



East Sussex Healthcare
NHS Trust

East Sussex Healthcare **NHS**
NHS Trust

Welcome to
Health Centre

Annual Report 2016/17

and summary financial statements

**WHAT MATTERS TO YOU
MATTERS TO US ALL**

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PERFORMANCE REPORT

OVERVIEW WELCOME

The purpose of this section of the Annual Report is to provide a short summary that allows the reader to understand our organisation, its purpose, key risks to the achievement of our objectives and how we have performed during the year.

Welcome

Welcome to our annual report for 2016/17, a year that has seen improvement and progress thanks to the dedication and professionalism of the people who work at East Sussex Healthcare NHS Trust.

We both joined the Trust at around the start of the year with a shared goal for this organisation; to provide care in which the people of East Sussex can be fully confident and an environment in which people are happy and proud to work. The first is dependent on the second. So from the outset we have made it our business to meet those who deliver care or support the delivery of care across the organisation. We have been deeply impressed by the commitment of everyone to do their best for patients. There is a real energy and dedication with our colleagues and partners to make improvements in the quality of care we are delivering for our patients.

This improvement was recognised by the Care Quality Commission with the publication, in January, of our October 2016 inspection report. The report highlighted that the Trust was no longer rated 'inadequate' and is now rated as 'Requires improvement'. Importantly we were rated as 'good' for care, with fifteen areas of 'outstanding practice' highlighted.

However, we remain in special measures pending our next inspection only because inspectors want to make sure the changes they saw are sustained and embedded.

The CQC report echoed the summary from an inspection by a General Medical Council team in October. That report said that the organisation was unrecognisable from the picture painted by previous surveys, thanks to the hard work and commitment of everyone who works with and supports our junior doctors.



Patients have noted improvement as well. The CQC inpatient survey results published in June 2016, identified improvements in four out of five areas, with a number of areas of the survey showing significant improvement. In fact we were one of the most improved Trusts in the country. This is reiterated by our improved four star (out of five) rating on NHS Choices.

Some 3,000 members of staff (46%) responded to the NHS national staff survey last autumn. The results said that peoples' confidence in reporting incidents, feeling able to contribute towards improvements, and willingness to recommend the Trust as a place to work or receive treatment had all improved significantly.



While we recognise there is still work to do, and we must not be complacent, these reports all show that we are no longer an 'inadequate' organisation. Importantly, there are areas of practice across the Trust which rank amongst the best in the country.

Our ambition is to be rated 'outstanding' by the CQC by 2020 and we have set out a clear plan to achieve this, focusing on five key areas for improvement; quality and safety, leadership and culture, clinical strategy, access to services and operational delivery and financial control.

The past year has been challenging for many NHS trusts in England particularly in terms of finances and performance. We were no exception. As you will read, the Trust recorded a financial deficit of £43.9 million, and struggled to meet national targets such as the maximum four hour wait in accident and emergency and some of our elective (18 week) elective targets. We are working hard to address these challenges and have started to make improvements in these areas of performance.

As we move forward we will continue to deliver our plans around quality, safety, performance and finance. We need to make improvements to the way we work for our patients and begin to transform our approach to the way we manage the movement of urgent care patients around and out of hospital, back to their home. By working more effectively together with our partners in Adult Social Care and our local Clinical Commissioning Groups (CCGs) we will find the best health and care solutions for our population.

On 1st April 2017, we joined with these partners to become the East Sussex Better Together Alliance. We will work to integrate our whole health and care system: primary prevention, primary and community care, social care, mental health and acute and specialist care. Working together we can build on the improvements we have already made and tackle our financial sustainability across health and social care in East Sussex.

Another key part to solving our financial position is reducing the money spent on agency and locum staff. We have seen real improvement in the recruitment of nurses

both from home and abroad. Our senior nursing staff have successfully recruited a number of nurses from the Philippines, Spain, Croatia and Romania. We also have had great success in recruiting Healthcare Assistant with over 100% vacancies filled. Our overall vacancy rate has reduced.

We hope that this report gives you an insight into the successes and challenges we have experienced over the past year, as well as an appreciation of what lies ahead.

We are confident that with the continued dedication, commitment and professionalism of our colleagues we can sustain our improvement journey. Our priority is that the residents of East Sussex receive safe, high quality healthcare throughout our hospitals and community services.

We are immensely proud to lead an organisation with so many hard-working colleagues who provide such important services.

Through an initiative introduced this year called #ourmarvellousteam colleagues have highlighted the great work of many teams within our organisation and this report will

showcase some of them.

Thank you to all our staff for their continuing dedication to delivering high quality care. Thanks also goes to our army of over 1,000 volunteers who support all our activities.

We are grateful for the ongoing support we have received from East Sussex Healthwatch, in particular the 24 hour A&E reviews they have carried out over the past year, to help give us greater insight into our patients' experience.

Moreover, we would like to thank everyone in our local community who donates and raises money for the Trust's charitable funds and for the Friends of our hospitals who support us in so many ways.

We hope that you find this report informative and that it demonstrates to you just how hard we are working to really focus on what matters to our patients.

For more information about our organisation visit our new website at www.esht.nhs.uk



David Clayton-Smith

David Clayton-Smith
Chairman



Adrian Bull

Dr Adrian Bull
Chief Executive

#ourmarvellousteam

“ General Surgery Team - They work efficiently together and are helpful and proactive in thinking of ways to help the patient. Helping on the hot gallbladder turn around to efficiently treat inpatients with gallstone disease. ”

ABOUT THE TRUST

Patients come first at East Sussex Healthcare NHS Trust. Our vision is to combine community and hospital services to provide safe, compassionate, and high quality care to improve the health and wellbeing of the people of East Sussex.

This means working in partnership with commissioners, other providers, our staff and volunteers as part of a locally focused and integrated network of health and social care in the county.

We are proud to provide acute hospital and community health services for people living in East Sussex. We also provide an essential emergency service to the many seasonal visitors to the county every year.

Around 525,000 people live in East Sussex and we are one of the largest organisations in the county. We employ around 6,800 dedicated staff with an annual turnover of £379.307million.

We operate two district general hospitals, Conquest Hospital in Hastings and Eastbourne District General Hospital, both

of which have Emergency Departments and provide care 24 hours a day. Between them they offer a comprehensive range of surgical, medical and maternity services supported by a full range of diagnostic and therapy services.

At Bexhill Hospital we provide outpatients, day surgery, rehabilitation and intermediate care services. Outpatient services and inpatient intermediate care services are also provided at Rye, Winchelsea and District Memorial Hospital. We also provide day surgery and outpatient care at Uckfield Hospital and outpatient services at Crowborough War Memorial Hospital and Lewes Victoria Hospital.

We provide intermediate care services jointly with East Sussex County Council Adult Social Care at Firwood House in





Eastbourne. We deliver services which focus on people living in the community through our Integrated Locality Teams. Other services focus on people with long term conditions such as the Bladder and Bowel Service, Community Heart Failure, Tissue Viability and Diabetes Specialist Nursing team. Respiratory and MS Nurse Specialists provide further support to our patients in the community.

Our staff also provide care in patients' homes and from a number of clinics, health centres and GP surgeries. Services based outside our hospitals include Health and Social Care Connect (HSCC), the Integrated Night Service, Community Nutrition and Dietetics, Speech and Language Therapy Service for Adults, Occupational Therapy, Physiotherapy, Podiatry, Diabetic Retinopathy and Sexual Health including contraception services. Services for children are offered including Health Visiting and the Safeguarding Children Team and Looked after Children Team.

We offer a range of more specialist services in the community and these include the Emergency Dental Service, Medicines Management, Pharmacy Team and Special Care Dental Service.

#ourmarvellousteam

“ Nursing Staff - Benson Trauma, Surgery, Trauma and Orthopaedics - When faced with a crisis on the ward the night staff worked hard to reassure patients and manage the issue. No panic or overreaction they just got on with the shift. Same for the day team who had to organise and manage a very different day. Good Team work, calm in a crisis, good communication and generally great attitude. ”

OUR YEAR IN NUMBERS 2016/17

110,500

110,500 people used our
Emergency Departments

3,144 women became mothers by
delivering 3,182 babies

3,182

54,422

There were 54,422 elective primary
procedures carried out and of these
46,470 were undertaken as day cases.

456,000 people attended an
outpatient appointment with us

456,000

95,500

Our community based services
supported 95,500 people

We performed more than 290,000
radiological examinations and
therapeutic procedures

290,000

6,000,000

Over 6 million pathology tests
were carried out

Our Highlights in 2016/17

New Sexual Health Service Launched

On 1st April 2016 we launched our new integrated Sexual Health and HIV treatment and care services across East Sussex offering improved access to service users and new developments. We were successful in winning a contract to continue to be the provider of integrated Sexual Health and HIV treatment and care services in East Sussex for the next three years. Around 3,000 people use the sexual health service each month across East Sussex. Specialist sexual health services in East Sussex are provided from two main bases at Station Plaza, Hastings and Avenue House, Eastbourne, with sessional outreach specialist services provided on a variety of days and evenings in six community locations across the county.



New nurses start work at the Trust

During the year we welcomed around 350 new nurses from the UK, European Union and overseas including the large number of nurses from the Philippines to take up staff nurse positions across the organisation.

The new nurses are part of our sustained recruitment campaign to increase the number of registered nurses in the Trust. New overseas nurses spend a week being introduced into the organisation before they start working on the wards, initially, as unregistered nurses whilst they undertake training to pass the Nursing and Midwifery Council (NMC) exam for their full NMC registration.



New service to help frail people live independent lives

As part of East Sussex Better Together, a new frailty service started aimed at supporting frail people to live independent and healthy lives out of hospital. The new service, run by a team of Frailty Practitioners, coordinates the care of frail people so they can be supported to live independently at home. The frailty service is wrapped around the needs of the patient with the team working closely with the community and hospital workforce. This service helps to reduce the number of frail elderly people in hospital who could be cared for more effectively in the community, or avoids admission to hospital altogether due to the having robust preventative services in place.



New Crisis Response Service launched

A new crisis response service was launched as part of the East Sussex Better Together programme to prevent unnecessary hospital admission by providing urgent assessment and provision of community nursing care, in people's own homes. The service is made up of a team of Nurse Practitioners, Healthcare Assistants, Occupational Therapists, Physiotherapists and night sitters. Working together they help people who are unwell and who may have previously been admitted to hospital to stay at home. By the person staying at home, it allows them to be cared for in a familiar environment without the added stress and anxiety of being admitted to hospital. This ensures the person receives the right care in the right setting at the right time, one of the fundamental principles of East Sussex Better Together."



Window dedicated in memory of colleagues

A specially made stained glass window has been dedicated to the memory of colleagues who have sadly passed away. The window, opposite the Chapel at Conquest Hospital, was unveiled by our Director of Nursing, Alice Webster, at an emotional ceremony. The idea for the commemorative originated from a very difficult period experienced during the year when we sadly lost a number of colleagues, in a short period of time with whom we had been working with and we wanted to be able to remember them. The window is intended to be a point of connection for us all to remember all of our colleagues who are no longer with us.

Radiology areas upgraded

The radiology reception and waiting areas at Conquest Hospital and Eastbourne DGH have been expanded and upgraded offering enhanced privacy and dignity when patients are booking into a clinic or waiting for radiology examinations such as an X Ray or scan. This upgrade work is part of an overall development programme. The radiology improvements, costing £1.2 million, include a reconfigured ultrasound suite, new disabled toilets and baby change facilities, waiting and changing areas and a new recovery area on both sites. At Eastbourne District General Hospital the Interventional Radiology facilities have also been refurbished to improve privacy and dignity along with the installation of two new CT scanners in a new CT scanner suite.

Building work starts on Radiotherapy Centre at Eastbourne DGH

Building work started on a new £15 million Radiotherapy Centre at Eastbourne DGH. The new radiotherapy centre will significantly reduce the need for cancer patients to travel outside East Sussex for vital radiotherapy treatment. Prior to the unit's opening, patients who live in East Sussex have to travel to Brighton or Maidstone in Kent for radiotherapy treatment. The £15m investment, funded by Brighton and Sussex University Hospitals NHS Trust provides two linear accelerator machines used to deliver radiotherapy within a modern, fully equipped radiotherapy facility at Eastbourne.



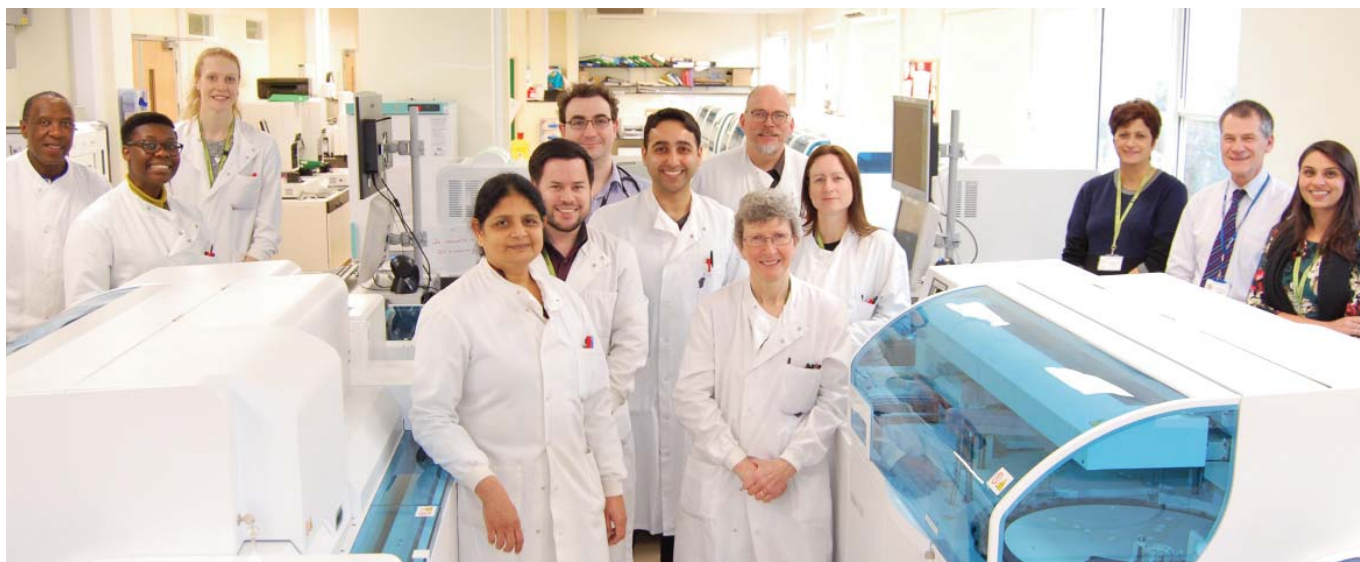
Hospital is a national site for Cardiology simulation training

Eastbourne DGH is one of only eight approved hospitals in the United Kingdom to offer simulation training for new specialist cardiac doctors to improve their skills with heart procedures. Doctors are able to learn and practice procedures in a simulated situation using high-tech mannequins and IT training devices. We are delighted to be taking part in this new improved form of training for cardiac doctors and proud that Eastbourne DGH is one of only a few hospitals in the UK to be involved. Simulation training has been around a long time in the aviation industry but it is relatively new in medicine. This training uses high-tech mannequins and simulators to help junior doctors learn and develop their technique so that they are safe and prepared before they perform these procedures on patients.



New high tech drugs cabinet introduced in Emergency Department

New secure drugs cabinets with high tech fingerprint security were introduced in the Emergency Department at Eastbourne District General Hospital. The cabinets have all the medicines required by Emergency Department staff in a computer controlled user ID and fingerprint access security system only allowing the correct medicine required by a doctor or nurse to be dispensed. The cabinet is linked by computer to pharmacy to ensure stock levels are maintained. We have 13 of these secure drugs cabinets on wards across the Trust.



New investment in pathology services providing faster test results

New pathology laboratories with the latest advanced diagnostic equipment opened at Conquest Hospital and Eastbourne DGH. The new equipment was part of an £18 million, seven year contract with Roche Diagnostics Ltd to provide some of the most advanced pathology equipment available. The pathology laboratories at both Conquest Hospital and Eastbourne DGH have been significantly upgraded and refurbished into large open plan spaces where new modern robotic analysers and equipment installed. An estimated 70 to 80% of all healthcare diagnoses and decisions are directly influenced by pathology test results. This new equipment will make a significant positive impact on pathology reporting helping to ensure we provide a better service to our patients.

256 beds replaced at Conquest Hospital and Eastbourne DGH

We invested more than £350,000 in replacing all of the 256 mechanical beds at Conquest Hospital and Eastbourne DGH. The new beds have removable panels which are easy to clean, separate handsets so that both the patient and staff can adjust the height and back support provided and a night light on the underside of the bed to improve the patient's awareness of their surroundings. The beds are also extremely light, making them easy to manoeuvre, yet have increased weight capacity to support a 30 stone patient and can also be extended to accommodate taller patients. They provide the optimum combination of safety, performance and functionality.





First NHS Trust in Sussex and Kent to offer innovative new treatment for enlarged prostate

The Trust was the first in Sussex and Kent to offer the innovative UroLift System to treat an enlarged prostate, at Eastbourne DGH. This new minimally invasive treatment acts like curtain tie-backs to hold open the lobes of an enlarged prostate to create a channel from the bladder. Patients experience rapid symptom relief, recover from the procedure quickly, and return to their normal routines with minimal downtime. An enlarged prostate places pressure on the bladder and urethra (the tube through which urine passes) making it difficult to urinate. It is a very common condition for males over 50. This procedure is a true breakthrough offering men an alternative to drug therapy or more invasive surgery. It was treatment is one of six innovations hand-picked by the Government as a strategically important product for the future of the NHS, as one of a handful of revolutionary healthcare technologies that can improve the UK's public healthcare system, in a new report and funding mechanism for innovations by the UK Government released in October 2016.

