, fast-track system to enhance the treatment of tinnitus. The move resulted in the Ear, Nose and Throat (ENT) department assessing, carrying out diagnostic checks and initiating treatment in the same clinic on the same day. The change came to provide effective help as early as possible to reduce the impact on sufferer's lives.

- The trust took the unprecedented decision to close all adult inpatient wards to visitors on Wednesday 15 February 2012 due to a severe and far reaching outbreak of Norovirus. The trust made full use of social media tools to send out a range of messages to a number of people, produced a YouTube video to explain the decision and show the effects of Norovirus, and utilised an ad campaign on local radio station Peak FM to get the message out. The wards were reopened on Thursday 23 February 2012.

March 2012

- From 5 March 2012, the theatre timetable changed from half day to all day lists with the same surgeon, same anaesthetist and same theatre team. All inpatients due for theatre were to be taken to Staveley ward to avoid any confusion and provide a base for these patients to prepare them for their procedure. The ward would also be used as a Tinzaparin clinic for patients ahead of the next day's list. This was part of the Theatres Efficiency Programme.

- The Royal officially welcomed Gavin Boyle as chief executive following the departure earlier in the month of Eric Morton after nearly ten years in the role. Gavin joins the Royal from Yeovil District Hospital and has also had spells at Nottingham, Leeds and Liverpool. The appointment received wide local press coverage including newspaper articles, an interview on Peak FM and a video interview with online journal The Chesterfield Post.

- The first membership evening of the year was another success with around 100 people attending an evening showcasing the work of the Cardiology team. The evening featured presentations on what the team do as well as talks about cardiac rehabilitation, research into cardiology and a very moving account by a former patient.

- The hospital took the decision to close its doors to visitors to all adult inpatient wards for the second time within a month, once again due to Norovirus.

- The audiology department took the difficult decision to start charging for hearing aids that were lost or damaged as a consequence of neglect. The move was used as an opportunity to urge patients to look after their hearing aids properly and coincided with a YouTube video detailing how to insert a hearing aid properly, replace the tubing and clean it. Lost and damaged hearing aids cost the department £30,000 per year.

- The trust opened its main entrance doors for Chesterfield College construction students to get a glimpse of a major project in action. The move highlighted the trust's commitment to supporting organisations and also provided an opportunity to update the public with further details on the progress of the development.

- The audiology department revealed its involvement in a charity scheme that would see more than 5,000 broken or redundant hearing aids sent to developing countries instead of to landfill. The refurbishments would be done by prisoners in Durham and proved to be a good news story with coverage from several local newspapers and a Radio Sheffield interview.

Performance

During the year, standards included within Monitor's Compliance Framework were as follows:

- Continued delivery of the maximum 4 hour wait in the Emergency Department (ED) – with 97.3% of patients seen within the time limit. This was despite a 3.04% increase in patients attending when compared to 2010/11.

- For elective admissions, the 95th percentile waiting time between referral and admission was 15.9 weeks and for outpatients the 95th percentile waiting time between referral and treatment it was 13 weeks.

- 96.7% of patients were seen by a specialist in outpatients within 2 weeks of urgent GP referral for suspected cancer, and 95.6% of patients referred by their GP with any breast symptom were seen by a specialist within 2 weeks of referral.

- 99.7% of patients were treated within one month of a decision to start first cancer treatment, 100% of patients received subsequent surgical treatment within one month of a decision to treat, and 100% of patients received subsequent anti cancer drug treatment within one month of a decision to treat.

- In addition, 91.8% of patients received their first definitive treatment for cancer within 2 months of GP or dentist urgent referral for suspected cancer, and 92.3% of patients received their first definitive treatment for cancer within 2 months of urgent referral from the national screening programme.

- 86.3% of stroke patients spent more than 90% of their hospital stay in the stroke unit, and 100% of transient ischemic attack (TIA) patients were treated within 24 hours.

- The trust recorded 5 cases of bMRSA and 42 cases of clostridium difficile, which meant that the risk of contracting the C. difficile infection as an in-patient had reduced to 0.20 per 1,000 bed days.

Other key performance milestones achieved include:

- The 95th percentile time spent by all patients in the ED was 239 minutes, with an initial assessment time for the 95th percentile of patients being an average of 33 minutes over the whole year, but just 20 minutes during the last 3 months of the year. The median time to treatment was 70 minutes.

- 2.8% of patients left the ED without being seen, and 5.4% of unplanned patients re-attended the department within 7 days of their original attendance.

- 99.0% of admitted patients and 99.6% of non-admitted patients were treated within 18 weeks of referral, with 56% of the admitted patients being treated within 4.3 weeks of referral and 62% of the non-admitted patients being treated within 3.1 weeks of referral.

- 94.9% of women were seen by a midwife within 12 weeks and 6 days of pregnancy

- 48.1% of eligible patients underwent surgery within 24 hours following fractured neck of femur and 82.5% underwent surgery within 48 hours.

- 0.6% of elective admissions were cancelled on the day for surgery or after admission for non-clinical reasons, and 98.9% of these patients were re-admitted within 28 days of the cancellation.

- Average length of stay for non elective admissions increased by 0.2 days when compared to the previous year.

- 84.1% of the workforce received appraisal between April 2011 and end of March 2012, and the sickness absence rate for the year was 4.09%.

Activity achievement during 2011/12 compared to plan is detailed below:

Clinical activity	**Plan**	**Actual**
cases	**2011/12**	**2011/12**
Elective	33,509	33,186
Non elective	35,982	37,479
Outpatients	268,771	267,639
A&E	63,975	66,394

Developments

Service developments during the year had a major contribution towards improving clinical quality. Those of significance included:

- Introduction of a new theatre timetable in March 2012, moving to predominantly all day lists with the same surgeon, same anaesthetist and same theatre team, with an objective of increasing the number of cases per list and utilising 98% of planned operating lists

- Opened a dedicated admissions area for in patients to be seen by the surgeon and anaesthetist on the morning of surgery

- Implemented the start on time initiative to ensure all theatre lists start promptly at 9am each day

- Opened a POSU facility one night per week from November 2011 to care for the major Head and Neck Cancer cases and avoid last minute cancellations of surgery

- Appointed an Extended Scope Practitioner to work with the upper limb orthopaedic team to see some new patients and improve the quality of care for patients.

- Appointed a part time Ortho-geriatrician to improve the pathway for fracture neck of femur (NOF) patients. Data for all fracture NOFs is entered onto the National Hip Fracture Data base to identify patients who meet the Best Practice tariff.

- Commenced work in early 2012 on the enhanced recovery pathway for hips and knees to reduce the length of stay, improve patient information and promote early mobilisation.

- Appointed 2 permanent additional ED Consultants in late March 2012 to strengthen the team and reduce the need for locum doctors in ED.

- As part of the national clinical quality indicators introduced in April an initial assessment nurse was appointed in ED to receive ambulance patients within 15 minutes and undertake initial observations

- A new Community Midwifery base opened in Staveley July 2011. This developed a service which was previously provided by midwives in GP practices in the Staveley and surrounding area. Now, any pregnant woman can use the drop in service both in and out of normal hours as a result of the development.

- In March 2012 the Child Health service moved from a stand alone IT system to a national data base, SystmOne. This allows the sharing of data regarding immunisations, vaccinations and blood spot with Health Visitors and GPs

- A paediatric food allergy service was introduced in October 2011 to offer a local service to patients that were traditionally referred to Sheffield. This has already been a very popular service with local GPs referring patients.

- Introduction of new patient name bracelets in the Neonatal Unit specifically designed for use on small babies but large enough to contain all relevant details.

- Introduction of the physiotherapy and OT weekend service for Stroke rehabilitation to add to the existing acute stroke physiotherapy service, together with implementation of a weekend Doppler service to further improve access for this group of patients

- Introduction of electronic patient records across Suite 5 therapies (physiotherapy / occupational therapy / dietetics / Podiatry / Orthotics / administration and booking) to deliver a whole range of service change

- Pre operative out patient physiotherapy education class implemented for patients who are to have knee replacements - designed to assist post operative recovery as part of the hip and knee pathway review, shorten length of stay and improve the patient experience.

- Therapy technical instructors now provide a 7 day service (incorporating occupational therapy elements of service) alongside the existing physiotherapy service for Orthopaedic wards, predominantly for elective patients to facilitate discharge.

- Physiotherapy outpatient injection clinic introduced on a monthly basis and development of telephone assessment for paediatric obesity in order to assess readiness to change to help reduce ‘did not attends’.

- Completed implementation of electronic prescribing and medicines administration system (EPMA) for hospital inpatients, and continued expansion of pharmacist prescribing initiatives, including oral anticoagulation in medicine.

- Completion of trust wide roll out for requesting diagnostics for imaging and pathology

- Begun preparatory process for implementation of the abdominal aortic aneurysm screening programme, with screening due to commence in May 2012

- As part of the breast services, implementation of breast MRI scanning

- Working with NHS East Midlands, pathology turnaround times have been reduced via introduction of LEAN working

- Implementation of a new one-stop service for patients with tinnitus, and introduction of a text messaging service for head and neck patients with speech problems

- Introduction of new dedicated advice lines, specifically for breast, colorectal and upper GI patients.

Finance

The trust achieved a net surplus of £8.3m (against a planned surplus of £7.3m) as at 31 March 2012 and was in financial surplus throughout 2011/12.

It has had a strong income and expenditure position throughout the year placing it in a robust financial position going into 2012/13.

The trust has the financial stability necessary to continue the investment of surpluses and to further improve service delivery in the years to come.

The trust's financial performance is discussed in more detail in the next section.

OPERATING AND FINANCIAL REVIEW

Fair View of the Trust's Business

Financial Review

2011/12 saw a continued growth in income, cash and major capital investment in the trust's estate, medical equipment and IT.

The summary headline financial information for 2011/12 and 2010/11 for the trust is shown below:

	2011/12 £m	2010/11 £m
Operating income	**191.4**	186.7
Surplus	**8.3**	8.8
EBITDA *	**20.2**	20.3
Total assets	**161.8**	152.5
Cash and cash equivalents	**41.4**	34.4
Capital Investment	**8.4**	12.4
Borrowing limit i) long term	**31.6**	29.9
ii) short term	**11.0**	11.0
Actual borrowing i) long term	**6.5**	7.8
ii) short term	**1.3**	1.3
Financial risk rating	**5**	5
Efficiencies achieved	**4.5%**	3.5%

*Earnings before Interest Taxation Depreciation and Amortisation (and impairments).

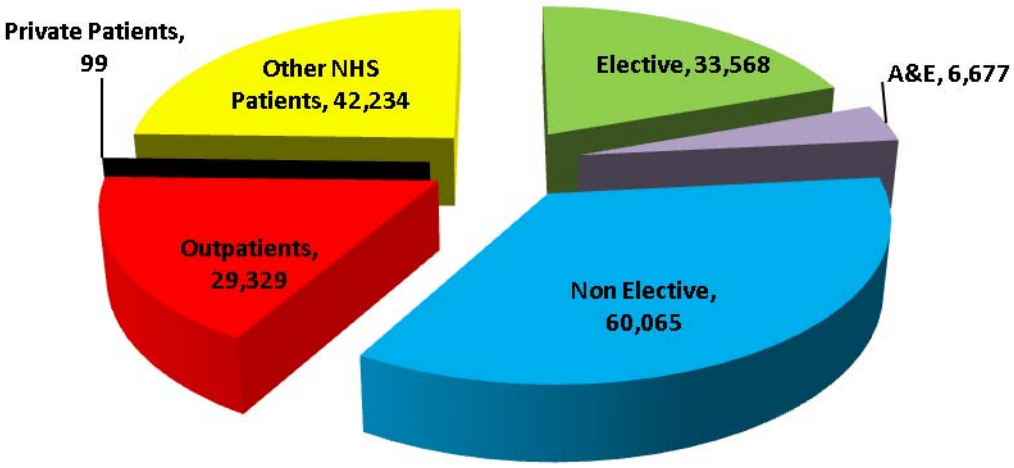
Operating Income

Operating income £191.4m (2010/11: £186.7m) consists of patient care income and non patient care income. These are analysed below:

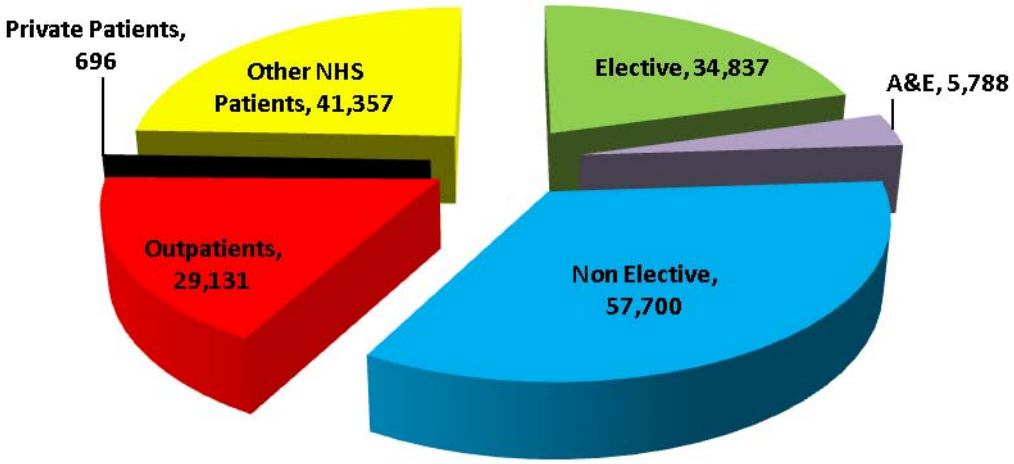
i) Income from Patient Care Activities

Total income from patient care activities for the year 2011/12 increased by 1.5% to £172.0m (2011: £169.5m). This represents 89.9% (2011: 90.8%) of total income for the year. A breakdown of patient care income is shown graphically below for both 2011/12 and 2010/11:

Patient care income 31 March 2012 (£000)



Patient care income 31 March 2011 (£000)



Further details of patient care activities are shown in Note 4.1 to the accounts.

Private Patient Income

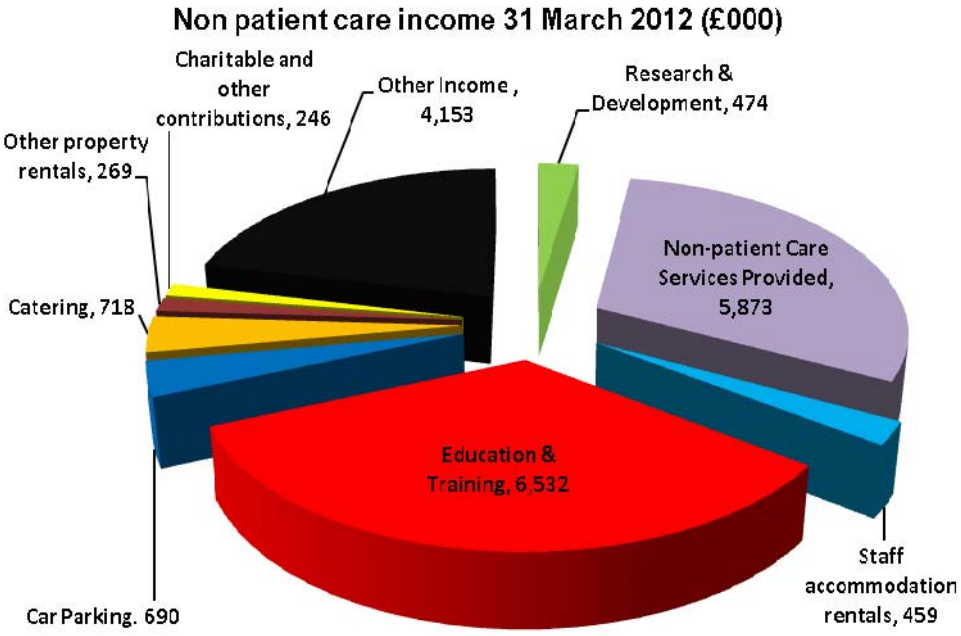
The private patient income cap includes all income which is attributable to an NHS foundation trust either directly or indirectly, and which has its origin in the provision of goods and services to non-NHS patients. The private patient income cap is 1.0% ie the total private patient income received for any given year cannot exceed 1.0% of the total patient care income. The actual outturn for 2011/12 from income for treating private patients under the revised cap was £110,000 (including £11k for overseas visitors treated under non-reciprocal agreements) which represents 0.06% of total patient care income.

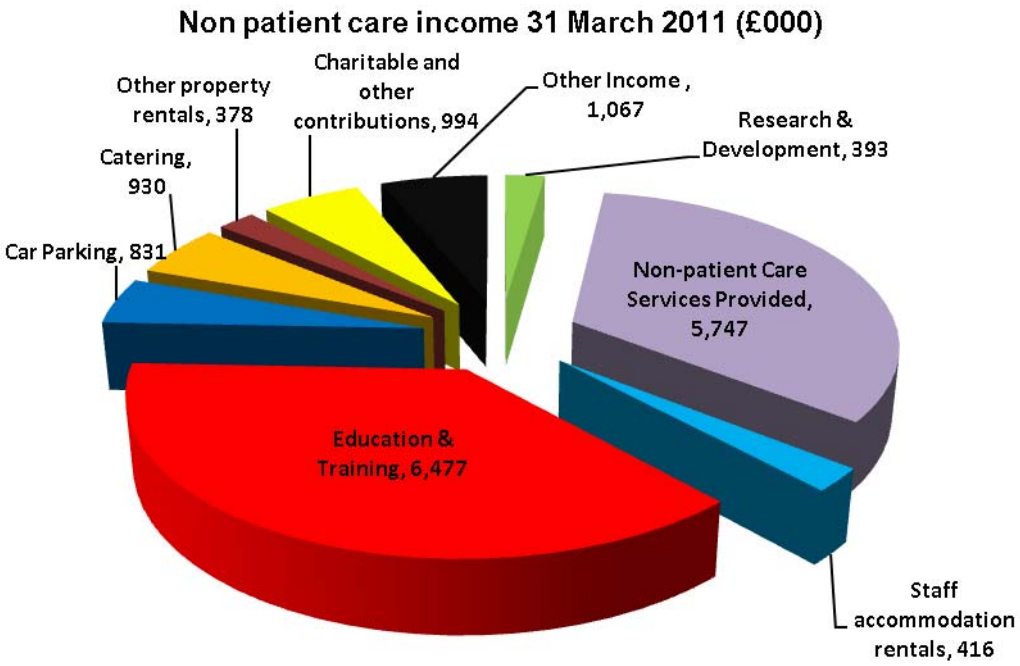
The comparative outturn for 2010/11 from income for treating private patients under the cap was £708,000 (including £12k for overseas visitors treated under non-reciprocal agreements) representing 0.42% of total income patient care income.

Further details are shown in Note 4.3 of the financial statements.

ii) Income Generated from Non Patient Care Activities

Included below are details of £19.4m (2011: £17.2m) of non patient care income received, which has been generated from the provision of non patient care services such as education and training. This represents 10.1% of the total income in the year (2011: 9.2%). A breakdown is shown graphically below:





Further details are shown in Note 5 to the accounts.

Surplus

The net surplus of £8.3m was £1.0m in excess of plan, and includes £2,095k of impairments, £1,469k of this resulting from the damage incurred to the hospital front entrance as a result of a fire on 25 June 2011.

EBITDA

EBITDA decreased by £0.1m from £20.3m in 2010/11 to £20.2m for 2011/12. This reflects an increase in expenses (excluding depreciation, amortisation and impairments) of £5.0m (2.8%) and a corresponding increase in income of £4.7m (2.5%).

Total Assets

Total assets increased from 2010/11 to 2011/12 by £10.6m, which can be largely attributable to an increase in cash and cash equivalent balances of £7.0m.

Cash and Cash Equivalents

Cash increased by £7.0m across all accounts, from £34.4m to £41.4m. A working capital facility of £11.0m was also in place, giving cash headroom in excess of £52m and putting the trust in a strong financial position.

Capital Investment

The trust's investment (in terms of capital expenditure) for 2011/12 is shown below. A total of £8.4m (2011: £12.4m) was spent during the year.

£246k (2011: £995k) of charitable capital assets were donated to the trust during the year from its charitable funds including a new MRI vital signs monitor (£52k).

Capital investment by major scheme during 2011/12 is shown below:

Capital investment – major schemes for the 2011/12 financial year	Total 2011/12 £000
Repair of fire damage to the concourse / entrance	1,706
Directorate equipment	1,701
Eye Clinic	1,348
Ward upgrades	1,288
IT equipment and applications	937
Estates minor works	435
Pathology refurbishment	270
Other *	701
NHS funded capital expenditure	**8,386**
Donated assets	246
Total capital expenditure	**8,632**

*Other includes improvements to toilets; outpatient facilities and the Innovation Centre.

Buildings used in the provision of healthcare are classed as 'protected' assets, whereas other buildings and all equipment are 'unprotected'. The table below shows the expenditure for each of these categories:

Capital investment analysis for the 2011/12 financial year	Total 2011/12 £000
Protected asset investment	3,193
Unprotected asset investment (ie equipment including IT)	4,923
Donated capital investment	246
Total capital expenditure	**8,632**

Borrowings

During 2011/12, the trust reduced the balance of its borrowing with the Foundation Trust Financing Facility (FTFF) from £8.01m to £7.01m. The total FTFF borrowing against the Prudential Borrowing Limit (PBL) for 2011/12 of £31.6m for long term borrowing, which is set out in its Terms of Authorisation, was £7.01m as at 31 March 2012. The loan is for 10 years (from March 2009) fixed at an interest rate of 2.84%.

During 2011/12, the trust also repaid £260k (2010/11: £182k) relating to the capital element of finance leases, leaving a further £777k repayable as at 31 March 2012 against the long term PBL.

The trust did not borrow against its short term prudential borrowing limit during 2011/12 relating to a working capital facility of £11.0m.

For further details please see Notes 23 and 24 to the accounts.

Summary Financial Risk Ratings

Monitor, the regulatory body for foundation trusts, monitors the trust's financial performance on a quarterly basis using specific financial risk ratings. The trust's performance against Monitor's financial risk ratings is shown below:

The trust achieved a financial risk rating of 5 in all quarters during 2011/12 on Monitors' scale of 1 to 5 (a score of 1 being 'high-risk' and 5 'low-risk'). The trust is forecast to maintain a 'low-risk' score of at least 4 for 2012/13.

		2011/12		2010/11	
Metric	Weighting	**% Ratio**	**Rating**	% Ratio	Rating
EBITDA margin	25%	**9.5%**	**4**	**10.7%**	**4**
EBITDA % achieved	10%	**107.2%**	**5**	**114.7%**	**5**
Return on capital employed	20%	**8.1%**	**5**	**10.8%**	**5**
I&E surplus margin	20%	**5.2%**	**5**	**5.8%**	**5**
Liquid ratio (days)	25%	**88.4**	**5**	**78.9**	**5**
Weighted average rating	100%		**4.8**		**4.8**

Further details of regulatory ratings are shown on page 35 of this report.

Quality, Productivity and Efficiency Agenda

The trust has a good record of implementing Cost Improvement Programmes (CIP) designed to improve efficiency. In 2011/12 the trust was required to deliver a 4% efficiency (2010/11 3.5%). 3.0% has been achieved through a number of directorate based efficiency programmes with a further 1% found centrally. The amount achieved in line with plan was £6.6m (2010/11 £5.5m).

Directorate Quality, Productivity and Efficiency plans are monitored monthly with regular reporting to the board of directors and hospital management committee. Internal systems are in place, which are lead by the medical director, chief nurse and a finance representative, ensuring that all Quality, Productivity and Efficiency plans are deliverable, will not compromise clinical quality and include evidence of staff engagement.

Financial Disclosures

Going Concern

The directors are mindful of the challenges facing it in the current economic climate, and particularly the more challenging financial environment which is imminent.

The directors believe that careful management of the trust's finances over the past seven years as a foundation trust, where funding growth has been strong, has left the trust in a strong financial position, with a healthy recurrent income and expenditure position and strong cash and liquidity in order to meet the financial challenges for 2012/13 and beyond.

After making enquiries, the directors have a reasonable expectation that the NHS foundation trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

Accounting Policies

Monitor has directed that the financial statements of NHS foundation trusts shall meet the accounting requirements of the NHS Foundation Trust Annual Reporting Manual (FT ARM) which shall be agreed with HM Treasury. Consequently the trust's financial statements have been prepared in accordance with the 2011/12 NHS Foundation Trust Annual Reporting Manual issued by Monitor. The accounting policies contained in that manual follow International Financial Reporting Standards (IFRS) and HM Treasury's Financial Reporting Manual. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

Financial Risk Management

Financial risk management is disclosed in Note 33 to the annual accounts.

Better Payment Practice Code

The national 'better payment practice code' requires the trust to aim to pay all valid invoices within 30 days of receipt (or the due date - whichever is the later). Performance this financial year shows that 97.6% (2010/11: 97.9%) of invoices paid complied with this measure. More detail can be found at Note 12 to the accounts.

	Number	**Value (£000)**
Invoices paid April 2010 to March 2011	67,083	70,736
Invoices paid within 30-day target	65,444	68,074
Percentage paid within 30-day target	97.6%	96.2%

Management Costs

In line with best practice, the trust monitors expenditure on management costs as defined by the Department of Health.

	2011/12 £000	**2010/11 £000**
Management costs	8,033	8,323
Income	191,386	186,742
Management costs %	4.2%	4.5%

Cost Allocation and Charging Requirements

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

Investments

The trust made no investments through joint ventures or subsidiary companies and no other financial investments were made. No financial assistance was given by the NHS foundation trust.

Market Value of Properties

There are no significant differences between the carrying amount and market value of the trust's properties.

Charitable Funds

All charitable fund expenditure is classed as granted to the hospital from its charities. Items over £5,000 are capitalised and included in the trust's closing non-current assets on its Statement of Financial Position. The Charitable Funds Annual Report and Accounts for 2011/12 are published separately and are available from the trust on request.

Political and Charitable Donations

There have been no political or charitable donations paid during the financial year to external organisations.

Accounting Policies for Pensions and Other Retirement Benefits

The accounting policies for pensions and other retirement benefits are set out in note 1.4 to the accounts and the arrangements for senior employees' remuneration can be found in the remuneration report on page 102 of this report.

Significant Events since Balance Sheet Date

There are no significant events since the balance sheet date that are likely to have a material impact on both the trust and financial statements for the year ending 31 March 2012.

Related Party Transactions

Under International Accounting Standard (IAS) 24 'Related Party Disclosures' the trust is required to disclose, in the annual accounts, any material transactions between the NHS foundation trust and other NHS and government bodies, members of the board and key management personnel and parties related to them.

Any such disclosures can be found in Note 32 of the annual accounts for the year ending 31 March 2012.

Contractual Arrangements

The organisations with which the trust considers material transactions have taken place during 2011/12 are:

- Derbyshire County PCT
- Leicester County and Rutland PCT (incl. East Midlands Specialist Commissioning Group)
- East Midlands SHA

Details of the transactions can be found in Note 32 of the annual accounts for the year ending 31 March 2012.

External Auditors

The trust's auditors for 2011/12 were:

KPMG
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

The total cost of audit services for the year was £60,776 ex VAT. This was for the statutory audit of accounts for the year April 2011 to March 2012 and services carried out in relation to these. Included in this figure is the work completed in relation to quality accounts for the year April 2011 to March 2012 totalling £15,675 ex VAT. The external auditors also undertook the Charitable Funds Audit for the year April 2011 to March 2012 and the separate fee for that work was £6,278 ex VAT.

The trust did not purchase any further services from the external auditors that are outside Monitor's Audit Code. The trust expects its external audit provider to act independently. Under the terms of engagement they are required to have control processes in place to ensure that this status is preserved and to notify the audit committee of any matter that could compromise the independence or objectivity of the audit team. The audit committee monitors this position and the auditor is required under ISA 260 to confirm this position in the annual governance report.

The contract in place for the provision of external audit services to the trust during 2011/12 expired on 31 March 2012. During the year, a formal procurement process was undertaken for the trust to appoint an external auditor in accordance with the requirements of the Audit Code for Foundation Trusts published by Monitor to cover the period from 1 April 2012.

The council of governors convened a committee to manage the selection process and, supported by the audit committee, this committee presented to the council of governors a report explaining the process followed for the procurement and its recommendation on the preferred provider for audit services.

At the closed session of its general meeting on 23 November 2011, the council of governors approved the reappointment of KPMG as the trust's external auditor for a period of five years from 1 April 2012.

Disclosure of Information to Auditors

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

Significant Activities in the Field of Research and Development

In the period April 2011 to March 2012 Chesterfield Royal Hospital NHS Foundation Trust (CRHFT) continued to expand research activity in many clinical specialties. Largely due to funding from the Trent Comprehensive Local

Research Network (TCLRN), the Research Department has been able to recruit to new posts within the team to accommodate the increased workload.
Dr Justin Cooke, Consultant Cardiologist at CRHFT is the regional clinical lead for the CLRN Cardiovascular Research Specialty Interest Group. As part of the promotional activities of this group the Research Department held an information evening in December 2011 to promote cardiovascular research in the area and to provide information and support to interested clinicians and nurses.

The trust has this year been invited by the TCLRN to host a Research Management and Governance post. The post is TCLRN funded but will be line managed within the trust. This is a significant step forward for the Research Department as posts of this nature are normally hosted only by large city teaching hospital research offices.

Throughout the year members of the research team have been invited to speak at a range of regional and national research meetings and conferences. This year has also seen the first nursing student from the University of Derby on placement with the research team and research is planned to be a regular short placement area for students in the future.

The Main Trends and Factors Underlying the Development, Performance and Position of the Business Entity During the Financial Year and an Indication of Likely Future Developments

2011/12 and Ongoing

The main themes which emerged from the trust's service development strategy and subsequent annual plans remain relevant for 2012/13 and the medium term. These are as follows:

- Provision of high quality and timely healthcare, delivered in a way which focuses on positive experiences with the hospital, and ensures that patients, relatives and their carers, attend, and indeed return, to the Royal Hospital as their provider of choice.

- Services delivered, using the most appropriate and up to date technology, in a modern estate that meets all legislative requirements, where the quality of the patient environment is continually improved to ensure it is fit for purpose.

- Provision of services from within a strong support infrastructure, delivered by high quality staff who are appropriately trained, feel valued and rewarded, and want to continue working within the foundation trust and identify with its success.

- Maintenance of strong governance and management arrangements which are fit for purpose and react to the changing NHS environment.

- Underpinned by a strong financial framework, which ensures that the foundation trust is financially viable in both the short and medium term.

Likely Future Developments - Proposals for Change

The trust's annual report for 2011/12 has been prepared against a backdrop of the most significant transformation for the NHS as set out in the Health and Social Care Act 2012.

A key consideration for the trust during 2012/13 will be the requirement to work with the emerging commissioning consortia (both in the transition phase and beyond) and with partners to respond to the demands of the changing environment. The trust will continue to ensure that it provides cost effective, quality services in order to mitigate the risks to its current position from increased competition in provider services.

The changes taking place are against a backdrop of increased financial pressures across the NHS and social services, and the trust will continue to work with its partners to ensure that the effect on services is minimised.