CQC praises significant improvements at ESHT and issues improved rating

The Care Quality Commission (CQC) recognised significant improvements upgrading our rating to 'requires improvement' having previously rated the organisation 'inadequate' in September 2015. Care across the Trust was rated as 'good'. Following the publication of their report we remained in special measures to support our continuing improvement. The CQC recognised the progress that has been made since our last inspection. It is testament to the hard work and commitment of people across the organisation who continually seek to provide good care for our patients. We have a talented and professional workforce and the rating of 'good' for being caring is recognition of this. However, we still have a lot of work to do to ensure we provide consistently high standards of care across all of our services. We must continue to seek out every opportunity to make improvements to achieve our ambition of becoming outstanding. Our aim is to be an organisation which provides excellent healthcare for the people of East Sussex, and one in which people are happy and proud to work.



New role of Doctors' Assistants starts at East Sussex

We have pioneered the new role of Doctors' Assistant with six Doctors' Assistants undertaking admin work and essential duties alongside doctors. They help junior doctors with core tasks to free up their time so they spend less time on admin duties but the Doctor Assistants' have no duties with medication or independent decision-making. Several national studies show that doctors in their first four years spend 50% of their time on admin. The Trust was successful in a bid for £80,000 from Health Education England to run a six-month pilot of Doctors' Assistants. The project has been shortlisted into the final six for a prestigious national award, the "BMJ Award for Clinical Leadership" and show-cased in an edition of the British Medical Journal.



UroGynaecology Unit is first in Sussex to attain national accreditation

Our UroGynaecology unit is the first in Sussex to attained national accreditation from the British Society of UroGynaecology following a recent inspection. It is one of only 22 units all over the country to gain this status. Accreditation status is given to the units for the high quality UroGynaecology service offered to patients and a strong governance framework including multidisciplinary team input. Attaining this national accreditation is a major achievement for our Gynaecology department and marks us as one of the best units in the country. Local women can be assured of the quality of the service we offer which, thanks the drive, ambition and expertise within the team, we will continue to build upon.



Local Cardiology Consultant appointed as Visiting Professor

Cardiology Consultant Dr Nikhil Patel was appointed as a Visiting Professor and PhD research supervisor at the Institute of Medical Science at Canterbury Christ Church University. Professor Nikhil Patel has made a significant contribution to the Cardiology Department's education and research development since joining the Trust as a Consultant Cardiologist in 1998. His recent appointment as a visiting professor accentuates his commitment to develop education and research into cardiac devices. Professor Nikhil Patel becomes our second Professor alongside Professor David Howlett. We are committed to providing opportunities for clinical research and development. Developing a research active culture brings a host of benefits for patients, clinicians and the NHS. It drives innovation, gives rise to better and more cost effective treatments, creates opportunities for staff development and encourages the recruitment of talented professionals.

Local Stroke Services highlighted as one of the best

Our stroke services were highlighted in a Stroke Association report for being one of the best in the country. The report compared stroke services across the country in key performance areas. It rated our service as the quickest for scanning suspected stroke patients within one hour (81%) and fourth best in the country for scanning within 12 hours (98.2%). The report also had local services the fifth best in the country for admitting patients to a stroke unit within 4 hours (80.5%). In July 2013, stroke services across East Sussex consolidated to provide both hyper acute and acute stroke care on one site at Eastbourne DGH. The Stroke Association report is further evidence that the consolidated stroke service is helping to save and improve more lives.



ESHT 2020

Our journey to be outstanding by 2020

In 2016 we developed a framework of objectives and actions to support us in becoming a high performing organisation. The framework encompasses five key areas of focus aligned to our strategic objectives

- **Quality and safety**

Provide high quality clinical services that achieve and demonstrate optimum clinical outcomes and provide an excellent care experience for patients. Safe patient care is our highest priority.

- **Leadership and culture**

Involve our people in decisions about the services they provide and offer the training and development they need to fulfill their roles. We respect and value all our employees.

- **Clinical strategy**

Work closely with commissioners, local authorities, and other partners to prevent ill-health and to plan and deliver services that meet the needs of our local population in conjunction with other care services. We believe in working in partnership

- **Access to services and operational delivery**

Deliver our services efficiently and effectively, diagnosing and treating patients in a timely way to optimise their health. We all have a role to play in delivering excellence.

- **Financial control and capital development of our facilities and infrastructure**

Use our resources efficiently and effectively for the benefit of our patients and their care, and to ensure our services are clinically, operationally, and financially sustainable. Clinical quality and financial good health go hand in hand.

Strategic plans for each clinical specialty have been developed that focus on what 'Outstanding' means for each service, how we will know we have achieved this by 2020/ 2021 and the opportunities and challenges that we need to prioritise to achieve this vision.

Key issues and risks facing the organisation

The principle issues and risks facing the organisation during 2016/17 are outlined below.

We remain in quality special measures following our CQC inspection in October 2016. Significant improvements were noted by the regulator but there is still more to do. CQC 'should' and 'must' dos are being addressed and there are programmes of work in place for Urgent Care and End of Life Care. A robust governance framework is in place to monitor and assure progress of implementing the actions.

We have a number of risks in meeting contractual and constitutional standards; most notably the achievement of the A&E standard that 95% of patients should be seen, diagnosed and treated or discharged in under four hours and that patients should wait no longer than 18 weeks from GP referral to treatment. The Trust is working with the wider health economy to develop solutions and a number of actions are in place to improve performance. These include focus and programmes of work around A&E management, development of a new medical model and improved discharge.

Our emergency departments require reconfiguration to support effective patient assessment-treatment time and subsequent discharge to other specialist/bed areas. The Department of Health confirmed in April 2017 that Conquest Hospital and Eastbourne DGH have been allocated £985k and £700k respectively.

This money will be used to build facilities to provide primary care streaming for patients who arrive in our emergency departments with minor illnesses and conditions. A funding bid has also been submitted for the wider Urgent Care Programme which, if

successful, will support the development of the Departments.

There are future staff shortages in some areas due to an ageing workforce and changes in education provision and national shortages in some specialties. This presents a number of challenges in effectively managing vacancies and appointing to "hard to recruit specialties" for example A&E consultants and middle grades and histopathology staff. We are addressing this through innovation in recruitment activity and the creation of new roles such as doctor's assistants and Physician Associates.

Throughout the financial year there were concerns over the provision of patient transport services when a new provider took over the services. The service problems had a detrimental impact on patient care and experience and there was increased non-attendance rates and loss of procedure time due to failure to collect patients and late arrivals. We worked closely with commissioners and also put in place our own contingency plans to minimise the impact on our patients. A new provider took over in March 2017 and the service has improved and is being monitored.

As outlined in this document, our financial position is challenging and we reported a deficit of £43.792m for 2016/17.

The organisation was placed in Financial Special Measures in October 2016. A financial recovery plan has been developed and we are being supported by NHS Improvement and a newly appointed Director of Financial Improvement to assist us in delivery of this.

Performance summary

A number of challenges exist in respect to achieving referral to treatment timescales and A&E performance.

During the year the Trust experienced increased operational pressures; notably a 2.2% increase in primary care referrals and A&E attendances were up by 4.6%, particularly those arriving by ambulance.

In addition, there were more than 1,000 more admissions to the hospitals than last year, with the biggest increase being in the number of day cases.

The increase in the number of attendances and patients contributed to a decline in the performance of the A&E 4 hour standard of 95% from 88.1% last year to 80.3% this year.

A number of key actions have been implemented including better directing of patients in A&E and improved triaging processes. For elective care, despite an increase in the number of elective admissions, the number of patients waiting more than 18 weeks increased in comparison to 2015/16.

The increase was mainly seen in the first part of the year with an improvement in performance from November onwards.

Referrals for patients on the 2 week wait cancer pathway increased by more than 12% although the Trust has consistently met all the cancer targets with the exception of the 62 day wait.

This increasing demand is compounded by skill shortages in some specialties. The Trust is implementing recovery plans and targeted recruitment campaigns where required and working with commissioners to develop a system wide approach to improving performance. The Trust has

additional resources in place to support patient flow and has been supported externally by the Emergency Care Intensive Support Team.

Going concern assessment

The Trust has prepared its 2016/17 Annual Accounts on a going concern basis. After making enquiries the directors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future.

Continuity of service provision in the future can be demonstrated by signed contracts and future commissioning intentions with commissioners and through the financial and operational plans described in the Sussex and East Surrey Sustainability and Transformation Plan.

Access to cash continues to be available through application to Department of Health via NHS Improvement from the Independent Trust Financing Facility. For this reason they continue to adopt the going concern basis in preparing the accounts.



PERFORMANCE ANALYSIS

QUALITY AND SAFETY

A number of projects have supported the delivery of our Quality Improvement aims.

These projects are more fully detailed in our Annual Quality Account and have included:

- Reduce patient falls
- Reduce hospital acquired pressure ulcers
- Improve the End of Life Care Pathway
- Improve awareness, identification and treatment of patients with Sepsis.

Mortality

Despite new technology and medical breakthroughs of recent years, people do die in hospital – every day, every month and every year.

Most of the time, these deaths are unavoidable – the consequences of major trauma such as road traffic accidents, as well as other serious conditions like heart attacks.

Some people die because their illness is incurable; yet others have just come to the end of their natural life and the most important thing is that they have a dignified and respectful death, ideally at home surrounded by their loved ones.

We measure mortality rates as they help us better understand the risks of hospital treatments for individual patients, changes in patterns over time can pinpoint where improvements may need to be made.

They can also help those people wishing to make a choice about the hospital where they may want to have their treatment. Accurate mortality data matters – to doctors and nurses, as well as to their patients.

When it comes to measuring mortality rates, there are three main statistics used:

- Crude mortality rate - produced locally by the Trust itself
- Hospital standardised mortality rate (HSMR) - published nationally by Dr Foster Intelligence.
- Summary hospital-level mortality indicator (SHMI) - published nationally by the Health and Social Care Information Centre (HSCIC)

Our Clinical Outcomes Group and the Clinical Effectiveness Group continue to drive the reduction in mortality metrics through tracking specific clinical outcomes and investigating potential outlier conditions to provide assurance that safe and effective care is being provided.

Our mortality metrics are within the expected ranges and we aim to undertake reviews of all deaths that happen whilst patients are in our care.

Analysis of main causes identifies pneumonia as the highest cause.



Safe staffing

We continue to review the usage of e-rostering to ensure that there is adequate central support available in recognition of the fact that effective rostering ensures adequate and safe staffing on our wards.

Twice yearly establishment reviews have continued to be carried out which have resulted in increases in staffing numbers where necessary in order to ensure we have sufficient colleagues to deliver safe patient care.



We continue to have difficulty in recruiting staff to some areas within the Trust including Medical (Doctors and Consultants) as well as Registered Nurses. This reflects the national position of shortages in these areas. We continue to recruit from both the EU and Internationally for these posts, in order to meet our requirements.

We have also carried out workforce reviews to establish and create new job roles to provide support for both Doctors (Doctors Assistants) and Matrons (Matrons Assistants). Both these roles release colleagues to spend more quality time with patients by covering the administrative aspect of the positions. We will continue to examine the option of new roles within the Trust to support patient care.

Governance

We are committed to ensuring we continually learn from past events, fully adopt evidenced based standards and policies of safe practice and ensure operational resilience for the future.

To facilitate this the Trust's governance structure has been strengthened and a review of committees and groups undertaken, to ensure clear lines of accountability and escalation processes for managing and delivering on concerns and celebrating success.

Reporting and monitoring systems have been revised and enhanced to ensure that we deliver robust and timely investigations of incidents with clear tracking from actions and testing they are embedded in practice. We previously had a backlog on the completion of serious incidents and this was cleared by October 2016 and has remained within the timescales for all investigations.

The quality of these investigations, subsequent findings and resultant actions has improved our learning from events. Although not fully resolved, our previous delay and backlog in responding to patient experience through complaints has continued to reduce significantly to now provide timely feedback with identified actions tracked on our monitoring systems. The CQC noted the improved governance across the Trust following the October 2016 inspection.



Patient and Public Involvement

We will only achieve our 2020 ambitions by engaging those members of the public and patients who are affected by the care we provide.

By working together, we can develop services that are better targeted, more effective and more likely to meet the expectations of the people who use them.

We continue to take forward work that measures, reports and improves patient engagement and experience and actively involve patients and the public in this process. Our intention is to ensure that the involvement of patients and families in making improvements to our services, becomes part of everyday practice.

We have organised departmental open days, and have played a more active role within the community, speaking at a number of public facing external meetings, introducing local people to the work of the trust and answering their questions. Following the Big Conversation events we are developing a three year public engagement strategy and annual implementation plan to take this work forward.

As part of the East Sussex Better Together Alliance, we have held joint workshops and events with members of the public asking them about their expectations of care services in East Sussex, what matters to them and how we can better engage them in our work.

Our patient experience team continues to support individual services in engaging with service users, carer groups and staff, A public engagement event was held where we sought feedback on the proposed Quality Account Priorities for 2017/18. As part of our Friends and Family Test, our

scores for both patient experience and our overall score from patients saying that they would recommend our services, have improved from 93.23% in 2015/16 to 94.45% in 2016/17.

We have continued to implement our 4C approach (Complaints, Concerns, Comments and Compliments) to enhancing patient experience. This includes having systems and processes in place to effectively address all of these issues. We have developed a robust system of monitoring the NHS Choices and Patient Opinion websites and welcome feedback via these routes. We have received a higher number of positive comments on these sites during 2016/17 than we did during the previous year.

We have increased our engagement with the public and patients especially by involving members of Healthwatch East Sussex within our Patient Experience Group to understand the issues and shape the work required for the year ahead to deliver on further improvements.



Healthwatch

Healthwatch East Sussex made a commitment to local people that it would provide opportunities for patients and members of the public to be actively involved in the scrutiny of their local acute and community trust.

This commitment to strengthening patient and public involvement involved:

- The recruitment of approx. 50 volunteers from across the county to support the trust's Improvement Plan
- Engaging with over 750 patients about the quality of care they received, including engagement activities over two 24 hour periods
- Unplanned visits to surgical wards
- Speaking and listening to over 300 women's views about their experiences of using local maternity services; and
- Distributing leaflets to patients and visitors informing them about how to give feedback on the care they receive

This activity has been supported by staff from Healthwatch East Sussex attending a range of meetings to ensure patient feedback remains at the heart of the Trust's improvement agenda. We have also engaged with wider partner and stakeholder networks, making sure quality assurance systems and processes are robust and reflect the best interests of local people.

Our involvement with the Trust on this part of their journey was very positive and we extend our thanks to all the staff for their cooperation and support in delivering innovative approaches to patient engagement. We look forward to the next phases of work as the trust continues its improvement priorities for patients in hospital and in the community.

Julie Fitzgerald, Director
Healthwatch East Sussex

During 2016/17, Healthwatch undertook a programme of 'Enter and View activities'. These included:

Special measures, to special moments - an overview of maternity services

It was really important for us to have an independent review of maternity services and Healthwatch East Sussex (HWES) were asked to gather the views of women and their families who use local maternity services as part of an ongoing support package for the Trust. Trained volunteers visited maternity services, and spoke directly with 50 patients and/or their partners about their experiences noting their observations of the service over a three day period.

Notable observations and findings were that women on both units at the time of the visit shared mostly positive experiences about their interactions with nursing and midwifery staff. The midwife led unit at Eastbourne was very highly rated by women and their partners, and described by some as a 'gold standard service'. Areas for improvement were also identified, which will be focused on in 17/18.

24 hours in East Sussex acute hospitals, the patients' view

Healthwatch were asked to visit the Trust for a 24 hour period to observe and feedback to us about how patients saw our services throughout the day. Healthwatch East Sussex volunteers, trained as authorised representatives, spent 24 hours in both acute hospitals in April 2016, and again in November 2016. They talked with patients, carers, relatives and some staff to gather their views and experiences. They asked people to rate the care and treatments they received, about whether their care met their expectations and how well they were communicated with.

Notable observations and findings were that patients' and relatives' experiences of care during the 24 hours were largely

reported in a complimentary and positive fashion. Authorised representatives' observations of care during the 24 hours were also positive and complimentary. Areas for improvement were also identified, which will be focused on in 17/18.

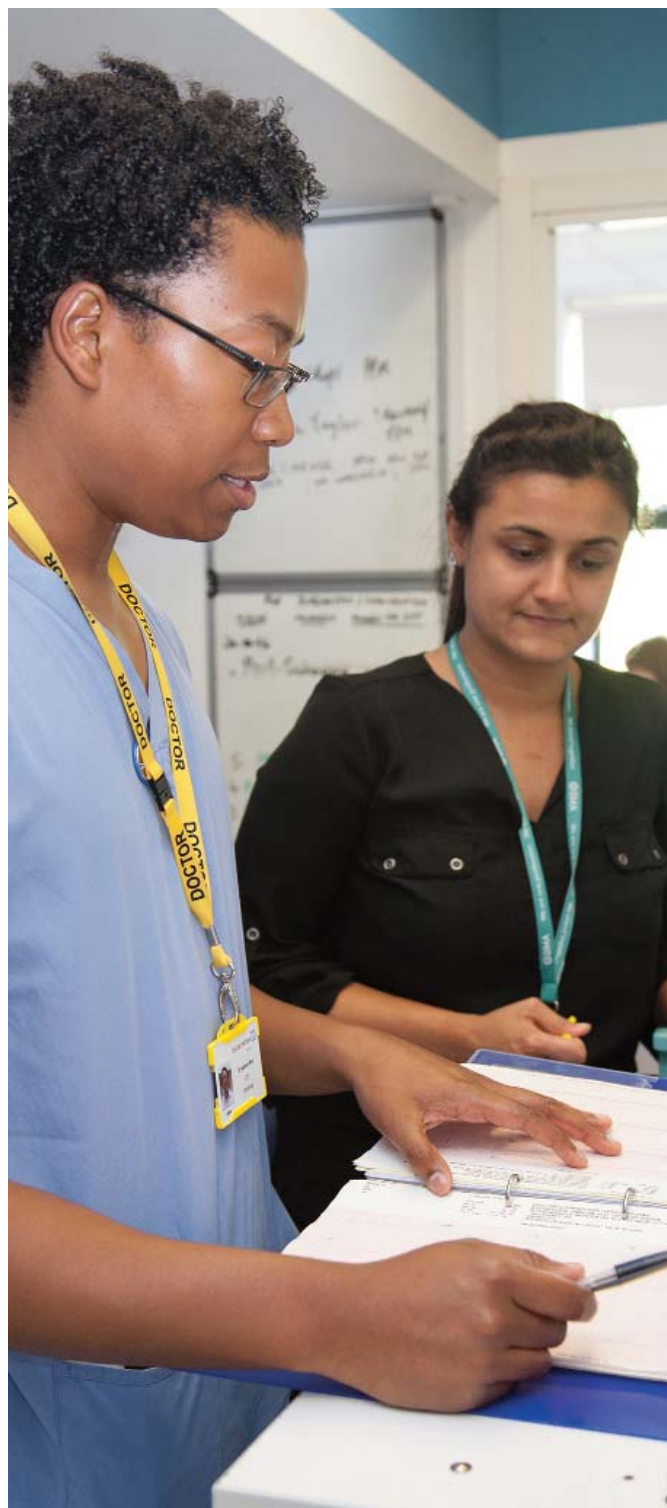
The Pathway to Urgent Care - Turning Up Where The Light Is On

HWES planned a short activity, conducted over a two week period by HWES volunteers, to undertake a series of short, semi structured interviews with patients, using a questionnaire to gather their views and experiences. This was completed over a two week period in August 2016, with volunteers attending urgent care departments between 10:00 - 22:00 every day, including on weekends and a bank holiday. A total of 623 people took part across the major Accident & Emergency Departments (A&E), Minor Injury Units (MIU) and Walk In Centres (WIC).

The supplementary information and elements of the questionnaire showed that less than 15% of people were found to have been waiting for more than 2 hours across all departments. Many people commented positively about their interactions with the staff and their treatment in the A&E departments. For MIU, all comments received were positive, with those relating to staff being the most significant in number. In conclusion, many people had a positive experience when they arrived at an urgent care department within East Sussex Healthcare NHS Trust. Areas for improvement were also identified, which will be focused on in 17/18.

The Trust would like to acknowledge the time and effort that has been put into this valuable programme and for the subsequent constructive reports presented to the Trust. We thank all those who participated in the development of this programme. These reports acknowledge that whilst there has been improvement in our services we still have further work to do.

A critical part of this will be for the Trust to continue to work with Healthwatch on gathering and responding to feedback on our services. We meet with Healthwatch on a monthly basis and we are very grateful to them for the commitment and support that they provide. This helps us to provide a more meaningful and positive patient experience and patient environment.



Care Quality Commission

The CQC inspected the acute services of the Trust (Eastbourne District General Hospital and Conquest Hospital) in October 2016 and reviewed services against the five domains of safe, effective, caring, responsive and well-led.

The reports were published in January 2017 (available at www.esht.nhs.uk/about-us/cqc-report/) and they recognised significant improvements since the previous inspection in 2015. The CQC rating moved from 'Inadequate' to 'Requires Improvement'.

The CQC gave the organisation a total of 112 ratings; these included 58 'Good' ratings and 2 'Inadequate' ratings for the Safe domain of Urgent Care on both sites. Within the reports the CQC commended 15 areas for outstanding practice. The reports also identified some areas where further improvements were required and included two 'must do' actions, relating to play services in paediatrics and staffing in the A&E departments and 35 'should do' actions.

Improvements identified during the inspection included:

- Improved surgery at all hospitals, with services at both Conquest Hospital and Eastbourne DGH upgraded to 'Good' overall from 'Inadequate'.
- All services rated 'Good' for caring, with very positive feedback from patients with respect to the caring nature of staff.
- Improved leadership with a coherent and consistent view of strategic, operational issues and risk.
- A 'transformed' organisational culture
- Significant improvements in out-patients and clinical administration.
- Critical care rated as 'Good' across the organisation.
- Improved infection control and cleanliness with significant improvements

in hand hygiene compliance across the Trust with the organisation noted as a largely clean environment

- Maternity services rated as 'Good' for caring and well led having previously been rated as 'Inadequate' overall.

There is a robust programme of work and governance framework in place to support delivery of continued improvement. The improvement plan is reviewed both internally and externally at monitoring meetings with key stakeholders. The Trust remains in special measures until improvements are seen to be fully embedded, and as a result will benefit from ongoing support.



We know there is a great deal more to be done in all areas of quality and safety to ensure we deliver the aim of becoming rated as an outstanding organisation by 2020 and the plan for this is detailed within the Patient Safety and Quality Strategy.

The Risk and Quality Delivery Strategy for the organisation outlines the structure and systems to deliver this. One of our greatest challenges is to manage effective patient flow through the organisation to ensure the specific clinical pathway/patient journey ensures timely investigation, treatment and appropriate discharge without delay to the most suitable place once hospital care has been completed.

This is integral to our 2020 strategy and requires work within the organisation and collaboration with external partners.

CULTURE AND LEADERSHIP

Celebrating our Staff Achievements

We have worked hard to celebrate and share individual and staff achievements during the year.

The introduction of #OurMarvellousteam by our communications department has been a great way to hear about the work of the teams across the organisation.

Alongside the Trust awards we have held a number of celebration events recognising the work of staff and volunteers. These included the Unsung Hero week, showcasing the work of staff who work behind the scenes, International nurses day, a Volunteer celebration event and Mentorship awards.

Clinical Leadership

We are committed to placing clinical leadership at the forefront of our organisation, and improving communication, decision making and accountability.

Following feedback about our clinical unit structure we evolved the existing structure into the following Clinical Divisions:

- Medicine
- Diagnostics, Anaesthetics and Surgery
- Women's, Children's and Sexual Health
- Out of Hospital
- Emergency Care will remain a Clinical Unit pending further review.

Each Division is led by a leadership team comprising the medical Chief of Division, General Manager, and Assistant Director of

Nursing. The Out of Hospital Division is headed up by a broader management team, chaired and led by the General Manager and includes a Senior Medical Adviser and Senior Nurse.

We have also strengthened the operational management of the two hospitals and surrounding support services by establishing a Hospital Director at each main site supported by an Associate Medical Director and Deputy Director of Nursing. Newly appointed Specialty Leads have led to increased accountability and significantly strengthened medical leadership under the medical Chiefs of Division.

#ourmarvellousteam

“

The Out of Hospital teams - This Division is demonstrating how using social media is supporting cross team health and well-being. Competition and conversations are happening on @ESHT_OOH twitter across the county showing the positive and creative attitudes of our truly marvellous teams! The teams themselves are creating and growing a sense of togetherness and support that is growing by the minute. We are so proud of the teams joining in with the spirit of our Out of Hospital Olympics. They have also been sharing good news stories in their teams and this is what makes coming to work so much more enjoyable.

”

STAFF DEVELOPMENT, ENGAGEMENT AND WELLBEING

Clinical Education and Learning and Development

We continue to work closely with Health Education England (Kent, Surrey, and Sussex) who have supported and funded the majority of our externally provided training.

We commission professional education placements at our local Higher Education Institutes (HEIs), and also ensure that the skills and knowledge of our workforce are maintained and developed through providing continuous professional development.

During the year we have aligned our education provision with service need and divisional business plans. We have been working with East Sussex Better Together to support the development and training for new roles within health and social care and ESHT.

Internally, we have provided induction training for all new staff including additional induction programmes for health care assistants and overseas nurses to support our recruitment drives in these areas.

A range of mandatory training opportunities are continually provided for staff with a range of role specific training options. Ongoing training has been provided for overseas nurses to support them in their roles and ensure that they achieve their Nursing and Midwifery Council registration.

We are achieving a success rate of over 90% with the completion of OSCE (Oral Structured Clinical Examinations) for the

overseas nurses. Mandatory training compliance is on an upward trajectory and the team are working closely to support the business units in maintaining and improving compliance.

Our established in-house programmes continue to be delivered and well received and during 16/17 we offered additional training identified by the Senior Management Team. This included Introduction to Coaching, Management Essentials Training, and Conflict Resolution Training for doctors.

In conjunction with the staff engagement team a new leadership programme is being developed for managers.



Achievements during 2016/17 include:

- Supporting new job roles in the organisation, such as doctors' assistants, for which the trust has been nominated for a national award.
- In preparation for the Apprenticeship Levy, which comes into effect from April 2017 we have worked with the business units to identify staff to undertake a range of clinical and non-clinical apprenticeship programmes. These staff were mainly from bands 1 to 4.
- During the year 27 staff commenced a non-clinical apprenticeship and 17 staff commenced a clinical apprenticeship.
- The apprenticeship role, supported by Health Education England through widening participation funding, has been very successful and a second HR post has been introduced to support the ongoing apprenticeship agenda.
- We have worked with the business units to provide team training that fits around the clinical commitments.
- An apprenticeship role in Learning and Development to support e-learning has been very successful and will continue for a further 12 months.
- A significant amount of additional bespoke training for staff undertaking appraisals was provided during the year in the form of a masterclass. This has supported the implementation of the new Appraisal policy and improved appraisal compliance.
- Significant preparation has been done towards the implementation of Clinical Supervision for nursing.
- Both the clinical education and learning and development teams remain focused and committed to providing support through education and training for the ESHT workforce.

**#ourmarvellousteam**

“ **Speech and Language Therapy**
- Everyone works together really well to do the best for our patients. We have excellent team spirit and high morale to help us through any challenging times. We have an excellent leader in Anita Smith. I am admin so I am here to support Anita and the clinicians – and they support me too. They are very appreciative of the input I give the team which makes me feel valued. I genuinely look forward to coming to work because of my colleagues. Their professionalism, skills and enthusiasm improve the quality of life for our patients. They get lovely plaudits, verbal and written that come back from patients. The initiatives they come up with and the team response to these for example our recent very successful Swallowing Awareness Day – Anita was responsible for setting it up but the whole team got behind the idea and contributed to a fantastic day of promoting awareness about how swallowing difficulties affect people and what help is available.

”

Staff Engagement and Wellbeing

Our goal is to be an organisation which provides care in which the people of East Sussex can be fully confident, and one which people are proud to work.

We know that if the people who work for us are engaged and involved then patient experience/outcomes are better

Our recent CQC inspection, Staff Survey Results, and the Staff Family and Friends tests demonstrated significant improvements in staff engagement during the past year. This has been further demonstrated by the results of the regular pulses surveys where we seek staff feedback

The improvements are a result of everyone working together to identify areas for improvement and solutions.

Following feedback from staff in last year's national staff survey we agreed to address three priorities. These were:

- improving communication between managers and staff
- developing a health and wellbeing service for our staff
- addressing areas where behaviours were not acceptable resulting in staff feeling undermined.

A number of pieces of work then followed:

- The introduction of a management essentials programme, championed by the Chief Executive, clarified expectations for all our managers in terms of staff engagement. This was further supported by the introduction of an engagement and communications toolkit to support managers in the engagement of staff.
- The clinical administration service commissioned a bespoke programme for all levels of leaders to focus on how they could improve staff engagement.

#ourmarvellousteam

“ The Infection Prevention and Control Team - During the last 3 months whilst I have been out of the Trust on secondment to another organisation the Infection Prevention & Control team members have worked together to deliver some significant service and quality improvements including; co-ordinated World Hand Hygiene day events including gain pledges from staff to commit to hand hygiene, improved the process for RCAs of healthcare associated infections (HCAIs), revised and implemented some key policies, developed a program of work, focused on strategies for prevention of infection, recruited new team members into new roles for development and held a successful one day conference for Infection Control Link Facilitators. Particular praise must go to Lesley Smith for taking on the role of Interim Lead ICN during this time but most importantly all the team members have demonstrated the improvements that can be achieved through the genuine and sincere application of all of the Trust values in everything they do. ”

- Increased visibility of our senior leaders through staff forums, regular events, quality walkabouts and regular visits to wards and departments. Staff have commented on how they have welcomed the opportunity to showcase their work
- Our staff wellbeing service has introduced a number of programmes to look after both the physical and physiological wellbeing of our staff. These include the introduction of health checks for staff between the age of 40 to 70, healthy weights programme, stop smoking surgeries, introduction of Pilates classes, emotional resilience and Schwartz

rounds. A monthly wellbeing newsletter is distributed containing a list of available activities, healthy eating recipes and tips and techniques to improve health and wellbeing.

- Work linked to our values and behaviours is ongoing to ensure that we demonstrate these during our everyday interactions with both the people who use our services and the people who work here. Staff are encouraged to raise concerns linked to undermining behaviour through their line management structure.

Each division has a staff engagement plan; linked to their own local priorities; many have made considerable improvements this year.

We continue to listen to staff feedback in a range of different ways including formal and informal meetings and engagement with the Joint Staff Committee, regular short pulse surveys to staff and Listening Conversations with our staff about areas where they would like improvements to be

made. Feedback from quality walkabouts by Board members is discussed at every Trust Board meeting. The Chief Executive holds regular "meet and greet" meetings with a range of different staff to hear their views

We have also continued to review how we communicate with staff. In September last year we developed the ESHT Vine which consists of over two hundred staff who help communicate and reinforce key messages through the theme of the week to their informal/formal networks

We continue to run a scheme enabling staff to bid for allocated charitable funds money which enables them to make small improvements within their departments that will make improvements to patient care or to their working lives. Examples include the development and publication of a guide for new fathers which explains about their baby's development, items for bereavement areas and improvement to the waiting areas at Hailsham Health Centre.



Staff Survey Results

The NHS Staff Survey has been carried out annually within NHS organisations since 2003.

The CQC use the staff survey as part of the ongoing monitoring of registration compliance.

The purpose of the survey is to collect staff views about working in their NHS organisation. The data will be used to improve local working conditions and ultimately to improve patient care. The survey has been designed to replace organisations' own annual staff surveys as well as those run by the Department of Health, and CQC reviews.

The survey is administered annually so that staff views can be monitored over time. It also allows for comparison of experiences of staff from similar organisations to our own, and to compare the experiences of staff in a particular organisation with the national picture.

46% of our staff took part in the survey which is above the average response rate for combined acute and community trusts in England and increase of 6% from the previous year. The responses of individual members of staff are entirely confidential.

Our priorities for 2016

Following the results of the 2015 survey, three priorities were set by our Board for 2016:

1. Improving communication between senior management and staff
2. Reducing bullying and harassment
3. Improving health and wellbeing of staff

It was encouraging to see that significant improvements were made in each of these areas.

The survey asks 30 multi-part questions which are grouped into 32 Key Findings (KFs). 24 KFs demonstrated a positive change, and no KFs showed a negative change since the previous survey. However, when compared to comparable Trusts in England 13KFs were average and 19KFs were below average.

We were extremely pleased to see the improvements that have been made in many areas of our staff survey results compared to those of the previous year, particularly as there is a direct correlation between staff engagement and patients' experiences and outcomes. We will work hard to build on the tremendous progress that has been made during 2016. The tables below set out some of the key findings from the staff survey.



Improving communication between senior management and staff

Area	2015	2016	Comparable Trust Average
Overall staff engagement (1 to 5, where 5 is best)	3.55	3.73	3.80
Good communications between senior management and staff (higher is better)	19%	32%	32%
Effective team working (higher is better)	3.62	3.78	3.78
Support from immediate managers (higher is better)	3.52	3.72	3.74

Reducing bully and harassment

Area	2015	2016	Comparable Trust Average
Those experiencing harassment, bullying or abuse from staff in the last 12 months (lower is better)	32%	27%	23%
Fairness and effectiveness of procedures for reporting errors, near misses and incidents (higher is better)	3.41	3.69	3.73
Confidence and security in reporting unsafe clinical practice (higher is better)	3.30	3.56	3.68
Those reporting most recent experience of harassment, bullying or abuse (higher is better)	37%	48%	45%
Those reporting most recent experience of violence (higher is better)	64%	69%	67%
Those reporting errors, near misses or incidents witnessed in the last month (higher is better)	87%	91%	91%

Improving health and wellbeing of staff

Area	2015	2016	Comparable Trust Average
Organisation and management interest in, and action on, health and wellbeing (higher is better)	3.33	3.61	3.61
Those working extra hours (lower is better)	72%	70%	71%
Those attending work in the last 3 months despite feeling unwell, because they felt pressured (lower is better)	66%	62%	55%

Other highlights

Area	2015	2016	Comparable Trust Average
Those agreeing that their role makes a difference to patients/service users (higher is better)	88%	89%	91%
Staff recommend ESHT as a place to work or receive treatment (1 to 5, where 5 is best)	3.36	3.63	3.71
Satisfaction with the quality of work and the care they are able to deliver (higher is better)	3.72	3.87	3.92

OUR VOLUNTEERS

We now have approximately 700 volunteers in service across our sites. Our service diagrams below detail where these volunteers are placed.

Over the last 12 months Volunteer services has transformed its training, recruitment and engagement in line with national guidelines. All our volunteers are now DBS checked, fully referenced and attend training which now includes safeguarding, equality and diversity, infection control, fire safety and manual handling.

We have established links into the community providing information and resources and enabling people wishing to volunteer an easy access to information.

The new 2017 SMILE magazine was produced and distributed which details our recruitment process in full and as well as being available in our hospitals is also available to view online.

The team have also set up a twitter account which is @ESHTVolunteers which provides updates and news. We also publish regular newsletters which all the volunteers receive.

We celebrate and value our volunteers at ESHT, each year our Long service awards take place for those that have reached milestones in their volunteering career.