Risk and Assurance

Effective risk and performance management is continually monitored within the trust. A lead director has been identified for each area of risk and individual responsibilities of the lead directors, managers and staff are identified in the trust's risk management strategy. The trust uses a number of methods to assure itself of the risk and performance management of the trust, including:

- Regular review and update of the trust risk registers by risk owners (thereby ensuring a bottom up approach) and robust review of the trust's corporate risk register (live risks scoring 12 or above) on a monthly basis by the risk committee;

- Monthly reports produced by the directors providing detail on the financial, clinical and performance management of the trust including an up to date analysis of the current key risks within the trust, as well as including forecasting and historical trends;

- Monthly risk reporting to the board;

- The work of internal and external audit during the financial year to support the trust in understanding its risk and performance management; and

- Monitoring and review of compliance with the Care Quality Commission's standards of quality and safety.

The board also addresses the risks when the self-assessment process and declaration is completed for Monitor. This arrangement ensures the board of directors understands the strategic business risks to the trust in the context of the trust's strategic direction.

Description of the Principal Risks Facing the Trust during 2011/12

In the annual forward plan for 2011/12, the following principal risks were identified:

- Impact on contract income of commissioner affordability, emergency re-admissions, and changes to the tariff structure.

- Reconfiguration of clinical services, leading to loss of activity and income.

- Increased competition through any qualified provider, leading to loss of activity and income.

- Failure to achieve service standards, triggering financial penalties.

- Failure to achieve regulatory compliance, triggering intervention.

These risks have been mitigated during the year through close monitoring and performance. Some will continue to be principal risks in 2012/13 and the action to address them is set out in the trust's annual forward plan for 2012/13.

Information Risks and Data Losses in 2011/12

Information Governance (IG) continues to have a high priority within the trust. Ensuring that all personal data is handled properly at all times, and that the confidentiality of patients and staff is protected from accidental or deliberate disclosure remains the most significant aspect of the IG agenda, but work continues throughout the full a range of related topics. These include:

- Comprehensive IG training for all members of staff. This is a major undertaking, aimed at ensuring that every single member of staff is trained how to recognise and deal with potential risks to confidentiality and data security. The trust has been independently assessed at achieving this target;

- Every directorate/service area has developed its own register of information assets and data flows, which is risk assessed in order to identify potential issues that need to be addressed;

- Implementation of detailed contractual arrangements for the regulation of exchange/sharing of data both with other NHS and public sector partners as well as appropriate organisations (eg commercial organisations providing services directly to patients);

The performance of individual NHS organisations is assessed through the Information Governance Toolkit (IGT). The IGT consists of a total of 45 separate standards, each of which deals with a different aspect of Information Governance. Standards are assessed on a scale of 0-3, with a national target for all trusts to meet a minimum of level '2' in all standards. While it has not been possible for the trust to achieve this target for every standard, the IGT submission for 2011/12 has the following key features:

- The trust achieved 2 level '3' standards, 32 level '2' standards and 11 level '1' standards. No standards were scored at level '0'. The trust therefore has an achievement rate of 76%;

- The trust achieved level '2' compliance for all the previous Information Governance Toolkit (IGT) 'key standards'. These were prioritised by the Executive Team as being most significant of the IG standards, and includes the standard relating to staff training in IG issues;

- The standards which were assessed at level '1', largely require further development of existing processes in order to reach level '2', rather that the implementation of completely new approaches. These include deployment of additional technical measures to implement 'pseudonymisation' processes – designed to protect the anonymity of service users from accidental internal disclosures, the implementation of more extensive auditing and monitoring

processes in a variety of areas, and more extensive benchmarking processes.

The trust has not reported any serious untoward incidents (SUIs) relating to the loss of information during 2011/12.

Insurance Cover

The trust has insurance arrangements through the NHS Litigation Authority (NHSLA) to cover the risk of legal action against its directors and officers and additional liability insurance totalling £5m with Chubb UK.

Countering Fraud

In 1999, the government set up the NHS counter fraud service through the Secretary of State directions. The service has the central co-ordinating and directing role, revising policy and processes to prevent fraud arising, providing information to target counter fraud action, continuously identifying the nature and scale of the problem of fraud and corruption and setting and monitoring the standards of counter fraud work.

The trust as a foundation trust is not bound by the Secretary of State directions but, under a clause in the contract held with the PCT, the trust has agreed to take all necessary steps to counter fraud affecting NHS funded services and will maintain appropriate and adequate arrangements to detect and prevent fraud.

The Local Counter Fraud Specialist (LCFS) provision at Chesterfield Royal Hospital NHS Foundation Trust is provided by RSM Tenon. Their 'Fraud Solutions' arm specialises in all aspects of counter fraud and investigations work across the public, corporate and not-for-profit sectors. RSM Tenon is the largest commercial provider of the LCFS provision in the NHS, with a large integrated team with accredited and experienced LCFS personnel.

During 2011/12 the trust was provided with 70 days of counter fraud services from RSM Tenon.

The work carried out by the LCFS is within seven generic areas of countering fraud:

Creating an anti fraud culture
- Undertaking fraud awareness training with trust staff
- Fraud training included in the Induction training
- General publicity using posters, leaflets and emails
- Annual staff survey undertaken by the service
- Fraud awareness month held during the year

Deterrence
- Liaison with the communication manager
- Formal communication strategy
- Production of four news-letters per year

Prevention
- Introduction of preventative systems
- Liaison with internal audit
- Undertaking regular review of all policy documents

- Protocols maintained between HR and the counter fraud service
- Identifying fraud risk

Detection
- Counter fraud service undertake a national proactive exercise
- The Audit Commission undertake a national fraud initiative

The final three areas relate to investigation, sanction and redress.

The LCFS received 18 referrals during 2011/12 which resulted in seven investigations being conducted. One investigation was concluded where attempted fraudulent activity was established by an external party and referred for further investigation to the respective organisation. Four investigations were concluded with no fraud proven. One investigation, although no evidence of fraud was established, identified a substantial refund to the trust from a Clinical Agency and a further investigation is ongoing.

The LCFS has also received numerous requests for advice from staff concerning personal email scams delivered to their trust email account. Whilst the investigation of these incidents is outside the remit of the LCFS, advice has been returned in the form of Fraud Advisory Panel literature on ID Fraud and Protection for online purchases.

The LCFS has also been instrumental in providing advice and guidance to the trust in relation to ongoing banking scams affecting the public sector.

Directors' Statement

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

Regulatory Ratings Report

Monitor Risk Ratings

The trust submits declarations to Monitor for finance and governance. Monitor reviews the declaration and issues a risk rating for each element.

The finance rating is based on the trust's financial performance in the quarter against the Annual Plan for:

• Delivery of plan;
• Operating margin;
• Return on assets; and
• Delivery.

The financial risk rating is on a scale of 1 to 5 with 5 being the lowest risk.

The governance rating is based on the trust's self declaration against the following areas:

• Performance against national targets and indicators;

• Care Quality Commission registration and ongoing performance against registration requirements; and
• Provision of mandatory goods and services.

The governance rating is on a graduated system of green, amber/green, amber-red and red, with green being the lowest risk.

The majority of NHS foundation trusts report to Monitor on a quarterly basis, but, as Chesterfield Royal Hospital has been authorised for over two years and has consistently achieved the lowest possible risk rating in each of the two categories, it has been required to comply with a six-monthly self-assessment and reporting regime throughout 2011/12.

The tables below show detailed analyses of the quarterly reporting to Monitor - they are featured for comparison purposes as required by Monitor.

Table one features ratings for the four quarters of 2010/11, compared with the trust's expectation at the beginning of the year in the annual plan. Similarly, Table two provides quarterly ratings for 2011/12, plus the expectation in the annual plan.

Tables of analysis

Table one

	Annual Plan 2010/11	**Q1 2010/11**	**Q2 2010/11**	**Q3 2010/11**	**Q4 2010/11**
Financial risk rating	5	5	5	5	5
Governance risk rating	Green	Green	Green	Green	Green

Table two

	Annual Plan 2011/12	**Q1 2011/12**	**Q2 2011/12**	**Q3 2011/12**	**Q4 2011/12**
Financial risk rating	5	5	5	5	5
Governance risk rating	Green	Amber/ red	Amber/ green	Amber/ green	Green

The governance risk rating was affected by a variance from trajectory for C. difficile in quarter 1 and by a variance from trajectory for MRSA in quarters 2 and 3. Performance on both returned to trajectory by the year-end when the outturn for C. difficile was below the contract target and the outturn for MRSA was below Monitor's de minimis target.

The board also provided in year statements to Monitor throughout 2011/12 to confirm that the trust has, and will keep in place, effective arrangements for the purpose of monitoring and continually improving the quality of healthcare provided to its patients.

Care Quality Commission

Trust Registration Process

From April 2010, all health and adult social care providers who provide regulated activities were required by law to be registered with the Care Quality Commission.

To register, NHS organisations were required to show that they were meeting the new essential standards of quality and safety across all of the regulated activities they provide. There are 28 outcomes which relate to the Health and Social Care Act 2008 (Regulated Activities) Regulations 2009 and these are grouped into six main headings:

- Involvement and information
- Personalised care, treatment and support
- Safeguarding and safety
- Suitability of staffing
- Quality and management
- Suitability of management

The system has been designed to ensure that people can expect services to meet essential standards of quality and safety that respect their dignity and protect their rights. The new system focuses on outcomes, rather than systems and processes, and places the views and experiences of people who use services at the centre.

The trust was registered without conditions by the CQC on 1 April 2010.

Ongoing Compliance

During 2011/12 the trust has remained fully compliant with the registration requirements of the Care Quality Commission.

The trust has a process for monitoring and recording on-going compliance which satisfies the Care Quality Commission's assessment format and allows for the creation of action plans and reporting to the Care Quality Commission, as and when required.

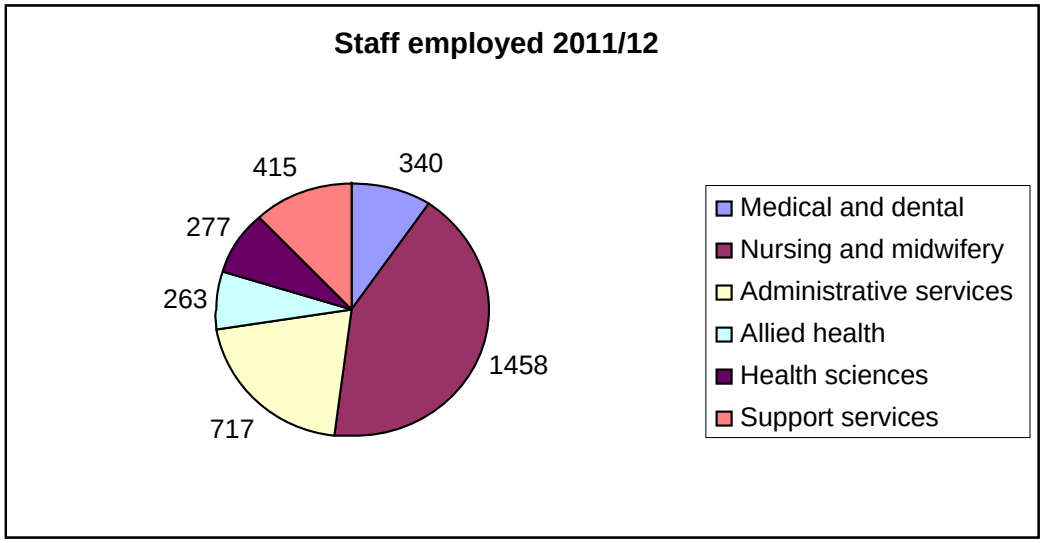
The trust's risk committee is regularly updated on the completeness of the trust's self-assessment process and the detail of any action plans arising from the self-assessment are provided to the risk committee for information. The chairman of the risk committee highlights any matters relating to compliance with the Care Quality Commission to the board as appropriate and a formal report to update the board of directors on the trust's compliance position is provided annually.

As part of the Care Quality Commission's planned compliance routine, the trust received a visit during May 2011 to assess its ongoing compliance with the registration requirements. The Care Quality Commission assessors spoke to patients and staff and examined equipment, premises and records. The outcome of the visit was extremely positive with no major concerns or compliance points identified.

Our Staff

Staff Employed

During 2011/12, the average number of staff (excluding bank staff) employed by the trust was 3470.



Sickness Absence

The sickness absence rate for 2011/12 was 4.09%.

Policies for Disabled Employees and Equal Opportunities

The trust's diversity and equality strategy and its supporting policies are the cornerstone of its approach to equality of employment opportunity. We recognise our responsibility to provide (as far as is reasonably practicable) job security of all employees.

Our policies aim to ensure that no job applicant or employee receives less favourable treatment where it cannot be shown to be justifiable on the grounds of:

- Age
- Disability
- Gender reassignment
- Marriage and civil partnership
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation

- in relation to recruitment and selection, promotion, transfer, training, discipline and grievance and all terms and conditions of employment.

Policy Applied for the Continuing Employment of Disabled Persons

As a foundation trust, we recognise the important role we must play as an active and socially responsible member of the local community and that our patients, clients and staff represent the community we serve.

Policy Applied for Career Development of Disabled Persons

We know that having a committed and motivated workforce depends on staff feeling that they are treated with fairness, respect and dignity and that they have equal opportunities for self-development. We want to ensure that our staff are not discriminated against, or harassed, on the grounds of their ethnic origin, physical or mental ability, gender, age, religious beliefs or sexual orientation. Equally, if this happens, we want staff to feel confident about using our policies to raise concerns and to have them addressed.

Staff Survey Report

Summary of Performance

	2010/11		2011/12		Picker assessment
Response rate	Trust	National Average	Trust	National Average	
	47%	50%	50%	54%	Below average

Top 4 Ranking Scores	Trust	National Average	Trust	National Average	
KF16	84%	80%	88%	81%	No change**
KF18	28%	30%	26%	29%	No change**
KF26	15%	15%	11%	16%	No change**
KF38	10%	13%	12%	13%	No change**

Bottom 4 Ranking Scores	Trust	National Average	Trust	National Average	
KF4	3.30	3.41	3.29	3.41	No change**
KF6	3.60	3.69	3.59	3.72	No change**
KF31	56%	62%	53%	61%	No change**
KF36	28%	41%	27%	48%	No change**

*** National assessment of statistical difference between trust scores in the two years*

Approach to Staff Engagement

Monthly trust briefings are held in all directorate areas, which are designed to cascade information about key decisions being taken by the trust to staff and to seek feedback from staff on the issues covered. The trust also uses a variety of regular forms of communication with staff:

- Pay-slip bulletin - information pertinent to everyone (corporate development, employment issues etc) circulated to every member of staff with their monthly pay-slip;

- Intranet - the staff only section of the trust's website facility. Staff can access policies and procedures, patient information, an on-line telephone directory and up-to-date news about the trust - including finance reports, performance reports and minutes from key meetings such as the council of governors;

- Chat forum - anonymous chat forum on the intranet where staff can post discussion threads and topics;

- Email briefings - regular briefings to all staff via their personal email accounts, on a variety of subjects affecting the trust - from departmental moves to briefings on clinical issues;

- 'Ask the chief executive' - staff can use the intranet chat forum to ask the chief executive questions, or put forward concerns, ideas and suggestions. All staff using the scheme are guaranteed a response direct from the chief executive – usually within five working days or less;

- Staff magazine – 'Life@theRoyal' re-launched early in 2012 and focusing on staff and the roles they play in the organisation;

- Posters, leaflets, reports - produced specifically for staff; and

- Membership magazine - The Member, is distributed to all community and staff members of the foundation trust every quarter and updates the foundation trust's membership on service developments, proposals and plans.

A survey called 'What's in it for me?' was undertaken in July 2008. Shorter and simpler than the Healthcare Commission's survey, it concentrated on the trust and its own staff - rather than on national themes.

Nearly 60% of the workforce contributed to the survey. Staff focus groups debated initial results and in November 2008, staff chose the actions they wanted the trust to pursue.

A tripartite committee – made up of board directors, staff side representatives and staff governors – was also set up to oversee the project. In February 2009, the final action plan – listing 16 improvements, changes and benefits – was published.

The tripartite committee has monitored the implementation of the action plan. Virtually all the actions were completed by March 2010.

During 2010/11, a leadership and management development programme designed with Manchester Business School was piloted. In response to the

outcome of this and the recommendations of the related diagnostic report produced by Manchester Business School, the trust has during 2011/12 undertaken a review to improve its appraisal system and plans to introduce a management and leadership development programme in 2012/13.

Priorities and Targets Going Forward

The overall position is one of improvement between the 2008 and 2011 NHS staff surveys, which would appear to reflect the actions taken to address staff concerns through the action plan jointly approved by the directors, staff governors and JCC representatives. However, the process of improvement will take several years and the trust's priority is to achieve gradual but sustained progress.

ENVIRONMENTAL, SOCIAL AND COMMUNITY ISSUES

Carbon management

The trust, in common with all organisations consuming over 6000 mega watt hours of electricity in the calendar year of 2008 registered as part of the carbon reduction commitment scheme (CRC).

The original intention of the scheme was to purchase and surrender carbon allowances during the calendar year however, this element of the CRC has not yet been implemented and a public consultation is taking place on the allocation regulations.

It is anticipated that this element of the scheme will go live during the 2012 calendar year and we will be preparing to meet this requirement.

To help prepare ourselves for the CRC the trust undertook an added value internal audit during 2011 as part of our preparation.

As a result, we are now looking at increasing an awareness campaign around carbon management as well as moving forward with carbon reduction initiatives.

All trusts are now required to produce a sustainable development management plan (SDMP) as part of the commitment required by the NHS sustainable development unit.

This is a board level document which sets out the trusts approach to carbon reduction and outlines the trusts targets and initiatives to achieve this.

The SDMP goes wider than simply energy and carbon management and looks at issues such as low carbon travel and procurement and food as well as the organisation and the work force.

It is the intention that the Royal will have this in place by the middle of the 2012 calendar year.

We have further investigated the options around a wind turbine on our site and the indications are now that this is unlikely to be sustainable. We have considered this further with Chesterfield Borough Council and looked at the feasibility of introducing a turbine on the land adjacent to the Hospital site, but which is owned by the Borough. The indications however are that this may not

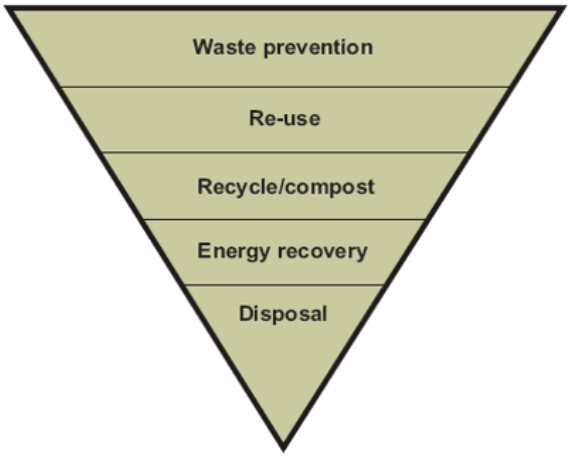
receive support and the opportunities for a turbine would now appear to be limited.

We have however moved forward in discussions with the owners of an onsite gas field which will enable us to utilise heat generated from the plant and to use this to offset both energy and carbon costs. Should discussions be concluded then we would be in a position to sign a contract later this year with an expected life of between 10 and 15 years.

Waste management

Due to the increasing level of environmental legislation and cost of waste disposal, one member of the compliance team concentrates on issues relating to environmental and waste disposal legislation. Within this first year of the new role significant improvements to the trust's compliance and cost savings have been achieved.

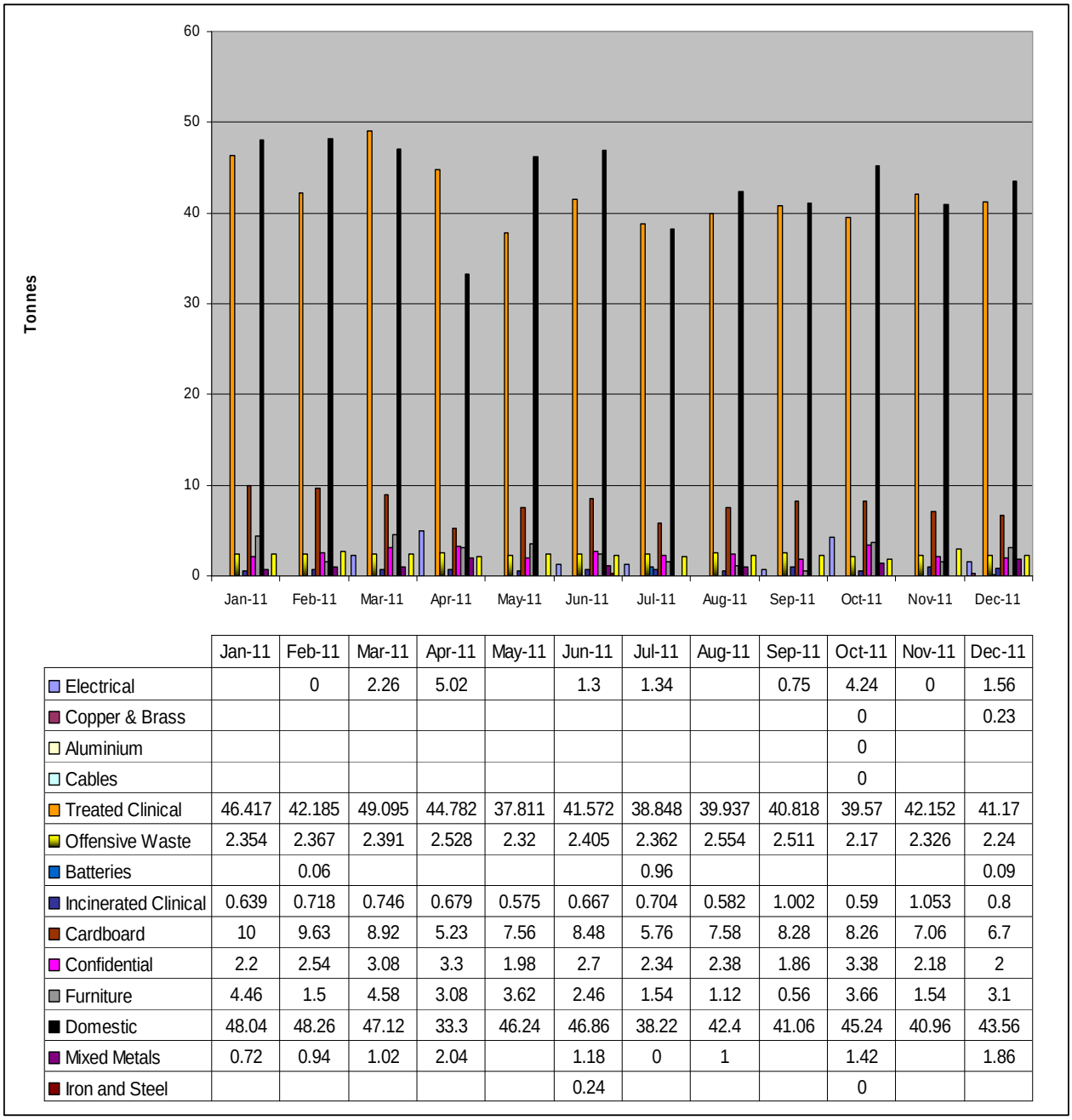
The Waste (England and Wales) Regulations 2011 came into force on 29 March 2011 and require that all organisations apply the waste hierarchy when transferring waste.



Improvements to the Trust's Waste Management Systems

A number of improvements were made to the trust's waste management systems during the year these include:

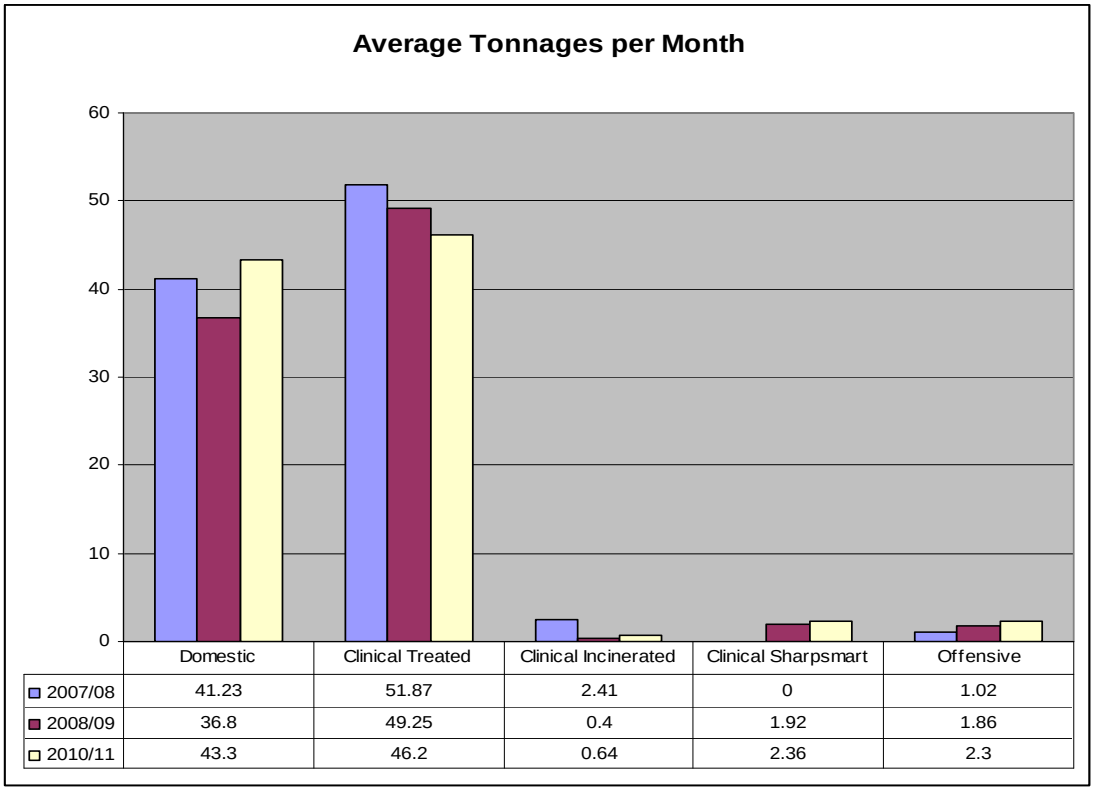
a. Improving segregation of waste by purchasing more bins for wards and departments.
b. Introducing the 'offensive waste' stream onto Trinity ward.
c. Improving metals segregation with the introduction of four mini skips for scrap cable, copper & brass, aluminium and stainless steel.
d. Improving the recycling of batteries by introducing counter top battery recycling containers in over 25 locations throughout the hospital.
e. Producing a Waste Management section on the intranet to provide information on Waste Management.
f. Setting up a container and suitable sytem for the disposal of hazardous waste.
g. Including waste training on the corporate induction and providing training for current staff.



	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
Electrical		0	2.26	5.02		1.3	1.34		0.75	4.24	0	1.56
Copper & Brass										0		0.23
Aluminium										0		
Cables										0		
Treated Clinical	46.417	42.185	49.095	44.782	37.811	41.572	38.848	39.937	40.818	39.57	42.152	41.17
Offensive Waste	2.354	2.367	2.391	2.528	2.32	2.405	2.362	2.554	2.511	2.17	2.326	2.24
Batteries		0.06					0.96					0.09
Incinerated Clinical	0.639	0.718	0.746	0.679	0.575	0.667	0.704	0.582	1.002	0.59	1.053	0.8
Cardboard	10	9.63	8.92	5.23	7.56	8.48	5.76	7.58	8.28	8.26	7.06	6.7
Confidential	2.2	2.54	3.08	3.3	1.98	2.7	2.34	2.38	1.86	3.38	2.18	2
Furniture	4.46	1.5	4.58	3.08	3.62	2.46	1.54	1.12	0.56	3.66	1.54	3.1
Domestic	48.04	48.26	47.12	33.3	46.24	46.86	38.22	42.4	41.06	45.24	40.96	43.56
Mixed Metals	0.72	0.94	1.02	2.04		1.18	0	1		1.42		1.86
Iron and Steel						0.24				0		

Quantities of Waste Disposal

The total amount of waste the hospital produced in 2011 was 1,272 tonnes, with an average of 106 tonnes of waste being transferred from the hospital per month. The tables below demonstrate the monthly quantities of waste.



	Domestic	Clinical Treated	Clinical Incinerated	Clinical Sharpsmart	Offensive
2007/08	41.23	51.87	2.41	0	1.02
2008/09	36.8	49.25	0.4	1.92	1.86
2010/11	43.3	46.2	0.64	2.36	2.3

Travel plan

In 2011 we repeated our staff travel survey and had a response rate of 16 percent. The overall outcomes of this were that 30% of people working for the trust who completed the survey are already using an alternative to travelling by car on their own. This was 5% higher than in the 2008 survey.

In addition we now have car share passes of 155 in March 2012 as against a figure of 124 in January 2009.

Bus ticket sales have risen from 3556 in 2009 to 3629 in 2011.

The number of passengers travelling to and from the site using Stagecoach bus has now reached 314,086.

The take up of keys for cycle lockers has now risen to 127.

Use of Hospital grounds

We continue to look to invite the public onto our site to utilise the facilities here.

We have recently agreed a joint partnership with a local primary school to develop a garden facility onsite for use by patients, visitors and staff. It is the intention that the garden will be maintained by children from the local primary school who will work with our contract gardeners.

We have extended our NHS Forest initiatives and included within this the purchase of further trees as well as the development of and additional external courtyard for use by all attending the site.

Corporate Citizenship Committee

The trust continues to utilise this joint Board and Governor committee to support initiatives which bring the trust into the community and the community into the trust.

In addition, it oversees all of our approaches to carbon management and sustainability in its widest sense.

The trust continues to use the NHS Corporate Citizenship tool kit as a bench mark to monitor our progress across the various domains highlighted by the tool kit.

Health & Safety

The health and safety management framework within which the trust operates reflects the HSE guidance 'Successful health and safety management (HSG65)', which was last updated in 2003. The principles of this guidance are shown below and the framework for this report reflects this approach to the management of health and safety.

To operationalise the management of health and safety, the health and safety management committee meet on a bi monthly basis. This is chaired by the director of allied clinical and facilities services, as the director leading on health and safety, and attended by general managers as well as the environmental risk team.

A joint staff and management health and safety committee meets on a bi-monthly basis, chaired by the director of allied clinical and facilities services. The staff side chair of the joint consultative committee (JCC) is also a member of this committee.

The number and type of health and safety incidents and any trends in these are monitored on a regular basis through the joint staff and management health and safety committee, and action to tackle specific issues is agreed. The health and safety management committee co-ordinates a trust-wide approach to higher level health and safety issues and receive reports in respect to actions required following risk assessments and personal injury claims.

Violence against staff was the highest reported health and safety category during 2011/12, accounting for over 65% of all health and safety incidents. Conflict resolution training is provided to all staff whose role involves dealing with patients and the public. Additional clinical holding training is provided to staff who manage confused and difficult patients.

The number of reported sharps and needlestick injuries (inoculation injuries) continue to fall, with a 43% reduction in two years. A number of sharps safety initiatives have been introduced during this period.

Occupational Health

The trust has an on-site occupational health service provided under contract by an external NHS provider. This is nursing-led but with access to a consultant occupational health physician. The service includes recruitment health

screening, in-service screening and review, and access to counselling and psychological support.