At Christmas we held a thank you buffet at each site and these were well attended with over 100 guests at each one.

As part of national volunteer's week (June) last year we arranged 'thank you' lunches at each of the hospital sites as well as certificates for our volunteers, this year there are celebration events taking place at both Eastbourne and Hastings during Volunteers week.

We are now successfully placing volunteers in more supported roles throughout the hospital, responding to the changing face of volunteering and those seeking experience/ references etc.

New roles are being developed all the time but some of our roles currently being placed include

- Front of house reception and Wayfinding
- Patient Library and book sales service
- Hand-care Teams
- Ward and Division Administration
- Chaplaincy
- Hospital Radio
- League of Friends
- Pathology
- HSDU
- Breastfeeding Support
- Macmillan Counselling
- Cardiac Rehab
- Ward helpers

In 2017 we also sent our first annual 'Survey' to all volunteers giving them the chance to provide feedback and for us to address any issues or actions the results and actions are below.



How Are We Doing?

Thank you to all of you who completed and returned your annual surveys.

Your Views matter to us, we have followed up the comments made by some of you and actioned them. Aside from the annual survey you can always speak to your local teams for any suggestions or advice.

The Overall Satisfaction Rating for our service from 332 responses was

Not Satisfied	Neutral	Satisfied
2%	7%	91%

From the comments & feedback received we have also identified some areas for improvement

You Said	We Did
'It's sometimes difficult to access the volunteer services team'	We are a small team, often lone working back to back and covering 6 sites between us, we have ensured that our offices if closed explain our whereabouts, signpost you to our email (which all the team access even when offsite) voicemails (accessed daily) and ensured emergency contact numbers are also available.
'We did not receive regular updates from the volunteer team'	It became apparent that some of our volunteers were not receiving their newsletters, our next one is Easter 2017, we will do a physical delivery to all volunteer areas, a postal delivery to those unwell or on hold, and in areas such as chaplaincy and the Friends (DGH & Conquest) we will individually address them and deliver to the shops/ chaplaincy areas to ensure that they get to you

Becoming a Volunteer

The full recruitment process is outlined on our website: www.esht.nhs.uk/volunteers

Our volunteer services teams can talk you through the process and what's available. We always aim to be able to place most enquiries and if there is not a suitable placement we can refer onto one of the community agencies who can assist.

Contact details for the volunteer teams:

Eastbourne

Tel: 01323 417400 Ext 4880

Email: esh-tr.voluntaryservices-eastbourne@nhs.net

Hastings

Tel: (01424) 696955 Ext 8496

Email: esh-tr.voluntaryservices-hastings@nhs.net



Equality, Diversity and Human Rights

2016/17 has seen many positive changes across the organisation with Equality and Diversity being no exception.

The Trust's nomination as a finalist at the Health Education Kent, Surrey Sussex (HEKSS) Leadership and Innovation awards for being an 'Inclusive Leader' is a clear demonstration of our continued commitment to staff in ensuring that Equality is at the heart of all we do.

We continue to actively identify and remove barriers eliminating unlawful discrimination to ensure that we provide equal access to Healthcare services, employment opportunities and any function delivered by the Trust.

During 2016/17 the Equality and Human Rights Department have implemented many equality initiatives and engagement events that have ensured people's needs are at the heart of service delivery, change, improvement and development. Some of the highlights of 2016/17 include:

- The Trust has welcomed the new 'Accessible information Standard' with implementation across the organisation well under way. This standard has assisted the Trust in developing a streamlined process for ensuring people with a communication barrier, arising from a disability, have access to the support they need.
 - A new contract for the supply of interpreting and translation services commenced in September 2016 which has provided easy access to instant telephone interpreters, face to face interpreters and translated material for patients who do not use spoken English as their primary communication method.
 - Communication boxes containing many resources for patients, carers and service users with communication needs were delivered to the elderly wards at Bexhill, Conquest and Eastbourne hospitals. The boxes included digital listeners which help to support elderly patients with reduced hearing to be fully involved in their care and decisions about their care as well as improving social interaction.
 - Staff involved in organising or using interpreters were provided with training on working with interpreters and using the new system. Training is also included in induction training for all new staff in patient facing roles.
 - Two new staff networks were formed; Lesbian, Gay, Bisexual, Transgender and any non-conforming (LGBT+) member of staff and Black and Minority Ethnic (BME) staff. The networks aim to provide a safe place for staff to seek support, meet people with similar interest, raise awareness, identify training and development opportunities.
 - A staff disability network is currently being developed. The first meeting will take place in summer 2017.
 - Project Search continued to work with local colleges providing internships for young people with learning disabilities.
 - Equality, diversity and human rights training continued to be rolled out for doctors, nurses, therapists, ancillary and administrative staff to support the development and spread of inclusive practices.
 - Tailored equality, diversity and human rights training delivered to clinical units to support staff in meeting the needs of their patients, carers and service users.
 - Sexual Health continued to promote support for Lesbian, Gay, Bisexual and Transgender (LGBT) patients, carers and service users with drop in clinics and male only weekly clinics.
 - Successful retention of the Disability Positive Employer ("two ticks") status which recognises our commitment to supporting disabled job applicants, including through a guaranteed interview scheme.
-



- EDS2 continued to enable us to meet our legal obligation to eliminate unlawful discrimination, advance equality of opportunity and to foster good relations, as per the Equality Act 2010.
- Equality impact assessments continued to be carried out by all staff, ensuring equality and diversity continued to be embedded within each policy document and that each protected characteristic is assessed at every stage, ensuring 'due regard' is integral to every process.
- Health Visitors continued to support local migrants with access to interpreters and advocates to promote "Accessing NHS Services through the correct pathways", ensuring new migrants understand how to access NHS services appropriately
- The Equality and Diversity webpage continues to provide further communication resources to support The Accessible Information Standard and people who do not use spoken English as

their first language. Resources include an online form for patients to advise of their communication preferences; language identification chart, common phrases in many languages, bilingual appointment letters and the Hospital Communication Booklet which provides pictorial support.

#ourmarvellousteam

“ Cuckmere Ward - I have been nursing for 30 years but I have never worked such a genuinely supportive team, the patient is a 100% centre of everything they, this has to be one of the most stressful wards to work on yet the staff always manage a smile, a joke or a tear, but most importantly they all have each other backs, from matron to housekeeper they are one. ”

ACCESS AND DELIVERY

We are committed to operating efficiently and effectively, diagnosing and treating patients in timely fashion and expediting their return to health.

This commitment is underpinned by a number of Key Performance Indicators (KPIs) which are detailed below. They are monitored via various forums and accountability reviews such as:

- Weekly Patient Tracking List (PTL) meetings for Referral To Treatment (RTT), Diagnostics and Cancer performance
- Monthly Executive led integrated performance reviews with each Clinical Division. A performance report is presented at each of these meetings
- A Trustwide integrated performance report which is presented at Finance and Investment Committees and to the Trust Board
- Monthly Contract Performance reviews with the CCGs
- Monthly Oversight meetings with NHS Improvement

We have also introduced an Elective Care Delivery Board, a Cancer Care Delivery Board, an Urgent Care Delivery Board, and a Maternity Care Delivery Board. These committees are led by clinicians and oversee the cross-organisation operational arrangements to ensure the efficient achievement of operational standards for these areas of care.

An information suite provides managers and clinicians with monitoring information. It provides both historical and forward views which allow clinical units to monitor performance against KPIs. Examples of information that we monitor include live PTL booking data, daily clinic and theatre

utilisation data, live cancer performance and booking tools, Did Not Attend (DNA) rates and RTT performance.

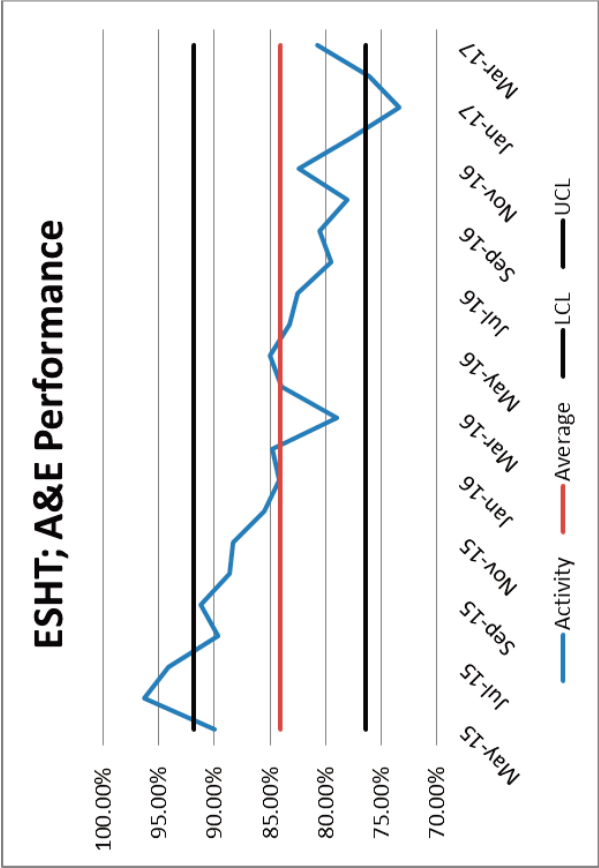
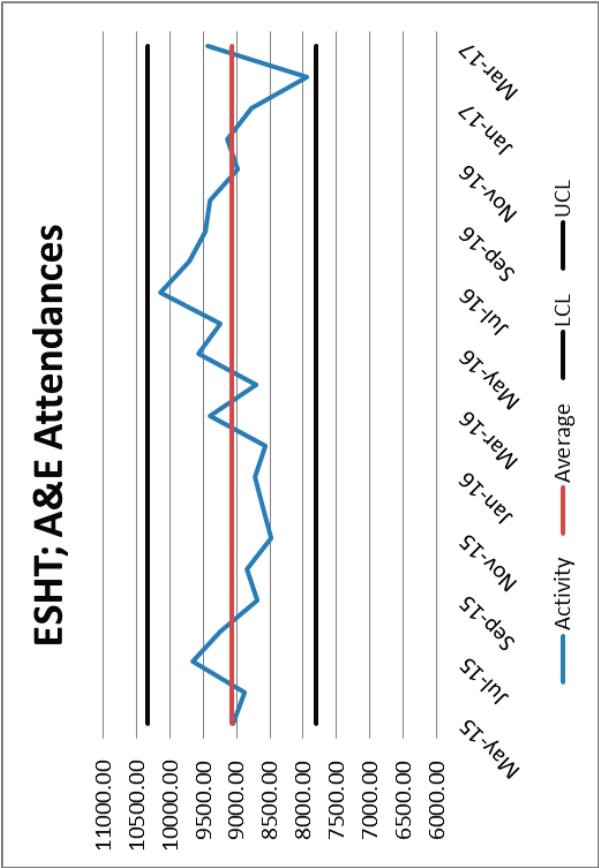


Access and Responsiveness: Emergency Department – 2016/17

Indicator Description	Target	Previous Months												Current Month		YTD		Trend
		Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Mar-17	Mar-16	Yr	Last Yr	
A&E Performance (4 hour wait)	95.0%	83.9%	85.0%	83.2%	82.6%	79.6%	80.6%	78.1%	82.4%	77.6%	73.4%	76.1%	80.7%	80.3%	79.0%	80.3%	88.1%	7.8%
A&E 12 Hour trolley waits	0	0	0	0	0	1	0	2	0	0	0	0	0	3	0	3	1	2

Commentary

- Year to date attendances are up by 3662 (3.3%)
- The Trust did not achieve the 4 hour target during 2016/17.
- Increased attendances, particularly for patients attending via ambulance has had a major impact.
- Recruitment to key posts within the Emergency Department continues to be challenging. As such, there has been a reliance on locum and agency staff to cover some vacancies.
- A number of initiatives are now in place to improve flow through the A&E department and the hospital. This will provide a greater opportunity to meet the 4 hour target.
- The Trust has stabilised the position over the final months of the year. Performance is now showing signs of improvement.



Access and Responsiveness: Referral to Treatment and Diagnostics – 2016/17

Indicator Description	Target	Previous Months												Current Month		YTD	Yr	Last Yr	Var	Trend
		Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Mar-16	Var					
RTT Incomplete (% achievement)	92.0%	90.2%	90.7%	89.5%	88.5%	87.5%	86.7%	85.7%	85.6%	85.6%	83.9%	80.3%	90.8%	90.5%	0.3%	88.2%	91.0%	91.0%	-4.8%	
RTT Backlog (number of patients waiting over 18 weeks)	M	2936	2931	3369	3791	4239	4534	4809	4714	4425	3243	3131	2680	2823	-5.1%	334530	303304	303304	-10.3%	
RTT 52 Week waiters	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	1	0	0	1	
Diagnostic performance (% patients waiting over 6 weeks)	1.0%	2.9%	2.7%	2.6%	2.2%	3.0%	2.5%	0.9%	1.6%	0.5%	0.9%	1.2%	1.4%	6.7%	-5.3%	98.1%	97.6%	97.6%	0.5%	

Commentary

- The overall aggregate score for the Referral to Treatment (RTT) Incomplete was 88.2% against a target of 92%
- The Trust did not achieve the Incomplete standard in 2016/17.
- The main challenges include increase in demand across the Trust (particularly 2 Week Wait referrals), together with reduced capacity due to emergency pathways.
- The Trust is working hard to increase capacity to reduce waiting times.
- Improvements have been seen month on month since November 2016
- The Trust reported one 52 week wait in January 2017.
- Diagnostic performance against the 6 week time standard has continued to be very challenging for the Trust, though improvements have been seen in the second half of the year. Increased capacity within Endoscopy service has contributed to improvements.
- Capacity within Cardiac CT and Ultrasound has limited further improvements.

Access and Responsiveness: Cancer – 2016/17

Indicator Description	Previous Months												Current Month Mar-17	YTD Yr	Last Yr	Var	Trend
	Target	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17				
Cancer 2WW standard	93.0%	95.9%	96.0%	95.6%	96.5%	97.1%	97.3%	97.1%	97.2%	98.7%	98.0%	97.1%	98.4%	97.2%	91.7%	5.5%	
Cancer 2WW standard (Breast Symptoms)	93.0%	90.0%	93.2%	96.5%	96.9%	95.9%	95.8%	95.9%	97.2%	98.2%	97.3%	95.5%	98.3%	96.8%	89.6%	7.2%	
Cancer 31 Day standard	98.0%	99.3%	98.5%	99.4%	99.3%	97.7%	98.1%	98.8%	98.7%	99.5%	98.3%	99.5%	98.9%	98.8%	97.6%	1.2%	
Cancer 31 Day subsequent drug treatment	98.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	0.0%	
Cancer 31 Day subsequent surgery	94.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	0.0%	
Cancer 62 day urgent referral standard	85.0%	79.4%	87.6%	88.3%	82.3%	76.3%	79.5%	72.8%	82.5%	78.3%	84.1%	76.8%	85.9%	76.5%	75.1%	1.3%	
Cancer 62 day screening standard	90.0%	42.9%	100.0%	88.7%	62.5%	100.0%	88.9%	85.7%	91.7%	100.0%	100.0%	92.8%	88.7%	88.0%	78.5%	9.5%	

Commentary

- Final Cancer performance for March will be published in May
- Urgent (2 Week Wait) referrals have increased over 10% from the previous year
- Despite this, the Trust has been able to achieve 2WW Cancer performance throughout 2016/17. This is a significant improvement from the 2015/16 position.
- The 'Live' Cancer PTL implemented by the Trust last year has ensured a greater focus on delays and is a major contributing factor to the improved position.
- The Trust has not achieved the 62 Day urgent referral standard in 2016/17