PATIENT CARE AND STAKEHOLDER RELATIONS

Information for Patient and Carer

Patient and public involvement (PPI) is an integral part of the trust's work and has been strengthened by its foundation trust status. The trust prides itself on listening and responding to patients to improve services delivered locally and ensuring that they are patient centred. As a result of listening to patients, the trust has been able to:

- Improve access and reduce waiting;
- Offer more information and choice;
- Build closer relationships;
- Provide safe, high-quality and co-ordinated care;
- Provide a clean, comfortable and friendly environment; and
- Improve the patient's experience.

Patient and Public Involvement (PPI) Team

The trust has a patient and public involvement (PPI) team, which is based within the clinical standards and governance directorate. This team supports the trust's PPI agenda, structures and activity. Working with staff from across the organisation the PPI team takes the lead in ensuring that the trust listens and responds to patients' views in order to influence service delivery.

The PPI team also supports the PPI committee, which is a subcommittee of the council of governors; more details of the committee's work can be found on page 79 of this report.

The PPI team provides the following support to the PPI committee:

- Advice on trust practice;
- Assistance to influence the PPI strategy and development plan;
- Regular updates on feedback from patients and the public;
- Practical help and advice for PPI projects and initiatives; and
- Ensuring members are included in all appropriate changes and developments

In addition the PPI team acts as a link to the independent Local Involvement Networks (LINks). LINks were established through the Local Government and Public Involvement in Health Bill and have a number of powers including:

- Requiring information requested to be presented;
- Right to respond to reports (only PCT/ LA);
- Referral to overview and scrutiny committee; and
- Right to enter and view services provided at a reasonable time;

During 2011/12 the Derbyshire LINk has not used any of its powers in relation to the services provided by the trust, but we have responded to a number of informal queries raised via LINks.

The Advice Centre

The trust's Advice Centre opened in the main entrance in November 2008. Part of the chief executive's directorate, it merged the former Patient Advice and Liaison (PALS) and Complaints Services.

The Advice Centre team works with patients, relatives, carers and staff to:

- Provide literature and information about health and health-related issues;
- Supply information and facts about the Royal's services – or other NHS organisations;
- Put people in touch with other services, organisations and facilities;
- Provide ' on the spot' help to resolve concerns, issues and problems promptly;
- Listen to ideas, comments and suggestions about services and pass them on for response or action;
- Take compliments and 'thanks' and pass them on;
- Support directorates in the hospital with the investigation and resolution of formal complaints; and
- Identify trends and themes within complaints for directorate action.

Contacts with the Advice Centre

Each contact with the Centre is recorded into one of the nine categories listed below

- **Clinical Meeting:** A request to meet with a clinician for an explanation of care or treatment given or planned, by either the patient or relative (with consent if appropriate).

- **'Have Your Say' and Suggestions:** A comment, idea or observation to be passed on to the appropriate service (which does not always require a response to be made).

- **Compliment:** Commendation, praise and thanks to be passed on to the appropriate service or staff member(s).

- **General Enquiry:** A request for information or advice about general services, health care or a health related issue.

- **Signpost to other services:** Giving information about other services outside the trust, eg Primary Care Trust, advocacy services, social services.

- **Level 1 Concern:** Responding to and resolving a dissatisfaction or worry by the end of the next working day - either by telephone call, action or meeting, without implementing the trust's formal investigation process.

- **Level 2 Investigation (low):** Implementing the formal complaints process; responding to and resolving a grievance, or resolving a problem, either by phone call, action or meeting.

- **Level 2E (escalated):** An issue which could have been resolved as a Level 1 concern, but was not resolved within the required timescale

- **Level 3 Investigation (moderate):** Implementing the formal complaints process; undertaking a full investigation and making a formal response to a moderate issue or problem, either by letter or meeting (these complaints often involve several issues relating to a period of care; may result in moderate harm).

- **Level 4 Investigation (high):** Implementing the formal complaints process; undertaking a full investigation and making a formal response to a serious issue or problem, either by letter or meeting. (Serious issues could lead to negligence claims/reputation damage and include complaints where there have been: failures causing harm or death; abuse or neglect; gross professional misconduct or criminal offence (eg assault).

Recorded Contacts

Advice Centre contacts by quarter for 2011/12 are as follows:-

Contact Category	Apr to June 2011	July to Sept 2012	Oct to Dec 2011	Jan to Mar 2011	**Total**
Clinical Meeting	5	1	4	3	**13**
'Have your say' & suggestions	18	14	17	15	**64**
Compliment	45	39	37	46	**167**
General enquiry	180	245	201	240	**866**
Signpost to other services	10	9	3	5	**27**
Level 1 concern	115	124	88	126	**453**
Level 2 complaint investigation	110	80	95	114	**399**
Level 2 (E) complaint investigation	6	2	7	3	**18**
Level 3 complaint investigation	96	85	73	87	**341**
Level 4 complaint investigation	1	7	14	15	**37**
Total contacts	**586**	**606**	**539**	**654**	**2384**

Formal Complaints (Levels 2 to 4) received from 1 April 2011 to 31 March 2012)

Subject (primary)	Sub-subject (primary)	Critical Care	Central Services	Chief Executive's Dir	Clinical Standards & Governance	Emergency Care & Orthopaedics	Imaging	Medical Specialities	Not specific	Pathology	Planning & Performance	Surgical Specialities	Women's & Children's Services	Grand Total
Changes, delays & cancellations	Cancelled operation/procedure					1		1				12	1	**15**
	Changes, delays & cancellations (other)	4	1			6	1				6	8	3	**29**
	Delay in appointment	4	1			2	3	5			1	12	3	**31**
	Changed/cancelled appt	1				1	3	2			7	11	1	**26**
Changes, delays & cancellations Total		9	2			10	7	8			14	43	8	**101**
Clinical Care	Clinical care (other)	1	2		1	2	1	6				4	4	**21**
	Delay in diagnosis					5		1				4	3	**13**
	Delay in treatment		2			5		2				5		**14**
	Failure to diagnose					21	3	7		1		2	6	**40**
	Clinical care (medical)	4	1			20		35				13	10	**83**
	Clinical Care (midwifery)												8	**8**
	Clinical Care (nursing)					3		17				8	3	**31**
	Outcome of procedure	1				5	3	2		1		17	5	**34**
Clinical Care Total		6	5		1	61	7	70		2		53	39	**244**
Communication & Interpersonal relationships	Attitude of staff member	1	2			25	3	17	1		3	21	9	**82**
	Communication (other)		1	1		5		6	1			2	4	**20**
	Confidentiality						2	2	1		2	1	5	**13**
	Communication (verbal)	3				12	2	26	1		2	20	6	**72**
	Communication (written)		1		2	5	1	2		1	4	7	5	**28**
Communication & Interpersonal relationships Total		4	4	1	2	47	8	53	4	1	11	51	29	**215**
Care on the ward	Care on the ward (other)					6		14				4	1	**25**
	Hygiene needs					1		3						**4**
	Healthcare associated infection				1			2					1	**4**
	Moving & handling							2				1		**3**
	Nutrition					2		3						**5**
	Observation/monitoring	1						4				1		**6**
	Pressure area care											2		**2**
	Privacy & dignity		1				1	5				1		**8**
	Patient property					7		26	1			1		**35**
Care on the ward Total		1	1		1	16	1	59	1			10	2	**92**

Subject (primary)	Sub-subject (primary)	Critical Care	Central Services	Chief Executive's Dir	Clinical Standards & Governance	Emergency Care & Orthopaedics	Imaging	Medical Specialities	Not specific	Pathology	Planning & Performance	Surgical Specialities	Women's & Children's Services	Grand Total
Discharge arrangements	Patient's condition on discharge					1		3			1	1		6
	Delayed discharge							2						2
	Discharge medication					1		2				1	2	6
	Discharge (other)					3		9				3	2	17
	Inappropriate discharge					1		3	1			1		6
Discharge arrangements Total						6		19	1		1	6	4	37
Environment & Facilities	ACCESS		3											3
	Car parking		24											24
	Cleanliness (general areas)		1						1					2
	Cleanliness (ward areas)				1			2						3
	Environment & facilities (other)		8				1	3			1	2	2	17
	Patient meals		3											3
	Hospedia		2											2
	Smoking		6						1					7
	Patient transport		3								3			6
Environment & Facilities Total			50		1		1	5	2		4	2	2	67
Medication	Medication error (dosage)					1		1						2
	Medication (other)	1						4				6	1	12
	Timing of medication		1			1		2						4
	Medication error (type)		1			1		1	1					4
Medication Total		1	2			3		8	1			6	1	22
Patient records	Patient records (other)							2				1	1	4
Patient records Total								2				1	1	4
Waiting times	Waiting times in Emergency Dept					8								8
	Waiting times in out-patients							2				1	1	4
	Waiting time (other)											1		1
Waiting times Total						8		2				2	1	13
Grand Total		**21**	**64**	**1**	**5**	**151**	**24**	**226**	**9**	**3**	**30**	**174**	**87**	**795**

Signed, on behalf of the board of directors by:

Gavin Boyle
Chief executive and accounting officer
30 May 2012

MANAGEMENT/GOVERNANCE OF THE TRUST

BOARD OF DIRECTORS

Introduction

The board of directors manages the business of the trust and is the legally responsible body for the delivery of high quality, effective services and for making decisions relating to the strategic direction, financial control and performance of the trust.

The board of directors has a business focus, providing active leadership of the trust within the framework of prudent and effective controls to ensure compliance with its terms of authorisation.

All members of the board of directors have joint responsibility for every decision of the board of directors regardless of their individual skills or status.

Role of the Board of Directors

The role of the board of directors includes:

- Setting targets, monitoring performance and ensuring the resources are used in the most appropriate way;
- Providing active leadership of the NHS foundation trust within a framework of prudent and effective controls, which enables risk to be assessed and managed;
- Making sure the NHS foundation trust performs in the best interests of the public, within legal and statutory requirements;
- Responsibility for ensuring the quality and safety of healthcare services, education, training and research delivered by the NHS foundation trust and applying the principles and standards of clinical governance set out by the Department of Health, the Care Quality Commission and other relevant NHS bodies;
- Being accountable for the services provided and how public funds are used, and exercising those functions effectively, efficiently and economically;
- Making sure the NHS foundation trust complies with its 'terms of authorisation' set by Monitor;
- Having specific duties relating to audit, remuneration, clinical governance, charitable funds and risk assurance;
- Deciding the trust's strategic direction - in consultation with the council of governors;
- Setting the trust's values and standards of conduct and ensure that its obligations to its members, patients and other stakeholders are understood and met; and
- Working in partnership with the council of governors.

Board Focus

The board of directors has reviewed its values and standards to ensure that they meet the obligations that the trust has to its patients, members of staff and other stakeholders. Periodically the board of directors reviews the strategic aims after consultation with the council of governors and takes responsibility for the quality and safety of the healthcare services, education, training and research.

The board now devotes most of its time and agenda to clinical quality and the key elements of the patient experience, including infection control, hygiene, feeding and nutrition and privacy and dignity. During the last two years, the board's priority for development has been to have an engaged collective understanding of measures of clinical quality and how these are used to produce meaningful quality accounts which properly reflect patients' everyday experience of the trust's services.

Composition of the Board of Directors

The board is a unitary board consisting of a non-executive chairman, five non-executive directors (one of whom is the senior independent director) and five executive directors.

The composition of the board of directors is in accordance with the trust's constitution and it is appropriate to fulfil its statutory and constitutional function and comply with Monitor's terms of authorisation.

The Chairman

The chairman is responsible for ensuring that the board of directors focuses on the strategic development of the trust and for ensuring robust governance and accountability arrangements are in place, as well as evaluating the performance of the board of directors, its committees and individual non-executive directors.

Non-Executive Directors

Whilst the executive directors are responsible for the day-to-day operational management of the trust, the non-executive directors share the corporate responsibility for ensuring that the trust is run efficiently, economically and effectively. Non-executive directors use their expertise, interest and experience to scrutinise the performance of management, monitor the reporting of performance, and satisfy themselves as to the integrity of financial, clinical and other information. The non-executive directors also fulfil their responsibility for determining appropriate levels of remuneration for executive directors.

The board's small number of standing committees has allowed all the non-executive directors scope to develop their skills and experience as members of committees and, in most cases, as committee chairs. Non-executive directors have also taken lead roles on specific projects, such as the Chesterfield Eye Centre. Internal induction and development for the non-executive directors has been supplemented by their involvement in external networks and paid training identified through appraisal.

Directors' biographies can be seen on page 62 of this report.

Board Meetings

The board of directors meets a minimum of ten times a year in order that it may regularly discharge its duties.

Attendance at the board of directors meetings during 2011/12 is presented in the table below:

Name	Position	Meetings Attended		
		Board	Joint BoD/CoG	Annual Report and Accounts
Richard Gregory	Chairman	9/10	2/2	1/1
Michael Hall	Deputy chairman, SID and Non-Executive Director	10/10	2/2	1/1
Janet Birkin	Non-Executive Director	9/10	2/2	0/1
Deborah Fern	Non-Executive Director	6/10	1/2	1/1
Pam Liversidge	Non-Executive Director	9/10	2/2	1/1
David Whitney	Non-Executive Director	9/10	1/2	1/1
Terry Alty	Corporate Secretary	8/10	2/2	1/1
Paul Briddock	Director of Finance and Contracting	9/10	2/2	1/1
Dr Ian Gell	Medical Director	10/10	2/2	1/1
Eric Morton	Chief Executive (Until 4 March 2012)	9/9	2/2	0/1
Gavin Boyle	Chief Executive (from 26 March 2012)	1/1	0/0	0/0
Alfonzo Tramontano	Chief Nurse	10/10	2/2	1/1

Code of Governance

It is extremely important that the board of directors maintains the highest standard of probity and demonstrates adherence to best practice in corporate governance. Monitor published a revised Code of Governance in March 2010 to assist with this aim and requires foundation trusts to make an annual declaration of compliance with the Code.

Following the annual review, the board of directors confirms that, with the exception of the points below, the principles of the code were applied and the requirements met throughout the year to 31 March 2012.

The trust's approach to the application of the main and supporting principles of the code is described throughout the body of this report.

The exceptions to compliance are:

C2.2 - The trust does not believe it necessary to adopt a policy of annual reappointments in a final term which could be destabilising for individual non-executive directors and the trust, recognising that the trust already had the ability to allow one, two or three year terms as required.

D2.3 - There is a procedure in the constitution which deals with the removal of any governor on the grounds stipulated in this section. This provides for any governor who disagrees with the decision to remove them to have the right of representation to the council but it leaves to the council the final decision in the matter. It is felt that the council should retain this, in order to promote effective governance. It is not felt that the involvement of an external assessor is warranted.

Board of Directors and Council of Governors

The chairman also chairs the council of governors meetings. This is a unique position which ensures that there is effective communication between both forums. The governors are invited to discuss strategic issues in detail at the council of governors meetings and advise the chairman of their views. The chairman ensures their views are considered at the board of directors meeting as part of the decision making process.

Joint meetings between the board of directors and the council of governors are held twice a year, and there have also been longer time-out sessions for the directors and governors to look at specific themes. The deputy chairman and non-executive directors also meet the governors to help promote shared understanding of the non-executive role.

Where a dispute between the council of governors and the board of directors occurs, in the first instance the chairman of the trust would endeavour to resolve the dispute.

Should the chairman not be willing or able to resolve the dispute the senior independent director and the vice-chairman of the council of governors would jointly attempt to resolve the dispute.

Should the senior independent director and the vice chairman of the council of governors not be able to resolve the dispute, the board of directors, pursuant to section 15(2) of Schedule 7 of the 2006 Act, would decide the disputed matter.

Board Sub-Committees

The board of directors has delegated decision-making authority to the risk committee, the audit committee, the clinical governance committee, the remuneration committee and the charitable funds committee. These committees are required to provide the board with written minutes of their proceedings.

Risk Committee

The risk committee provides objective assurance to the public and the board of directors that the processes are in place across the trust to ensure high quality risk management processes are maintained and monitored. Its main duties are defined in its terms of reference and include:

- Receive, consider and test the trust's corporate risk register and monitor the effectiveness of the process;

- Receive, consider and test the information on the trust's risk system, including the regular review of high level residual risks, of new risks added to the system and of movements between registers.
- Consider and challenge risk prioritisation as provided by the risk owners including discussion of any perceived discrepancies;
- Monitor the effectiveness of risk management systems within the trust;
- Review the risk management strategy and annual risk management report;
- Oversee the integrated risk management system;
- Promote risk awareness and give advice to the board of directors;
- Consider urgent and ad hoc issues and where appropriate recommend them to the board or relevant committee with risk action plans;
- Monitor progress on compliance with the requirements of the Care Quality Commission and to advise the board on the trust's registration; and
- Liaise with the audit committee and the clinical governance committee to ensure that any issues of common concern are addressed appropriately.

The committee is chaired by Richard Gregory, chairman of the trust. The attendance of committee members at meetings held between 1 April 2011 and 31 March 2012 was:

Name	**Position**	**Meetings Attended**
Richard Gregory	Chairman	7/8
Michael Hall	SID, Non-Executive Director and Chairman of the Audit Committee	8/8
David Whitney	Non-Executive Director and Chairman of the Clinical Governance Committee	5/8
Eric Morton	Chief Executive	5/7
Paul Briddock	Acting Chief Executive (Between 5 and 25 March 2012)	1/1

During 2011/12 the risk committee has overseen the following areas of action:

- Approved the updated terms of reference for the committee;
- Reviewed the corporate risk registers throughout the year;
- Reviewed the trust's high level residual risks;
- Monitored the regularity of updates to all risks on the Datix system;
- Monitored the movement of risks on the Datix system;
- Received an update on the trust's processes to monitor ongoing compliance with the CQC's essential standards of quality and safety;
- Received information on the progress of a trust-wide verification report for external visits and accreditation;
- Received updates on the trust's actions following the fire in June 2011;
- Received minutes from the health and safety management committee;
- Received a copy of the maternity risk management strategy; and
- Received the information on trust insurance cover.

Audit Committee

The audit committee provides objective assurance to the public and the board of directors that the processes are in place across the trust to ensure high quality governance and internal control systems are maintained. Its main duties are defined in its terms of reference and include:

- Monitor the integrity of the financial statements of the trust and any formal announcements relating to the trust's financial performance;
- Monitor governance, risk management and internal controls;
- Monitor the effectiveness of internal audit function;
- Review and monitor external audit's independence and objectivity and the effectiveness of the audit process. Develop and implement policy on the employment of the external auditors to supply non-audit services;
- Review of standing orders, financial instructions and scheme of delegation;
- Review of schedule of losses and compensation;
- Review of the annual fraud report;
- Provide assurance to the board of directors on a regular basis; and
- Report annually to the council of governors, identifying any matters in respect of which it considers that action or improvement is needed.

The committee receives reports from internal and external auditors and undertakes detailed examination of financial and value for money reports received by the board of directors.

The committee is chaired by Michael Hall, senior independent director and non-executive director of the trust. The attendance of committee members at meetings held between 1 April 2011 and 31 March 2012 was:

Name	Position	Meetings Attended
Michael Hall	SID and Non-Executive Director	5/5
Janet Birkin	Non-Executive Director	3/5
Pam Liversidge	Non-Executive Director	5/5

The audit committee reviews the arrangements by which the trust's staff raise issues of concern in confidence about possible improprieties in matters of financial reporting and control, clinical quality, patient safety or other matters. The review includes consideration of the proportionate and independent investigation of such matters and appropriate follow up action.

The audit committee has delegated authority to commission additional investigative and advisory services outside of the audit code from the external auditors, ensuring continued auditor objectivity and independence. No such work was however undertaken during 2011/12.

During 2011/12 the audit committee has overseen the following areas of action:

- Considered internal audit reports and reviewed the recommendations associated with the reports;
- Ensured that the recommendations arising from audit reviews were implemented by the trust as agreed;

- Reviewed the progress against the work programme for internal and external audit and the counter fraud service;
- Considered the annual accounts and associated documents and provided assurance to the board of directors;
- Considered and approved various ad hoc reports about the governance of the trust;
- Promoted the counter fraud service;
- Maintained close links with the risk committee and the clinical governance committee;
- Received the quarterly reports from Monitor;
- Provided continuing monitoring of the financial status of the trust; and
- Via member attendance at the procurement of audit services committee, provided advice to the council of governors on the appointment of an external auditor for the trust to cover the five year period commencing 1 April 2012.

Clinical Governance Committee

The clinical governance committee supports the board of directors by providing objective assurance that processes are in place across the trust to ensure high quality clinical services are provided. Its main duties are defined in its terms of reference, as follows:

- Provide strategic assurance to the trust in relation to clinical quality and clinical governance issues.
- Formally receive regular reports on clinical governance, quality assurance of clinical services, and other related issues. In doing so, gain assurance that appropriate action has been taken and consider whether further strategic review is required.
- Systematically review patient safety data and trends, including significant clinical complaints, incidents and all inquests and ensure appropriate action has been taken in respect of these.
- Guide the development of key performance measures for clinical quality, monitor compliance and ensure that action is taken when these performance indicators suggest it is required.
- Review the minutes of clinical management team and directorate clinical governance committee and monitor the actions of these groups in respect of their clinical governance responsibilities.
- Performance manage the directorate clinical governance groups to ensure appropriate action is taken in relation to the clinical issues raised.
- Monitor the outcome of clinical accreditation visits, external reviews and audits as appropriate.
- Provide assurance to the board of directors that systems and processes in operation within the trust are functioning effectively.
- Monitor the clinical aspects of the trust's risk management strategy; and
- Receive regular reports from the Safeguarding Children Governance Group and in doing so, gain assurance that appropriate action has been taken in relation to national guidance and serious case reviews.

The committee is chaired by David Whitney, non-executive director of the trust. The attendance of committee members at meetings held between 1 April 2011 and 31 March 2012 was:

Name	Position	Meetings Attended
David Whitney	Non-Executive Director	10/11
Janet Birkin	Non-Executive Director	7/11
Deborah Fern	Non-Executive Director	6/11
Alfonzo Tramontano	Chief Nurse	9/11
Dr Ian Gell	Medical Director	10/11

During 2011/12 the clinical governance committee has overseen the following areas of action:

- Undertook a detailed review of all root cause analyses following untoward incidents, near misses or inquests; ensuring the quality of action plans and monitoring actions to completion.
- Review and updating of the trust-wide clinical risk register.
- Regularly reviewed the trust's mortality ratio and received information with regard to the trust's response to areas of increased mortality.
- Monitored the trust's progress in relation to Safeguarding Adults via the minutes of the Safeguarding Adults Group.
- Met with representatives from the following Directorates to review key clinical governance issues, as part of a rolling programme which includes all directorates: Women and Children's, Medical Specialties, Critical Care, Orthopaedics.
- Reviewed performance against key clinical quality standards for the trust via the quarterly Quality Report.
- Supported the development of the trust's draft quality accounts and recommended the trust's priority areas for 2012/13 for agreement with the Board.
- Received a presentation of the trust's preparedness for a Chemical, Biological, Radiological and Nuclear (CBRN) major incident.
- Continued to monitor the progress of directorate clinical governance groups via receipt of their minutes and those of clinical management team, where issues arising from these groups are discussed.
- Received feedback from, and agreed and monitored the action plan following, a visit from the Care Quality Commission in May 2011.
- Agreed the action required by the trust in response to the Health Service Ombudsman's report "Care and Compassion", which highlighted significant concerns nationally with regard to the treatment of elderly patients.
- Reviewed the trust's response to a range of internal audit reports including: Quality Accounts and Quality Report Process, Data Quality, Consent and Incidents/Complaints.
- Reviewed the compliance report and action plan following and MHRA inspection of the trust's blood bank.
- Reviewed the National Patient Safety Agency National Reporting and Learning System report to identify how the trust's incident reporting compares with other similar organisations.
- Received a report in relation to the trust's performance as reported in the Dr Foster Hospital Guide 2011 and agreed action in relation to the shortfalls identified.
- Agreed the trust's response to confidential enquiry report recommendations and monitored progress against the actions identified.

In addition, the committee received the following reports:

- Medicines management annual report
- Patient Safety Team Annual Report
- Annual Claims Report
- Maternity Annual Risk Management Report
- Infection Control Annual Report

Remuneration Committee

The remuneration committee has delegated responsibility for all aspects of remuneration and terms of service for the chief executive and executive directors of the trust. Its responsibility includes all aspects of salary, provision for other benefits including pensions, arrangements for termination of employment and other contractual terms. The nomination and selection of candidates for appointment as chief executive or executive director is undertaken separately by an appointment committee.

The committee is chaired by Pam Liversidge, non-executive director of the trust. The attendance of committee members at meetings held between 1 April 2011 and 31 March 2012 was:

Name	Position	Meetings Attended
Pam Liversidge	Non-Executive Director	2/2
Richard Gregory	Non-Executive Director	2/2
Michael Hall	Non-Executive Director	2/2

Further details of the membership and work of the remuneration committee are within the remuneration report on page 102 of this report.

Charitable Funds Committee

The charitable funds committee is responsible for making sure money donated to the hospital is spent wisely. Its main duties are defined in its terms of reference and include:

- Receive the governing document of any newly registered fund for adoption;
- Receive any recommendation for existing funds in respect of rationalising such funds or increasing the number of funds;
- Receive reports showing the income and expenditure position of the charity requests for expenditure in excess of £10,000, also details of legacies, and donations in excess of £2,000. In addition the committee will receive formal feedback for expenditure in excess of £25,000;
- Refer all requests for expenditure in excess of £100,000 to all trustees for approval;
- Review a statement of balances held and commitments, ensuring where balances are held, that they can be justified in line with the reserves policy;
- Receive reports on any irregularities in respect of fundraising or other matters;
- Be responsible for formulation of investment policies, the appointment of an investment advisor/broker and for participation in any common investment funds;
- Receive reports reviewing investment performance;
- Receive details on the appointment of appropriate banking services;

- Receive the annual accounts/annual reports for the charity and meet with all trustees to approve these and to discuss any other charitable matters.
- Receive details of any audit reports relating to charitable funds.

The committee is chaired by Deborah Fern, non-executive director of the trust. The attendance of committee members at meetings held between 1 April 2011 and 31 March 2012 was:

Name	Position	Meetings Attended
Deborah Fern	Non-Executive Director	4/4
David Whitney	Non-Executive Director	3/4
Paul Briddock	Director of Finance and Contracting	4/4

The meeting held on 30 November 2011 was a meeting of the executive and non-executive members of the board as the corporate trustee for the signing of the Annual Report and Accounts of the Charitable Funds. All members of the board (except David Whitney - non-executive director) were in attendance.

The accounting records and the day-to-day administration of the funds are dealt with by the finance department located at Chesterfield Royal Hospital NHS Foundation Trust, Top Road, Calow, Chesterfield S44 5BL.

During 2011/12 the charitable funds committee has overseen the following areas of action:

The funds continued to support a wide range of charitable and health related activities benefiting both patients and staff. In general they were used to purchase the very varied additional goods and services that NHS funding does not provide. For example, during the year charitable donations were used to fund the purchase of hoists and lifting aids for Markham ward to enable staff to move patients in a safer and more dignified manner. A purchase was also been made for 110 Dyson fans to improve patient comfort on the ward environment. Funding was provided for a one year project post, on a Acute Oncology scoping project, to allow the design of the most efficient and effective nursing post provided by the service.

The ward charitable funds received many donations specifically given to thank the nursing and other ward staff and were used for charitable activities that benefitted staff, allowing them to advance their knowledge and improve their working environment. The charitable funds also enabled consultants and other medical staff to attend courses, not funded by the NHS, which updated them in the new ideas and modern techniques in their specialties.

The General Fund received donations and legacies for use for any charitable purpose relating to the NHS. This flexibility was used to fund a stroke rehabilitation garden to give patients access to outside rehabilitation activities, as stroke patients are inpatients for long periods of time.

The trust continues to have a team of volunteers who help patients and visitors navigate the hospital site. There are around 30 volunteers and their contributions range from a few hours a month to a weekly commitment. The management of the volunteer project is funded by the NHS but the volunteers' expenses that require reimbursement are paid by the charity.

Other Commitments of Non-Executive Directors

In addition to participation at formal meetings of the board and its committees, the non-executive directors devote time to other roles and responsibilities, eg participation in project groups for service developments, attendance at conferences and other events.

Directors' Biographies

Under section 17 and 19 of schedule 7 of the National Health Service Act 2006, the chairman, chief executive, executive and non-executive directors were appointed to the trust's board of directors as follows:

Chairman: Richard Gregory OBE
Appointed 12 April 2006 to 11 April 2009
Reappointed 12 April 2009 to 11 April 2012

Richard's board experience covers banking, media, regional development, higher education, innovation and the arts.

As well as chairman of the Royal, Richard is also a member of the Foundation Trust Network board, having been elected in 2010.

Currently he is also a non-executive director of National Australia Group Europe Ltd, which includes the roles of Yorkshire Bank chair, a non-executive director of Clydesdale Bank PLC, and a member of the group's audit and risk committees.

He is also the chair of Science City York and a member of the council of the University of York.

He is a former chairman of Sheffield Hallam University and of Yorkshire Innovation; former deputy chairman of Yorkshire Forward, the regional development agency, a former non-executive director of Business in the Community Ltd and former senior non-executive director of Chesterfield based Imagesound PLC.

His executive career was in ITV, with Granada and Yorkshire Tyne Tees. He was managing director of Yorkshire TV from 1997 to 2002, the culmination of a 22-year career, which covered news, programme making, production and broadcasting.

Awarded the OBE in June 2004 and with honorary degrees from Sheffield Hallam University and Bradford University, Richard lives in the Hope Valley and is married with two grown up daughters. The family has lived in the Peak District for more than 30 years.

Non-Executive Director: Janet Birkin MBE, JP, DL
Appointed 2 November 2006 to 1 November 2009
Reappointed 2 November 2009 to 1 November 2012

Janet began her career at Marks and Spencer plc where she worked for more than thirty years, ending her career as the company's regional head of human resources for the East Midlands. She was a member of Derbyshire Police Authority from 2001 to 2010, holding the position of chairman from 2005 to 2010.

She served as a county councillor from 1988 to 1992 and a member of the Derbyshire Probation Service Management Board from 1993 to 1995. Janet continues as a trustee director of Marks and Spencer Pension Trust Ltd having been appointed in 2006. Janet is also a trustee for the Derbyshire Community Foundation and Patron of Derbyshire Neighbourhood Watch Association.

Janet lives in Chesterfield and is a JP.

Non-Executive Director: Deborah Fern OBE, BA
Appointed 1 September 2006 to 31 August 2008
Reappointed 1 September 2008 to 31 August 2011
Reappointed 1 September 2011 to 31 August 2012 (3rd term – 1 year)

Deborah is an entrepreneur, who began her career working for Rolls Royce where she qualified as a chartered secretary and an accountant. She later founded and ran, for 15 years, a training company delivering government programmes primarily for disadvantaged and disaffected people - which she sold in February 2006. Deborah was a member of the Learning and Skills Council Adult Learning Committee and Leicestershire Board. Currently Deborah is Patron and Honorary council member of the NSPCC, Director of Pathways (HR & D) Ltd and has recently completed a joint honours degree with the Open University.

Deborah lives in Darley Dale.