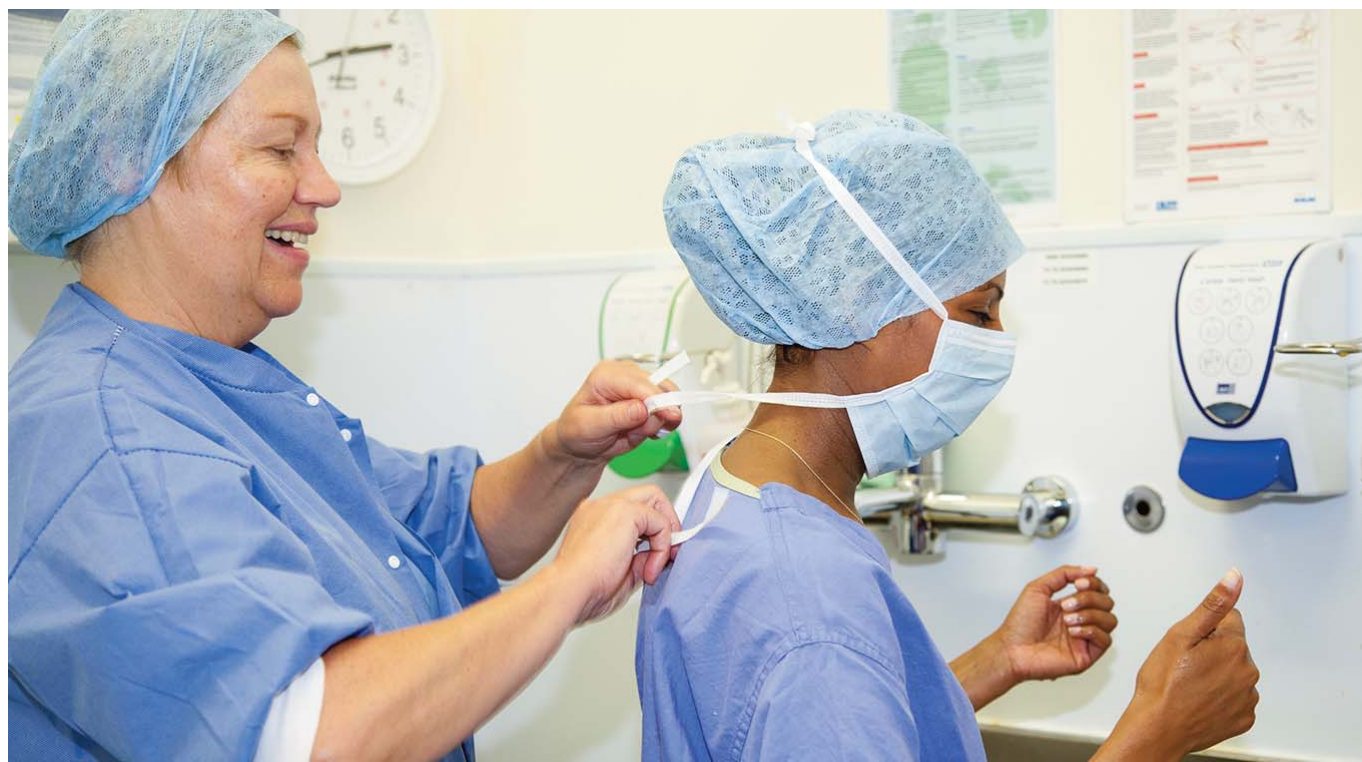
Activity and Effectiveness - 2016/17

Indicator Description	Target	Previous Months												Current Month				YTD	Last Yr	Var	Trend
		Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17							
Primary Referrals	M	9249	9047	9551	8859	9169	9205	8989	9328	7665	8726	8653	10151	9169	10737	108592	106195	2.3%			
Cons to Cons Referrals	M	1406	1422	2006	1648	1448	1500	1438	1480	1321	1516	1414	1773	1294	37.0%	18372	17327	6.0%			
First OP Activity	M	9853	9876	10839	9868	10708	10989	11653	12491	10844	10913	10870	11834	10076	17.4%	130236	122534	6.3%			
Subsequent OP Activity	M	23216	23403	24446	22052	23389	23933	22845	25167	21863	24699	23581	26561	23716	13.5%	285545	279171	2.3%			
New/PU Ratio	M	2.4	2.4	2.3	2.2	2.2	2.2	2.0	2.0	2.1	2.3	2.2	2.3	2.4	-0.1	2.2	2.1	0.0			
Elective IP Activity	M	598	697	666	715	649	670	682	717	619	642	644	716	627	14.2%	8003	7888	1.5%			
Elective DC Activity	M	3521	3839	4119	4036	4199	4207	3932	4184	3755	4086	3826	4430	3785	17.0%	48114	45259	6.3%			
Non-Elective Activity	M	4038	3772	3791	3879	3601	3663	3721	3789	3966	3719	3494	4075	4077	0.0%	45708	47015	-2.8%			
A&E Attendances	M	8715	9573	9239	10144	9711	9470	9397	8989	9136	8771	7951	9442	9398	0.5%	110538	106876	3.4%			
Admissions Via A&E	M	2357	2398	2363	2409	2302	2215	2381	2410	2020	2484	2241	2622	2433	7.8%	28788	28005	2.8%			
Ambulance Conveyances	M	2848	3068	2995	3133	3092	3051	3138	3163	3331	3223	2886	3166	3084	2.3%	37084	36370	4.8%			
Average LOS Elective	M	2.7	3.4	3.0	3.1	2.4	3.1	2.7	2.5	3.1	2.6	2.9	3.5	3.0	0.5	2.92	2.99	-0.1			
Average LOS Non-Elective	M	6.1	5.8	5.5	5.6	5.9	6.1	6.1	5.9	6.1	6.3	6.5	6.2	6.0	0.2	6.01	5.62	0.4			

Indicator Description	Target	Previous Months												Current Month				YTD	Trend
		Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17				
		M	3840	3902	3768	3982	3994	3975	4100	4157	4182	3997	4714	4281	4320	3840	Var	Last Yr	Var
Community Nursing Referrals	M	3840	3902	3768	3982	3994	3975	4100	4157	4182	3997	4714	4281	4320	3840	17.7%	38475	22.4%	
Community Nursing Total Contacts	M	34518	33662	35004	38021	33717	34998	32851	33544	33436	33070	38718	34092	37895	34518	9.8%	415488	1.8%	
Community Nursing Face to Face Contacts	M	19535	19125	20095	19520	19055	19684	18734	19426	19244	18956	20342	18508	21259	19535	8.8%	233916	0.2%	
% Patient Facing Time	60.0%	56.6%	56.8%	56.5%	54.2%	56.5%	56.2%	57.0%	57.5%	57.6%	57.3%	55.4%	54.3%	56.1%	56.0%	-0.3%	56.3%	0.1%	
Community Nursing ALLOS	42.0	26.2	24.5	23.1	20.3	18.6	19.0	17.7	15.7	14.7	13.7	10.9	8.8	5.6	26.2	-20.6	15.77	-15.6	
SALT WL <13 Weeks %	85.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100%	0	100.0%	0	
Podiatry WL <13 Weeks %	85.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100%	0	100.0%	0	
Dietetics WL <13 Weeks %	85.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	98.7%	100.0%	100%	0	99.9%	-0.00137	
MSK WL <13 Weeks %	85.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	98.0%	100.0%	100.0%	100.0%	81.0%	96.5%	100%	-3.5%	98.3%	-0.00036	
SALT Total WL	M	117	146	160	175	176	202	182	149	130	140	128	133	139	117	22	1860	690	1170
Podiatry WL Total WL	M	749	841	830	882	596	842	942	833	418	293	284	264	360	749	-369	7607	4204	3403
Dietetics WL Total WL	M	146	73	32	144	43	85	54	30	64	39	43	74	69	146	-77	730	1400	-670
MSK WL Total WL	M	211	101	101	116	1922	1922	105	1641	1265	1938	2087	434	2029	211	1818	13661	4201	9460
IP ALLOS (including Irvine Stroke Unit)	M	31.1	30.6	33.3	25.8	30.9	36.0	28.5	27.0	26.9	32.3	35.0	33.8	38.0	31.1	6.9	31.42	26.55	5.1
IP Activity (including Irvine Stroke Unit)	M	89	92	97	85	85	85	81	84	93	85	89	75	85	89	-4.5%	1016	1523	-49.9%

Commentary

- Both primary referrals and consultant to consultant referrals increased 2.3% and 6.0% respectively. The Trust has noted a significant increase in referrals for suspected cancer across all specialties.
- Primary referrals appear to have increased primarily within medical specialties. This is impacting significantly on RTT and diagnostic waiting lists, putting additional pressure on the ability of the Trust to meet these constitutional standards.
- Outpatient activity has increased across the trust. Initial and follow-up appointments are up 6.3% and 2.3% respectively.
- Elective activity has increased 1.5% against the previous year. Whilst a greater increase in activity would have supported further improvements in RTT performance, capacity challenges prevented this, particularly in the winter months. It should also be noted that day case activity has increased over 6% on last year, indicating a shift in some areas.
- Non Elective occupied beddays have stayed at similar levels to the previous year. The average length of stay for non elective pathways has increased, whilst non elective activity has reduced.
- In both EHS and HAR localities the community nursing referral rate remains significantly higher than expected.
- EHS Community Nursing teams are continuing to maintain a consistent response time performance in all categories.
- Face to Face contacts are increasing following a downward trend at the end of 2015/16. The community IT system, is now fully implemented in the community nursing teams. A number of initiatives have successfully ensured data input practices are following necessary guidelines. The result is a far more accurate dataset.
- Whilst length of stay remains above the standard, it has been adversely affected across all community sites by Non-Acute Delayed Transfers of Care. This is primarily due to patients awaiting packages of care prior to being discharged.



STRATEGIC DEVELOPMENT

We work closely with the local Clinical Commissioning Groups, the Surrey and Sussex Area team of NHS England, NHS Improvement and the Health and Wellbeing Board of East Sussex County Council.

We also continue to work closely with Brighton and Sussex University Hospitals NHS Trust, Sussex Partnership NHS Foundation Trust, South East Coast Ambulance NHS Foundation Trust, East Sussex County Council Adult Social Care, Sussex Police, East Sussex Fire and Rescue Service, NHS Direct and the local district, borough and county councils.

We are grateful for the support received from all these organisations during 2016/17. We particularly value the scrutiny role and support for the Trust and the wider local NHS provided by the local Health Overview and Scrutiny Committee of East Sussex County Council and Healthwatch East Sussex.

Over the last year we have continued our engagement with East Sussex Better Together, an Alliance of all those involved in health and care throughout East Sussex. By working closer together we aim to better meet the needs of the people of East Sussex by transforming health and social care, bringing together prevention work, primary and community care, social care, mental health, acute and specialist care. April 2017 marks the beginning of our shadow year to test out the most effective ways of working together.

The Alliance is made up of five local partners Eastbourne, Hailsham and Seaford CCG, Hastings and Rother CCG, East Sussex County Council, East Sussex Healthcare NHS Trust and Sussex Partnership NHS Foundation Trust.

We also work closely with GP practices and other organisations providing health and care to our local populations. Together we have already begun to make significant improvements in care pathways across health and social care, such as Health and Social Care Connect (HSCC) and integrated locality teams.

To allow for the transformation we are building a new model of accountable care – through the ESBT Alliance. We are working closely with commissioners and other providers to develop integrated care pathways across all specialties and undertaking a number of whole system pathway reviews which will ensure that only the processes that provide value to patients are in place and patients receive safer healthcare with fewer delays.

The Trust has also been fully engaged with the development of the Sussex and East Surrey Sustainability and Transformation Plan and have been actively contributing to the various work-streams including digital, workforce, finance and acute hospitals. The STP is clearly aligned to our local ESBT plans for place based care.



Chief Executive
1st June 2017

FINANCE

Important Financial Results

The following table shows a range of financial performance values taken from the accounts.

Accounts highlights	2016/17	2015/16
Deficit for year	(43,792)	(47,997)
Public Dividend Capital Dividend Payable	4,968	6,940
Value of Property, Plant and Equipment	237,135	231,172
Value of borrowings (including Loans)	93,215	39,198
Cash at 31st March	2,100	2,100
Creditors - trade and other	53,034	39,830
Debtors - trade and other	40,806	17,184
Revenue from patient care activities	339,788	323,874
Clinical negligence costs	13,286	12,078
Gross employee benefits	269,971	258,087

Better payment practice code	2016/17		2015/16	
	Number	Value	Number	Value
% of non-NHS trade invoices paid within target	26.28%	37.69%	57.26%	65.15%
% of NHS trade invoices paid within target	29.59%	79.57%	61.24%	83.67%

The Department of Health Group Accounting Manual sets out the interpretations of "going concern" for the public sector. An NHS body would not need to have concerns about its "going concern" status unless there is a prospect of services ceasing altogether. For the Trust there are no uncertainties in this respect as continuity of service provision in the future can be

demonstrated by signed contracts and future commissioning intentions with and from Commissioners.

Management have made an assessment of the Trust's ability to continue as a going concern considering the significant financial challenges faced by the Trust in 2016/17. Access to cash is available through

application to Department of Health via NHS Improvement, the value of the in-year deficit was drawn and additional exceptional working capital was applied for and utilised during the year.

Although these challenges represent a material uncertainty that may cast doubt about the Trust's ability to continue as a going concern, the Directors, having made appropriate enquiries, still have a reasonable expectation that the Trust will have access to adequate resources to continue in operational existence for the foreseeable future.

For the reasons above, they continue to adopt the going concern basis in preparing the accounts and the financial statements do not include the adjustments that would result if the Trust were unable to continue as a going concern.

#ourmarvellousteam

“

Eastbourne Town Health Visiting Team

- I began working with this team last week and they could not have been more welcoming. I can already see how efficient and organised they are. We have had open discussions regarding the way working with children and families in this team is going and I am very excited to be able to be a part of this going forward. Good management from team lead Helen. Very supportive of each other. Excellent learning and development opportunities offered to me. Respectful of each other's opinions.

”



OPERATING AND FINANCIAL REVIEW

In 2016/17, the Trust resolved to improve the underlying financial position for the organisation.

Having ended 2015/16 with a deficit of £48m, the Trust committed to a control total (a planned deficit) of £41.7m, £10.4m of national sustainability and transformation funding was available to the Trust, on delivery of both the financial plan and the national performance standards.

The Trust also agreed with clinical commissioners to move to a payment by results-based contract, moving away from the previous cap and collar arrangements. The change in contract arrangements was driven by a desire to improve the quality and robustness of reporting on patient activity and interventions, and this has led to an improvement in data quality across the Trust.

During the year, levels of activity and demand were significantly greater than planned. The Trust has made significant progress in the year, and has delivered a financial outcome which is an improvement on 2015/16, but was not in line with the aspiration at the start of the year. The financial statements for the Trust show an outturn operational deficit of £46.4m, and receipt of STF funding of £2.6m, leading to a reported deficit of £43.792m.

During the year, the Trust has made progress across a range of areas – performance against national targets is not yet meeting the required standards, but has improved over the past twelve months. Similarly, the CQC has improved its assessment of the Trust to ‘requires improvement’ from ‘inadequate’ following the October inspection. Significant investments in resourcing, quality and safety have been agreed by the Trust Board,

including increased substantive staffing, additional support for ward-based staff, minor improvements to the infrastructure, and investment in clinical support staff. This has created additional pressure on the constrained resources available to the organisation, but has been essential in starting the journey to sustainable and continued clinical improvement.

Over the year, the Trust’s financial position initially deteriorated, with the monthly ‘run-rate’ (the difference between income and expenditure) moving out to £6m deficit in month. As the financial position for the Trust started to improve, additional support was provided by the NHS Improvement Financial Special Measures regime, into which the Trust entered in October 2016.

The Trust remains within the FSM programme and receives weekly and monthly support and challenge to work towards an improvement in the overall sustainability of the organisation. By the end of the financial year, the underlying run rate for the Trust had improved by £3m/month - although this was predominantly through an increase in income rather than a decrease in cost, which creates affordability challenges for the local health economy – which is a testament to the focused work of staff across the organisation in seeking to manage within available resources.

A Trust with a significant deficit has additional challenges in managing cash flow, and this has created additional pressure for staff and suppliers throughout the last financial year. To support cashflow, the Trust has had access to a Working

Capital Facility (WCF) from the Department of Health (DH), which was used throughout the year to meet the cash impact of the deficit. During the year the Trust applied to DH for a series of loans to meet the balance of the Trust's cash pressures and these are fully described within the financial accounts. The level of cash borrowing available was not fully sufficient to address the underlying financial challenges for the Trust, and in consequence, the balance sheet shows a significant increase in creditors and payables.

Capital investment in the Trust has been constrained in recent years as a result of the financial position, which has adverse impacts on the experience for patients and staff. During the year, the Trust has been able to explore alternatives and additional forms of capital funding, including leasing and partnership funding.

This work will continue into 2017/18, and the Trust has developed a detailed capital plan which seeks to supplement the national challenges around availability of capital and to provide the much-needed investment in infrastructure, IT and equipment across the organisation. The Trust will be working with the Sussex and East Surrey Sustainability and Transformation Programme as part of the shared plan to ensure clinical and financial sustainability across local and regional health and care services.

The Trust continues to strengthen its working relationships with customers, suppliers, other NHS organisations and key supporters such as the League of Friends. The support of these organisations – and in particular, donations from League of Friends received throughout the year – have been invaluable to the Trust's patients and staff over the year.

Service Line Reporting and Patient Level Costing are key tools which are increasingly being used to engage clinicians in

improving understanding of cost drivers, profitability and for providing management with better information with which to make business decisions. In addition the Trust remains fully engaged in the Lord Carter review of efficiency that has been initiated by the DH.

The Board continues to gain additional assurance on financial matters through the Finance and Investment Committee, which ensures that all material financial risks and developments are closely scrutinised and that senior management is properly held to account for financial performance. Clinical representation at this committee helps to ensure that clinical quality and patient safety issues are always considered alongside financial performance and risk.

In addition to the scrutiny provided by the Finance and Investment Committee, key financial risks form part of the Trust-wide high-level corporate risk register, which is regularly updated and assessed by the Audit Committee and referred onwards to the Trust Board where significant risks are considered and acted upon.

Looking ahead the Trust has agreed and submitted to NHS Improvement a financial plan for 2017/18 in line with the control total deficit issued of £36.5m, excluding a proposal for STF. This is after planned cost improvements of £28.7m, which is a challenging target and for which plans are being developed.

The Trust's main contract with three local CCGs will be again based on national tariff, where applicable, without any 'cap and collar' arrangement. The Trust will initially use the interim WCF for its cash requirements in 2016/17 but this will need to be replaced with loan funding under arrangements yet to be advised.

The Trust is engaged in wider initiatives with a view to transforming the way services are provided. This includes

involvement in the 'East Sussex Better Together' programme across two local CCGs and the Sustainability and Transformation Plan (STP) being developed across Sussex and East Surrey.

Each director has confirmed that as far as he/she is aware there is no relevant audit information of which the Trust's auditors

are unaware and he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Trust's auditors are aware of that information.

Fundraising

We are extremely grateful for the efforts of a wide range of charities and individuals whose generosity supports our work.

Over the year £352,000 was donated or bequeathed to our charitable funds. We utilise this funding to improve our clinical services, enhanced patient outcome and contribute to the development and welfare of our staff.

We receive a huge amount of support from the Friends of our hospitals, and they have again been hugely supportive throughout the year. They have funded the purchase of equipment to improve the care and support that we are able to offer to patients throughout the Trust.

You can donate to ESHT's Charitable Funds in a number of ways:

- Online at www.esht.nhs.uk/donate
- Send us a cheque, addressed to Charitable Funds, St. Anne's House, 729 The Ridge, St Leonards-on-Sea, TN37 7PT
- Cash, via the Cashier's Offices at Conquest Hospital and Eastbourne DGH.