Non-Executive Director: Michael Hall DL, Hon D Univ, FCA, FCMA, CGMA, FCT
Deputy chairman and senior independent director (from 29 November 2006)
Appointed 5 July 2005 to 4 July 2008
Reappointed 5 July 2008 to 4 July 2011
Reappointed 5 July 2011 to 4 July 2014 (3rd term)

Originally from Manchester, Michael qualified as a chartered accountant in 1963 and has worked in most aspects of commercial financial management culminating in the position as financial director of an international group with a turnover of £200m and 3000 employees.

Michael joined the University of Derby in November 1991. His role as deputy vice-chancellor encompassed the implementation of a commercial approach and attitude. Specific responsibilities included the various facilities provided in the institution to accommodate the learning process, for example: catering, facilities, including conferences, estates, finance, residences, reprographics and rooming.

Following his retirement in 2002, he was asked to serve as acting chief executive of Derby Cityscape creating the urban regeneration for the City of Derby. Subsequently, he was asked to chair Business Service East Midlands, an East Midlands development agency activity formed to review the existing business support arrangements for small and medium-sized enterprises, supported by business link. During this time Michael was asked to chair the committee formed to explore the possibility of merging the boards of North and Southern Derbyshire chambers of commerce, and subsequently became the first president of the Derbyshire chamber of commerce. He has served on the national committee of the British Chamber of Commerce for five years, and chaired their National Audit Committee.

Michael's other interests include foundation governor of Derby High School and the Anthony Gell School in Wirksworth, chairman of the Derbyshire Community Foundation, trustee and honorary finance director of the Arkwright Society in Cromford.

Michael lives in Ashford-in-the-Water.

Non-Executive Director: Pam Liversidge OBE, DL, FREng
Appointed 6 July 2006 to 5 July 2009
Reappointed 6 July 2009 to 5 July 2012

Pam Liversidge is a Chartered Mechanical Engineer. During a career of over thirty years in heavy industry she has worked as an engineer in the manufacturing industry. She also spent five years as a Senior Executive in the electricity industry during its privatisation. She now has interests in engineering and medical device companies.

She is a Fellow of the Institution of Mechanical Engineers and was its first woman President from May 1997 to May 1998, a Fellow of the Royal Academy of Engineers, of the City & Guilds Institute and of the Royal Society of Arts; Chairman of Governors of Sheffield High School; a Member of the Company of Cutlers in Hallamshire and is Master Cutler for 2011/12. She is also a Liveryman of the Worshipful Company of Engineers. She is a Guardian of the Sheffield Assay Office.

She is a Director of several private companies including the Rainbow Seed Fund and a non-executive Director of the Chesterfield Royal Foundation Trust Hospital. Pam has received a number of Honorary Doctorates from UK universities.

In the 1999 New Year's Honours List Pam was awarded the OBE for her services to the Institution of Mechanical Engineers and was made a Deputy Lieutenant of South Yorkshire in October 1999. She held office as High Sheriff of South Yorkshire from April 2004 to April 2005.

Pam lives in the Hope Valley.

Non-Executive Director: David Whitney
Appointed 1 August 2006 to 31 July 2009
Reappointed 1 August 2009 to 31 July 2012

David was formally a director of clinical management at Keele University, where he was engaged in directing the clinical leadership programme. He is a non-executive director of Westfield Contributory Health Scheme. He is a non-executive director of One Health Group (Governance).

An NHS manager by background, David was a director of Trent Regional Health Authority from 1985 to 1990 and chief executive of Central Sheffield University Hospitals NHS Trust from 1990 to 2001. He is a lay member and chair of the East Midlands region sub-committee of the Advisory Committee on Clinical Excellence Awards. He is currently project director for the Olympic Health Legacy Programme in Sheffield.

David lives in Hathersage

Chief Executive: Eric Morton
Retired from post on 4 March 2012

The (former) chief executive, Eric Morton, came into post in December 2001, having previously been employed by the NHS trust as deputy chief executive and director of finance and corporate services since January 1993. He is a qualified accountant. He is past chairman of the Healthcare Financial Management Association, and former vice-chairman of Chesterfield College.

His professional accountancy training was completed with Doncaster Council, followed by various posts in several local authorities. He joined the National Health Service in 1987, as senior assistant regional treasurer with Trent Regional Health Authority. He moved to the Northern General Hospital in Sheffield as its finance director, steering it to Wave 1 NHS trust status. He became director of finance at North Derbyshire Health Authority in 1990, before transferring to the Chesterfield Royal Hospital three months before it became an NHS trust.

Chief Executive: Gavin Boyle
Commenced in post on 26 March 2012

Gavin joined the NHS just over 20 years ago as a General Management Trainee in Liverpool. This followed University and a degree in Biological Sciences, then a short period of private industry. He spent the first part of his NHS life in and around Liverpool in both primary care and organisations and hospitals, then onto Exeter and then Winchester where he was responsible for a broad range of hospital and community services.

More recently he has held board level posts as Director of Operations at the Oxford Radcliffe Trust, the Queens Medical Centre in Nottingham and at Leeds Teaching Hospitals. Before moving to Chesterfield Royal Hospital NHS Foundation Trust Gavin was Chief Executive of Yeovil District NHS Foundation Trust, a successful hospital, serving its rural community in Somerset.

Chief Nurse: Alfonzo Tramontano MSc, PG Cert, RGN, EN(G)

Alfonzo began his NHS career by volunteering once a week at Walton hospital. He then joined Walton Hospital straight from school as an auxiliary nurse before joining the Royal in 1985 as a pupil nurse. He rose through the ranks of enrolled nurse, staff nurse, charge nurse, deputy ward manager and ward manager before taking a more managerial role in the clinical services side of the medical directorate.

He attained a Post Graduate Certificate in managing Health Services before being asked to cover the Head of Performance role in 2001 that led to a more hands-on role on the business side of the trust. This was complemented by the completion of a Master of Science Degree in Health Policy and Organisation before he took on the challenge of becoming the Royal's first general manager. As general manager of the surgical directorate Alfonzo oversaw the early hitting of the 18-week target, helped introduce the one matron per in-patient ward and continued to work clinical shifts to adopt a 'hands on' approach.

Having kept all of his nursing qualifications up to date Fonz, as his colleagues know him, took over the role of chief nurse on 1 April 2009. He continues to adopt that 'hands' on approach to help implement the high standards that will see the nursing team continue to deliver high-class care.

Corporate Secretary: Terry Alty

Terry Alty, previously the NHS trust's executive director of personnel and hospital services, was appointed in December 1993. He joined the NHS in 1984, after working in local government and education. He held posts at Trent Regional Health Authority in public health and policy development and at North Derbyshire Health Authority in business planning, commissioning and contract management. He joined Chesterfield Royal Hospital as contracts manager in April 1993.

As corporate secretary since 2004, he is responsible for human resources and for employment and corporate governance.

Director of Finance and Contracting: Paul Briddock BA(Hons), ACA
Acting Chief Executive for the period 5 to 25 March 2012

Paul Briddock joined the trust in March 2003. He is a chartered accountant, having trained with Coopers and Lybrand, where he worked between 1990 and 1994, qualifying as an accountant in 1993.

Paul began his career in the NHS in 1994, joining Sheffield Children's Hospital covering a number of posts, most latterly as their Director of Finance from 1999 to 2003.

At Chesterfield Royal Hospital Paul is responsible for the financial management of the trust, and leads contract negotiations with commissioners and capital planning for the organisation.

Paul is also a visiting teaching fellow in the Faculty of Health and Wellbeing at Sheffield Hallam University. He also sits on a number of national finance groups including being chair of the HFMA Foundation Trust Technical Finance Group.

Medical Director: Dr Ian Gell M.B., Ch.B., FRCA

Ian Gell is an anaesthetist appointed to a consultant post at Chesterfield in 1987. He has a long standing interest in management and the development of the Health Service having served on both local and regional committees prior to assuming the role of Clinical Director of Critical Care in 1995.

Appointed as medical director in summer 2009 Ian, together with the chief nurse, is also the co-director of the clinical standards and governance directorate. The directorate is responsible for research, education, workforce planning and clinical governance agendas across the organisation. As medical director he is professionally accountable for the whole medical workforce and will be the Responsible Officer for the organisation with the advent of revalidation for doctors.

Born in Nottingham and raised and educated in Lincolnshire before entering Leeds University Medical School in 1972, Ian held training posts in various hospitals in the UK, including Harrogate, Bristol, Bath and Sheffield and had six months experience of working in a foreign health service in Vesteras, Sweden, prior to be appointed Consultant Anaesthetist in Chesterfield.

Register of Directors' Interests

The trust holds a register listing any interests declared by members of the board of directors. They must disclose details of company directorships or other positions held, particularly if they involve companies or organisations likely to do business, or possibly seeking to do business with the trust. The public can access the register at: www.chesterfieldroyal.nhs.uk or by making a request in writing to:

The corporate secretary
Chesterfield Royal Hospital NHS Foundation Trust
Calow
Chesterfield
S44 5BL
or by e-mailing: communications@chesterfieldroyal.nhs.uk

Contact with the Board

Information to contact directors of the board can be found through the trust's Freedom of Information Act publication scheme. All directors can also be contacted at communications@chesterfieldroyal.nhs.uk

COUNCIL OF GOVERNORS

Composition, Roles and Responsibilities

Every NHS foundation trust is accountable to its local population and staff who have registered for membership. All trusts are required to have either a board or council of governors.

Chesterfield Royal Hospital NHS Foundation Trust has a council to which 29 members are elected or appointed as governors:

17 public governors	Elected	From 5 boroughs/districts;
4 staff governors	Elected	1 from medical and dental; 1 from nursing and midwifery; 1 from allied health professionals, pharmacists and scientists; and 1 from all other staff groups.
8 partner governors	Appointed	1 from Primary Care Trust; 3 from local authorities; 2 from education sector; and 2 from voluntary sector

The council of governors is chaired by the trust's chairman, Richard Gregory. The deputy chairman of the council of governors and lead governor for the trust is Sheila Smith, Public Governor.

The council of governors' prime role is to represent the interests and views of trust members, the local community and other stakeholders in the stewardship of the trust. It has a right to be consulted on the trust's strategies and plans and any matter of significance affecting the trust or the services it provides.

The council of governors' roles and responsibilities are outlined in law and are detailed in the trust's constitution. The governors have a number of important responsibilities to perform and are expected to act in the best interests of the trust. The council of governors would be expected to inform Monitor if it believed that the trust was at risk of breaching its terms of authorisation.

The council of governors is specifically responsible for the:

- Appointment and removal of the chairman and other non-executive directors;
- Approval of the appointment of the chief executive;
- Appointment and removal of the trust's external auditor; and
- Receipt of the annual report and accounts.

Link with Board of Directors

The council of governors holds the board of directors to account for the performance of the trust. This increases the level of local accountability in public services.

The council of governors is required to advise the board of directors regarding future plans and strategies and the monitoring of performance against the trust's strategic direction.

By working in partnership with the board of directors, via receipt of significant project information and via representation on specific groups and committees, the views of governors are taken into consideration in board of directors' discussions and decision-making.

To facilitate the board of directors' understanding of the views of governors and members, an oral update is provided by the chairman and the minutes of the council of governor meetings are provided to the board of directors. Additionally, directors are invited to attend council of governors meetings, joint meetings of the council of governors and board of directors are held twice yearly, and three meetings of the governors and non-executive directors take place per year.

Election of Governors 2011 to 2012

Public Constituencies – November 2011

This year, because of staggered appointments put in place when the trust was granted foundation trust authorisation (1 January 2005), the following public governor seats fell vacant:

- Two seats for the Bolsover constituency; and
- One seat for the Chesterfield constituency.

Staff Constituency – November 2011

Elections were held for a staff governor to represent the following constituency:

- One seat for the Allied Health Professionals, Pharmacists and Scientists constituency.

Staff Constituency – January 2012

Elections were held for a staff governor to represent the following constituency:

- One seat for the Nursing and Midwifery constituency.

Election Turnout Rates

The trust has always had good interest in and a fair turnout for elections - and for 2011/12 rates were as follows:

Public Governor Elections:

The trust's experience over the last seven years has been that most elections to seats for public governors have been contested. This reflects the local community's interest in the work of the council.

Constituency	**No of seats**	**No of candidates**	**% Turnout at poll**
Bolsover	2	10	29.5%
Chesterfield	1	9	29.9%

The new governors took up their seats on the council on 1 January 2012 and all appointments were made for a three-year term ending on 31 December 2014.

Two of the three seats went to existing public governors who had opted to stand for re-election. This illustrates the membership's support for the work the council is undertaking on their behalf.

Staff Elections:

In November 2011, the trust sought nominations for a vacant seat in the allied health professionals, pharmacists and scientists' constituency.

The deadline for nominations was noon on Wednesday 19 October 2011. The allied health professionals, pharmacists and scientists' constituency was not contested and therefore the nominated staff governor for this constituency was elected unopposed.

Constituency	**No of seats**	**No of candidates**	**% Turnout at poll**
Allied Health Professionals, Pharmacists and Scientists	1	1	Uncontested

The appointment was made for a three-year term, ending on 31 December 2014.

In January 2012, the trust sought nominations for a vacant seat in the nursing and midwifery constituency.

The deadline for nominations was noon on Tuesday 24 January 2012. Unfortunately, no nominations were received and therefore the seat remains vacant. A further election will be held in May 2012 and the trust is working across this staff group to raise awareness of the governor role.

Board Assurance

The board of directors confirms that elections were held in accordance with the rules stated within the trust's constitution. This is verified in the election reports of 31 October 2011, 6 December 2011 and 6 February 2012 as follows:

Election to the council of governors 2011: Uncontested report

The deadline for nominations for the above election was noon on Wednesday 19 October 2011. The following constituency will not be contested.

Staff: Allied Health Professionals, Pharmacists and Scientists (one seat)
Tina Shewring is elected unopposed

Elections are to be contested in the following constituencies:

Public: Bolsover
Public: Chesterfield

These elections will conclude in December 2011.

Yours sincerely

Tom Colling
Returning Officer
On behalf of Chesterfield Royal Hospital NHS Foundation Trust

Election to the council of governors 2011: Contested report

My report of voting in the above election, which closed at noon on Tuesday 6 December 2011.

Electoral Reform Services can confirm that, as far as reasonably practicable, every person whose name appeared on the electoral roll supplied to us for the purpose of the ballot:-

a) *was sent the details of the ballot; and*
b) *if they chose to participate in the ballot, had their vote fairly and accurately recorded.*

The elections were conducted in accordance with the rules and constitutional arrangements as set out previously by the trust, and ERS is satisfied that these were in accordance with accepted good electoral practice.'

Yours sincerely

Tom Colling
Returning Officer
On behalf of Chesterfield Royal Hospital NHS Foundation Trust

Election to the council of governors 2012: Uncontested report

The deadline for nominations for the above election was noon on Tuesday 24 January 2012. The following constituency will not be contested.

Staff: Nursing and Midwifery (one seat)
No nominations were received; the seat remains vacant

There are no elections at this time.

Yours sincerely

Tom Colling
Returning Officer
On behalf of Chesterfield Royal Hospital NHS Foundation Trust

Promoting Elections

The trust continued to work to promote its annual elections and to encourage greater interest and turnout. During the year it:

- Worked with Electoral Reform Services (the trust's independent scrutineers) to adopt fair electoral processes that encourage participation of all active members;
- Worked with local media and other organisations (such as local councils) to feature elections and the public governor role in newspaper, magazine and radio media; and
- Ensured all members were fully informed about elections and had the opportunity to become a governor.

In 2012/13 the trust wishes to increase turnout rates in eligible constituencies and is aiming to achieve a minimum of 35%.

Following these elections there have been some changes to the membership of the council of governors. These are included in the tables below.

Our Governors

Public Governors

There are five constituencies represented by 17 elected public governors. Brief descriptions of the public constituency can be found in the Membership section of this report. In the 2011 elections two public governors were re-elected and one new public governor was elected within the Bolsover constituency.

Governor	Vote held	Appointed from	Term	Term of office ends/ ended
Bolsover constituency – 3 seats				
John Jeffrey (2nd term)	2008	1 Jan 2009	3 years	31 Dec 2011 re-election not won
Toni Bennett	2010	1 Jan 2011	3 years	31 Dec 2013
Denise Weremczuk (replaced John Jeffrey)	2011	1 Jan 2012	3 years	31 Dec 2014
Barry Whittleston (2nd term)	2011	1 Jan 2012	3 years	31 Dec 2014
Chesterfield constituency – 7 seats				
Aileen Dawson-Pilling (2nd term)	2009	1 Jan 2010	3 years	31 Dec 2012
Mererid Edwards (3nd term)	2009	1 Jan 2010	3 years	31 Dec 2012
Kate Caulfield (2nd term)	2009	1 Jan 2010	3 years	31 Dec 2012
Dr Chris Day (3rd term)	2010	1 Jan 2011	3 years	31 Dec 2013
Sheila Smith (3rd term)	2010	1 Jan 2011	3 years	31 Dec 2013
Brian Parsons	2010	1 Jan 2011	3 years	31 Dec 2013
Janet Portman (3rd term)	2011	1 Jan 2012	3 years	31 Dec 2014
North East Derbyshire constituency – 4 seats				
John Kirby	2009	22 Jul 2009	3 years	21 Jul 2012
Bernard Everett (2nd term)	2009	1 Jan 2010	3 years	31 Dec 2012
Joyce Newton (2nd term)	2009	1 Jan 2010	3 years	31 Dec 2012
Barry Jex (3rd term)	2010	1 Jan 2011	3 years	31 Dec 2013
Derbyshire Dales and North Amber Valley constituency – 2 seats				
Brenda Slavin	2009	1 Jan 2010	3 years	31 Dec 2012
Pamela Wildgoose (3rd term)	2010	1 Jan 2011	3 years	31 Dec 2013
High Peak constituency – 1 seat				
Pauline Fisher (3rd term)	2010	1 Jan 2011	3 years	31 Dec 2013

Staff Governors

There are four staff classes in the staff constituency.

Governor	Vote held	Appointed from	Term	Term of office ends/ ended
Medical and dental class – 1 seat				
Manu Mathew	2010	1 Jan 2011	3 years	31 Dec 2013
Nursing and midwifery class – 1 seat				
Conrad Foster	2009	1 Apr 2009	3 years	31 Mar 2012 did not re-stand
Allied health professionals, pharmacists and scientist class – 1 seat				
Michael Edwards (2nd term)	2010	1 Feb 2010	3 years	31 Jan 2013 retired 30 Apr 2011
Tina Shewring	2011	1 Jan 2012	3 years	31 Dec 2014
All other staff class – 1 seat				
Philip Cousins (3rd term)	2010	1 Jan 2011	3 years	31 Dec 2013

Partner Governors

There are eight appointed partner governor seats on the council of governors. Details are presented in the table below.

Governor	Appointed from	Term	Term of office ends/ ended
Primary Care Trust – 1 seat			
Helen Dillistone	1 Jan 2011	3 years	22 Sept 2011
Jackie Pendleton (replaced Helen Dillistone)	30 Sept 2011	2.25 years	31 Dec 2013
Local Authority governors (appointments co-ordinated by Derbyshire Local Government Association) – 3 seats			
Councillor David Allen (2nd term)	1 Jan 2010	3 years	31 Dec 2012
Councillor Carol Walker (3rd term)	1 Jan 2011	3 years	31 Dec 2013
Councillor Raymond Russell (2nd term)	1 Oct 2011	3 years	30 Sep 2014
Education governors (appointed by universities of Sheffield and Derby) – 2 seats			
Professor Lorraine Ellis	1 Jan 2011	3 years	31 Dec 2013
Professor Mike Wells (2nd term)	1 Jan 2011	3 years	31 Dec 2013
Voluntary sector governors (appointed by representatives of patient's forum, self-help forum, league of friends and NDVA (formerly North Derbyshire voluntary action) – 2 seats			
Joyce Cupitt (3rd term)	1 Jan 2011	3 years	31 Dec 2013
John Wardle (2nd term)	1 Jan 2011	3 years	31 Dec 2013

Attendance at the Council of Governors Meeting during the year April 2011 to March 2012

During the financial year ending 31 March 2012 the council of governors met nine times to discuss and comment on a number of aspects of the functioning of the trust.

A record is kept of the attendance at council of governor meetings. Below is the table showing which governors have attended during the year. During the year the nominations committee reviews the attendance of governors at meetings on behalf of the council of governors and takes appropriate action to address any concerns.

	19 April 11 Joint Mtg	11.05.11	20.07.11	14.09.11	27.09.11 Joint Mtg	23.11.11	14.12.11	07.02.12	21.03.12	**Total**
Dave Allen, partner governor	1	1	A	A	1	1	A	A	1	5/9
Toni Bennett, public governor	A	1	A	A	A	1	A	1	1	4/9
Kate Caulfield, partner governor	1	1	1	A	1	1	1	A	1	7/9
Phil Cousins, staff governor	1	A	1	A	A	1	1	1	1	6/9
Joyce Cupitt, partner governor	1	A	1	A	A	1	A	1	1	5/9
Aileen Dawson-Pilling, public governor	1	1	1	1	1	1	A	A	1	7/9
Chris Day, public governor	A	1	1	1	A	1	1	1	A	6/9
Helen Dillistone, partner governor	1	1	A	1	A					3/5
Mererid Edwards, public governor	A	1	1	A	1	A	1	A	A	4/9
Michael Edwards, staff governor	A									0/1
Lorraine Ellis, partner governor	1	A	A	1	A	1	A	1	1	5/9
Bernard Everett, public governor	1	1	1	1	1	1	1	A	A	7/9
Pauline Fisher, public governor	A	1	A	A	A	1	A	1	1	4/9
Conrad Foster, staff governor	1	A	1	1	1	1	1	A	1	7/9
John Jeffery, public governor	1	1	1	1	1	1	1			7/7
Barry Jex, public governor	1	1	1	1	1	1	1	1	1	9/9
John Kirby, public governor	1	A	1	1	1	1	A	1	1	7/9
Manu Mathew, staff governor	A	A	1	A	A	A	1	1	1	4/9
Joyce Newton, public governor	A	A	A	1	A	1	A	A	A	2/9
Brian Parsons, public governor	1	1	1	1	1	1	1	A	1	8/9
Jackie Pendleton, partner governor						1	A	1	1	3/4
Janet Portman, public governor	1	1	1	1	1	1	1	1	A	8/9
Raymond Russell, partner governor	A	1	1	A	A	1	1	1	1	6/9
Tina Shewring, staff governor								1	1	2/2
Brenda Slavin, public governor	1	A	1	1	1	A	1	1	1	7/9
Shelia Smith, public governor	1	1	1	1	1	1	1	1	1	9/9
Carol Walker, partner governor	A	A	1	1	1	1	1	1	1	7/9
John Wardle, partner governor	A	1	1	1	1	1	1	1	1	8/9
Michael Wells partner governor	A	A	A	1	1	A	A	1	A	3/9
Denise Weremczuk, public governor								1	1	2/2
Barry Whittleston, public governor	1	1	1	1	1	1	1	1	1	9/9
Pam Wildgoose, public governor	A	1	1	1	1	1	A	1	1	7/9

Register of Governors' Interests

The trust holds a register listing any interests declared by members of the council of governors. Governors must disclose details of company directorships or other positions held, particularly if they involve companies or organisations likely to do business, or possibly seeking to do business with the trust.

The public can access the register at: www.chesterfieldroyal.nhs.uk or by making a request in writing to:

The corporate secretary
Chesterfield Royal Hospital NHS Foundation Trust
Calow
Chesterfield S44 5BL

or by e-mailing: communications@chesterfieldroyal.nhs.uk

Governor Expenses

Governors are not remunerated, but are entitled to claim expenses for costs incurred while undertaking duties for the trust as a governor (eg travel expenses to attend the council of governors meeting). The total amount of expenses claimed during the year from 1 April 2011 to 31 March 2012 by governors was £1,111.

Other Key Committees

The committees listed below also play a key role in the running of the council of governors.

Nominations committee

The nominations committee was established in November 2006 to strengthen the governance of the council of governors. The committee is a sub-committee of the council of governors and has been authorised to undertaken a number of key tasks including:

- Overseeing the recruitment of non-executive directors undertaken via an appointments committee convened for the purpose;
- Conduct and manage the appraisals of the chairman, non-executive directors and council of governors;
- Periodically review and make recommendations to the council of governors on the remuneration of the chairman and non-executive directors;
- Consider and review the position of the governors in respect of any concerns relating to attendance, conduct or eligibility; and
- Any other functions as maybe determined by the council of governors from time to time.

The nominations committee does not have decision-making powers, but will make recommendations for approval to the council of governors.

The composition of membership of the nominations committee is:

The chairman of the trust;
The deputy chairman of the council;
Four public governors;
Two staff governors; and
Two partner governors.

Members of the committee other than the chairman and the deputy chairman of the council are appointed for between one and three years.

The committee is chaired by Richard Gregory, chairman. The attendance of committee members at meetings held between 1 April 2011 and 31 March 2012 was:

Name	Position	Meetings Attended
Richard Gregory	Chairman	4/4
Barry Jex	Public Governor	4/4
Brenda Slavin	Public Governor	4/4
Sheila Smith	Public Governor (Deputy Chair)	3/4
Pauline Fisher	Public Governor	3/4
Pam Wildgoose	Public Governor	4/4
Carol Walker	Partner Governor	3/4
John Wardle	Partner Governor	3/4
Manu Mathew	Staff Governor	2/4
Phil Cousins	Staff Governor	4/4

There were no changes to the committee membership during the period 1 April 2011 to 31 March 2012.

The committee meets a minimum of two times a year in private to complete its delegated business and minutes are provided to the private session of the council of governors for information.

Work of the Committee during the year to 31 March 2012

The committee has met four times during 2011/12 and has undertaken the following pieces of work:

1) Appointments

- Participated in the appointment process for the new chief executive and made recommendations on the appointment for the council's approval;
- Considered and recommended the reappointment of the chairman of the trust;
- Considered the non-executive terms of office due to expire within 2012 and considered the process for reappointments including succession planning;
- Considered the process for the appointment of new non-executive directors and considered the use of a search agency for advertising and recruitment.

There were no new non-executive director appointments to the board of directors between 1 April 2011 and 31 March 2012.

2) Appraisal systems

- Reviewed the appraisal systems for the council of governors, chairman and non-executive directors; and
- Agreed the appraisal processes, reviewed a number of reports and made recommendations to the council of governors.

2a) Chairman's appraisal

- Managed the timetable and process for the appraisal;
- Reviewed the results of the appraisal and agreed the report for presentation to the council of governors; and
- Advised the council on the contents of the action plan resulting from the appraisal.

2b) Non – executive directors

- Managed the timetable and process for the appraisals; and
- Reviewed the results of the appraisals and developed a summary report for presentation to the council of governors.

2c) Council of governors

- Managed the timetable and process for the appraisal;
- Reviewed the results of the appraisal and development of the composite report presented to the council of governors for review and approval;
- Advised the council on the contents of the action plan resulting from the appraisal; and
- Received a report on the progress of action points arising from the appraisal.

3) Remuneration

- Considered and made recommendations on the annual review of the remuneration of the chairman and non-executive directors for the current and future years.

4) Governor attendance

- Monitored the attendance and conduct of governors.

5) Code of governance

- Considered Monitor's code of governance and the trust's compliance with the key requirements.

6) Governance

- Received and approved the terms of reference for the nominations committee;
- Considered and made recommendations on the updated standing orders for the council of governors;
- Received and considered an update to the trust's constitution and recommended that the council of governors endorsed the proposed changes.

Patient and Public Involvement Committee (PPI Committee)

The Governor's PPI committee was established in November 2006 to strengthen the trust's PPI governance and to recognise the special role and responsibility of the council of governors in representing the local community's interests. The committee is a sub-committee of the council of governors and its main role is to monitor the trust's performance in meeting patient and public involvement responsibilities. Emphasis is placed on issues relating to the patient's experience to ensure services are of a high standard and patient centred.

The objective of the committee is to build a partnership between the trust, patients and the public which is central to the modernisation of the health service. Patient and public involvement contributes to:

- Strengthening accountability to local communities;
- Developing local health services which genuinely respond to patients and carers;
- Monitoring the trust's performance in meeting PPI responsibilities;

The function of the committee is to:

- Be actively involved in the patient and public involvement national and local agenda;
- Review and influence the trust's strategy and development plan, and be consulted on changes and developments;
- Ensure that the council of governors is updated on the PPI agenda including feedback from patients and the public, sharing good practice and action plans developed to improve local services;
- Review reports and action plans and scrutinise these to ensure appropriate action has been identified to support a patient centred approach;
- Where required, represent the council of governors on related projects and initiatives eg environment checks, patient meals, staff education; and
- Develop links with the Advice Centre.

The committee focuses key aspects of the patient's experience, which include:

- Nursing and clinical care;
- Food;
- Cleanliness;
- The environment;
- Complaints and feedback;
- Site facilities eg access, car parking, signposting; and
- Privacy and dignity

The PPI committee does not have decision-making powers, but does make recommendations to the council of governors.

The composition of the membership of the PPI committee is:

- Eight public governors (one public governor is chairman of the sub-committee);
- Two voluntary sector governors;
- One education governor;
- One Primary Care Trust (PCT governor); and

- A Non-Executive Director (usually the chair of the clinical governance committee).

The committee is also attended by:

- Chief nurse;
- Head of clinical governance;
- Clinical governance advisor;
- Director of allied clinical and facilities services; and
- Chairman.

In addition during 2011/12, the committee has been attended by the following members of staff to discuss relevant topics:
– Head of Medicines Management
– Acting General Manager, Surgical Specialties
– Head of Patient Access and Contracting

Members of the committee are appointed for between one and three years following elections by the council of governors.

During 2010/11 the committee met four times in private to complete its business. The minutes are provided to the open session of the council of governors for information and discussion and the Chair of the PPI committee gives a verbal report on work undertaken.

The attendance of committee members at meetings held between 1 April 2011 and 31 March 2012 was:

Name	**Position**	**Meetings Attended**
Chris Day	Public Governor (Chair)	4/4
Bernard Everett	Public Governor	4/4
Pauline Fisher	Public Governor	4/4
Aileen Dawson-Pilling	Public Governor	3/4
Janet Portman	Public Governor	2/3
Sheila Smith	Public Governor	4/4
Barry Whittleston	Public Governor	4/4
Pam Wildgoose	Public Governor	4/4
Joyce Cupitt	Partner Governor	2/4
Helen Dillistone	Partner Governor	0/4
John Wardle	Partner Governor	2/4
David Whitney	Non-Executive Director	2/4

Work of the Committee during the Year to 31 March 2012

As part of the committees work a number of priorities were identified to give members direction and to support them in achieving their objectives. The committee has taken part in a number of projects as follows:

- Managed a regular programme of unannounced ward visits to talk to patients about their experience of being in hospital. In addition, governors meet with a senior nurse representative following their visits to give immediate feedback;
- Undertaken a regular programme of unannounced ward and department visits to assess cleanliness with members of the Infection, Prevention and Control Team.

In addition, members of the committee joined trust staff to undertake the PEAT inspection;

- Received and discussed reports on complaints and enquiries dealt with by the Advice Centre;
- Continued to influence the trust's capital programme including the ward upgrade programme;
- Representation on the Catering Development Project Team and Nutrition Team which aims to ensure maximum benefits for patients are achieved from existing catering processes and contracts and undertakes regular tasting sessions of patient meals, providing feedback and recommendations;
- Representation on the Dementia Strategy Group; this group aims to develop a strategy to improve the care of patients with dementia including staff training and awareness to ensure personalisation of care for the patient;
- Assisted in the re-development of the six Ophthalmology Patient Pathways; these pathways will ensure smooth running of the ophthalmology service and support a positive patient experience;
- Received a presentation from the Head of Medicines Management on the implementation of electronic prescribing system which has now been rolled out across the trust;
- Received the results of nurse metrics audits and ongoing patient experience questionnaires.

In addition, during the year the Chairman of the PPI Committee has begun to attend the board of directors on a quarterly basis to present the findings of the committee.

Outreach Committee

The Role of the Outreach Committee

The outreach committee has been a sub-committee of the council of governors since 2007. With membership encompassing staff, partner and public governors (supported by the trust's governor and membership officer and communications adviser) the committee acts for the council - reviewing, monitoring and supporting the development of plans for membership recruitment, engagement and involvement.

The functions of the outreach committee are:

- To review and analyse the trust's membership – with governors supporting membership recruitment, retention and development;
- To engage with local forums, groups and organisations to actively promote membership and the work of governors and the council; and
- To develop and encourage two-way dialogue and involvement between the council and its constituency members.

The outreach committee is key to membership engagement; and to developing processes and methods that will enable governors (public governors in particular) to have contact with their membership.

The membership of the outreach committee currently comprises:

- Four public governors;
- One staff governor; and
- One partner governor (Chair)

The attendance of committee members at meetings held between 1 April 2011 and 31 March 2012 was:

Name	Position	Meetings Attended
Sheila Smith	Public Governor	7/8
Dave Allen	Partner Governor (Chair)	5/8
Bernard Everett	Public Governor	8/8
Joyce Newton	Public Governor	1/8
Kate Caulfield	Public Governor	3/8
Tina Shewring	Staff Governor (from 1/1/12)	1/1

Outreach Achievements (April 2011 – March 2012)

The committee has worked on the following:

- Publishing a membership magazine – this is led by the Outreach Committee, with governors taking on an editorial role to determine articles and features. This year's main development has been a 'pull-out' diary feature, highlighting membership events, council of governor meeting dates and key NHS awareness days. The magazine is distributed by post, or email to the trust's membership (17000 community members and 3500 staff members);
- Publishing a 'Role of the Governor' DVD – which launched at the trust's Annual General Meeting. This highlights the varied role of the governor and was designed to raise awareness, to encourage higher election turnout rates, and promote the work governors at the trust are undertaking. The DVD was also posted on the trusts' website, Facebook and YouTube channels;
- Hosting governor promotional events in local libraries across constituency areas;
- A regular programme of 'Ambush' days in the hospital's main entrances to register new members and raise awareness of the work of the council;
- Presenting at the trust's Annual General Meeting event – meeting and greeting members and speaking about the council's role;
- Building strong relationships with local Patient Participation Groups (PPGs);
- Advertising council meetings, the AGM and elections through the local media; and
- Undertaking a successful membership recruitment drive in April/May 2011 targeting around 27,000 recent out-patients (which resulted in over 2,000 new community members a healthy 8% response rate).

The committee has successfully hosted several membership events throughout 2011/12, including Diabetes, Ophthalmology - ahead of the new Eye Centre opening and which saw over 200 members attend, and an Election evening aimed at enabling potential nominees the opportunity to meet with existing governors.

The committee will develop its work throughout 2012/13 – with plans already in place for a full programme of events within the new exhibition area in the main entrance,

providing an ideal location for engagement events. Future membership evenings are also already in place to focus on Haematology and Cancer Services at the trust.

It is acknowledged that governor and membership engagement is one of the most challenging areas of foundation trust status. Effective accountability within the foundation trust model requires that membership recruitment and activity be adequately supported and funded, with a programme of regular member and public events at which governors (public governors in particular) attend and participate. The outreach committee has continually worked for this throughout the last 12 months.

Corporate Citizenship Committee (CCC)

The corporate citizenship committee was established in September 2007 to support the trust in its contribution to the wider health and sustainability agenda for the local population. The committee is a sub-committee of both the board of directors and the council of governors and is tasked with examining the trust strategy on:

- Carbon management;
- Sustainable local food;
- Involvement of and with local business;
- Green travel plans;
- Waste management; and
- Procurement.

The corporate citizenship committee does not have decision-making powers, but does make recommendations to the board of directors and to the council of governors.

The membership of the corporate citizenship includes representation from:

The chairman of the trust (chairman of the sub-committee)
Non-executive directors
Executive directors
Council of governors
Staff members

The committee aims to meet on a quarterly basis and minutes from meetings are provided to the board of directors and to the open session of the council of governors for information.

The attendance of committee members at meetings held between 1 April 2011 and 31 March 2012 was:

Name	Position	Meetings Attended
Richard Gregory	Chairman (Chair)	4/4
Steve Bacon	Energy Manager	3/4
Aileen Dawson-Pilling	Public Governor	3/4
Bernard Everett	Public Governor	4/4
Andrew Jones	Director of Allied Clinical & Facilities Services	4/4
Pam Liversidge	Non-Executive Director	2/4
Sally Ludditt	Environmental Advisor	3/4
Chris Tann	Head of Estates and Capital Schemes	3/4
Conrad Foster	Staff Governor	4/4
Brian Parsons	Public Governor	2/4

Work of the Committee During the Year to 31 March 2012

The committee has met four times during 2011/12 and has undertaken work to become actively engaged in the whole of the corporate citizenship agenda.

This has included:

- Monitoring of action plan for carbon reduction;
- Re assessment against national 'good citizenship tool';
- Support for the new three ward development scheme in line with the national NHS building environment target and including the use of solar panels;
- Feasibility study for on-site wind turbine;
- Improved waste recycling facilities;
- Expansion of Café@theRoyal facilities;
- Support for the trust's travel plan;
- Database for publicity of the trust's car share scheme;
- Increased engagement with local forums;
- Review of the travel plan and monitoring of the measures for providing alternatives to private motor vehicle travel to the site;
- Opening of SnaxandWRVS@theRoyal to provide a partnership facility for catering in our maternity and women's health unit;
- Supporting membership of the NHS Forest initiative;
- Ongoing running of cycle maintenance workshops;
- Developing apprenticeship schemes;
- Establishing work experience in partnership with the Prince's Trust;
- Supporting work with Hasland primary school to develop a garden on the trust's site.

Governor Attendance at Other Groups

Governor representation is provided on a number of other trust groups including:

Permanent groups:

Research Strategy Group

The aims of the trust's research strategy group are:

- To develop and monitor a research strategy for the trust;

- To develop strategies that promote high quality research that will impact upon patient care and /or service provision; and
- To advise and influence trust policy and practice that is necessary to establish a suitable infrastructure for research & development within the trust.

STARS - Staff Recognition Awards

A panel compromising non-executive directors, executive directors, staff, JCC committee members, governors has been established to shortlist individual members of staff and teams which have been nominated for a recognition award.

The award scheme is run on an annual basis.

Special Groups:

Representation on other trust groups, convened to agree and project manage capital and service developments is always sought. During 2011/12, the relevant groups were:

Tripartite committee

The Tripartite committee is a joint committee comprising directors, staff governors and staff side representatives. It was established to oversee the formulation of actions to respond to issues raised by the trust's staff survey results.

Catering

The project team assisted in the development of the business case for the long term future of the trust's patient meals service, for which a contract was let in January 2012.

Refurbishment of the Main Entrance

The project board was responsible for overseeing the contract for the refurbishment of the main entrance following the fire in June 2011. The main entrance is due to reopen in May 2012.

Chesterfield Eye Centre

The project team assisted in the development of the business case for the Chesterfield Eye Centre on the Hospital site including the creation of new care pathways for ophthalmic sub-specialities. The contract for the build was approved by the board of directors in October 2011 for completion in June 2012.

Women's Health Unit

The project team assisted in the development of the business case for the Women's Health Unit, which was approved by the board of directors in January 2012 for completion in September 2012.

A&E Project Board

The project team is assisting in the development of the business case for the refurbishment of the trust's Emergency Department.

MEMBERSHIP

Membership Overview 2011 to 2012

Membership

The trust has only two membership constituencies – one each for the community and its staff. It does not host a patient constituency.

Our Community Membership – Overall Size and Movements 2011 to 2012

	Last year	**Estimated for next year**
At year start (1 April 2011)	15,134	17,110
New members	2360	2,000
Members leaving	384	500
Affiliated members *	232	200
At year-end (31 March 2012)	**17,110**	**18,810**

** People who have opted to register for membership, although they live just outside our constitutional catchment area and therefore they do not have voting rights.*

At 1 April 2011, the trust had a community membership base of 15,134. Over the following 12 months 2360 new members joined. This is one of the largest increase the trust has seen in membership in one year.

Our Constituencies

The trust's public constituency is defined as 'those people living in specific wards of local authorities within the Derbyshire County Primary Care Trust area'. It represents a catchment population of over 400,000 – with more than 335,000 people eligible for foundation trust membership (ie over the age of 16).

Residents of the following local government administrative areas currently qualify for membership of the NHS foundation trust:

Chesterfield Borough (all wards)

Bolsover District (all wards)

North-East Derbyshire District (all wards)

Derbyshire Dales District and Amber Valley Borough District (the wards of Alfreton, Alport, Belper Central, Belper East, Belper North, Belper South, Bakewell, Bradwell, Calver, Chatsworth, Crich, Darley Dale, Hartington and Taddington, Hathersage and Eyam, Heage and Ambergate, Ironville and Riddings, Lathkill and Bradford, Litton and Longstone, Masson, Matlock All Saints, Matlock St Giles, Ripley, Ripley and Marehay, Somercotes, Stanton, Swanwick, Tideswell, Wirksworth, Wingfield, Winster and South Darley

High Peak Borough (the wards of Barms, Blackbrook, Burbage, Buxton Central, Chapel East, Chapel West, Corbar, Cote Heath, Hayfield, Hope Valley, Limestone Peak, New Mills East, New Mills West, Sett, Stone Bench, Temple and Whaley Bridge)

Our catchment area (excludes the North Amber Valley):

At the present time we also have 232 affiliated members. These are, in the main, residents within the Derbyshire Dales, High Peak and Amber Valley Boroughs who live in wards currently outside our present constitutional catchment area. Affiliated members receive news and correspondence from the foundation trust, but they do not have voting rights.

Co-Terminosity

In the north of the county, the Derbyshire County Primary Care Trust has co-terminosity with several local authority boundaries:

- Chesterfield Borough Council
- North-East Derbyshire District Council
- Bolsover District Council
- High Peak Borough Council
- Derbyshire Dales District Council
- Amber Valley Borough Council

Around 95% of the patients treated at Chesterfield Royal Hospital NHS Foundation Trust as in-patients, day cases and outpatients live in these areas.

However residents in some council wards may also look to some other acute providers for their routine care as they border our catchment:

- North-East Derbyshire and Bolsover District (other providers in Sheffield, Worksop and Mansfield)
- Derbyshire Dales and Amber Valley (other providers in Southern Derbyshire and Mansfield)
- High Peak (other providers in Stockport, Manchester and Macclesfield)

Eligible Population Information and Community Membership Make-up

To create a representative membership, information about the age, ethnicity and gender of the population within the foundation trust is required – to enable recruitment campaigns to target areas where membership is less prevalent. The following sections provide a snapshot of Derbyshire and are used to help determine where membership may need strengthening. Whilst Chesterfield Royal Hospital serves the area to the north of Derbyshire in the main, this complete detail (ie Derbyshire) is taken into account when reviewing membership:

Derbyshire (excluding the city of Derby – population 233,750) has a population of 747,520 (1). This is forecast to increase to around 828,000 by 2028. Each of the county's nine main towns (not all in the foundation trust's catchment area) has populations of over 20,000 (Belper, Buxton, Chesterfield, Dronfield, Glossop, Ilkeston, Long Eaton, Ripley and Swadlincote), with the largest concentration of population in the Chesterfield area. In contrast, some 16% of Derbyshire's population live in sparsely populated rural areas.

A high proportion of Derbyshire's population (95.5% in 2001) was born in England indicating fairly static populations when compared to the populations in the East Midlands (91%) and England (87%). Across Derbyshire, the number of people from Black and Minority Ethnic (BME) communities is relatively small. At the time of the last census in 2001, less than 2.8% of the population (20,600 people) were from Black and Minority Ethnic communities, the remaining population describing themselves as White British.

Of these 20,600 people, around 3,400 were black or mixed race (black and white); around 5,000 were Asian or Asian mixed race; 3,800 were Irish; 6,000 people came from other white communities; 1,100 were Chinese; and 1,200 were from other communities.

The age profile of BME communities in Derbyshire (2) shows that there are more under 16s and less people of retirement age than the general and White British population. There are also variations across different BME communities with those describing themselves as Mixed Race having significantly higher rates of under 16s and lower rates of people of working and retirement age than the combined BME rates.

Breakdown of the Population in Derbyshire by Age and Ethnicity:

	Under 16 %	**Working age %**	**Retirement age %**
All people	19.6	63.6	16.7
BME	22.5	64.2	13.3
White British	19.6	63.6	16.8
White Other	10.5	67.1	22.4
Mixed Race	57.5	39.5	3.0
Asian	22.6	72.1	5.3
Black	13.0	76.1	10.9
Chinese or other ethnic group	21.6	74.1	3.8

In more recent years, the ethnic profile of communities in Derbyshire has changed. In 2005, the estimate for the total number of non-white British people was 32,400, an increase of 57% from 2001. This increases the percentage of Black and Minority Ethnic communities in Derbyshire to 4.3%. Even with this increase, the numbers remain small in comparison to the East Midlands and England where 10.9% and 15.2% of the population are from Black and Minority Ethnic communities respectively.

There are indications, for example, from data on allocation of National Insurance numbers that the number of people from Eastern Europe who have come to work and live in Derbyshire is increasing.

BME Population Estimates by District:

District	**Number**	**% of district population**
Amber Valley	4300	3.6
Bolsover	2300	3.1
Chesterfield	4400	4.4
Derbyshire Dales	2700	3.9
Erewash	5300	4.8
High Peak	4500	4.9
North East Derbyshire	3300	3.4
South Derbyshire	5600	6.3

(1) Source: Registrar General's District mid-Year Estimates 2005, Office for National Statistics.
(2) Source: Derbyshire County Council Race Equality Scheme 2008–2010.

Eligible Population and Community Membership Breakdown (31 March 2012)

Constituency	Total number of members	Total population of constituency*	Number eligible for membership (aged 16 years and over)*	Number of members as a percentage of eligible population
Bolsover	2,564	71,882	55,681	4.0%
Chesterfield	6,510	98,801	79,863	6.6%
Derbyshire Dales & North Amber Valley**	2,427	120,076	77,049	3.1%
High Peak	726	57,034	45,577	1.6%
North-East Derbyshire	4,883	96,909	79,030	6.2%
Totals	**17,110**	**444,702**	**337,200**	**5.07%**

*Source: Registrar General's Mid-Year Estimates 2005, Office of National statistics (ONS)
**Figures only include Derbyshire Dales, as a breakdown to account for the North of Amber Valley only – ie those who are eligible for community membership of Chesterfield Royal Hospital NHS Foundation Trust are not available.

Constituency Membership Breakdown by Council Ward

To help with membership growth and to enable under-represented areas to be targeted in recruitment campaigns, the trust is able to access membership down to council ward level. The following illustrates membership by eligible council ward:

Bolsover Constituency	
Sub catchment	**Members**
Barlborough	180
Blackwell	146
Bolsover North West	236
Bolsover South	221
Bolsover West	196
Clowne North	213
Clowne South	224
Elmton-with-Creswell	134
Pinxton	45
Pleasley	144
Scarcliffe	139
Shirebrook East	33
Shirebrook Langwith	59
Shirebrook North West	58
Shirebrook South East	46
Shirebrook South West	71
South Normanton East	53
South Normanton West	122
Tibshelf	165
Whitwell	79
TOTAL FOR Bolsover	**2564**

Chesterfield Constituency	
Sub catchment	**Members**
Barrow Hill and New Whittington	309
Brimington North	209
Brimington South	407
Brockwell	440
Dunston	383
Hasland	396
Hollingwood and Inkersall	410
Holmebrook	228
Linacre	296
Loundsley Green	252
Lowgates and Woodthorpe	290
Middlecroft and Poolsbrook	241
Moor	295
Old Whittington	234
Rother	390
St Helen's	258
St Leonard's	461
Walton	505
West	506
TOTAL FOR Chesterfield	**6510**

Derbyshire Dales and North Amber Valley Constituency	
Sub catchment	**Members**
Alfreton	114
Alport	21
Bakewell	201
Belper Central	9
Belper East	5
Belper North	5
Belper South	3
Bradwell	79
Calver	127
Chatsworth	59
Crich	49
Darley Dale	256
Hartington and Taddington	48
Hathersage and Eyam	161
Heage and Ambergate	39
Ironville and Riddings	49
Lathkill and Bradford	63
Litton and Longstone	57
Masson	91
Matlock All Saints	231
Matlock St Giles	260
Ripley	56
Ripley and Marehay	43
Somercotes	49
Stanton	78
Swanwick	48
Tideswell	68
Wingfield	36
Winster and South Darley	93
Wirksworth	29
TOTAL FOR Derbyshire Dales and North Amber Valley	**2427**

North East Derbyshire Constituency	
Sub catchment	**Members**
Ashover	162
Barlow and Holmesfield	63
Brampton and Walton	250
Clay Cross North	350
Clay Cross South	221
Coal Aston	180
Dronfield North	169
Dronfield South	269
Dronfield Woodhouse	172
Eckington North	126
Eckington South	127
Gosforth Valley	218
Grassmoor	221
Holmewood and Heath	164
Killamarsh East	98
Killamarsh West	135
North Wingfield Central	324
Pilsley and Morton	261
Renishaw	84
Ridgeway and Marsh Lane	53
Shirland	200
Sutton	303
Tupton	194
Unstone	72
Wingerworth	467
TOTAL FOR North East Derbyshire	**4883**

High Peak Constituency			
Sub catchment	**Members**	**Sub catchment**	**Members**
Barms	25	Limestone Peak	27
Blackbrook	28	New Mills East	50
Burbage	13	New Mills West	33
Buxton Central	52	Sett	18
Chapel East	28	Stone Bench	50
Chapel West	37	Temple	35
Corbar	47	Whaley Bridge	67
Cote Heath	50		
Hayfield	26	**TOTAL FOR High Peak**	**726**
Hope Valley	140		
TOTAL FOR ALL CATCHMENTS			**17,110**

Age Report

Derbyshire has an older age structure than England with 16.7% of the population being in the 65+ age group. There are fewer children in the 0-15 age group (19.6%) compared to the national average (20.2%).

The proportion of population of working age is only slightly lower in Derbyshire (63.6%) than in England as a whole (63.9%).

The age structure of Derbyshire's ethnic minority population is younger with just less than one quarter (22.5%) under 15 years old and 64.2% of working age.

Source: Derbyshire County Council Race Equality Scheme 2008–2010

Our Community Membership by Age at 31 March 2012

Age	Bolsover	Chesterfield	Dales/ North Amber Valley	High Peak	North-East Derbyshire	Total public membership
16-22	24	65	25	2	37	**153**
23-35	144	384	83	48	246	**905**
36-50	496	1,187	351	109	749	**2,891**
51-65	736	1,809	669	226	1,356	**4,796**
66-80	761	1,816	809	218	1,590	**5,194**
81+	228	640	335	90	557	**1,850**
Unknown	175	609	156	33	348	**1,321**
Total	**2,564**	**6,510**	**2,427**	**726**	**4,883**	**17,110**

* Excluding 232 affiliated members

Age Representation at 31 March 2012

Age	Number of members	Representing % of current membership
Age 16-22	153	0.89%
Age 23-35	905	5.29%
Age 36 to 50	2,891	16.09%
Age 51 to 65	4,796	28.03%
Age 66 to 80	5,194	30.36%
Age 81+	1,850	10.81%
Age not stated	1,321	7.72%
Total	**17,110**	**100.00%**

* Excluding 232 affiliated members

*Eligible Population by Age in Each Class of the Constituency**

Population age groups (ONS)	Eligible in Bolsover	Eligible in Chesterfield	Eligible in Derbyshire Dales/North Amber Valley**	Eligible in High Peak	Eligible in North-East Derbyshire
15-34	16076	22649	19560	11945	20412
35-49	14871	21426	20414	12963	21049
50-64	12870	18276	19902	11146	20263
65-79	8919	12907	12425	6883	13122
80+	2945	4605	4748	2640	4184
Total population of constituency eligible for membership	**55,681**	**79,863**	**77,049**	**45,577**	**79,030**
Total population of constituency	**69,359**	**98,884**	**94,589**	**57,029**	**96,901**

*Source: Registrar General's Mid-Year Estimates 2005, Office of National Statistics (ONS)
**Figures only include Derbyshire Dales as a breakdown to account for the North of Amber Valley only – ie those who are eligible for community membership of Chesterfield Royal Hospital NHS Foundation Trust is not available.

Ethnicity Report

Ethnicity – Membership Breakdown at 31 March 2012

Ethnicity	Bolsover	Chesterfield	Dales/ North Amber Valley	High Peak	North-East Derbyshire	Totals
Asian	9	32	4	0	14	59
Black	5	31	2	1	5	44
Mixed	1	12	0	1	6	20
Other	3	16	7	0	4	30
White	2,155	4,797	1,933	680	3,659	13,224
Unknown	391	1,622	481	44	1195	3,733
Totals	**2,564**	**6,510**	**2,427**	**726**	**4,883**	**17,110**

* Excluding 232 affiliated members

Gender report

Gender Breakdown by Constituency at 31 March 2012

Gender	Bolsover	Chesterfield	Dales/ North Amber Valley	High Peak	North-East Derbyshire	Total public membership
Female	1,320	3,331	1,292	399	2,430	8,772
Male	1,122	2,756	965	316	2,075	67,234
Not stated	122	423	170	11	378	1,104
Total	**2,564**	**6,510**	**2,427**	**726**	**4,883**	**17,110**

* Excluding 232 affiliated members

Gender Breakdown by Percentage at 31 March 2012

Gender	Total membership	Gender percentage
Female	8,772	51.27%
Male	7,234	42.28%
Not stated	1104	6.45%
Total	**17,110**	**100.00%**

* Excluding 232 affiliated members

Socio-Economic Report

Using 2001 census information for all constituency classes we have an overall picture of each constituency for targets for membership.

We have also analysed our membership using the consumer classifications ACORN.*

ACORN is a geo-demographic tool used to identify and understand the UK population and the demand for products and services. It is often used to make informed decisions on where direct marketing campaigns will be most effective.

ACORN classifies all 1.9 million UK postcodes, which have been described using over 125 demographic statistics and 287 lifestyle variables within England, Scotland, Wales and Northern Ireland.

From this classification we can see that our membership has limited social grade groupings.

Socio-Economic Groupings at 31 March 2012

This table defines our membership breakdown in socio-economic groupings:

Grouping	Number of members	Potential membership pool (ACORN statistics)
ABC1	8,391	163,394
C2	6,209	61,646
D	682	67,642
E	1,761	61,870
Unclassifiable	67	0
Total	**17,110**	**354,552**

* Excluding 232 affiliated members

Note: The trust's external membership management company Capita provided the socio economic profile (above), which was mapped from ACORN to National Readership Survey (NRS) gradings (A, B, C1, C2, D and E).

Staff Membership

Staff Membership Size and Movements 2011 to 2012

	Last year	**Estimated for next year**
At year start (1 April 2011)	3436	3437
New members	468	500
Members leaving	497	500
Data corrections*	30	30
At year-end (31 March 2012)	**3437**	**3407**

* The staff membership database is compiled from the pay-roll system and database cleansing is necessary to remove duplicates (staff with two contracts for example); any listed individuals not paid by the trust but on the pay roll system (for example governors who may claim expenses etc) and other anomalies.

The staff constituency comprises:

- Permanent members of staff; and
- Temporary members of staff who have been employed in any capacity by the organisation for a minimum continuous period of one year.

For directly employed staff membership runs on an opt-out basis – ie. all qualifying staff are automatically members unless they seek to opt out. All permanent contract holders are eligible for membership from the date they take up their employment.

The staff constituency is broken down into four classes:

- Medical and dental staff
- Nursing and midwifery staff
- Allied health professionals, pharmacists and scientists
- All other staff

By sub-dividing the staff constituency in this way, representation from each major staff grouping is possible.

Breakdown of Staff Membership within Constituencies:

Constituency	**Number of members (at 31 March 2012)**
Medical and dental	312
Nursing and midwifery	1440
Allied health professionals, pharmacists and scientists	571
All other staff	1114
Total	**3437**

Class	**Membership %**
Medical and dental	9.1%
Nursing and midwifery	41.9%
Allied health professionals, pharmacists and scientists	16.6%
All other staff	32.4%
Total	**100%**

Developing a Representative Membership

Current Position

The prime source for recruiting members is, and remains, those people who have an existing relationship with the Royal Hospital. This could be as past and present patients or carers, or those who are potential users of the service as residents of North Derbyshire (or the trust's defined catchment area).

The trust will continue to manage its membership effectively, with cleansing and review exercises undertaken regularly (six to eight times per year). This will ensure that as far as possible inappropriate contacts are not made.

Community Membership

Community membership has grown above plan this year. Within its catchment area, 337,200 local people are eligible for membership. At 31 March 2012, 17,110 members had registered with the foundation trust – 5.1% of the eligible population. We will however continue to work to recruit new members to take advantage of the community's interest in our hospital and the services it provides.

The trust will also need to use the analysis tables in this membership report (pages 92 to 94) and look at these broad areas where members remain under represented:

- Ages 16-22
- Ages 23-35
- Black and ethnic minority groups
- Specific council ward/postcode areas of all five constituencies
- Socio-economic groups D and E (in conjunction with postcodes)

Membership recruitment will need to be financially realistic however, as the trust looks to make cost efficiencies across the organisation. Consideration will have to be given to actively recruiting within the patient population of the hospital – which has not been a chosen recruitment method previously. The trust has always been mindful that membership should be wholly voluntary – rather than a 'must do' as a patient. The council of governors, through the outreach committee, will need to give recruitment of this nature careful consideration.

Staff Membership

The trust's aim is to have 90% of eligible employees registered as members. Since foundation status was granted in 2005, staff membership has varied between 92% and 99%. Currently membership stands at round the 99% mark, with no opt outs recorded during 2010/11. The trust does not expect the position to change over the financial year 2011/12.

Representative Recruitment Plans

The challenge to ensure membership is fully representative of the population continues. Encouraging younger residents and BME community members to register for membership is difficult and the trust has made limited progress – with growth in these membership categories steady, but nevertheless slow. 16-22 year olds are particularly difficult to attract.

The trust continues to work with schools and colleges to promote membership to 16-19 year olds in education. The trust contributes to a monthly School Matters magazine, which is distributed to all schools across Derbyshire – to raise awareness of membership and encourage youngsters to sign up. The trust's 16-19 membership has seen a small increase over the last financial year as a result.

To 'tap into' this market the trust has also set up a Facebook profile – to engage with younger people and a wider range of the population. At April 2012, the profile had almost 6000 registered 'friends' – some of whom have also registered as full members of the foundation trust. This and other social networks will continue to be an increasingly important communication method over the coming year – and membership of the trust will continue to be publicised as an option.

As the trust continues to develop and patient choice becomes increasingly exercised, the trust may need to consider widening its membership catchment area. Affiliate members from Amber Valley, Derbyshire Dales and Southern Derbyshire council wards are already opting to register (at 31 March 2012 there were 232 affiliate members) but they currently have no voting rights. In future, the trust may need to consider if this is acceptable, when areas of the community are showing an interest in the organisation.

Membership Recruitment Objectives

The trust continues to believe that membership should be 'voluntary' - to show definite willing and interested participation. Our membership recruitment objectives are:

- To ensure all current and future staff working for the trust (including contracted-out staff) are aware of staff membership, what it means for them and to encourage them not to decline membership.

- To strive to for the composition of community membership to reflect diversity - geographically spread across our proposed catchment area and reflecting age, gender, ethnicity and socio-economic groups.

- To keep accurate and informative databases of members to meet regulatory requirements and to provide a tool for membership development.

- To define the right and responsibilities of membership to strengthen the partnership between the trust and its members.

- To recognise and use members as a valuable resource.

- To provide targeted communications that offer timely, consistent and regular messages about the trust and membership.

- To use various methods to deliver the message about membership.

- To set up a two-way feedback system, so staff and community members have suitable channels to feedback their ideas and concerns, raise issues, ask questions and find out more information.

Engaging Our Membership

The trust now has 17,110 local people registered as members (including affiliates) and a further 3,440 staff members. This is an audience of almost 21,000 people to seek views and opinions from. It is vital that both the trust and governors are able to reach and interact with this large audience.

Responsibility for membership engagement falls to the trust's communications team, through the chief executive's directorate. The team work closely with the council of governor's outreach committee. Last year, members had an opportunity to get involved with, or participate in a range of events.

This year, plans to keep members informed and involved include:

- Continuing to produce a quarterly newsletter (with content for all issues determined by the outreach committee).

- Developing and expanding the membership discount scheme (members of the foundation trust currently have access to discounts in local shops and services).

- Revising the internet membership section to make membership registration more prominent.

- Promoting membership and the role of governors within the trust - to patients and visitors through promotional materials and 'ambush' days.

- Running at least two membership evenings each year – where members meet governors and hear about a topic or service.

- Attending prominent local events, where appropriate, across North Derbyshire.

- Hosting regular governor events in local libraries.

- Promoting the Annual General Meeting (which will again be held in a large local venue off site to meet demand for attendance).

- Producing information leaflets that promote the role of governors and how they represent local people and members.

- Promoting the annual council of governor elections to ensure a good candidate spread and an increased turn-out for voting.

- Tapping into other local 'markets' to promote membership within communities.

Direct Contacts

Members have a direct route they can use if they wish to communicate with governors or directors of the trust.

Governors can be reached through the trust's communications department, either by phone, letter or via email to: governors@chesterfieldroyal.nhs.uk

Consultations

Details of consultations and results are stored on the trust's website at www.chesterfieldroyal.nhs.uk

Patient and Public Involvement (PPI)

The trust values the views of its patients, visitors and community members in order to continually improve the services delivered locally and ensure they are patient-centred. By listening and responding to what patients have to say the trust has an opportunity share good practice and identify areas for improvement.

The following details examples of PPI activity, which have been used to identify good practice and areas for improvement in the services delivered.

National Outpatient Survey 2011

As part of the national patient survey programme administered by the Care Quality Commission, the trust took part in an exercise to evaluate the experience of those patients who were outpatients at the Chesterfield Royal Hospital.

Benchmarking information is published by the Care Quality Commission. Performance, in which the response to each question is rated using 3 categories:

- Red – shows worst performing 20% of trusts
- Green – shows best performing 20% of trusts
- Orange – shows intermediate 60% of trusts

Overall the trust's performance is comparable with other trusts:

- 9 questions rated as green - shows best performing 20% of trusts
- 28 questions rated as orange - shows intermediate 60% of trusts
- 2 questions rated as red - shows worst performing 20% of trusts

Inpatient Experience Surveys

Patient Experience Surveys are given to all patients on discharge. The survey can either be returned via the post boxes in each lift lobby or in a reply-paid, which is provided with the survey. The surveys questions mirror those used in the national inpatient survey.