If you would like to support or become involved with the Friends please contact:

- Friends of Bexhill Hospital - Tel: (01424) 217449
- Friends of the Conquest Hospital - Tel: (01424) 755820
- Friends of Crowborough War Memorial Hospital - Tel: (01892) 664626
- Friends of the Eastbourne Hospitals - Tel: (01323) 417400 Ext: 4696
- League of Friends Lewes Victoria Hospital - Tel: (01273) 474153
- Friends of Rye Hospital - Tel: (01797) 223810
- Uckfield Community Hospital League of Friends - Tel: (01825) 767053

CAPITAL AND OUR ESTATE

Investing in our Estate

Capital investment during 2016/17 focused on four work streams:

- Adapting and improving the Radiology departments
- Clinical environment projects
- Reducing risks associated with backlog maintenance
- Enabling projects to facilitate future works in the Emergency Departments and the Front Entrances.

To overcome privacy and dignity issues we undertook a redesign of our two Radiology departments which enabled us to revise patient flows through the department by separating Outpatient and Inpatient waiting areas.

Projects that had a direct clinical focus during the year, supporting the focus on controlling the spread of infection or patient experience, included:

- Replacement of theatre lights.
- Provision of new flooring and doors within wards and outpatient areas.
- Refurbishment of exiting showers, wc and utility areas.
- Replacement of macerators.
- Refurbished nurse bases.

Additionally we invested capital in improving the non-clinical areas within the estate, for patients, visitors and staff.

Projects within the main entrance at the Conquest have seen new improved café and shop areas; this will be replicated in Eastbourne in the spring/summer of 2017.

The Conquest nursery was partially

refurbished and a new hot desk area was provided within the Eastbourne Restaurant, whilst an asbestos removal programme was implemented.

To improve our backlog maintenance issues, ten projects invested £2 million pounds in external envelope repairs and mechanical and electrical upgrades. The projects included:

- New roof finishes at both acute sites.
- Replacement boiler chimneys.
- Main circulatory pump replacements.
- Statutory works across eight statutory requirements including, legionella, asbestos and lifts.
- BMS replacements to improve energy usage.

All the above projects aligned with the aspirations set out within the Estates Strategy and importantly we have set the foundation for future works within the Conquest Emergency Department and Eastbourne front entrance area.



Patient Environment

Each year we are required to assess our facilities in line with national PLACE (Patient Led Assessment of the Care Environment) guidelines issued by The Health and Social Care Information Centre.

Inspections are carried out by a multidisciplinary in-house team, which also includes patient representatives from Healthwatch.

In 2016 additional inspection categories were added reviewing Organisation Food, Ward Food and Disabled Patient Accessibility. The full PLACE scores for the individual categories in 2016 are below.

The table below sets out full PLACE scores for the individual categories in 2016 with the national average for comparison. These scores show improvement on the 2015 scores especially in cleanliness where the Trust is above the national average for all sites except for Bexhill where it is slightly below.

A patient information video has been produced and is available to view on bedside televisions at the Conquest and Eastbourne DGH. This video tries to prepare patients for their stay in hospital by giving an insight into life on the ward, the types of staff that they will meet, the various facilities available and the importance of hand washing and infection control precautions for visitors and staff.



Site	% Cleanliness	% Food	Organisation % food	% Ward food	Privacy, Dignity and Wellbeing	Condition, Appearance and Maintenance	% Dementia	% Disability
Bexhill	98.04	76.99	80.05	73.42	71.09	92.51	71.69	71.68
Conquest	98.73	91.10	85.83	93.02	81.04	93.77	69.14	80.49
Eastbourne	98.66	88.21	85.83	89.23	77.57	93.22	67.67	77.95
Firwood	98.76	95.19	96.84	93.42	80.00	92.35	77.41	85.06
Rye	100	91.06	85.50	98.47	84.21	98.68	90.26	87.12
National average	98.06	88.24	87.01	88.96	84.16	93.37	75.28	78.84

Hospital Cleanliness

To better support service delivery we have implemented new staff rosters and made changes to a number of cleaning practices as part of a housekeeping modernisation plan supported by the Department of Health.

These reforms will help us to meet changes within our clinical strategy and to plan cleaning services to ensure that they are compliant with the National Specification for Cleanliness (NSC) 2007.

To ensure compliance with the NSC 2007 our NSC audit team carried out 3637 audits during the year and we achieved an average NSC score of 95.77% against the Trustwide NSC cleanliness target score average of 93.36%.

Weekly quality group meetings take place at Conquest Hospital and Eastbourne DGH to look at outcomes from NSC audits, and to address any issues. A monthly multidisciplinary meeting of the Patient Environment Audit Monitoring group looks at overall standards of cleanliness.

Large pieces of cleaning equipment were introduced into numerous areas within the organisation as part of the modernisation of housekeeping enabling housekeeping to provide better quality and a more efficient cleaning service. We also continue to engage with housekeeping staff through our Productive Cleaning Workshops to improve procedures / equipment in line with staff feedback and service requirements.

We are committed to maintaining our Intensive and Rapid Clean Service which operates 24 hours a day in order to facilitate specialist cleaning, enhanced decontamination cleans and Hydrogen Peroxide Vapour (HPV) treatment which help to reduce the number and spread of infections.

There is a 24 hour cleaning presence within both Conquest Hospital and Eastbourne DGH Emergency Departments, and increased cleaning hours within the main operating theatre suite at Conquest Hospital to support the higher patient activity and ensure that the environment is clean and maintained to the highest standards.

We continue to develop the ward housekeeping roles at both acute sites to support nurses in providing care to patients and aim to improve patient experiences by having fully trained lead housekeepers liaising with Ward Matrons on standards of cleanliness and nutrition.

Staff received additional training during 2016/17 on core cleaning standards and this has been embedded as part of an annual training programme for all housekeeping staff to ensure that they maintain and update their knowledge on a regular basis.



Patient Catering

The level of patient satisfaction continues to be high with in excess of 95% of patients who were asked about catering indicating that they were happy with the quality of food provided.

All patients were extremely satisfied with the level of choice available to them.

Our extended choice menu range continues to be extremely popular and provides a choice of over 16 hot main meal dishes, five hot light bite options (including 10 meat dishes, two fish dishes and seven vegetarian dishes, two of which are suitable for vegans). It also includes a range of salads and sandwiches, along with a range of hot and cold desserts including fresh fruit options.

The menu is refreshed every six months to reflect winter and summer variations.

To help us to decide which dishes are available on our menus, we work closely with Dietitians, Speech and Language Therapists, Ward Co-ordinators and Patient representative groups.

An extended choice menu for people requiring a texture modified diet, providing a range of dishes with different consistencies to support their special dietary requirements is also offered.

We have reviewed our specialist finger food menu and increased the choices that are available. This has been developed to support patients with dementia or those who are unable to feed themselves using cutlery but who still want some independence whilst eating.

The catering team are always happy to visit patients to discuss any concerns or ideas they may have in order to improve our services.



Site Safety

We do all we can to ensure that all visitors and staff are safe while they are in our hospitals and other buildings.

We have a proactive security culture which aims to keep our sites and all those in them safe. There is a regular cross-site security meeting and our quarterly newsletter 'Securitywise' is now in its 18th year.

We continue to work closely with local Police Officers and 2016/17 has seen several roadshows and exhibitions which have focussed on crime prevention and what staff can do both at home and at work to prevent crime. There have also been a series of counter terrorism training events run in conjunction with Regional Counter Terrorism Officers.

We have seen more sanctions and redress, which are positive indicators of good crime prevention, detection and investigation.

We have around 98 CCTV cameras and a number of stand-alone units. There are control rooms on both acute sites which manage the cameras along with a range of other alarms including those for medical gases, blood banks, lifts and fire systems. All staff wear an official identity badge with a clear portrait, name and job title. The badge integrates into our swipe card access system which manages and restricts movement across different areas of our sites.

Our car parks at Conquest Hospital and Eastbourne DGH have retained their accreditation under the national "Park Mark" scheme, recognising high standards of security and safety.

#ourmarvellousteam

“

Community Stroke Rehabilitation Service - Our team is unique in many ways, they are all kind caring and supportive of one another. They go above and beyond to help and assist clients. This is witnessed by myself on a daily basis while working as Administration Assistant within the service. We have a good lone working policy within the Community to help keep each other safe. Staff are supportive of each other both professionally and personally, and our team lead is a shining example of that. When an urgent matter of a client to be seen staff go out of their way to juggle work load and make it happen. They are all very good and adapting and changing to different situations. We are all good at listening and discussing lesson learnt and continue to improve our service on a daily basis. They are the best!!!. And I love and am extremely proud to be part of it.

”



EMERGENCY PREPAREDNESS, RESILIENCE AND RESPONSE

The Trust is subject to the requirements of the Civil Contingencies Act 2004, and has statutory responsibilities as a Category 1 responder.

As a Category 1 responder, we are required to have sufficient Emergency Preparedness processes, policies and plans in place, and are required to be able to show that these are updated regularly and exercised appropriately.

We are required to evidence that our staff are trained appropriately, according to the role and function they hold during major incidents or business continuity incidents. Our training is aligned to the National Occupational Standards (NOS) for Operational, Tactical and Strategic leaders. During the year we have undertaken training delivered by external trainers, to ensure the correct standards are attained.

Training and Exercising within the Trust must continue to be developed, so that the Trust is resilient 24 hours per day, 365 days per year.

The Emergency Planning practitioner establishment remains at 0.8 of a whole time equivalent which has continued to make it very challenging to ensure that Emergency Preparedness and Business Continuity Planning have been maintained across both acute and community sectors.

As a direct result the Trust compliance with NHS England EPRR Core Standards has dropped from 'Substantially' to 'Partially' compliant. It has continued to impact on our ability to ensure that staff have access to suitable training to enable them to respond effectively to both a Major Incident or a Critical Incident (Business Continuity).

Our Emergency and Business Continuity Plans have, where required, been reviewed and updated during the year.

The Trust remains fully engaged with the Sussex Resilience Forum (SRF) and has participated in exercises at both a Regional and local level during the year. The Trust is represented at a number of working groups within the SRF as well as in event Safety Advisory Groups organised by Local Authorities across East Sussex.

We continue to enjoy a good working relationship with our multi-agency partners.



SUSTAINABILITY

East Sussex Healthcare NHS Trust is firmly committed to enhancing the sustainability of the healthcare services we provide to our local community.

To achieve sustainability we need to meet the needs of today without compromising the needs of tomorrow. In essence, sustainability is shorthand for effective management of our resources, both now and in the future.

Whilst there is understandably a strong focus on financial sustainability in the NHS at present, we believe that to be a truly sustainable organisation we need to recognise and take account of a broader range of resources upon which the Trust activity depends. In particular we acknowledge the Trust's impact on the natural environment as well as our relationship with our local communities, including our staff. We view these as complimentary objectives that together will directly support our efforts to deliver the best possible outcomes for our patients.

SUSTAINABILITY PROGRAMME GOVERNANCE AT ESHT

Our overarching sustainability objectives and priorities are defined by our Sustainable Development Management Plan (SDMP).

The plan was approved by our Trust Board in 2015 and sets out a programme of targets and actions to 2020. The SDMP also outlines the main drivers for this work programme for our Trust and, in doing, underlines the strategic value of the SDMP to our forward plans and ambitions.

The SDMP identifies seven key areas where we need to take action to ensure that the services we deliver are not only effective and efficient, but minimise our impact on

the environment and support personal health and wellbeing. The seven action areas are illustrated in the graphic below.



Each of the seven action plans has a nominated Trust lead and progress towards the objectives set is to be reported to our Board every six months. The Trust's Executive lead for sustainability is Jonathan Reid, our Director of Finance. Jonathan's role is to provide executive oversight of the plan, ensuring sustainability principles are fully represented in Board decision making and that the SDMP is effectively aligned to other key Trust strategies, programmes and plans.

In addition we carry out regular monitoring and reporting of our CO2 emissions and associated financial performance through a programme of monthly Key Performance Indicators (KPIs). These are also reported to our Board as part of our routine Trust assurance process.

ENVIRONMENTAL PERFORMANCE

SUMMARY 2016/17

In common with other NHS organisations, the primary metric we use to measure and report on our Trust's environmental impact is what we refer to as our carbon footprint (measured in tonnes carbon dioxide equivalent, or CO₂e).

Carbon dioxide (CO₂) is a known Greenhouse Gas that is strongly linked to Climate Change.

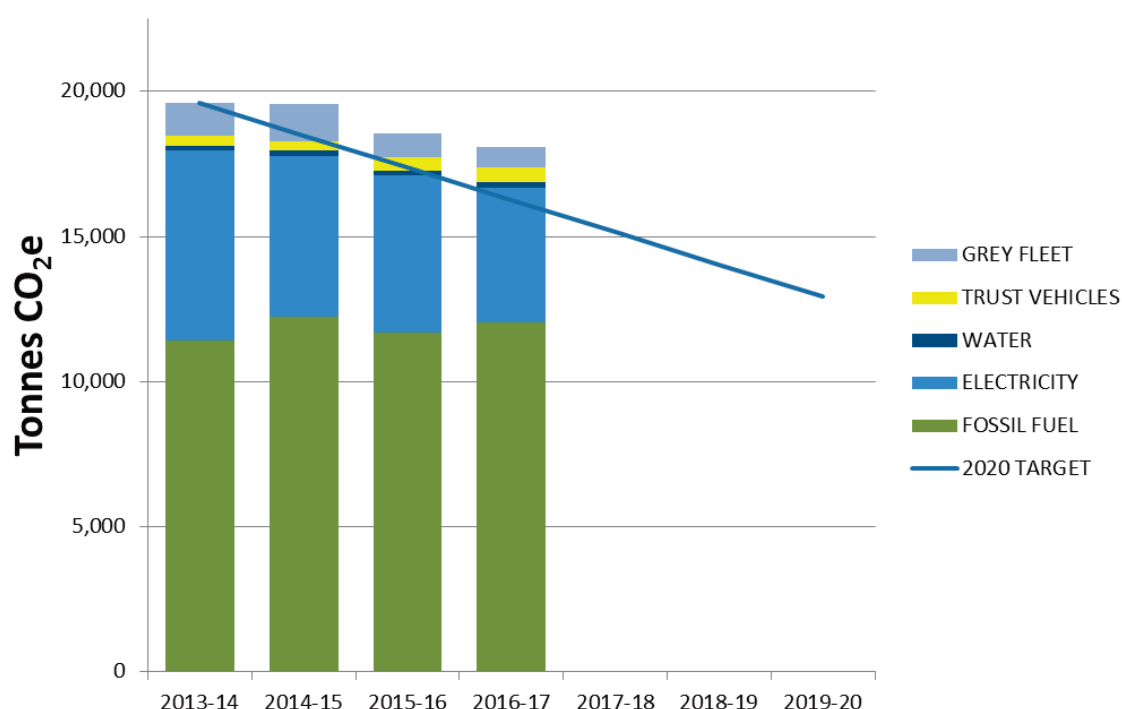
CO₂ is released when we consume fossil fuels, for example when we heat and power our buildings and when we move people and materials around by motorised transport. There is also "embedded" CO₂ in the goods and services we purchase from other organisations and in the resulting waste we produce. CO₂ is therefore an effective way of capturing the Trust's overall impact on the environment using a single metric.

Our carbon footprint baseline (2013/2014) is 19,583 tonnes CO₂, against which we have set a Trust-wide carbon reduction target of 34% by 2020, as set out in our SDMP. This commitment is in line with the national NHS carbon reduction target.

We have undertaken a comprehensive baseline adjustment exercise during the current reporting period. This takes into account a number of key changes in the Trust's structure and operations and includes a number of key improvements in the methodology we use to account for our emissions of CO₂. Further detail on these changes is given below.

After adjustments are taken into account, our carbon footprint has reduced by 1,490 tonnes CO₂e, 7.6%, since our base year (see graph below). Whilst this progress is encouraging and demonstrates the

ESHT Carbon Emissions Trajectory



effectiveness of the measures we have undertaken so far to achieve our CO2 reduction goal, we also recognise that our performance currently lags behind the trajectory required to achieve our target of 34% absolute reduction by 2020. This simply highlights the need to accelerate the rate of progress with key aspects of our SDMP, in particular the introduction of a robust capital investment programme targeting energy conservation opportunities that have already been identified. These plans are discussed further below.

Emission source	Base Year	2014/15	2015/16	2016/17
Fossil fuel	11,434	12,249	11,677	12,026
Electricity	6,530	5,522	5,412	4,654
Water	176	176	163	179
Trust vehicles	313	312	477	518
Business mileage	1,131	1,323	814	716
Total	19,583	19,581	18,544	18,093

Please note: figures for 2016/17 contain estimated data and are subject to final validation.

Key aspects to take note in relation to our CO2 reduction performance:

- Energy and water data have been re-baselined and adjusted annually to take account of the loss of the High Weald Lewes and Havens (HWLH) community services in 2015
- Business mileage emissions are now included and adjusted for HWLH values back to base year
- New emissions calculation method developed for Eastbourne DGH, backdated to base year and based on data available in each year. This has involved removing the Department of Psychiatry (occupied by Sussex Partnership NHS Foundation Trust) and the Sports and Social Club and apportionment of consumption based on occupancy of remainder of outlying buildings.
- All water figures for NHS Property Services sites occupied by the Trust currently based on benchmarks

- Most energy data for NHS Property Services sites occupied by the Trust is estimated for quarter 4 2016-2017
- Floor areas and occupancy details have been updated for 2016-2017
- Scope 3 emissions for waste disposal and procurement (supply chain) not currently included due to lack of reliable conversion factors. Waste management impacts discussed below.