The results, which are published on a monthly basis, enable the wards to identify issues as they arise.

Emergency Department Survey

To improve the experience of patients who use A&E services the trust on quarterly basis questionnaires are sent to 250 people who have attended the emergency department.

Staff in the Emergency Department have reviewed the results of these surveys and have identified the following actions:

- As part of the project with the Design Council the department will look to implement a system to communicate waiting times in ED to ensure that patients are aware of how long they will have to wait.
- Develop information for patients to ensure that they are aware of who to contact if they continue if they have concerns after discharge from the department.
- As part of the capital development of the department to provide a private facility for patients booking in at reception.
- Raise awareness with staff to ensure pain management in children is optimised.

Audiology Service - Patient Experience Evaluation

As part of a quality assurance process, patients attending the Audiology Service at the Chesterfield Royal Hospital are regularly asked to give feedback about their experience. The aim of this exercise is to monitor the service delivered to patients, identify good practice and areas for further improvement.

Following a review of the findings from this feedback it was identified that there is some confusion from patients regarding whether or not they require a follow up appointment. In response to this it has been agreed that all patients will be informed of their follow up action and written information will be improved to back up audiologist appointment.

Head and Neck Cancer - Patient Experience 2011

As part of the cancer peer review process, an evaluation of the patients experience was undertaken. A sample of patients who received care and treatment in ENT and the Maxillofacial Department for a head and neck cancer, were asked to complete a questionnaire.

Overall findings were positive; however the following actions have been identified to further improve the patient experience:

- Ensure all patients understand all proposed treatments and they have been explained fully both written and verbally.
- Ensure all patients are aware of who their key worker is and what this means.
- To provide information regarding Heading Forward, the patient support group at the time of diagnosis.

Anti-Coagulant Clinic Patient Experience Survey 2011

As part of the trust's ongoing aim to improve the service in the Anti-Coagulant Clinic, a questionnaire was sent out to find out about patients' recent experiences of attending the Clinic.

Following a review of the findings, the following action points have been identified:

- Improve contact information on discharge by reminding clinic staff to emphasise to patients and add to clinic Standard Operating Procedure.
- Review the cleanliness of the clinic by discussing with Domestic Services.

- Improve privacy on CDU for administration of injections by discussing with the Medical Directorate.

Patients Attending X-Ray Department ('Walk-In' Patients) – Patient Experience 2011

As part of the trust's ongoing aim to improve the X-ray Department service a questionnaire was sent to find out about patients' recent experiences of attending the X-ray Department.

Overall the results were positive but concerns were raised with regard to patients knowing how long they were going to wait. In order to address this the department plans for purchase electronic display screens to communicate waiting times.

REMUNERATION REPORT

Introduction

This report contains details of senior managers' remuneration and pensions. The figures relate to those individuals who have held office as a senior manager of the trust during the reporting year. A 'senior manager' is defined as 'those persons in senior positions having authority or responsibility for directing or controlling the major activities of the foundation trust'. The trust deems this to be the executive and non-executive members of the board of directors.

Remuneration of the Chief Executive and Executive Directors

A committee of the board of directors, the remuneration committee, has delegated responsibility for all aspects of remuneration and terms of service for the chief executive and executive directors of the trust. Its responsibility includes all aspects of salary, provision for other benefits including pensions, arrangements for termination of employment and other contractual terms. The nomination and selection of candidates for appointment as chief executive or executive director is undertaken separately by an appointment committee.

The membership of the committee during 2011/12 was as follows:

- Pam Liversidge – non-executive director and chairman of the committee
- Richard Gregory – chairman of the trust
- Michael Hall – non-executive director, deputy chairman, senior independent director and chairman of the audit committee.

The committee met on 28 June 2011 and 30 November 2011. All members were present for both meetings.

The key item of business in the year was the review of the remuneration for the executive directors.

The chief executive attended both of the meetings in 2011 to provide advice on executive performance from appraisals held during the year. He did not participate in the parts of the meeting where matters related to his own remuneration were discussed.

Other items covered at the meetings were the updating of job descriptions for the executive and corporate directors and the consideration of annual succession plans from the executive and corporate directors for their respective functions.

Remuneration Policy

With the exception of the chief executive and the executive directors, all non-medical employees of the trust, including senior managers, are remunerated in accordance with the national NHS pay structure, *Agenda for Change.* Medical staff are remunerated in accordance with national terms and conditions of service for doctors and dentists.

The remuneration of the chief executive and the four other executive directors is determined by the board of directors' remuneration committee (see above) taking into account market levels, key skills, performance and responsibilities.

The chief executive and the three whole-time executive are paid a flat rate salary within the range determined by the remuneration committee. The part-time executive director (medical director) is paid a flat rate within the range determined by the remuneration committee, which is separate from his salary as a medical practitioner.

In reviewing remuneration, the committee has regard to the trust's overall performance, the delivery of the agreed corporate objectives for the year, the pattern of executive remuneration among foundation trusts and the wider NHS, and the individual director's level of experience and development in the role. The annual review comprises a cost of living uplift (which is the same as that for staff on Agenda for Change) and progression within the range set for the post by the committee.

The trust does not operate performance related-pay or bonuses. The performance of the executive directors is assessed on a continuing basis via formal appraisal and unsatisfactory performance may provide grounds for termination of contract.

The 'service contract' for the chief executive and executive directors is the contract of employment. This is substantive and continues until the director reaches the age of sixty-five, when it terminates automatically unless there is agreement to extend it. Otherwise, the notice period for termination by the trust is twelve months and for termination by the director, six months. The contract does not provide for any other termination payments.

Details of the service contract for each executive director as at 31 March 2012:

Post title	**From**	**Unexpired terms (years)***		
		0 -10	11-20	21-30
Chief executive	26.03.12		✓	
Director of finance and contracting	17.03.03			✓
Chief Nurse	01.04.09		✓	
Corporate secretary	13.12.93		✓	
Medical director	01.10.09	✓		

*This distribution is shown because the directors have not given consent for age to be disclosed.

The provisions for compensation for early retirement and redundancy are as set out in section 16 of the Agenda for Change: NHS Terms and Conditions of Service Handbook.

Remuneration of the Chairman and Non-Executive Directors

As a foundation trust the nominations committee of the council of governors has responsibility for the appointment, remuneration and appraisal of the chairman and non-executive directors. Full details of membership and of the work undertaken by the committee during 2011/12 may be found on page 76 of this report. This work included:

- A review of the appraisal systems for the council of governors, chairman and non-executive directors; and an overview of these processes within year; and

- Consideration of and recommendations to the council of governors on the annual uprating of the remuneration of the chairman and non-executive directors for the current and future years.

Assessment of Performance of Senior Managers

Individual performance is reviewed through the trust's appraisal process to evaluate the extent to which senior managers have met their objectives contributed to the delivery of the trust's strategic objectives.

Salary and Allowances of Senior Managers

In the year to 31 March 2012, the salaries and allowances of senior managers can be seen in the table below.

Salary and Pension Entitlement of Senior Managers

Salaries

Name	Title	2011/12			2010/11		
		Director Salary	Remuneration for Clinical duties	Benefits in Kind*	Director Salary	Remuneration for Clinical duties	Benefits in Kind*
		(Bands of £5,000)	(Bands of £5,000)	(Rounded to the nearest £100)	(Bands of £5,000)	(Bands of £5,000)	(Rounded to the nearest £100)
		£000	£000	£00	£000	£000	£00
Eric Morton +	Chief Executive (retired 4th March 2012)	170-175	0	5	185-190	0	5
Gavin Boyle ++	Chief Executive (from 26th March 2012)	0-5	0	0	N/A	N/A	N/A
Paul Briddock+++	Director of Finance and Contracting	140-145	0	9	140-145	0	11
Terry Alty	Corporate Secretary	115-120	0	0	115-120	0	0
Alfonzo Tramontano	Chief Nurse	110-115	0	0	110-115	0	0
Dr Ian Gell	Medical Director	35-40	140-145	1	35-40	140-145	2
Richard Gregory	Chairman	45-50	0	1	45-50	0	1
Michael Hall	Senior Independent Director and Non-Executive Director	15-20	0	0	15-20	0	0
Pam Liversidge	Non-Executive Director	10-15	0	0	10-15	0	0
David Whitney	Non-Executive Director	10-15	0	0	10-15	0	0
Deborah Fern	Non-Executive Director	10-15	0	0	10-15	0	0
Janet Birkin	Non-Executive Director	10-15	0	0	10-15	0	0

None of the directors received any performance related bonuses

* All the benefits in kind shown related to taxable expenses allowances and are shown in £hundreds.
+ Mr Eric Morton retired from his position as Chief Executive on 4 March 2012 and his disclosed salary is shown up to this date. If he had worked for the full financial year his salary would have been in the 185-190k banding.

++ Mr Gavin Boyle took up the role of Chief Executive on 26 March 2012 and his salary is shown form this date up to and including 31 March 2012. If he had worked for the trust for the full financial year, his salary would have been in the 175-180k banding.

+++ Mr Paul Briddock acted up as Chief Executive during the interim period 5 March 2012 to 25 March 2012. He received an additional remuneration of £1k, which is reflected in the figures disclosed above.

Median Remuneration of the Trust's Staff

HM Treasury requires all public sector bodies to disclose the median remuneration of the reporting entity's staff and the ratio between this and the mid-point of the banded remuneration of the highest paid director, as set out in the guidance *Hutton Review of Fair Pay.* The calculation is based on full-time equivalent staff as at the reporting period end date ie 31 March 2012, on an annualised basis.

	2011/12	**2010/11**
Band of Highest Paid Director's Total Remuneration (£000)	175-180	185-190
Median Total Remuneration	£22,902	£22,236
Ratio	7.8	8.4

The banded remuneration of the highest paid director in the financial year 2011/12 was £175 - £180k (2010/11: £185 - £190k). The mid-point of this banding is 7.8 times (2010/11: 8.4 times) the median remuneration of the trust's staff, which was £22,902 (2010/11: £22,236).

None of the trust's employees received remuneration that was in excess of the highest paid director in both years.

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

Pensions

Name	Title	Real increase in pension at age 60	Real increase in lump sum at age 60	Total accrued pension at age 60 at 31 March 2012	Lump sum at age 60 related to accrued pension at 31 March 2012	Cash Equivalent Transfer Value at 31 March 2012	Cash Equivalent Transfer Value at 31 March 2011	Real increase in Cash Equivalent Transfer Value
		(Bands of £2,500)	(Bands of £2,500)	(Bands of £5,000)	(Bands of £5,000)			
		£000	£000	£000	£000	£000	£000	£000
Eric Morton +	Chief Executive (until 4th March 2012)	-	-	-	-	-	2,126	-
Gavin Boyle ++	Chief Executive (from 26th March 2012)	0-2.5	0-2.5	30-35	95-100	522	408	2
Paul Briddock	Director of Finance & Contracting	2.5-5	5-7.5	25-30	85-90	416	342	63
Terry Alty	Corporate Secretary	0-2.5	2.5-5	40-45	125-130	843	749	70
Alfonzo Tramontano	Chief Nurse	0-2.5	2.5-5	35-40	115-120	636	521	99
Dr Ian Gell	Medical Director	2.5-5	0-2.5	70-75	210-215	1,536	1,426	66

+ Mr Eric Morton retired from his position as Chief Executive on 4 March 2012.

++ Mr Gavin Boyle took up the role of Chief Executive on 26 March 2012. The real increase in pension lump sum and CETV relate only to the period between 26 March and 31 March 2012 during his employment at this Trust. The comparative cash equivalent transfer value shown for 31 March 2011 relates to the figure disclosed in the Annual Report of his previous employer (Yeovil District Hospital NHS Foundation Trust).

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 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.

Real Increase in CETV reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement).

Gavin Boyle
Chief Executive and Accounting Officer
30 May 2012

Chesterfield Royal Hospital NHS Foundation Trust

Quality Accounts 2011/12

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PART 1

STATEMENT ON QUALITY FROM THE CHIEF EXECUTIVE OF THE NHS FOUNDATION TRUST

As a hospital we exist only to serve our patients. We aim to provide exceptional quality healthcare that our community can have confidence in – because our services are safe, offer the best possible clinical outcomes and a first class experience for patients. We aim to provide a service built on our "Proud to Care" values of Compassion, Achievement, Reputation and Equality. This is the top priority for our Board and Council of Governors. Whilst much progress has been made we know that this is a "journey" and there is still much to do.

To help us with this every three months we publish a Quality Report – providing detailed information about the quality of our services; and our progress towards delivering the best possible hospital services. It covers around 100 quality indicators, illustrates patient experiences and reports on a range of subjects from basic nursing care requirements (such as nutrition, dignity and respect and pain management); through to mortality rates, dementia care and heart failure care pathways.

Presented to key audiences within the hospital and the wider community – including our Board of Directors; Clinical Governance Committee and our main commissioners - the report is also shared with our Council of Governors; and is available for members of the public to view on the trust's web-based 'Performance Centre'. It is designed to provide assurance regarding the quality of care you can expect at the Royal, but also to mark our progress as we strive to improve.

As North Derbyshire's only acute district general hospital, serving a population of around 400,000, we take pride in what we do – and our wish is to be the hospital of choice for not only our patients, but for our staff and partners. We are already recognised as being amongst the very best in some specialties (stroke services for example) but we do not underestimate how much further we need to go – and how much more we need to do.

This report details:

- The trust's priorities for improvement for 2012/13.
- Statements relating to the quality of services provided by the trust including involvement in local and national audits and research.
- What others say about us.
- How the trust has performed over the past year on key indicators of quality.

Many of the trust's staff have been involved in shaping the content of the report; the priorities reflect what is important to them and our patients, they have helped to measure and monitor our performance and most importantly they have taken, and will continue to take, measures resulting in improvements.

Our council of governors receives regular reports on quality and continues to challenge the trust to continually improve. The council has given its views on this report and will continue to influence this agenda over the coming years.

In addition views have been sought and received from:

- Our commissioning Primary Care Trust; Derbyshire County;
- Derbyshire Local Involvement Network (LINks); and,
- Derbyshire County Council's Overview and Scrutiny Committee.

The views of these groups are reflected in this report.

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the quality report.

Gavin Boyle
Chief Executive and Accounting Officer
30 May 2012

PART 2

PRIORITIES FOR IMPROVEMENT AND STATEMENTS OF ASSURANCE FROM THE BOARD

PRIORITIES FOR IMPROVEMENT 2012/13

The trust has identified three priorities for quality improvement which cover the three areas identified within *High Quality Care for All*:

- Clinical Effectiveness;
- Patient Safety; and,
- Patient Experience.

Progress against each of these priorities will be reported via the quarterly quality reports which are presented to the board of directors, clinical governance committee and council of governors. In addition, this report is shared with Derbyshire County PCT and Derbyshire LINks.

2.1 Clinical Effectiveness

Priority 1: Review of care pathways to decrease length of stay

The aim of this priority is to focus on those care pathways where national data suggests that the current length of stay is above average. In these cases length of stay is a proxy measure for the quality of care as by introducing enhanced recovery pathways, the quality of care will be improved and the average length of stay will be decreased.

The trust will review length of stay for a range of diagnoses and procedure groups in order to prioritise those areas where further investigation and improvement is required.

2.2 Patient Safety

Priority 2: Safety thermometer

The Safety Thermometer was developed as part of a national patient safety programme and is a local improvement tool for measuring, monitoring and analysing patient harms and harm free care. The aim of implementing the Safety Thermometer is to achieve “harm free” care as defined by the absence of hospital-acquired pressure ulcers, patient falls, catheter-associated urinary tract infections and Venous Thromboembolisms (VTEs) which are blood clots that develop in a vein (these can cause serious complications, and in some cases are fatal).

From April 2012, it is the recommended tool for measuring pressure ulcers as part of the Commissioning for Quality and Innovation (CQUIN) payment programme.

The introduction of the Safety Thermometer will complement the trust’s nurse metrics programme which assesses a range of measures. eg Completion of risk assessments, documentation of care.

From March 2012 the trust will complete the Safety Thermometer for all adult inpatients on one day each month. The results of these audits will be feedback at all levels of the organisation and will be used to drive improvements with the aim of achieving "harm free" care. Whilst we aim to make improvements in each of these areas our top priority for this year will be the reduction of hospital acquired pressure ulcers.

2.3 Patient Experience

Priority 3: Patient Experience – Friends and Family Question

A key element of the Government's reform of the NHS is that patients should be in control of their care and involved in the decisions made, which means the NHS must be more open and accountable and must properly involve individuals throughout the patient journey. A modernised service will publish more information about the quality of its care so that patients can hold the NHS to account and clinicians can see where they need to improve.

As part of this 'revolution' the NHS Midlands and East Strategic Health Authority has recommended that all organisations adopt a 'friends and family test' whereby they routinely ask whether patients, carers and staff would recommend their hospital to their families and friends. The question which will be used is *"How likely is it that you would recommend this service to friends and family?"* Patients have the choice of the following responses: *Extremely likely, Likely, Unsure, Unlikely, Not at all, Don't know.*

This will form part of the Commissioning for Quality and Innovation (CQUIN) payment programme for 2012/13 and from the 1 April 2012 the trust will ensure that a minimum 10% of their weekly footfall of inpatients are asked the "friends and family" question and the results will be reported to wards, the board, the council of governors, commissioners and the Strategic Health Authority.

We will track performance regularly and publish the results alongside other measures of clinical quality. This will enable staff on the ward to compare with other wards in the same hospital, as well as compare hospitals against each other.

Action in relation to this key indicator will be supported by;

- National Patient Surveys
- The trust's internal ongoing surveys
- Feedback from Governor ward and department visits.

During the year, the trust will launch its first care strategy which aims to put compassion in care at the heart of our services and to provide a framework to improve in those areas on which feedback from our patients suggests we should concentrate. The Care Strategy has six key elements:

- Caring with professionalism, kindness, compassion, dignity and respect
- Improving hydration and nutritional care for patients
- Preventing falls, keeping patients safe
- Reducing hospital acquired pressure ulcers
- Reducing hospital acquired infections
- Inspirational, ambitious and confident leaders of Nursing and Midwifery

2.4 Statements of Assurance from the Board 2011/12

2.4.1 Review of Services

During 2011/12 the Chesterfield Royal Hospital NHS Foundation Trust provided NHS services across nine clinical directorates.

The Chesterfield Royal Hospital NHS Foundation Trust has reviewed all the data available to them on the Quality of Care in all of these NHS Services.

The income generated by the NHS services reviewed in 2011/12 represents 100% of the total income generated from the provision of NHS services by the Chesterfield Royal Hospital NHS Foundation Trust for 2011/12.

2.4.2 Participation in Clinical Audits and Confidential Enquiries

We see participation in national audits as an important part of our work seeking to improve services not only at this hospital but across the country. During 2011/12, 38 national clinical audits and 5 national confidential enquiries covered NHS services that Chesterfield Royal Hospital NHS Foundation Trust provides.

During that period Chesterfield Royal Hospital NHS Foundation Trust participated in 79% of national clinical audits and 100% of the national confidential enquiries of the national clinical audits and national confidential enquiries which it was eligible to participate in.

The tables below detail the national clinical audits and national confidential enquiries that Chesterfield Royal Hospital NHS Foundation Trust:

- Was eligible to participate in during 2011/12.
- Participated in during 2011/12.

The national clinical audits and national confidential enquiries that Chesterfield Royal Hospital NHS Foundation Trust participated in, and for which data collection was completed during 2011/12, are listed below alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry.

National Clinical Audits

National audit title	Did the trust participate?	No. of cases submitted as a % of the number of cases required for 2011/12
Adult Critical Care (ICNARC)	Yes	100%
Neonatal intensive and special care (NNAP)	Yes	100%
Paediatric asthma (British Thoracic Society)	Yes	100%
Pain Management in Children (College of Emergency Medicine)	Yes	100%
Epilepsy 12 (Childhood epilepsy)	Yes	100%
Diabetes - Paediatric (PNDA)	Yes	100%
Adult Community Acquired Pneumonia (British Thoracic Society)	Yes	100%
Non-invasive ventilation (British Thoracic Society)	Yes	100%
Pleural Procedures (British Thoracic Society)	Yes	100%
Cardiac Arrest (National Cardiac Arrest Audit)	Yes	100%
Severe Sepsis and septic shock (College of Emergency Medicine)	Yes	100%
Potential donor audit (NHS Blood & Transplant)	Yes	100%
Heavy Menstrual Bleeding (RCOG National Audit of HMB)	Yes	100%
Chronic Pain (National Pain Audit)	Yes	100%
Ulcerative colitis & Crohn's disease (UK IBD Audit)	Yes	100%
Adult asthma (British Thoracic Society)	Yes	100%
Elective Surgery (National PROMs Programme)	Yes	100%
Acute Myocardial Infarction & other ACS (MINAP)	Yes	100%
Acute Stroke (SINAP)	Yes	100%
Lung cancer (NLCA)	Yes	100%
Bowel cancer (National Bowel Cancer Audit Programme)	Yes	100%
Head and neck cancer (DAHNO)	Yes	100%
Oesophago-gastric cancer (NAOGC) NEW	Yes	100%

National audit title	Did the trust participate?	No. of cases submitted as a % of the number of cases required for 2011/12
Hip fracture (National Hip Fracture Database)	Yes	100%
Severe Trauma (TARN)	Yes	100%
Medical Use of Blood (National Comparative Audit of Blood Transfusion)	Yes	100%
Paediatric pneumonia (British Thoracic Society)	Yes	100%
Bedside transfusion (National Comparative Audit of Blood Transfusion)	Yes	93%
Hip, knee and ankle replacements (National Joint Registry)	Yes	90%
Heart failure (Heart Failure Audit)	Yes	60%
Emergency use of oxygen (British Thoracic Society)	No[1]	~
Seizure management (National Audit of Seizure Management) NEW	No[1]	~
Parkinson's Disease (National Parkinson's Audit)	No[1]	~
Bronchiectasis (British Thoracic Society)	No[1]	~
Peripheral vascular surgery (VSGBI Vascular Surgery Database)	No[1]	~
Risk Factors (National Health Promotion in Hospitals) NEW	No[1]	~
Care of dying in hospital (NCDAH) NEW	No[1]	~
Diabetes - Adult (ANDA)	No[1]	~

[1] ***Reasons for non-participation:***

- BTS audits (Emergency use of Oxygen and Bronchiectasis) – due to number of BTS audits the Trust prioritises those which are judged to be more important, but as a minimum participates in each topic every 2 years.
- Seizure management, Parkinson's and Health Promotion – the process for making the Trust aware of these audits has been improved and leads have now registered to ensure that they are completed in future years.
- Peripheral vascular disease – due to the complex consent process, the Trust in common with many other Trusts feels unable to participate.
- Care of the Dying – the audit is based on the Liverpool Care Pathway – as the Trust uses an alternative pathway we are unable to participate.
- Diabetes (Adult) – the Trust's current IT system does not enable the extract of data for this audit. A new system is currently being implemented which means the Trust will be able to participate in future.

National Confidential Enquiries

Study title	Did the trust participate?	No. of cases submitted as a percentage of the number of cases required for 2011/12
Surgery in children	Yes	Full participation No relevant cases identified – all spreadsheets and organisational questionnaire completed.
Peri-operative care	Yes	100%
Cardiac Arrest Procedures	Yes	100%
Bariatric Surgery	Yes	Full participation No relevant cases identified – organisational questionnaire completed.
Alcohol Related Liver Disease	Yes	Full participation All relevant spreadsheets submitted - awaiting case identification

The reports of 23 national clinical audits were reviewed by the provider in 2011/12 and Chesterfield Royal Hospital NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:

- Introduce a transfusion care pathway to support the process and make documentation easier to complete.
- Increase antibiotic training for junior doctors
- Introduce a Pneumonia Care bundle sticker/proforma for medical notes
- Improve the documentation of Non-Invasive Ventilation care plans and recording of monitoring for these patients.
- Increase staff and patient education in relation to asthma and introduce routine asthma nurse reviews for all patients admitted with this condition.
- Introduce a policy for the recording of vital signs in the Emergency department.
- Agree with the PCT the number of critical care beds required.
- Increase the amount of Consultant Orthogeriatrician time to enhance the quality of care on the wards for fractured neck of femur patients and other elderly patients on the Orthopaedic wards.

The reports of 212 local clinical audits were reviewed by the provider in 2011/12 and where appropriate action plans have been developed. Many audits show good compliance with standards and others are used to raise awareness with staff of areas requiring improvement, other examples of action taken include:

- Train another Advanced Radiography Practitioner to carry out Videofluoroscopy examination of Swallow (VFS), to enable us to offer more sessions and provide greater flexibility of appointment times available for patients.

- New consent forms were introduced and all procedure specific forms were reviewed. In addition the register of junior doctors who are qualified to take consent has been extended to include training activity
- The records for all vaginal births have been amended to include a prompt good documentation for swab, needles and instrument checks.
- A local guideline has been implemented for the investigation and management of hyponatraemia, which is an abnormally low sodium content in the blood.
- Guidelines have been introduced to support the diagnosis of urinary tract infections in complex elderly patients.

For details of the full programme of completed audits including recommendations please contact the head of clinical governance – see contact details at the end of the report.

2.4.3 Research

The hospital is actively involved in clinical research. This helps to provide access to new treatments for local people but also to help support the advancement in clinical care. The number of patients receiving NHS services provided or sub-contracted by Chesterfield Royal Hospital NHS Foundation Trust in 2011/12 that were recruited during that period to participate in research approved by a research ethics committee was 353. In addition, 12 employees of the trust were also recruited to participate in research.

This number has decreased from last year as more than 300 patients were recruited to a single critical care study that was being run across several NHS trusts during 2010/11.

During 2011/12 the number of research projects has continued to grow at Chesterfield Royal Hospital NHS Foundation Trust. Largely due to continued funding from the Trent Comprehensive Local Research Network (TCLRN), the trust has been able to further grow and develop teams of experienced research nurses, midwives doctors and allied health professionals to run a variety of research projects. Over the last year healthcare professionals employed by the trust have increasingly become involved with regional and national research initiatives and agendas. CRHFT currently hosts the Trent regional Cardiovascular Research Specialty Interest Group with one of the trust's Consultant Cardiologists being the lead.

The trust uses the Department of Health standard clinical trial agreements for research projects and in order to comply with the Human Tissue Act 2004 requirements signed material transfer agreements are always put in place where appropriate.

Of the 59 studies approved during the period from 1 April 2011 to 16 March 2012, 45 (76%) were adopted onto the NIHR portfolio. Of the 14 that were not adopted seven were academic projects, two were local non-portfolio projects, two were commercial non-portfolio studies, one was a national patient survey, one was a data collection study relating to prescribing information and one was a primary care sponsored smoking cessation study aimed at pregnant women.

During the period from 1 April 2011 to 16 March 2012, 15 NHS to NHS letters of access were issued to researchers and seven letters of access were issued to researchers employed by academic institutions in conjunction with research passports.

The trust maintains its commitment to contributing to the national and international research agenda and to offering the local community the opportunity to participate in important and relevant quality healthcare research projects.

2.4.4 Goals Agreed with Commissioners

A proportion of Chesterfield Royal Hospital NHS Foundation Trust's income in 2011/12 was conditional on achieving quality improvement and innovation goals agreed between Chesterfield Royal Hospital NHS Foundation Trust and any person or body they entered into a contract, agreement or arrangement with for the provision of NHS services, through the Commissioning for Quality and Innovation payment framework. During 2011/12 goals included:

- Improvements in risk assessment for venous thromboembolism (VTE)
- Improvements in patient experience
- Clearer communication to patients with regard to when they can expect to go home (discharge) and better information to GPs to support the continuing care of the patient.
- Ensuring stroke patients receive high quality care.
- Protecting patients from harm by reducing the likelihood of falls and pressure ulcers.
- Increasing the proportion of mothers who breastfeed.
- Improving the care of patients with dementia.

Further details of the agreed goals for 2011/12 and for the following 12 month period are available online at:

http://www.chesterfieldroyal.nhs.uk/news/annualreport/qualityaccounts?_ts=79792

For 2010/11 the total income dependent upon achieving quality improvement and innovation goals was £2,488k, of this we received £2,251k. For 2011/12 the total income dependent upon achieving quality improvement and innovation goals is £2,499k, of this we received £1,757k.

2.4.5 What Others Say About the Provider

Care Quality Commission Registration

Chesterfield Royal Hospital NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is registered with no compliance conditions.

The Care Quality Commission has not taken enforcement action against Chesterfield Royal Hospital NHS Foundation Trust as of 31 March 2012.

Care Quality Commission Special Reviews/Investigations

Chesterfield Royal Hospital NHS Foundation Trust has not participated in any special reviews or investigations by the Care Quality Commission during the reporting period.

2.4.6 Data Quality

Chesterfield Royal Hospital NHS Foundation Trust submitted records during 2011/12 to the Secondary Uses Service for inclusion in the Hospital Episode Statistics which are included in the latest published data. The percentage of records in the published data:

- which included the patient's valid NHS Number was:
  - 99.8% for admitted patient care;
  - 100% for outpatient care; and,
  - 99.7% for accident and emergency care.

- which included the patient's valid General Practitioner Registration Code was:
  - 100% for admitted patient care;
  - 100% for outpatient care; and,
  - 100% for accident and emergency care.

Chesterfield Royal Hospital NHS Foundation Trust Information Governance Assessment Report overall score for 2011/12 was 60% and was graded as 'not satisfactory'.

The trust has achieved all the previous year's key standards, scoring a minimum of '2' on a scale of 0-3. This included the very challenging standard governing IG training. However, a total of 11 out of the 45 applicable standards were only scored a level of '1'. No standards were scored '0'.

Chesterfield Royal Hospital NHS Foundation Trust will be taking the following actions to improve data quality:

- Continuing to invest in training for clinical and administrative staff;
- Maintain daily 'missing data' checks by the trust's IT data quality team;
- Review overseas visitors and other groups that do not have NHS numbers;
- Implementing technical improvements in accessing national IT systems;

Chesterfield Royal Hospital NHS Foundation Trust was subject to the Payment by Results clinical coding audit during the reporting period by the Audit Commission; and the error rates reported in the latest published audit for that period for diagnoses and treatment coding (clinical coding) were:

  - Primary diagnoses incorrect 9.5%
  - Secondary diagnoses incorrect 17.2%
  - Primary procedures incorrect 8.3%
  - Secondary procedures incorrect 6.5%

This audit is based on 100 episodes randomly selected from across the whole range of activity covered by a mandatory PbR[2] tariff at the trust and a further 100 cases from the general medicine specialty. This reflects a small proportion of the trust's activity and therefore the results should not be extrapolated further that the actual sample audited.

[2] PbR – Payment by results – this refers to the activity for which the Trust is paid on a case-by-case basis.

PART 3

REVIEW OF QUALITY PERFORMANCE

This section includes a range of information relating to the trust's quality performance in 2011/12. Whilst this is not an exhaustive list it gives an overview of the trust's performance in both hospital-wide and service specific indicators.

3.1 Clinical Effectiveness Indicators

3.1.1 Cancer Waiting Times

Timely diagnosis and treatment for cancer are key to improving survival rates. To reflect the importance of this there are a range of national standards against which the trust is monitored as shown in the table below follows:

Standard	Trust Performance		
	Target	2011/12	2010/11
Percentage of patients seen by a specialist within 2 weeks of urgent GP referral for suspected cancer.	93%	**96.7%**	96.5%
Percentage of patients seen by a specialist within 2 weeks of GP referral with any breast symptom except suspected cancer	93%	**95.7%**	97.0%
Percentage of patient treated within one month (31 days) of a decision to treat	96%	**99.7%**	99.9%
Percentage of patients receiving subsequent surgical treatment within one month (31 days) of a decision to treat	94%	**100%**	100%
Percentage of patients receiving subsequent anti-cancer drug treatment within one month (31 days) of a decision to treat	98%	**100%**	100%
Percentage of patients receiving their first definitive treatment for cancer within two months (62 days) of a GP or dentist urgent referral for suspected cancer[3]	85%	**92.0%**	92.6%
Percentage of patients receiving their first definitive treatment for cancer within two months (62 days) of urgent referral from a national screening programme[3]	90%	**92.4%**	95.4%
Percentage of patients receiving their first definitive treatment for cancer within two months (62 days) of urgent referral from a consultant for suspected cancer[3]	No target	**90.4%**	100%

As the table shows the trust has exceeded the target for all indicators.

[3] The calculation of performance against these standards takes account of all cancer patients referred to Chesterfield Royal Hospital irrespective of where their treatment actually takes place, whether it is in Chesterfield or Sheffield.

In order to further improve performance the trust has initiated a series of actions to minimise any delays in the patient's cancer pathway to ensure that wherever possible that pathway is within the agreed target of 62 days from first referral.

The trust is a member of the North Trent Cancer Network and therefore links with the specialist cancer centre in Sheffield (Weston Park) and other nearby trust's to improve cancer care for patients within the network. Within the network each cancer unit has been examining its pathway data and reviewing any patient that did not meet the national waiting times targets for whatever reason. This has identified delays within the diagnostic tests part of the clinical pathway. To address this we've revised our booking arrangements to offer shorter waiting times for tests to allow more time for actual treatment.

Progress against the required improvements is monitored and reported to the monthly Network Cancer Board meetings.

The data for these indicators are collected from the trust's Patient Administration System, cancer information systems and the national cancer waiting times system in line with national definitions and the process was subject to an internal audit in 2011, which did not identify any significant concerns. However, the current process is not fully automated and to address this, the trust has purchased a cancer information system, which is being introduced on a phased basis. This system when it is fully operational will automate our cancer waiting times data collection and enable patients to be tracked along their pathways more efficiently and therefore will reduce the number of preventable breaches.

3.1.2 Stroke Care

Stroke is a preventable and treatable disease; it can present with the sudden onset of any neurological disturbance, including limb weakness or numbness, speech disturbance, visual loss or disturbance of balance. Over the last 20 years, a growing body of evidence has overturned the traditional perception that stroke is simply a consequence of ageing that inevitably results in death or severe disability. Evidence is accumulating that interventions that are effective soon after the onset of symptoms contribute to a better outcome therefore as a trust we actively monitor stroke care via our clinical audit system to help improve outcomes for patients.

In the UK, the National Sentinel Stroke Audits have documented changes in secondary care provision over the last 10 years, at CRH we participate in this study every 2 years, with increasing numbers of patients being treated in stroke units, more evidence-based practice, and reduced mortality and length of hospital stay. The trust performed above average against each of the key standards in the 2010 National Sentinel Stroke Audit; the next national audit is due to commence in May 2012 results to follow.

During 2011/12 the trust has continued to monitor and report on the national stroke indicators, as shown below:

Standard	2011/12 Performance	Trust Result Sentinel 2010
Proportion of high risk TIA patients assessed and treated in 24 hours of referral	**100%**	Not included
Proportion of patients who spent at least 90% of stay on a stroke unit	**84.3%**[4]	83%

In addition, the trust submits data to the Stroke Improvement National Audit Programme (SINAP). The table below details the trust's performance against the 12 key indicators reported by this programme. The average of these 12 indicators placed the trust in the top quartile of hospitals delivering a stroke service.

Key Indicator	National 2011	CRH Performance Oct-Dec 2011
1. Number of patients scanned within one hour of arrival at hospital	31%	32%
2. Number of patients scanned within 24 hours of arrival at hospital	87%	96%
3. Number of patients who arrived on stroke bed within 4 hours of hospital arrival (when hospital arrival was out of hours)	57%	82%
4. Number of patients seen by stroke consultant or associate specialist within 24h	81%	85%
5. Number of patients with a known time of onset for stroke symptoms	57%	60%
6. Number of patients for whom their prognosis/diagnosis was discussed with relative/carer within 72h where applicable	86%	89%
7. Number of patients who had continence plan drawn up within 72h where applicable	64%	97%
8. Number of potentially eligible patients thrombolysed	54%	100%
9. Bundle 1: Seen by nurse and one therapist within 24h and all relevant therapists within 72h (proxy for NICE QS 5)	55%	84%
10. Bundle 2: Nutrition screening and formal swallow assessment within 72 hours where appropriate	86%	97%
11. Bundle 3: Patient's first ward of admission was stroke unit and they arrived there within four hours of hospital arrival	58%	80%
12. Bundle 4: Patient given antiplatelet within 72h where appropriate and had adequate fluid and nutrition in all 24h periods	63%	62%

[4] Note on data quality - this includes 4 cases, where the coding has not yet been confirmed. In addition, there may be a few patients missing as the definition for this standard is based on date of admission and some patients have not yet been discharged. This data will be refreshed prior to publication but it is not expected that the changes will have a significant impact on the data.

In April 2011 the acute hospital stroke service and the rehabilitation service was brought together giving significant improvements to the stroke service. A new purpose built unit incorporating an assessment bed, 16 acute beds, 20 rehabilitation beds, a dayroom and stroke rehabilitation therapy area was developed with significant input from clinicians to create the right environment. The stroke pathway was reviewed and significant investment provided to enable a full service 24 hours a day, seven days a week. Therapists are now on-site seven days per week providing crucial input to stroke patients and out of hours remote provision of stroke thrombolysis via telemedicine is currently being piloted. These changes have already significantly improved length of stay on the stroke unit and a further work a pilot is being undertaken to provide early supported discharge to patients with moderate stroke.

The acute stroke pathway was reviewed in November 2011 by the North Trent Accreditation Team (part of Yorkshire and Humber) and the service has received provisional accreditation and a very positive report in relation to the excellent multidisciplinary work and in particular the hard work, commitment and enthusiasm of the staff and also the quality of the facilities within our new unit. The trust has been asked, in order to achieve full accreditation, to continue its recruitment processes for substantive consultants, ensure the provision of Doppler at weekends and also ensuring that all General Physicians providing on-site assistance for our stroke patients at weekends receive regular specialty updates. Whilst recruitment is difficult with this hard to recruit workforce we are confident that when revisited in May 2012, the accreditation team will be pleased with the work undertaken on the areas they identified.

The data for these indicators are collected from the trust's Patient Administration System and the national stroke audit tool (SINAP) in line with national definitions and the process has been subject to an internal audit in 2012, the results of which are awaited.

3.1.3 Mortality Ratio

Nationally there are two ways of comparing the number of deaths in hospital between different organisations:

- Standardised Hospital Mortality Index (SHMI) compares deaths in hospital and ***within 30 days of discharge*** and includes all patients. The latest data, which is for the 12 months to the end of June 2011 shows that the trust's SHMI value is 1.06, (where the national average is 1), which is "as expected". This is a slight increase on the previous data for the 12 months to the end of March 2011 which gave a SHMI value of 1.04. However this was still well within the expected range.

SHMI - Key facts: In the period from 1 July 2010 to 30 June 2011;

- 11 trusts had a SHMI value categorised as 'higher than expected'
- 14 trusts had a SHMI value categorised as 'lower than expected'
- 122 trusts had a SHMI value categorised as 'as expected' – the Royal was one of these
- The percentage of patient admissions with palliative care coded at either diagnosis or specialty level is approximately 0.9% – for the Royal this was 1.2%.
- The percentage of patient deaths with palliative care coded at either diagnosis or specialty level is approximately 16.0%– for the Royal this was 15.2%.

- Hospital Standardised Mortality Ratio (HSMR) compares the number of deaths ***in hospital*** for patients admitted with set diagnoses that lead to 85% of all deaths. Reducing the HSMR was a priority area for 2011/12 and for the year 2011/12 (up to the end of February 2012) is predicted to be 105, which is a slight increase compared with 2010/11 when the rate was 104, again this is well within the statistically expected range for the types of patients we treat. This suggests that the trust continues to improve and analysis of the data shows that there are few individual areas that show as significantly different from the nationally expected figures.

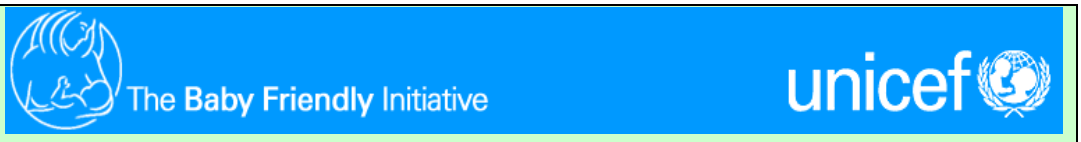
The data for both of these indicators comes from trust's Hospital Episode Statistics the data quality of which is highlighted in section 2.4.6. All analysis is done nationally.

3.1.4 Maternity Services

The trust is responsible for maternity services in North Derbyshire, which deliver over 3,000 babies a year. The trust has invested in the development of a new birth centre aimed at ensuring that women get a "home-from-home" experience and has a capital scheme due to commence May 2012 to improve the standard of accommodation on the inpatient ward. To ensure the quality and impact of these services the trust measures a range of indicators as shown below: (where the target has changed this is shown in brackets):

Target	**Trust Performance**		
	2011/12	**2010/11**	**2009/10**
Caesarean section rate less than national average of 24%	**21.2%**	21.4%	19.6%
Proportion of unassisted deliveries greater than 64.4%	**69.4%**	N/A	N/A
More than 75% of mothers initiate breastfeeding	**70.9%**	73.0%	71% (target > 68%)
More than 90% of those who initiate breastfeeding are still breastfeeding at 10 days	**77.2%**	N/A	N/A

Data for these indicators is drawn from an internal data collection process using information recorded directly by the midwives; these systems were subject to internal audit in 2011 which did not identify any significant concerns.



UNICEF UK Baby Friendly Initiative

The Baby Friendly Initiative accredits maternity facilities that adopt internationally recognised standards of best practice in the care of mothers and babies. In order to achieve full Baby Friendly accreditation trusts have to be externally assessed to prove that they have adopted the ten steps to successful breastfeeding. The last external assessment was in January 2011 when the trust achieved full accreditation with 32 out of the 34 criteria being met.

In order to maintain accreditation the trust is required to undertaken an annual audit against the standards. This was last undertaken in January 2012 and showed that the trust continued to maintain the required standards.

Clinical Negligence Scheme for Trusts – Maternity Standards

The NHS Litigation Authority has developed a set of standards for maternity services which provide a structured framework within which to focus effective risk management activities in order to deliver quality improvements in organisational governance, patient care and the safety of patients. In March 2012 the trust was assessed at, and achieved, Level 1 scoring a maximum 50 out of 50.

3.1.5 Management of Patients with Fractured Neck of Femur

Fragility fractures and their care are a challenge to our health care system and our society. Already in the UK around 300,000 patients with such fractures present each year, and current projections indicate that numbers of hip fracture patients will continue to rise. This picture is reflected at the trust, where the number of patients admitted with a fractured neck of femur has increased by over 50% in the past 10 years.

The evidence-base for hip fracture care is improving rapidly and, in general terms, shows that prompt, effective, multidisciplinary management can improve quality and mortality, and at the same time reduce costs. Key elements of good care are:

- Reducing the time from admission to surgery.
- Prompt mobilisation following operation.

To reflect these areas the trust measures a range of indicators as shown below:

Criterion	Target	Trust Performance		
		2011/12	2010/11	2009/10
Time to operation	45% of patients with fractured neck of femur are operated on within 24 hours of admission	**48%**	47%	47%
	80% of patients with fractured neck of femur are operated on within 48 hours of admission	**83%**	80%	84%
Mobilisation	% of patients mobilised within 24 hours post-op.- target 46%	**42%**	29%	40%
	% of patients assessed for mobilisation within 24 hours – target 75%	**78%**	75%	N/A

As the table shows we have increased the number of patients mobilised in the first 24 hours after surgery and we are continuing to focus on ensuring that all patients are assessed within 24 hours.

To further improve the care of these patients the funding for additional input from a Consultant Orthogeriatrician (a senior doctor specialising in the medical care of a patient with fractures) has been put in place.

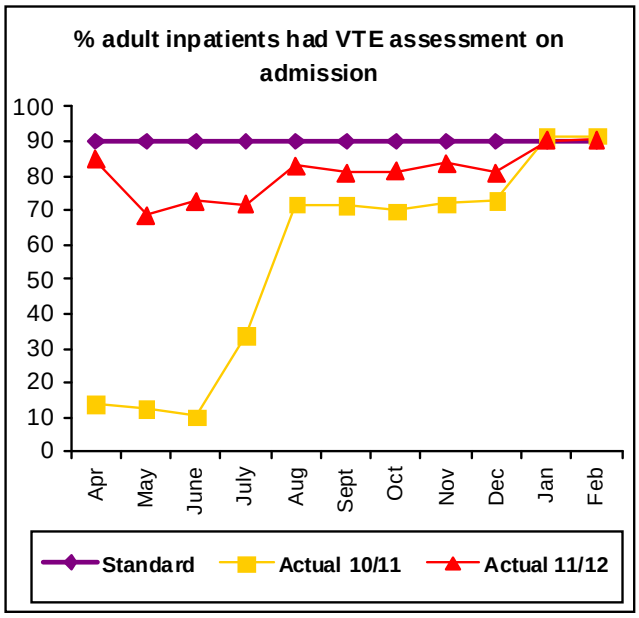
The data for the above indicators are collected using the hip fracture database in line with national definitions (data included for all relevant patients from January 2011; prior to this data was collected on an internal database). The data collection process was audited by internal audit in 2011 and recommendations made to improve the data quality which have been implemented.

3.1.6 Percentage of admitted patients risk-assessed for Venous Thromboembolism

VTE is a condition in which a blood clot (a thrombus) forms in a vein and subsequently dislodges and moves to the heart or the lungs. It most commonly occurs in the deep veins of the legs; this is called deep vein thrombosis. An estimated 25,000 people in the UK die from preventable hospital-acquired venous thromboembolism (VTE) every year.

One of the key priorities to reduce the risk of patients developing VTE is to assess all patients on admission to identify those at risk and offer appropriate prophylaxis to those assessed as being at increased risk. The trust has a risk assessment process in place and has been identified as a national exemplar site (a site of best practice) for the work we have undertaken.

Reduction of VTE is a national priority and the proportion of patients being risk assessed on admission was identified as a national Clinical Quality Indicator (CQUIN) for 2011/12 and was one of the trust's quality account priorities for the year. As the graph below shows the trust has made significant progress against this standard and has achieved the standard of 90% in January, February and March 2012.



Standard:	**>=90%**
Midlands & East at Oct 2011:	**93.4%**
Performance Q4:	**Achieved**
Actual:	**81.6%**
YTD:	
Q4*:*	**90.4%**

The data for this indicator is collected internally directly from the electronic VTE risk assessment tool in line with national guidance.

3.2 Patient Safety

3.2.1 Hospital Acquired Infections

Health care acquired infection causes significant harm and is a major concern to patients. There has been very significant decline in rates of MRSA and C. difficile infection in Chesterfield Royal Hospital in recent years but the trust is keen to reduce this further. The trust monitors against a range of targets in relation to infection control including:

- C. difficile and MRSA – these are two key infections cause hospital-acquired infections.
- Cleanliness and hand hygiene – both of which are proven to reduce the spread of infection.
- Staff appearance – by ensuring that staff are appropriately dressed and in particular are not wearing jewellery or watches which may harbour infections we can help to reduce the risk of infections.

The outcomes for these indicators are shown in the table below (where the target has changed this is shown in brackets):

Criterion	Target	2011/12	2010/11	2009/10
C. difficile	No more than 48 hospital acquired infections	**42**	51 (target no more than 50)	50 (target no more than 125)
MRSA	No more than 2 bacteraemia infections (NHS standard) No more than 4 bacteraemia infections (Contract standard) No more than 6 bacteraemia infections (Monitor standard)	**5 bactereamia**[5]	3 bacteraemia (target no more than 4)	3 bactereamia (target no more than 12)
	No more than 24 hospital acquired non bacteraemia infections	**20 non-bacteraemia**	28 non-bacteraemia (target no more than 62)	42 non-bactereamia (target no more than 69)
Cleanliness audits	Achievement of minimum scores of 95%	**Average score 96%**	Average score 96%	Average score 96%
Hand Hygiene	Achievement of minimum scores of 85%	**Overall compliance 96%**	Overall compliance 91%	Overall compliance 92%
Staff Appearance	Achievement of minimum scores of 85%	**Overall compliance 96%**	Overall compliance 85%	N/A

The data for these indicators are collected by the infection control team using data from their IT system (ICNET) which links directly to the laboratory information system, and where appropriate, in line with national definitions. The process for infection surveillance was subject to an internal audit in 2009/10 and the process for C. difficile was subject to external audit in April 2011, neither of these audits identified any significant concerns.

3.2.2 Nurse Metrics

In order to support the trust's aim to ensure that we deliver high quality nursing care the chief nurse introduced nursing metrics at the beginning of September

[5] MRSA is a bacteria which can live harmlessly on human skin and in the nose. It can cause infections but many of us carry it without becoming ill (colonised). However if it gets into your system or bloodstream through wounds or a break in the skin, it can lead to an infection. This is known as a bactereamia.

2009, which measure key aspects of patient care to help us improve. The nursing care indicators are measured by auditing nursing documentation and include:

- Patient Observations & Identification; eg Is temperature and blood pressure monitored as frequently as required, does the patient have a wristband with all their correct details.
- Pain Management; eg Has the patient been asked if they are in pain and if they are have staff done anything to control this.
- Risk Assessment; eg Do patients have all the appropriate risk assessment documentation.
- Falls; eg Have staff considered the patient's risk of falling and if they are at risk have staff taken appropriate action to reduce the risk.
- Nutrition; eg Have staff considered the patient's risk of malnutrition and if they are at risk have staff taken appropriate action to reduce the risk.
- Pressure Ulcer Assessment; eg Have staff considered the patient's risk of developing a pressure ulcer and if they are at risk have staff taken appropriate action to reduce the risk.
- Medication Assessment; eg Have patients been given all appropriate prescribed medication and does the prescription documentation include all relevant patient details to prevent patients being given someone else medication.
- Infection Control; eg Have staff considered the patient's risk of having or developing an infection and if they are at risk have staff taken appropriate action to reduce the risk.
- Moving & Handling; eg Have staff considered what support patients need for moving about the ward and developed a plan to meet these needs.

Nurse metrics audits are now undertaken on all adult inpatients wards (including the Emergency Management Unit), ITU, HDU, the paediatric ward and neonatal unit.

This was a priority area for 2011/12 and we were aiming for all wards to be achieving at least 90% in all categories by the end of the year. As the results below show at the end of December 2011 this had been achieved for all categories.

Criteria	Jan-Mar '11	Apr-Jun '11	Jul-Sept '11	Oct-Dec '11	Jan-Feb'12	YTD
Patient Obs and Identification	96%	97%	99%	99%	99%	**98%**
Pain Management	96%	97%	99%	99%	99%	**99%**
Risk Assessment	94%	93%	95%	97%	98%	**95%**
Falls Risk Assessment	82%	87%	94%	95%	96%	**93%**
Nutrition	91%	92%	96%	96%	98%	**95%**
Pressure Ulcer Assessment	93%	95%	97%	98%	98%	**97%**
Medication Assessment	89%	94%	98%	99%	99%	**98%**
Infection Control	79%	81%	86%	90%	88%	**86%**
Personal Handling	91%	93%	98%	94%	92%	**94%**

This data is collected directly from patient's healthcare records via an internal audit processes which were the subject of an internal audit in March 2011 which did not identify any concerns.

3.2.3 Dementia

More than 800,000 people in the UK have dementia and this number of forecast to double in the next 30 years. People aged 65 and over occupy two-thirds of beds in acute hospitals, and of these up to 40% have dementia. Therefore managing the care of people with dementia is a significant part of the work of most general hospital staff.

This was a priority area for 2011/12 and during the year the trust introduced a Dementia Strategy Group who reviewed a range of national guidance. From this review a strategy was developed to address the key themes identified, as follows:

- Leadership
- Respect, dignity and appropriate person-centred care
- Care pathway including: recognition of dementia, access to specialist support, appropriate use of medication and robust discharge arrangements.
- Staff knowledge and skills
- Relative/carer involvement
- Nutrition and hydration needs
- Supportive environment

To support the implementation of this strategy a training plan has been developed and to date 181 members of staff have received training.

3.2.4 Patient Falls

Across England and Wales, approximately 152,000 falls are reported in acute hospitals every year; a significant number of falls result in death or severe or moderate injury, at an estimated cost of £15 million per annum for immediate healthcare treatment alone (NPSA, 2007).

In addition to these financial costs, there are additional costs that are more difficult to quantify. The human cost of falling includes distress, pain, injury, loss of confidence and loss of independence, as well as the anxiety caused to patients, relatives, carers, and hospital staff.

Over the past year the trust has focused on reducing harm from falls and has established a falls group to lead this work.

The table below shows the number of falls reported, per 1000 bed days over the past three years. The first column shows all reported falls, which shows that there has been a steady increase. The second column shows the number of reported falls which resulted in any harm to the patient.

	Rate per 1000 bed days	
Year	All falls	Falls resulting in harm
2008/09	5.7	1.8
200/9/10	6.6	2.2
2010/11	7.1	1.0
2011/12)	9.1	2.5

Whilst it is important to encourage patients to be mobile when in hospital for some patients this presents a risk of falling. To help balance these needs we carry out a risk assessment to minimise the chance of a patient falling. The trust's Nurse Metrics audits monitor the risk assessment process and over the year we have shown a significant increase in compliance with the trust standards, as shown in the table below:

Measure	**Trust Performance**					
	2010/11	**Apr-Jun '11**	**Jul-Sept '11**	**Oct-Dec '11**	**Jan-Feb '12**	**YTD**
% of patients who have had a falls risk assessment within 24 hours of admission	70.6%	86.5%	93.2%	95.0%	96.7%	**92.5%**
% of relevant patients where there is evidence that interventions required to reduce the risk of falling have been considered	71.6%	87.9%	94.2%	96.1%	96.9%	**93.5%**
% of relevant patients where further assessments have been undertaken as appropriate (minimum weekly)	75.6%	89.0%	93.6%	90.8%	92.6%	**90.5%**
% of inpatients have had a bedrail assessment	75.6%	88.1%	94.2%	96.0%	96.0%	**93.4%**

Over the year, actions taken to reduce falls and the impact of falls have included:

- A pilot project by a group of junior doctors which focused on the examination and review of patients following a fall in the out-of-hours period. The aim of the project was to improve the quality of medical assessments after an inpatient fall. As junior doctors they felt under-prepared when contacted after a fall. They wanted to ensure each assessment detected any significant harm arising from a fall and respond appropriately. They also wanted the assessment to start the process of instituting measures to prevent subsequent falls. In order to assist themselves and other juniors they developed a sticker to go into the patients notes that would provide a framework for post falls examination. To embed the project they spoke to every junior doctor and provided them initially with a laminated pocket version of the sticker. The patient safety team (PST) then printed the stickers and distributed them to all wards and advised the staff that they should be placed in the patient's record following all falls. Following a pilot period the falls sticker were adopted and were incorporated into the post falls policy.
- An information leaflet for patients, staff and visitors has been produced, and is now available on the trust web site and intranet. This was used in conjunction with a poster campaign on one of the medical wards, launched during the Falls Awareness week in June 2011.
- The care of the elderly ward have introduced a multidisciplinary team approach to the review of patients who have fallen in an effort to reduce the risk of the patient falling again, and to ensure that the appropriate referrals to other professionals such as physiotherapy and pharmacy have been made.

The falls data is drawn from the trust's incident reporting process which was last subject of an internal audit in 2011, and the nurse metrics data is collected via internal audit processes which were the subject of an internal audit in March 2011. Neither of these audits identified any significant concerns.

3.2.5 Patient safety incidents

The trust is committed to reducing healthcare risk, and to undertaking risk management at every level in the organisation. An important part of minimising risk involves the reporting and learning from incidents. All staff have a responsibility to report incidents and near miss events, in order to assist the trust in its aim to reduce risks to patients, staff and members of the public.

All incidents reported by staff at the trust are reported to the National Reporting and Learning System (NRLS) and the tables below show how the trust's reporting rate, per 100 admissions compares with the average for the 49 trusts in our comparative group (medium acute trusts).

Period	**Reporting rate, per 100 admissions**	
	Chesterfield Royal	**Medium acute trusts**
April-September 2011	5.9	6.3
October 2010-March 2011	6.4	5.8
April-September 2010	6.2	5.7

As this shows we generally have a higher rate of reporting which is considered a positive sign that our organisation is focussed on improving safety. The number of clinical incidents reported continues to rise, with a 4% increase in reporting during 2011/12 compared to 2010/11. During the past year, 5,510 clinical incidents were reported within the trust, and 5,091 incidents were exported to the NRLS. The shortfall relates to incidents that remain in the Datix risk management 'holding area' under review at a directorate level.

In addition each incident is graded according to the degree of harm caused. The table below shows the breakdown by degree of harm for all of the incidents reported by the trust compared with other medium acute trusts.

		None	Low	Moderate	Severe	Death
April-September 2011	**CRHFT**	68.7%	26.2%	4.8%	0.2%	0.1%
	Medium Acute	72.4%	21.4%	5.5%	0.5%	0.2%
October 2010-March 2011	**CRHFT**	63.9%	31.9%	3.9%	0.3%	0.0%
	Medium Acute	71.9%	22.2%	5.1%	0.6%	0.2%
April-September 2010	**CRHFT**	63.4%	34.8%	2.2%	0.0%	0.0%
	Medium Acute	72.6%	21.7%	5.1%	0.5%	0.1%

During the year the number of incidents which may have resulted in more than a "low level" of harm was below the national average. Template documents have been introduced to assist with the root cause analysis (RCA) investigations of incidents relating to pressure ulcers (Grade 3 and 4), and falls resulting in significant harm. During the past year, 24 RCA's were requested for patients who had fallen, 53 relating to pressure ulcers and 49 were requested by the Infection Prevention & Control Team. In addition to these a further 40 RCA's were requested/completed in line with the trust incident reporting policy.

During the year the trust had one never event which related to a retained swab following a normal vaginal delivery and perineal repair. The incident was graded as "low harm" and following an in-depth review of practice we have introduced two person checking and revised documentation to ensure this is appropriately recorded.

The data for these indicators is taken from data published nationally by the National Patient Safety Agency. This information is drawn from data submitted by organisations through the NRLS, and hence from the trust's incident reporting process. The trust's incident reporting process was last subject of an internal audit in 2011, which did not identify any significant concerns.

3.3 Patient Experience

3.3.1 A&E indicators

In April 2011 a set of national A & E Clinical Quality Indicators were issued in April 2011 which are designed to monitor and improve the quality of clinical care given in Emergency Departments. The department has implemented changes in practice and data collection to meet these new indicators, including the introduction of an initial assessment nurse service which runs from 9am – 12 midnight daily to receive all ambulance patients and undertake an initial assessment within 15 minutes of arrival in the department.

	2011/12
Percentage of patients spending 4 hours or less in A&E	97.3%
95th percentile time for patients arriving by ambulance in A&E to start of full initial assessment – aim 15 minutes	33 mins
Median waiting time (in minutes) spent for patients arriving at A&E before start of definitive treatment (seeing a decision making clinician) – aim 60 minutes	70 mins
Left without being seen – aim less than 5%	2.8%

The key national standard is that patients should spend less than 4 hours in A&E - the hospital performs well against this and is one of the best performers in the East Midlands.

The data for these indicators are collected from the trust's Patient Administration System in line with national definitions.

3.3.2 National Patient Surveys

In line with the trust's aim to be the hospital of first choice for local people, patient satisfaction and positive feedback is seen as a key indicator of success. The trust conducts a wide range of patient and public involvement work each year, however the key indicator of patient satisfaction are the national patient surveys. Improving patient experiences was a priority for 2011/12 and the following tables show the comparative performance for the national outpatient and inpatient surveys conducted during 2011/12, using three categories:

- Bottom 20% of trusts
- Top 20% of trusts
- Intermediate 60% of trusts

Comparative Trust Performance on the National Outpatient Survey 2011 vs. 2009 and 2004 (Source: Healthcare Commission/Care Quality Commission Comparative reports)

Performance	2011	2009	2004
Top 20%	9	20	15
Mid 60%	28	20	23
Bottom 20%	2	~	1

The trust performed well in relation to:

- Waiting times for, and choice of, appointments.
- Cleanliness of the outpatient department.
- Doctors awareness of the patients medical history
- Giving answers the patient could understand to important questions asked of other clinical staff.
- Staff telling patients about any danger signals they should watch for.
- Overall patients felt that the main reason they went to the Outpatients Department was dealt with to their satisfaction.

The two areas where the trust scored in the bottom 20% were:

- Did the staff treating and examining you introduce themselves? All staff have been reminded of the importance of introducing themselves at the beginning of each consultation.
- Did you receive copies of letters sent between hospital doctors and your family doctor (GP)? All medical have been reminded of the process for ensuring patients receive copies of letters, where this is what they want.

Comparative Trust Performance on the National Inpatient Survey 2011 vs. 2009 and 2010 (Source: Healthcare Commission/Care Quality Commission Comparative reports)

Performance	2010	2009
Top 20%	11 (17%)	40 (63%)
Mid 60%	47 (73%)	23 (36%)
Bottom 20%	6 (9%)	1 (2%)

The key issues identified in this survey related to:

- Communication – the results of the survey were shared with staff and they were reminded of the importance of clear communication and making themselves available to speak to patients and relatives.
- The quality of meals – since the survey the trust has issued a new catering contract and introduced a regular programme of meal observations to ensure food is delivered to all patients at the optimum quality.
- Lack of nurse staffing - the trust has introduced intentional rounding to increase the visibility of nurses and is also in the process of undertaking and in-depth review of staffing levels.
- Noise at night – The trust has continued to introduced increased single rooms and has re-enforced the cut-off time for transfer of patients between wards

out-of-hours unless this is required for clinical reasons or due to bed pressures

In addition to producing the above benchmarking data key questions from the national inpatient survey are used to produce a responsiveness to inpatients' personal needs score which is used for the national CQUIN. For 2011/12 For 2011/12 the trust scored 63.5 which is a reduction compared with last year (66.4). This linked to an overall reduction in performance has led the trust to instigate an ongoing inpatient survey to enable us to target areas where action is required. Data from these surveys, alongside the results of the nurse metrics audits have led to a review of nurse staffing levels. This work will also be supported by the introduction of the friends and family test as highlighted in the priorities section.