In addition to our carbon footprint we produced an estimated 2,269 tonnes of waste in 2016-2017 including general waste and healthcare waste (figures for March 2017 have been estimated). This is broken down as follows:

Waste source	Tonnes
Healthcare waste	1,019
Reusable sharps	112
General/commercial waste	718
Recyclable waste	420
Total	2,269

Note: Figures contain estimated data and are subject to final validation.

Our overall waste volume reduced slightly over the last 12 months (estimated data show a 3.12% reduction between 2015-2016 and 2016-2017). Our use of reusable sharps containers has increased significantly by nearly 60% - this is potentially a better environmental option for the Trust as it avoids the need to incinerate single-use containers.

Around 55% of our bagged healthcare waste is segregated and disposed of as non-infectious (tiger bag), which is a preferable environmental option to incineration and alternative treatment (steam sterilisation). By contrast our recycling rate (as a proportion of all non-healthcare waste) is still below 40% and this is an opportunity for improvement going forward. Further information regarding our plans for waste management improvements is given in the Procurement section.

SDMP HIGHLIGHTS AND PRIORITIES FOR THE YEAR AHEAD

BUILDINGS

As the carbon footprint breakdown above illustrates, the energy we use to heat, cool and power our buildings is the most significant contributor to our Trust's carbon footprint.

It is also a significant cost to the Trust. We continue to roll out a programme of no and low cost energy conservation initiatives, which to date have helped to achieve most of the CO₂ savings outlined above. Current and ongoing workstreams include:

- Review of our Building Management System to identify further opportunities to make savings through improved control strategies
- Developing a new metering strategy for our main acute sites to improve energy utilisation, reporting and control
- Advancing our investigation into increasing borehole utilisation at Eastbourne District General Hospital to increase resilience and reduce cost and emissions from supplied water
- Creation of new Carbon Roadmap to define future energy conservation investment opportunities at our acute sites. The most significant opportunity we have to reduce our carbon footprint and achieve the target we have set for 2020 is the implementation of this new Carbon Roadmap. We are finalising a business case for investment in a new Combined Heat and Power system at Conquest Hospital and as part of this exploring opportunities for third-party financing to facilitate the investment required. We aim to move forward with this programme later in 2017.

JOURNEYS

Trust travel, which includes business mileage (staff using their own vehicles for Trust business) and the Trust's own fleet of commercial and pool vehicles, is the third largest component of our carbon footprint.

We continue to develop a programme of initiatives to deliver a reduction in CO₂, cost and staff time associated with business travel, informed by a Trust-wide travel survey undertaken in 2015 and establishment of a Healthy Travel Group (see Wellbeing). As a result of initiatives undertaken over the past 18 months we have already seen a reduction in Trust business mileage between 2015/16 and 2016/17.

Key activities we are currently working on and moving forward with in 2017/18 include:

- Trial of low-emission (hybrid) pool cars to reduce travel between our two acute sites
- Relaunched community transport forum to seek local improvements for cyclists, walkers and bus users
- Introduction of parking controls to reduce demand and promote healthy travel alternatives
- Developing our "Travel Alternatives" information page on the staff Intranet. All existing schemes were relaunched at Roadshows in November and this focus will continue. Improvements are underway and include: including travel alternatives information in staff induction planner; providing improved travel information for patients; investing in personal travel planning software so staff and visitors can obtain better information

about hospital access; implementing site Staff Travel Groups to identify projects and allocate funding; improving information and access to video- and teleconferencing.

PROCUREMENT

Our Procurement action plan takes a whole-life view of the goods and services we purchase as a Trust and the end-of-life (waste disposal) implications of these purchasing decisions.

It also recognises the ethical implications of our procurement activity, guided by the Social Values Act 2012.

This is an area that will receive greater attention during 2017. We will be reviewing our Procurement Policy to ensure it supports the objectives of the SDMP – in particular that sustainability, social responsibility and whole-life costing considerations are a business-as-usual feature of our procurement activity.

We will also continue to identify and implement measures to reduce waste at source and minimise the impact of any waste we do produce. To measure progress we intend to introduce a new waste performance reporting approach in 2017/18, which will support moves to improve waste segregation and implement more sustainable disposal options.

Our aim is to minimise the volume of waste we send for incineration and alternative treatment (steam sterilisation) and increase the volume we send for recycling, reprocessing and reuse, as well as moving towards a zero landfill model.

As part of our new waste programme we will also work with other NHS Trusts in Sussex to investigate opportunities to implement a county-wide reuse scheme for materials that could potentially be repurposed, including furniture.

CULTURE

Culture is another area that will receive further attention during 2017/18. We will be refreshing and relaunching our SDMP during the summer of 2017.

As part of this relaunch we intend to develop a new communications and engagement strategy to raise awareness of the SDMP and its aims and benefits and encourage staff to take action to support its delivery.

WELLBEING

Workplace health and wellbeing is an important component in our SDMP, since there are very clear synergies between our environmental objectives and our desire to improve the health and wellbeing of our staff - a healthy lifestyle is also a sustainable one and vice versa.

The Trust has significantly increased its focus and activity in this area over the past 12 months, primarily through the work of the reformed Health and Wellbeing Group. Key activities include:

- Review of healthy food options at restaurants at both acute sites as well as Trust coffee outlets. This will include broadening the number of healthy options available to staff and targeting high calorie/ high sugar items, removing these altogether in some cases.
- Alignment and integration of health and wellbeing objectives with the Making Every Contact Count programme at ESHT.
- Establishment of Healthy Travel Group, with representation from the Health and Wellbeing Group. Both groups are working together to maximise benefits for staff. Joint activities include development of safe walking and cycling routes and further development and promotion of the cycle to work scheme.

The four key focus areas for 2017/18 are healthy food, healthy travel, motivational skills and smoking cessation.

ADAPTATION

We are finalising a template for carrying out Climate Change Impact Risk Assessments and aim to trial this with 10 departments across the Trust during 2017/18.

This will help to ensure that our services understand and are resilient to potential disruptions that might be caused by anticipated future climate impacts. In addition, we intend to develop closer working relationships with external stakeholders to identify likely changes to service requirements resulting from climate change.

SDMP GOVERNANCE

We have established the primary programme governance structures and

mechanisms required to deliver the SDMP, including incorporation of CO2 emissions into our monthly KPI reporting process and establishment of a programme governance structure with named action plan leads.

We are updating our SDMP in 2017 to take into account progress made so far as well as a number of important changes to the Trust's strategy and operations since the original version was written. The updated SDMP will be made available on the Trust's website and will be launched in summer 2017.

This accountability report was approved by the board on 31st May 2017 and signed on its behalf by:



Chief Executive
1st June 2017



ACCOUNTABILITY REPORT

DIRECTORS' REPORT

Trust Board

There were a number of Board changes during the year and these are outlined below:

Catherine Ashton	Director of Strategy	Appointed 01/08/16
Philip Astell	Acting Director Finance	Acting up period 01/04/16 to 15/06/16
Dr Adrian Bull	Chief Executive	Appointed - 11/04/16
Pauline Butterworth	Acting Chief Operating Officer	Acting up period ceased - 13/11/16
Joe Chadwick-Bell	Chief Operating Office	Appointed - 14/11/16
Dr Sally Herne	Improvement Director	Left - 22/12/16
Dr David Hughes	Medical Director (Governance)	Resigned - 06/09/16
Jonathan Reid	Director of Finance	Appointed - 13/06/16
Dr Andrew Slater	Medical Director (Strategy)	Resigned - 06/09/16
Richard Sunley	Deputy Chief Executive/Chief Operating Officer/Acting Chief Executive	Resigned - 10/04/16
Dr David Walker	Medical Director	Appointed - 07/09/16

#ourmarvellousteam

“ Diabetic Eye Screening - The team have faced some recent challenges, but have continued to work tirelessly and support each other through them. Over the last few months the programme has been subject to an external Quality Assurance Inspection from the PHE Screening QA Service, and whilst we are still awaiting the final report the provisional feedback provided was that we were rated a 'good' programme and with a few changes could be 'excellent' this is all down to the teams continued hard work. Since December we have experienced high levels of long term sickness absence: at times 60% of our screening workforce has been off sick at any one time. The staff have supported the many changes I have had to put in place to ensure the continuation of the service during this time and have not once questioned the reasons behind it or stated they are not happy with the changes etc., they have been very supportive. Grading staff have their own workload. Due to staff sickness they have taken on additional screening duties to support continuity of service even though this has been detrimental to their own workload. Admin team has worked hard within tight timescales updating protocols and SOP's to provide as evidence for Quality Assurance supporting evidence. Recent Quality Assurance inspection feedback stated that our programmes pathway for pregnant patients was one of the best they had seen - the team work very hard at this and I am proud they have received the recognition they deserve. ”

The Board of executive and non-executive directors manage the Trust, with the Chief Executive being responsible for the overall running of our healthcare services as the Accountable Officer.

Board members as of 31st March 2017

	David Clayton-Smith Chairman Chairman of Remuneration Committee		Dr Adrian Bull Chief Executive
	Sue Bernhauser OBE Non-Executive Director Chair of Quality and Standards Committee Member of Audit Committee Member of Remuneration Committee		Joanne Chadwick-Bell Chief Operating Officer
	Jackie Churchwood-Cardiff Non-Executive Director Member of Finance and Investment Committee Member of People and Organisational Committee Member of Quality and Standards Committee		Jonathan Reid Director of Finance
	Miranda Kavanagh Non-Executive Director Chair of People and Organisational Committee		Dr David Walker Medical Director
	Barry Nealon Non-Executive Director Vice Chairman of Trust Board Chair of Finance and Investment Committee Member of Audit Committee Member of Remuneration Committee		Alice Webster Director of Nursing
	Michael Stevens Non-Executive Director Chair of Audit Committee Member of Finance and Investment Committee Member of Remuneration Committee		Catherine Ashton* Director of Strategy
			Monica Green* Director of Human Resources
			Lynette Wells* Company Secretary

*Non-voting board member/officer

Attendance at board meetings 2016/17

Directors and Officers	Number of Trust Board meetings attended in 2016/17	Number of Trust Board meetings could have attended in 2016/17
Catherine Ashton Director of Strategy (from 01/08/16)	4	5
Philip Astell* Acting Director of Finance (Acting up period 01/04/16 until 15/06/16)	2	2
Sue Bernhauser* Non-Executive Director	5	7
Dr Adrian Bull* Chief Executive (From 11/04/16)	7	7
Pauline Butterworth* Acting Chief Operating Officer (Until 13/11/16)	4	4
Joanne Chadwick-Bell* Chief Operating Officer (From 14/11/16)	3	3
Jackie Churchwood-Cardiff* Non-Executive Director	7	7
David Clayton-Smith* Chairman	7	7
Monica Green Director of Human Resources	7	7
Dr David Hughes* Medical Director (Governance) (Until 24/09/16)	2	3
Miranda Kavanagh* Non-Executive Director	7	7
Barry Nealon* Vice Chairman Non-Executive Director	7	7
Jonathan Reid* Director of Finance (From 13/06/16)	4	5
Dr Andy Slater* Medical Director (Strategy) (Until 24/09/16)	1	3
Mike Stevens* Non-Executive Director	5	7
Dr David Walker* Medical Director (From 07/09/16)	2	4
Alice Webster* Director of Nursing	6	7
Lynette Wells Director of Corporate Affairs	7	7

* Voting Director of the Board

Audit Committee

The following Non-Executives form the Audit Committee. Attendance during 2016/17 was as follows:

■ Sue Bernhauser	5/6
■ Barry Nealon	4/6
■ Mike Stevens, Chair of the Audit Committee	6/6

Other Committees

The Trust's other main Committees are the Finance and Investment Committee, the People and Organisational Development Committee and the Quality and Safety Committee.

	Audit	Finance and Investment	People and Organisational Development	Quality and Safety
Meetings held	6	13	4	7
Sue Bernhauser	5	n/a	n/a	7
Jackie Churchward-Cardiff	n/a	11	4	5
Miranda Kavanagh	n/a	n/a	4	n/a
Barry Nealon	4	11	n/a	n/a
Mike Stevens	6	12	n/a	n/a

All of the meetings of the Trust's Committees during 2016/17 were quorate.



REGISTER OF INTERESTS

Non-Executive Directors

Sue Bernhauser	None
Jackie Churchward-Cardiff	Owner and director of Clinical Strategies, a consultancy firm working within healthcare
David Clayton-Smith	Independent Chair for the East Sussex Better Together (ESBT) Programme Board, transitioning into the ESBT Alliance Governing Board during 2017 Independent Chair for the ESBT Leadership Forum. (Both roles above are contracted by East Sussex County Council) Chair, KSS Academic Health Science Network Chair, Thames Valley Housing Association Chair, Surrey Priorities Committee Chair, ESBT Programme Board
Miranda Kavanagh	None
Barry Nealon	Chairman of Rye, Winchelsea and District Memorial Hospital. A voluntary position in the Charity that owns Rye Hospital
Michael Stevens	Council Member and Treasurer, St George's, University of London

Executive Directors

Philip Astell	None
Joanne Chadwick-Bell	None
Dr Adrian Bull	None
Pauline Butterworth	None
Dr David Hughes	10.2% Shareholding in BMI Sussex Diagnostics
Jonathan Reid	Governor - Sussex Downs College
Dr Andrew Slater	None
Dr David Walker	Trustee of Parchment Trust
Alice Webster	None

Non-voting board member

Catherine Ashton	None
Monica Green	None
Lynette Wells	Director and Shareholder of Chalkman Limited

Each director has confirmed that as far as he/she is aware there is no relevant audit information of which the Trust's auditors are unaware and he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Trust's auditors are aware of that information.

STATEMENT OF THE CHIEF EXECUTIVE'S RESPONSIBILITIES AS THE ACCOUNTABLE OFFICER OF THE TRUST

The Chief Executive of NHS Improvement, in his capacity as the Accounting Officer (AO) for the NHS Trust Development Authority (operating as NHS Improvement) legal entity, requires NHS trust Accountable Officers to give him assurance about the stewardship of their organisations. The Chief Executive of the NHS Improvement has designated that the Chief Executive should be the Accountable Officer to the trust.

The relevant responsibilities of Accountable Officers are set out in the Accountable Officers Memorandum issued by the Chief Executive of NHS Improvement. These include ensuring that:

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

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

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

I confirm that the annual report and accounts as a whole is fair, balanced and understandable and that I take personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

NB: sign and date in any colour ink except black



Chief Executive
1st June 2017

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

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

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

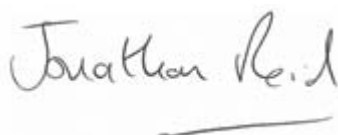
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

By order of the Board.



Chief Executive
1st June 2017



Director of Finance
1st June 2017

GOVERNANCE STATEMENT

Scope of responsibility

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the 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 Trust is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the NHS Trust Accountable Officer Memorandum. The governance framework outlined in this documentation ensures there are adequate arrangements in place for the discharge of statutory functions that these have been checked for any irregularities and are legally compliant.

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 on-going process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of East Sussex Healthcare NHS Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of control has been in place in East Sussex Healthcare NHS Trust for the

year ended 31 March 2017 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

I am responsible for risk management across all organisational, financial and clinical activities. This includes responsibility for ensuring that processes are in place to enable identification and management of current risk and anticipation of future risk. The Risk Management Strategy provides a framework for managing risks across the organisation which is consistent with best practice and Department of Health guidance. The Strategy provides a clear, systematic approach to the management of risks to ensure that risk assessment is an integral part of clinical, management and financial processes across the organisation. It was reviewed and revised in the financial year.

Governance Framework

The Trust has agreed Standing Orders (SOs) for the regulation of proceedings and business. The Trust SOs are designed to translate the statutory requirements set out in the National Health Service Trusts (Membership and Procedures) Regulations 1990 (1990/2024) into day to day operating practice, and, together with the adoption of a scheme of matters reserved to the Board; a scheme of delegations to officers and others; and Standing Financial Instructions, they provide the regulatory framework for the business conduct of the Trust and define its ways of working. These documents, together with the range of policies set by the Board make up the Governance and Accountability Framework. The Standing Orders, Scheme of Delegation and Standing Financial Instructions have been periodically updated to account for alterations in year

and were last reviewed, updated and approved by the Trust Board in December 2016.

Best practice in governance states that the Board should be of sufficient size that the balance of skills, capability and experience is appropriate for the requirements of the business. The Trust Board has a balance of skills and experience appropriate to fulfilling its responsibilities and is well balanced with a Chairman, five non-

executive directors and five voting executive directors. In line with best practice there is a clear division of responsibilities between the roles of Chairman and Chief Executive. The Board complies with the HM Treasury/Cabinet Office Corporate Governance Code where applicable.

There were a number of Board changes during the year including the appointment of the Chief Executive. These are outlined below:

Catherine Ashton	Director of Strategy, Improvement and Innovations	Appointed - 01/08/16
Philip Astell	Acting Director of Finance	Acting up period ceased - 01/04/16 to 15/06/16
Dr Adrian Bull	Chief Executive	Appointed - 11/04/16
Pauline Butterworth	Acting Chief Operating Officer	Acting up period ceased - 13/11/16
Joanne Chadwick-Bell	Chief Operating Officer	Appointed - 14/11/16
Dr David Hughes	Medical Director (Governance)	Resigned - 24/09/16
Jonathan Reid	Director of Finance	Appointed - 13/06/16
Richard Sunley	Chief Operating Officer Acting Chief Executive	Resigned - 10/04/16
Dr David Walker	Medical Director	Appointed - 07/09/16



In addition to responsibilities and accountabilities set out in terms and conditions of appointment, Board members also fulfil a number of "Champion" roles where they act as ambassadors for matters including health and safety, complaints, dementia and organ donation committee.