The data for these indicators is taken from data published nationally by the Care Quality Commission. This information is drawn from data submitted by organisations in relation to individual responses to patient surveys. The trust runs each of the nationally surveys in line with national guidance and all analysis is conducted nationally by the Picker Institute.

3.3.3 Patient Reported Outcome Measures

Patient reported outcome measures (PROMs) are measures of a patient's health status or health-related quality of life. They are typically short, self-completed questionnaires, which measure the patients' health status or health related quality of life at set points in time. eg Before and after an operation. By comparing the answers given at different points in time we can assess the "success" of treatment from a patient's perspective.

The national PROMs programme was launched in April 2009 and includes patients having the following operations:

- Hip replacements;
- Knee replacement;
- Groin hernia surgery; and,
- Varicose vein surgery.

The trust is responsible for asking patients to complete a questionnaire before their operation, and providing they give consent, this is followed-up at a set time post-operatively by an independent company who have been commissioned to run PROMs by the Department of Health. National data shows that response rates for the trust are very good with 91% of patients returning the first questionnaire.

For patients where both the pre and post-operative questionnaires are returned, these are analysed to calculate the change in scores as a result of surgery. The table below shows how the trust's results compare with other organisations nationally.

	April – September 2011	April 2010 – March 2011
Hip replacements	Within average range	Within average range
Knee replacements	Within average range	Within average range
Groin hernia surgery	Within average range	Within average range
Varicose vein surgery	Data is not available as to date there has been less than 30 responses with regard to this procedure, due to the number of these procedures we undertake.	Within average range

As the table shows the trust is not an outlier for any of the procedures. ie Our performance is within the average range and the results demonstrate that for each of these procedures our patients report a positive health gain. In order to ensure that this is maintained and, if possible, improved upon we continuously review the published data. Changes to the way that patient level data can be shared, which were introduced in September 2011 will support this process.

The data for these indicators is taken from data published nationally by the NHS Information Centre. This information is drawn from individual patient responses to questionnaires administered pre and post surgery. This process is administered by an independent organisation commissioned by the Department of Health.

3.3.4 Referral to treatment waiting times

In order to ensure that patients receive timely treatment the trust monitors the following standards:

Target	**2011/12**	2010/11
95% of admitted patients treated within 23 weeks of referral, including wait for outpatients, diagnostics and inpatient treatment	**99.7%**	N/A
95% non-admitted patients treated within 18.3 weeks of referral, including wait for outpatients and diagnostics	**99.6%**	99.9%

The data for these indicators are collected from the trust's Patient Administration System in line with national definitions and the data is monitored monthly by the Primary Care Trust.

Statements provided by the Commissioning PCT, the trust's Council of Governors, Local Involvement Networks (LINks) and Improvement and Scrutiny Committee

The trust shared the draft quality accounts with Derbyshire County PCT, the trust's Council of Governors, Derbyshire LINk and the Derbyshire County Council Improvement and Scrutiny Committee for comment prior to publication.

Statement from the Trust's Council of Governors

The Council of Governors wishes to comment on the following areas:

- Infection Control – Despite some challenging targets for hospital-acquired MRSA bacteraemia (MRSAb) and C. difficile infections the trust remains in a strong position (with the information available at the time of writing). The Governors hope that in the case of MRSAb we can remain within Monitor's target for the whole year and recognises the efforts made by the trust to achieve this. The trust has sought advice from best performing trusts and the Health Protection Agency and has implemented changes in practice as a result of these, although it has to be said that the trust was already complying with, if not exceeding, best practice standards. Key actions have included **all** admissions being routinely screened for MRSA (from 6 January 2012) and increased efforts to reinforce the message about hand hygiene for both visitors and staff.

- Cleanliness – In unannounced visits to wards and departments the Governors have been pleased to note that standards of cleanliness are being maintained and this view is supported by communications received from patients.

- Care of patients admitted with a fractured neck of femur (broken hip) – The Council of Governors was pleased to note that we continue to achieve the targets for time to theatre set down in national targets, however there is some disappointment that there has been no further improvement over the past year.

- Stroke care – The Council of Governors was delighted to learn that the trust had been accredited at level one, hyper-acute (including acute and rehab) care on a provisional basis, subject to some further improvements being made within a six month period (one of the few District General Hospitals to do so). The trust has worked closely with neighbouring larger teaching centres in order to provide a full 24 hour service for Stroke patients, however the Governors would like to see all services in-house and note that the trust is working to that end.

- Nutrition – The Governors were disappointed to note that the results of inpatient surveys suggest that the quality of food is not well rated, whereas on ward visits the patients were invariably complimentary about the standards of meals. There remains a problem with help for patients who are not able to feed themselves and it is hoped that a scheme of "feeding buddies" will remedy this situation. Governors have been closely involved in the feeding and nutrition working groups and also in the tendering process for awarding the new catering contract. As part of the contract a quality monitoring post has been established.

- Privacy & Dignity - As the trust has refurbished many of the wards, more en-suite and single room accommodation have been provided allowing an improvement in privacy and dignity which patients have been very positive about.

- Complaints – Since the founding of the Advice Centre three years ago it has been easier for patients and relatives to raise concerns with the trust regarding clinical and non-clinical treatments. Patients have shown gratitude for the willingness of senior staff, medical, nursing and management to engage in discussing their concerns face-to-face. The Advice Centre has also made it easier for patients to formally register their compliments.

- Patient Experience - Overall patient feedback gained from unannounced governor visits to the wards is extremely positive.

Statement from NHS Derby City and NHS Derbyshire County

General Comments

North Derbyshire Clinical Commissioning Group (CCG) is the lead commissioner for Chesterfield Royal Hospital NHS Foundation Trust (CRFHT). The CCG is responsible for commissioning services from this provider for NHS Derbyshire County and NHS Derby City. The CCG believes CRHFT has produced a comprehensive quality account which broadly reflects the information received by the CCG through the contract monitoring arrangements.

Measuring & Improving Performance

The CCG has well-established mechanisms in place for checking the quality of services as part of the quality assurance and contract monitoring arrangements. The monitoring includes the national, regional and local quality standards many of which are covered in the Quality Account. Local quality measures attract incentive payments. The CCG has agreed with the Trust to monitor quality in a wide range of areas such as stroke care, breast feeding, dementia care, discharge planning, cancer care and prevention of pressure ulcers.

Good progress has been made generally on improving the quality of services and achieving the quality indicators although some of the 2011/12 local indicators were not fully met such as sustaining breastfeeding and some aspects of improvements to discharge planning.

The target on reducing the risk of patients developing venous thromboembolism is a national priority. Good progress was made towards the end of the year on this target.

Details of the rate of hospital acquired infections are provided in the Quality Account. The Trust has carried out a significant amount of work this year to reduce hospital acquired infections (MRSA & C. difficile). Audits of cleanliness, hand hygiene and staff appearance all show overall improvement and support the trust in reducing hospital acquired infections.

The trust has performed well on the cancer waiting times and there is good collaborative working with primary care. Involvement with the North Trent Cancer Network also assisted the trust in identifying further improvements to reduce delays in the diagnostic tests aspects of the care pathway.

The CCG welcomes the implementation of the ongoing inpatient survey supported by the introduction of the friends and family test in 2012/13 (would you recommend this service to friends and family?) to address the slight reduction in the score on responsiveness to inpatients personal need score

Further commitment of the trust to quality improvement is the use of the safety thermometer. This measure will be used nationally to drive quality improvement in four important areas, reduction of hospital acquired infections, pressure ulcers, falls and urinary tract infections associated with catheter use in 2012/13.

Additional Comments

Quality Accounts are intended to help the general public understand how their local health services are performing and with that in mind they should be written in plain English.

CRFHT has produced a comprehensive, well written Quality Account. As a public document Quality Accounts should be easy to read and visually appealing.

The Quality Account demonstrates a high level of commitment to quality in the broadest sense and is commended.

Statement from Derbyshire Local Involvement Network (LINk)

General Comments

It is clear that much work has gone into the formation of the Quality Accounts with much attention being made to making the content as clear, relevant and intelligible for the reader as possible.

Derbyshire LINk found it particularly interesting to read about Priority three: Priorities for improvement. The adoption of the Friends and Family Question appears to be a very good way of ensuring that patients are at the centre of their care and empowering patients in the decision making regarding their care. It is also particularly encouraging to see that the results will be reported back to wards giving them a constant supply of constructive feedback. It is also interesting to hear that hospitals will compare the results against each other. Again, this will be providing valuable constructive feedback to trusts and also acts as another quality indicator further empowering patients to choose where they receive their treatment.

It was also very interesting to read about the success of the new purpose built Stroke Unit. The key indicators illustrate the impact the unit has had within the trust exceeding in all areas of the national key indicators for 2011.

A particular point of interest for many people may be the changes that the trust has made to their maternity services. There has been a great amount of interest locally regarding the closure of the two birthing centres within Derbyshire. Many individuals and groups that have approached LINk have commented that they will particularly miss the homely environment of the birthing centres and are particularly worried about giving birth in an acute hospital environment. It's great to hear about the development of the trust's new birth centre and to find that it is anticipated to give patients that "home-from-home" experience.

It is also great to see that the trust has maintained the Unicef Baby Friendly Initiative Accreditation particularly for breastfeeding. The target area for breast feeding shows that helping mums to initiate breastfeeding is particularly challenging but with the external assessments and set criteria of the Baby Friendly Initiative, this gives the trust a great framework to work to hopefully increasing breastfeeding rates in the future.

It is also great to note the continuing success of the nurse metrics. The set criteria and the achievements clearly indicate that all wards that work to the nursing care indicators have adopted the system wholeheartedly and the figures demonstrate its success. A common notion from LINk members is that they would wish for nursing to be taken back to the basics and it is clear that the nursing metrics are designed to do exactly that.

Additional comments

Overall, it is clear to see that the trust is continuing to strive towards full patient satisfaction and numerous models and schemes have been put in place to work towards this aspiration. Being able to see the positive increases throughout the target areas is not only encouraging for LINk members, but residents throughout Derbyshire.

Statement from Derbyshire County Council Improvement and Scrutiny

The Improvement and Scrutiny Committee welcomes the opportunity to comment on Chesterfield Royal Hospital's (the trust) Quality Account for 2011/12. Whilst the Committee has not undertaken any specific work with the trust during the reporting period it has been kept informed of the trust's work to improve Quality of services. The Committee received a six monthly quality report and an annual update in March of this year.

It is clear from the information provided throughout the course of the year that the trust is committed to improving the quality of its services both for patients and staff. The Committee were impressed by the work being undertaken for Dementia patients and he trust's overall approach to improving the patient experience.

The Committee look forward to seeing further improvements to the quality of service provided by the trust in 2012/13.

How to provide Feedback on the Account

The trust welcomes feedback on the content of its quality accounts and suggestions for inclusion in future reports. Comments should be directed to:

Lisa Howlett
Head of Clinical Governance
Chesterfield Royal Hospital NHS Foundation Trust
Calow
Chesterfield
S44 5BL
Tel: 01246 513744
Email: lisa.howlett@chesterfieldroyal.nhs.uk

Statement of directors' responsibilities in respect of the Quality Report

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

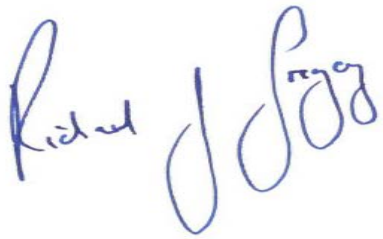
Monitor has issued guidance to NHS foundation trust boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that foundation trust boards should put in place to support the data quality for the preparation of the quality report.

In preparing the quality report, directors are required to take steps to satisfy themselves that:

- the content of the quality report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2011-12;
- the content of the Quality Report is not inconsistent with internal and external sources of information including:
    - Board minutes and papers for the period April 2011 to June 2012
    - Papers relating to Quality reported to the Board over the period April 2011 to June 2012
    - Feedback from the commissioners dated 25 May 2012
    - Feedback from governors dated 21 March 2012
    - Feedback from LINks dated 20 April 2012
    - The trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 30 May 2012
    - The latest national patient survey
    - The latest national staff survey
    - The Head of Internal Audit's annual opinion over the trust's control environment dated 31 March 2012
    - CQC quality and risk profiles received between 1 April 2011 and the 31 March 2012.
- the Quality Report presents a balanced picture of the NHS foundation trust's performance over the period covered;
- the performance information reported in the Quality Report is reliable and accurate;
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice;
- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review; and the Quality Report has been prepared in accordance with Monitor's annual reporting guidance (which incorporates the Quality Accounts regulations) (published at www.monitor-nhsft.gov.uk/annualreportingmanual) as well as the standards to support data quality for the preparation of the Quality Report (available at www.monitor-nhsft.gov.uk/annualreportingmanual)).

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the Quality Report.

By order of the Board



Richard Gregory OBE
Chairman
30 May 2012

Gavin Boyle
Chief Executive
30 May 2012

This page is available to insert the limited assurance statement from the Trust's external auditors upon completion of their quality accounts work

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Chesterfield Royal Hospital NHS Foundation Trust

Statement of the Chief Executive's Responsibilities as Accounting Officer

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Statement of the Chief Executive's responsibilities as the Accounting Officer of Chesterfield Royal Hospital NHS Foundation Trust

The NHS Act 2006 states that the Chief Executive is the Accounting Officer of the NHS Foundation Trust. The relevant responsibilities of Accounting Officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and the keeping of proper accounts, are set out in the *NHS Foundation Trust Accounting Officers' Memorandum* issued by the Independent Regulator of NHS Foundation Trusts ('Monitor').

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

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

- Observe the Accounts Direction issued by Monitor, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimates on a reasonable basis;
- State whether applicable accounting standards as set out in the *NHS Foundation Trust Annual Reporting Manual* have been followed, and disclose and explain any material departures in the financial statements; and
- Prepare the financial statements on a going concern basis.

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

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

Gavin Boyle
Chief executive and accounting officer
30 May 2012

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Chesterfield Royal Hospital NHS Foundation Trust

Annual Governance Statement 2011/12

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ANNUAL GOVERNANCE STATEMENT

Scope of responsibility

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

There are external arrangements in place for working with partner organisations. Those operating at chief executive level are as follows:

- East Midlands Chief Executives' Forum;
- East Midlands Acute Trust Chief Executives' Partnership;
- NORCOM;
- South Yorkshire Partnership of Acute Chief Executives;
- Derbyshire Chief Executives' Group; and
- Foundation Trust Network group for chairman & chief executives.

There are similar arrangements in place for working with partner organisations that operate at director level for finance, business and service planning, clinical governance, communication and risk management.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of the Chesterfield Royal Hospital NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Chesterfield Royal Hospital NHS Foundation Trust for the year ended 31 March 2012 and up to the date of approval of the annual report and accounts.

Capacity to Handle Risk

The board of directors is responsible for the management of key risks. The key areas of those risks are managed through:

Strategic business risk management
Integration of risk management
Board assurance framework
Clinical and non-clinical risk registers
Financial risk management
Compliance with targets
The board of directors receives details of key risks through regular board reports.

The monthly finance and activity report records all key financial risks. The performance report records all key operational risks and the quarterly quality reports record performance against key clinical quality indicators and details the results of a selection of local regional and national clinical audits.

The board of directors also addresses the risks when self-assessment documentation is completed for Monitor. This arrangement ensures that the board of directors understands the strategic business risks to the trust in the context of the trust's strategic direction.

The risk committee, whose membership comprises the chairman of the trust, the chairmen of the trust's audit committee and clinical governance committee and the chief executive, is a board committee responsible for reviewing risks in detail and providing additional assurance to the board of directors on the key risks in the organisation. An up to date copy of the trust's corporate risk register is provided to all board of director meetings.

The board of directors is supported by four committees (each chaired by a non-executive director) that ensure effective monitoring and assurance arrangements for the system of internal control. These, and their key responsibilities, are set out below:

Audit Committee

- Soundness of overall systems for governance and internal control.
- Financial risk management.

Risk Committee

- Consider principal risks in detail.
- Soundness of overall system of risk management.
- Provide assurance to the board of directors about the key risks.

Clinical Governance Committee

- Clinical risk management.
- Clinical governance.

Remuneration Committee

- Review and determine the executive directors' remuneration package.

The minutes and other key documents from these committees are submitted to the board of directors. The chairmen of the audit, remuneration and clinical governance committees are non-executive directors and members of the board of directors. The risk committee is chaired by the chairman of the trust. Membership of the four committees is shared among the non-executive directors.

Leadership of the Risk Management Process

The chief executive has overall responsibility for the management of risk of the trust. The other members of the executive team exercise lead responsibility for the specific types of risk as follows:

▪ Clinical risk	Chief Nurse and Medical Director
▪ Operational risk	Director of Allied Clinical and Facilities Services
▪ Business risk	Director of Performance and Operations
▪ Financial risk	Director of Finance and Contracting

The role of the directors is to ensure that appropriate arrangements and systems are in place to achieve:

- Identification and assessment of risks or hazards;
- Elimination or reduction of risk to an acceptable level;
- Compliance with internal policies and procedures, and statutory and external requirements; and
- Integration of functional risk management systems and development of the assurance framework.

These responsibilities are managed operationally through corporate managers supporting the directors working with designated lead managers in directorates.

Staff Empowerment and Training

Staff are equipped to manage risk in a variety of ways and at different levels of strategic and operational functioning. These include:

- Formal in-house training for staff as a whole in dealing with specific everyday risks, eg fire safety, health and safety, moving and handling, infection control, security;

- Training and induction in incident investigation, including documentation, root cause analysis, steps to prevent or minimise recurrence and reporting requirements; and

- Developing shared understanding of broader business, financial, environmental and clinical risks through collegiate clinical, professional and managerial groups (such as strategy and performance group, professional standards group, clinical risk group) and sharing good practice with other peer foundation trusts through appropriate forums such as the Foundation Trust Network.

A number of forums exist that allow communication with stakeholders, the forums provide a mechanism for risk identified by stakeholders that affects the trust to be discussed and where appropriate action plans can be developed to resolve any issues.

Examples of the forums and methods of communication with stakeholders are as follows:

Council of Governors

The council has a formal role as a stakeholder body for the wider community in the governance of the trust.

- Regular newsletters; and
- Minutes of the council of governors meetings including joint meetings with the board of directors.

Staff

- Payslip bulletin and electronic newsletter;
- Staff meetings and team briefings;
- Annual statement on the 'fair blame' policy on incident reporting; and
- Staff surveys.

Public and Service Users

- Patient surveys and face to face interviews;
- Advice Centre;
- Patient forum; and
- Meetings with voluntary and self-help groups.

Partner Organisations

- Other health and social care community (eg clinical leaders' group, whole systems capacity group); and
- Clinical and professional networks in East Midlands.

The Risk and Control Framework

The Risk Management Strategy

The trust has a risk management strategy in place, which is reviewed annually and endorsed by the board of directors. The strategy is regularly reviewed during the year to ensure that it is fully embedded into the day-to-day management of the organisation and conforms to best practice. The strategy defines risk and the trust's risk appetite and identifies individual and collective responsibility for risk management within the organisation. It also sets out the trust's approach to the identification, assessment, scoring, treatment and monitoring of risk. The strategy:

- Defines the objectives of risk management and the process and structure by which it is undertaken;
- Defines the trust's risk appetite which articulates the content and range of risk(s) that the trust might take. In its consideration of this range the trust holds paramount its objective for providing high quality care and services for its patients and the community;
- Sets out the lead responsibilities and the organisational arrangements as to how these are discharged;
- Sets out the key policies, procedures and protocols governing risk management; and
- Identifies the link between directorate and corporate risk management.

The risk evaluation and treatment model is based on a grading matrix of likelihood and consequence. This produces a risk score to enable the risk to be prioritised against other risks. The score, in turn, is linked to a matrix of the cost and responsibility of risk treatment so that either the risk is addressed locally by the directorate within its resources or it feeds into the organisation wide risk register.

The Assurance Framework

The trust has an assurance framework. This identifies the most serious risks facing the trust in the achievement of its principal objectives, the sources of assurance currently available both internally and externally, the classification of principal risk which identifies the lead responsibility within the trust and how the risks are being managed or treated. Any gaps in sources of assurance are identified on the document along with actions and timescale for addressing the gaps.

During 2011/12, the board of directors has received assurances on the effectiveness of the system of internal control. The assurance framework is considered to be a living document and has been updated throughout the year.

Annual Quality Report

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

The clinical governance committee is identified as the board sub-committee with responsibility for the development of the trust's annual quality accounts. This ensures that there is both executive and non-executive input into the development of the report.

The clinical governance committee receives quarterly updates on clinical quality and has been responsible for the development of a clinical quality strategy. In addition, the chief nurse and medical director have led negotiations with the PCT on the agreement of the quality schedule and specifically, the CQUINs (Commissioning for Quality and Innovation targets). These documents have formed the basis of the quality accounts.

In addition,

- The board has reviewed the annual quality accounts and has considered ongoing compliance with the priorities via the monthly performance reports and quarterly quality reports presented during the year.
- The chief nurse has presented the quality accounts to the council of governors, which also receives the quarterly quality reports.
- The draft quality accounts have been shared with: the PCT, the Derbyshire Improvement and Scrutiny Committee and the Derbyshire Local Involvement Network.

The quality accounts contain information that is subject to internal and, in many cases, external validation as set out in the following paragraphs. In all instances the information has been made available to the public through the monthly performance reports and the quarterly quality reports that are provided to the open meeting of the council of governors and through reports produced by regulatory bodies.

There are no identified gaps in assurance in the board assurance framework relating to the trust's quality accounts.

The trust's report on quality is subject to review by its external auditors who will report on their review of the arrangements that the trust has in put in place to secure the data quality of information included in the quality accounts.

Quality Governance Arrangements

The board takes clear responsibility for ensuring the quality and safety of services offered by the trust and has developed robust structures and reporting mechanisms to ensure that quality goals are identified, monitored and, where performance is sub-standard action is taken to rectify the situation. The key board sub-committees are:

- Risk Committee
- Clinical Governance Committee
- Audit Committee

The board, its sub committees and the supporting communication mechanisms ensure that the appropriate information is escalated to the board and/or the relevant sub-committee. Specifically, the trust's clinical and internal audit processes ensure that audits and planned, carried out and reported to the appropriate forum. In addition, there are mechanisms to ensure action is identified and undertaken to address any shortfalls.

The trust employs a range of mechanisms to ensure the monitoring and continual improvement of the quality of healthcare provided to its patients including:

- The setting and monitoring of annual objectives, link to the required standards.
- Clear risk management processes.
- A strategy for the continual improvement of clinical quality, which includes key aims in relation to effectiveness, safety and patient experience.

The board receives regular reports, including minutes of the sub-committees, which enables them to track performance and monitor the quality of services delivered by the trust. Analysis of this information has enabled the board to have a significant impact on improving quality performance through the initiatives it has supported.

The board receives 2 key reports on quality:

- The performance report which outlines the trust's performance against the corporate objectives across ten key performance areas.
- The quality report includes a range of clinical quality indicators, which are reported either quarterly, six-monthly or annually.

Wherever possible, quality information is produced from or as a by-product of existing information systems, which have clear quality control mechanisms. Other data sources have been subject to internal or external audit scrutiny to give assurance as to the accuracy.

Incident Report – Fair Blame Culture

The trust was a pilot site for the National Reporting and Learning System, and as such has been reporting all patient safety incidents to the NPSA since 2004. The trust sits in the middle 50% of medium acute trusts in respect of the numbers of

incidents reported. During 2011/12 the trust reported 5098 incidents into the National Reporting and Learning System which represents an 11% increase on the number of incidents reported during 2010/11. This is considered to be a positive reflection of the trust's open and honest culture, and the well established incident reporting system. To support this, the board reviews and reissues its 'Fair Blame' statement on an annual basis which reiterates the importance of incident reporting and reaffirms that disciplinary action will only be part of the response to an incident in specified exceptional circumstances.

Clinical Audit

Clinical audit is an integral part of the trust's clinical quality strategy and a key component of clinical governance. The clinical governance committee ensures that that the trust meets its statutory requirements with regard to audit activity. The committee interrogates the quarterly quality reports, which detail summaries of the audit projects. In addition, the committee ensures through the minutes of directorate clinical governance groups that activity is integrated within the directorate structures, findings are considered and appropriate actions identified.

In order to ensure that there is a robust clinical audit programme which reflects trust priorities, directorates are required to develop annual clinical audit plans which include relevant local and national audits. In order to assess progress against the annual plan an annual report detailing recommendations and action taken must be presented to the directorate clinical governance group, clinical governance committee and clinical management team.

Information Governance Assurance Programme

Information governance (IG) remains a high priority for the trust. The trust has a Caldicott Guardian (medical director) and Senior Information Risk Officer (SIRO – chief nurse). The trust has an information governance group, established to oversee all information governance issues reports to the trust's hospital management committee and each clinical directorate has appointed an information asset owner (IAO) to provide leadership at local level.

Information governance risks are managed in accordance with trust risk management standards, and, where appropriate, recorded on directorate risk registers. Each IT system has a designated system manager, with defined responsibilities, including risk management and responsibility for identifying IG risks.

All staff are governed by a code of confidentiality, and access to data held on IT systems is restricted to authorised users. Information governance training is incorporated as appropriate in all IT training sessions, the corporate induction process has a dedicated IG session and all staff are required to undertake IG training to national standards.

The annual information governance self-assessment exercise has taken place using the Information Governance Toolkit provided by Connecting for Health.

The trust has achieved all the previous key standards for the Information Governance Toolkit and an independent review of the trust's compliance has been undertaken by internal audit, which has validated all of the scores.

Compliance with NHS Pension Scheme Regulations

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

Compliance with Equality, Diversity and Human Rights Legislation

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

Compliance with Climate Change Adaptation Reporting to Meet the Requirements Under the Climate Change Act, 2008

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

Compliance with Care Quality Commission Targets

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

The trust was registered with no compliance conditions on 1 April 2010. The trust has a process for monitoring and recording on-going compliance which satisfies the Care Quality Commission's assessment format and allows for the creation of action plans and reporting to the Care Quality Commission, as and when required.

The trust's risk committee is regularly updated on the completeness of the trust's self-assessment process and the detail of any action plans arising from the self-assessment are provided to the risk committee for information. The chairman of the risk committee highlights any matters relating to compliance with the Care Quality Commission to the board as appropriate and a formal report to update the board of director's on the trust's compliance position is provided annually.

As part of the Care Quality Commission's planned compliance routine, the trust received a visit during May 2011 to assess its ongoing compliance with the registration requirements. The Care Quality Commission assessors spoke to patients and staff and examined equipment, premises and records. The outcome of the visit was extremely positive with no major concerns or compliance points identified.

Compliance with the NHS Constitution

The trust operates with regard to the NHS Constitution in all its decisions and actions concerning its staff and service users.

An annual statement is provided to the board of directors on the trust's compliance with the requirements of the NHS constitution.

Description of the Principal Risks Facing the Trust during 2011/12

In the annual forward plan for 2011/12, the following principal risks were identified:

- Impact on contract income of commissioner affordability, emergency re-admissions, and changes to the tariff structure.
- Reconfiguration of clinical services, leading to loss of activity and income.
- Increased competition through any qualified provider, leading to loss of activity and income.
- Failure to achieve service standards, triggering financial penalties.
- Failure to achieve regulatory compliance, triggering intervention.

These risks have been mitigated during the year through close monitoring and performance. Some will continue to be principal risks in 2012/13 and the action to address them is set out in the trust's annual forward plan for 2012/13.

Review of Economy, Efficiency and Effectiveness of the Use of Resources

During the year the board of directors has received regular reports informing of the economy, efficiency and effectiveness of the use of resources. The reports provide detail on the financial, clinical and performance of the trust during the previous period and highlight any areas through benchmarking or traffic light system where there are concerns. The executive managers of the trust supply these reports.

Internal audit has reviewed the systems and processes in place during the year and published reports detailing the required actions within specific areas to ensure economy, efficiency and effectiveness of the use of resources is maintained. The outcome of these reports are graded according to the level of outstanding risks within the area.

The board of directors has also received assurances on the use of resources from agencies outside the trust including Monitor. Monitor requires the board of directors to self assess on a six-monthly basis. Monitor scores the assessment on a traffic light system.

The trust further obtains assurance of its systems and processes and tests its benchmarking by membership of the foundation trust network where other foundation trusts share good practice.

Internal Audit Assurance Statement

In accordance with NHS Internal Audit Standards, the head of internal audit is required to provide an annual opinion statement to the trust, based upon and limited to the work performed on, the overall adequacy and effectiveness of the organisation's risk management, control and governance processes.

This is achieved through a risk-based plan of work, agreed with management and approved by the audit committee, which should provide a reasonable level of assurance, subject to the inherent limitations described below.

The opinion does not imply that internal audit has reviewed all risks and assurances relating to the organisation. The opinion is substantially derived from the conduct of risk-based plans generated from a robust and organisation-led assurance framework. As such, it is one component that the board takes into account in making its annual governance statement.

The trust has received a statement from its internal auditors that, based on the work undertaken in 2011/12, significant assurance can be given that there is a sound system of internal control, which is designed to meet the organisation's objectives, and that controls are being consistently applied in all the areas reviewed.

The internal auditors report that the basis for forming their opinion was:

- An assessment of the design and operation of the underpinning the board assurance framework and supporting processes;
- An assessment of the trust's risk management processes;
- An assessment of the range of individual opinions arising from audit assignments reported throughout the year. This assessment has taken account of the relative materiality of these areas and management's progress in addressing control weaknesses;
- An assessment of the process to monitor and record ongoing compliance with the essential standards of quality and safety as required for registration with the Care Quality Commission;
- Any reliance that is being placed upon third party assurances, and, in particular, findings from LCFS local or national proactive exercises.

The trust has its own recommendation tracking process, whereby a report of outstanding recommendations and on completed recommendations is submitted to each audit committee along with internal audit verification of completed actions. Internal audit report has reported throughout the year that recommendations have received adequate management attention.

The auditors summarised that, based on the work they had undertaken on the trust's system of internal control, they did not consider that, within those areas, there were any significant issues that should be flagged within the trust's annual governance statement.

Review of Effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS foundation trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the quality report attached to this Annual Report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the board, the audit committee, the risk committee and the clinical governance committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

My review is also informed by:

- ISA 260 audit highlights memorandum 2011/12;
- Confirmation by Monitor through six-monthly monitoring that the trust is compliant with Monitor's regime with:
  - a financial risk rating of five throughout the year;
  - governance risk ratings of amber/green and green at the dates of six-monthly reporting; and
  - continued compliance with the Care Quality Commission's essential standards of quality and safety.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the committees identified above, by the board of directors' monitoring of corporate and directorate performance, by the publication of audit reports in line with their work programme by internal audit during the year, and by the evidence of the assessment of the trust and the capacity and capability of the board of directors by Monitor in relation to its financial management, governance arrangements and, risk management systems, and the board of directors' self-certification to Monitor.

Conclusion

There are no significant internal control issues that have been identified during the period 1 April 2011 to 31 March 2012 that require disclosure in this statement.

Gavin Boyle
Chief executive and accounting officer
30 May 2012

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Chesterfield Royal Hospital NHS Foundation Trust

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