The Trust has nominated a non-executive director, Barry Nealon, as Vice Chairman and another, Sue Bernhauser, as the Senior Independent Non-Executive Director (SID). The role of the SID is to be available for confidential discussions with other directors who may have concerns which they believe have not been properly considered by the Board, or not addressed by the Chairman or Chief Executive, and also to lead the appraisal process of the Chairman. The SID is also available to staff in case they have concerns which cannot, or should not, be addressed by the Chairman, Executive Directors or the Trust's Speak Up Guardian as outlined in the Trust's Raising Concerns (Whistleblowing) Policy.

The Trust has a Fit and Proper Persons Policy and processes to ensure that people who have director level responsibility for the quality and safety of care, and for meeting the Care Quality Commission fundamental standards are fit and proper to carry out their roles. Directors and officers complete an annual declaration that they remain 'Fit and Proper Persons' to be directors.

Board Effectiveness

All Board members participate in the annual appraisal process and objectives are agreed and evaluated. During the year the SID undertook an appraisal of the Chairman on behalf of the Board. The Trust Board also completed a self-assessment of its effectiveness in March 2017 to support planning of future Board development activities. The assessment recognised the changes in Board membership and improvements in the effectiveness of the Board and quality of agenda items. It was agreed to further explore the successful

elements of a Unitary Board and that greater focus would be given to assuring progress on performance and delivery.

The CQC report published in March 2015 found the Trust to be Inadequate in the 'Well Led Domain' and there were subsequently a number of changes to membership of the Board including the Chairman and Chief Executive. The Trust commissioned a capability and capacity leadership review which commenced in March 2016 and the outcome of this piece of work was received in June 2016. It highlighted the need to develop a clear clinically led strategy for the organisation and to improve staff and stakeholder engagement and empower clinical leadership across the Trust. A capability assessment workshop also took place which focussed the Board on change architecture, change structure and change resonance.



A CQC re-inspection took place in October 2016 and the report, published in January 2017, moved the Trust to Requires Improvement. The report commended the Trust for its improved governance, cultural transformation and acknowledged the strengthened senior leadership. There were areas identified for improvement and these are detailed further in section 8.10 of this report.

The Board has a tailored seminar programme in place to support the development of Board knowledge and allow in depth discussion and exploration of key issues. Quality Improvement Board development sessions have also taken place, facilitated by NHS Elect.

Board members also undertake 'quality walks' to develop their understanding of the organisation and the organisation's understanding of the Board. These visits add to and complement the assurance provided to the Board through regular reporting on compliance with local, national and regulatory quality standards. They are not one off events but part of a continuing cycle of improvement where outcomes are fed back to staff, patients and others and, if required, actions are taken. Board members feedback on the outcome of their quality walks at each public board meeting.

Committee Structure

The Trust Board meets bi-monthly in public and also holds informal seminars covering key issues and Board development in the month where there is no public Board meeting. Committees of the Board include Audit, Remuneration and Appointments, Finance and Investment, Quality and Safety and People and Organisational Development. All Committees are chaired by a Non-Executive Director of the Trust and membership of the Audit and Remuneration and Appointments Committees comprise only Non-Executive Directors. Terms of reference outline both quoracy and expected attendance at meetings and the

Board receives a report from the Committee Chair at each Board meeting. Functions of these Committees are outlined below.

Audit Committee

The Audit Committee supports the Board by critically reviewing the governance and assurance processes on which the Board places reliance. This encompasses: the effectiveness of Trust governance, risk management and internal control systems; the integrity of the financial statements of the Trust, in particular the Trust's Annual Report; the work of internal and external audit and any actions arising from their work; compliance by the Trust with relevant legal and regulatory requirements. The Committee meets at least quarterly.

The Committee has aimed to perform its duties during the year as delegated by the Trust Board and mandated through governance requirements. It has ensured compliance with and further developed good practice through continuous self-assessment and review of its effectiveness; and assessing itself against the checklist in the Audit Committee Handbook. The Committee has been chaired by a non-executive director with a financial background, and membership consists of himself and 2 non-executive directors. Executive directors are invited to attend. The Committee met on 6 occasions throughout the financial year, was well attended and all meetings were quorate.

The Committee has oversight of the completeness of the risk management system. Clinical Unit and Corporate representatives have attended the Committee on a rotational basis to present their risk registers and mitigating actions.

As one of the key means of providing the Trust Board with assurance that effective internal control arrangements are in place, the Audit Committee requests and receives assurances and information from a variety of sources to inform its assessments. This

process has also included calling managers to account, when considered necessary, to obtain relevant assurance and updates on outcomes. The Committee also works closely with executive directors to ensure that assurance mechanisms within the Trust are fully effective, and that a robust process is in place to ensure that actions falling out of internal audits and external reviews are implemented and monitored by the Committee.

The Committee's remit includes oversight of the effectiveness of Clinical Audit arrangements. During the year the Committee reviewed the Annual Plan for Clinical Audit and received progress updates at each meeting. In addition Divisions attended the meeting on a rotational basis to update on the clinical audits in their area. Good progress was noted and it was recommended that the number of clinical audits be reduced due to the high number abandoned. Concern was expressed about the continued non-compliance with the national diabetes audit as the Trust did not have the required software and the Committee escalated this to the Board.



The Audit Committee Chairman updates the Trust Board at each meeting with both minutes and a verbal update, and an annual report is also presented. Highlights have included the points outlined above; notably assurance on the risk management system and internal controls monitored by the Committee, the need to improve compliance with Clinical Audit processes and updates on the work of both internal and external audit and counter fraud. During the year the Committee managed the appointment process for external auditors.

Finance and Investment Committee

The Finance and Investment Committee provides support to the Trust Board in regard to understanding:

- the future financial challenges and opportunities for the Trust
- the future financial risks of the organisation
- the integrity of the Trust's financial structure
- the effectiveness and robustness of financial planning
- the effectiveness and robustness of investment management
- the robustness of the Trust's cash investment approach
- the investment and market environment the Trust is operating in,
- the financial and strategic risk appetite that is appropriate for the organisation
- the process for business case assessments and scrutiny and the process for agreeing or dismissing investment decisions depending on the above.

The Committee is scheduled to meet quarterly, but has met monthly during 2016/17 due to the Trust's deficit financial position. This provides sufficient time to review, scrutinise and monitor Trust plans.

Quality and Safety Committee

The Committee's prime function is to ensure that the Trust is providing safe and high

quality services to patients supported and informed by effective arrangements for monitoring and continually improving the safety and quality of care. It meets bi-monthly to provide an objective review of all aspects of quality, safety and standards in support of getting the best clinical outcomes and experience for patients. The Committee assists the Board in being assured that the Trust is meeting statutory quality and safety requirements and to gain insight into issues and risks that may jeopardise the Trust's ability to deliver quality improvement. It held 6 meetings during the financial year. During the year the Quality and Safety Committee undertook a review of effectiveness and revised its terms of reference and adapted its work plan accordingly.

The Committee reviewed and endorsed the Trust's quality improvement priorities for subsequent publication in the Quality Account. It undertook "deep dive" reviews of areas highlighted through the risk management process such as patient transport, maternity, urgent care pathways and mortality and morbidity.

People and Organisational Development Committee

The People and Organisational Development Committee convene quarterly, to provide strategic oversight of workforce development, planning and performance. Its remit includes providing assurance to the Board that the Trust has the necessary strategies, policies and procedures in place to ensure a high performing and motivated workforce that is supporting the Trust objectives and organisational success. It met 4 times during the year, and has a broad membership including senior managers, staff-side and equality and diversity representatives.

Further details of the Remuneration and Appointments Committee can be found in the Remuneration Report section of the Annual Report.

Risk and Control Framework

The Trust has in place an ongoing process to:

- Identify and prioritise the risks to the achievement of the organisation's policies, aims and objectives;
- Evaluate the likelihood of those risks being realised and the impact should they be realised and to manage them efficiently, effectively and economically;
- Ensure lessons are learnt from concerns and incidents in order to share best practise and prevent reoccurrence.

Risk management requires participation, commitment and collaboration from all staff. Risks are identified, analysed, evaluated and controlled through the Trust's Datix incident reporting and information system. Risks are identified through incident reporting, risk assessment reviews, clinical audits and other clinical and non-clinical reviews with a clearly defined process of escalation to risk registers. The registers are real-time documents which are populated through the organisation's risk assessment and evaluation processes. This enables risks to be quantified and ranked. A corporate high level risk register populated from the risk registers of divisions and departments is produced and establishes the organisational risk profile.

The Trust manages its financial risks using a wide range of management tools. Performance against budgetary targets is recorded, analysed and reported monthly. This information is monitored and challenged both internally and externally. In addition to performance assessment, financial control and management is continually assessed by internal and external audit, and counter fraud teams. Reports from these parties are presented to the Audit Committee. Operational management, finance, purchasing and payroll teams are segregated to reduce conflicts of interest and the risk of fraud. Segregation is enhanced and reinforced by

IT control systems which limit authority and access.

Risks are routinely reviewed at Divisional Quality Meetings and Team Meetings. The Senior Leaders Forum, which comprises members of the executive team and clinical leaders, reviews the High Level Risk Register at each meeting. The High Level Risk Register is also presented to the Audit and Quality and Standards Committees at each meeting and there is a rolling programme for each Division to present their risk register to the Audit Committee.

The Trust's Board Assurance Framework provides assurance that a robust risk management system underpins the delivery of the organisation's principal objectives. It clearly defines the:

- Trust's principal objectives and the principal risks to the achievement of these objectives.
- Key controls by which these risks can be managed
- Independent and management assurances that risks are being managed effectively
- Gaps in the effectiveness of controls and assurance
- Actions in place to address highlighted gaps.
- There is a lack of leadership capability and capacity to lead on-going performance improvement and build a high performing organisation.
- We are unable to develop and maintain collaborative relationships based on shared aims, objectives and timescales with partner organisations resulting in an impact on our ability to operate efficiently and effectively within the local health economy.
- We are unable to define our strategic intentions, service plans and configuration in an Integrated Business Plan that ensures sustainable services and future viability.
- We are unable to demonstrate that we are improving outcomes and experience for our patients and as a result we may not be the provider of choice for our local population or commissioners
- We are unable to adapt our capacity in response to commissioning intentions, resulting in our services becoming unsustainable.
- In running a significant deficit budget we may be unable to invest in delivering and improving quality of care and patient outcomes. It could also compromise our ability to make investment in infrastructure and service improvement.
- We are unable to effectively align our finance, estate and IM&T infrastructure to effectively support our mission and strategic plan.
- We are unable to respond to external factors and influences and still meet our organisational goals and deliver sustainability.
- We are unable to effectively recruit our workforce and to positively engage with staff at all levels.
- If we fail to effect cultural change we will be unable to lead improvements in organisational capability and staff morale.

The principal risks recorded on the Assurance Framework during the year are outlined below:

- We are unable to demonstrate continuous and sustained improvement in patient safety and the quality of care we provide which could impact on our registration and compliance with regulatory bodies.
 - We are unable to demonstrate that the Trust's performance meets expectations against national and local requirements resulting in poor patient experience, adverse reputational impact, loss of market share and financial penalties.
- The Board Assurance Framework has been regularly reviewed and revised by the Board and by the Audit and Quality and Standards

Committees. As part of the Trust's ongoing governance review it held a seminar in 2016 to consider the key risks, risk appetite and how this feeds into the Board Assurance Framework.

Internal audit gave 'Reasonable Assurance' over the Board Assurance Framework (BAF) and Risk Management processes. TIAA stated that the Trust has an effective Board assurance framework and risk management process and noted the development and progress that has been and continues to be made during the year in these areas.

Review of the effectiveness of risk management and internal control

Over the year the Trust has continued to strengthen risk management including incident reporting and investigation, complaints handling and the Board Assurance Framework. There is a programme of training for root cause analysis, risk and incident reporting and duty of candour. Increased training and awareness of reporting has taken place and this has led to a continued increase in the number of incidents reported, although levels of incident relating to patient harm remain low.

Categories of serious Incidents are outlined in a national framework and include acts or omissions in care that result in; unexpected or avoidable death, unexpected or avoidable injury resulting in serious harm - including those where the injury required treatment to prevent death or serious harm, abuse, Never Events, incidents that prevent (or threaten to prevent) an organisation's ability to continue to deliver an acceptable quality of healthcare services and incidents that cause widespread public concern resulting in a loss of confidence in healthcare services.

The Trust reported 59 serious incidents during 2016/17. Each incident was investigated and actions agreed and implemented. The Trust had 1 never event

in 2016/17 which related to wrong route administration of medication. This incident was investigated and learning and change of practice identified to prevent reoccurrence.

The Trust did have a backlog of closure for serious incidents and this has been significantly reduced and focus is being given to timely reporting of incidents and sharing outcomes and learning.

The review of the effectiveness of the system of internal control is informed by the work of the internal auditor, TIAA. For the reporting period, TIAA gave an overall opinion of "limited assurance" on the adequacy of the Trust's management and internal control processes in respect of achievement of its objectives. The auditors noted however that positive progress was made by management in the second half of the year to improve the adequacy and effectiveness of controls in many areas.

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

The Trust was placed in financial measures by NHS Improvement in October 2016. This was as a result of a significant negative variance against the Trust's financial control total plan and because of the significant deficit forecast for 2016/17. A financial recovery plan has been developed and was submitted to NHS Improvement in November 2016 and the Trust was closely monitored against this.

As part of the initial response to financial special measures the Trust put in place a number of enhanced control measures. These included a reduction in the number of authorised signatories, the introduction of a vacancy control panel and a non-pay review group, a revision to the process of approving waiting list initiatives as well as the creation of a temporary workforce board that scrutinises agency expenditure. The year-end position was a £46.4m deficit (£43.792m after receipt of Sustainability

Transformation Funding), this was against an initial internal budget of £48m which was adjusted to a control total of £41.7m deficit required by NHS Improvement (the deficit and control total exclude sustainability and transformation funding).

Financial governance arrangements are reviewed by internal and external audit to provide assurance of economic, efficient and effective use of resources. As a result of the Trust being in cumulative deficit since 2010/11, which exceeds the five year breakeven period, and in accordance with the requirements of Section 30 of the Local Audit and Accountability Act (2014) our external auditors, BDO LLP, notified the Secretary of State that the Trust had breached its financial statutory duty. The referral related particularly to section 30(b) in respect of a breach of the breakeven duty in 2016/17 and section 30(a) in respect of a planned deficit in 2017/18. Actions are being developed to meet the 2017/18 control total, agreed with NHS Improvement, of a £36.5m deficit.

Performance against the national priorities set out in the NHS Improvement Accountability Framework 2016/17

Performance against the NHS Improvement Accountability Framework is detailed more fully in the Performance Section of the Annual report.

A number of challenges exist in respect to achieving referral to treatment timescales and A&E performance. During the year the Trust experienced increased operational pressures; notably a 2.2% increase in primary care referrals and A&E attendances were up by 4.6%, particularly those arriving by ambulance. In addition, there were more than 1,000 more admissions to the hospitals than last year, with the biggest increase being in the number of day cases. The increase in the number of attendances and patients contributed to a decline in the performance of the A&E 4 hour standard of

95% from 88.1% last year to 80.3% this year. A number of key actions have been implemented including better directing of patients in A&E and improved triaging processes. For elective care, despite an increase in the number of elective admissions, the number of patients waiting more than 18 weeks increased in comparison to 2015/16. The increase was mainly seen in the first part of the year with an improvement in performance from November onwards.

Referrals for patients on the 2 week wait cancer pathway increased by more than 12% although the trust has consistently met all the cancer targets with the exception of the 62 day wait.

This increasing demand is compounded by skill shortages in some specialties. The Trust is implementing recovery plans and targeted recruitment campaigns where required and working with commissioners to develop a system wide approach to improving performance. The Trust has additional resources in place to support patient flow and has been supported externally by the Emergency Care Intensive Support Team.

The Trust assures the quality and accuracy of elective waiting time data and the risks to the quality and accuracy of this data. The quality of performance information is continually assessed by the Trust in regular meetings and forums as well as through quality assurance audits, including external review by TIAA audits and other external companies. Patient tracking lists (PTL), including those on the 'Referral To Treatment' pathway, are scrutinised in detail at weekly PTL and performance meetings.

Compliance and Regulation

Patient and Public Involvement
Section 11 of the Health and Social Care Act 2012 places a duty on the NHS to consult and involve patients and the public in the planning and development of health

services and in making decisions affecting the way those services operate. The Trust has continued to strengthen working relationships with stakeholders and a number of public engagement events have taken place throughout the year; for example to develop Quality Improvement Priorities.

Healthwatch and their volunteers have actively supported the Trust and undertaken a number projects. These have included reviews of maternity, review of complaints, "round the clock care" and the urgent care pathway. The Trust participated in the Healthwatch 'red bus' engagement tour.

Equality and Diversity

Control measures are in place to ensure that all the Trust's obligations under equality, diversity and human rights legislation are complied with. The Trust has an Equality Strategy which details how the Trust will eliminate discrimination, advance equality and foster good relations between people who share certain characteristics and those who do not. The Board also consider an Annual Equality Information Report and progress against delivering the outcomes of the Equality Delivery System and Workforce Race Equality Standards

Information Governance

The Trust is compliant with the requirements of the NHS Information Governance Toolkit (IGT) attaining level 2. This was independently audited to assess the adequacy of policies, systems and operational activities to complete, approve and submit the IGT scores. The auditors gave 'Substantial Assurance' over the Trust's IGT self-assessment.

During 2016/17 ESHT staff reported 95 IG incidents, 92 of these were scored against the Trust's incident scoring as either 'negligible or none' for severity, the remaining 3 incidents were scored as 'low or minor'. This indicates that the majority of incidents have no impact upon information

security. The number of incidents reported increased in comparison to the 80 reported in 2015/16; this increase was attributable to raised awareness of incident reporting requirements and information governance across the organisation. All incidents are investigated and actions implemented to prevent reoccurrence. No incidents met the criteria to report to the Information Commissioner's Office during 2016/17.

Freedom of Information Requests

The Trust received 645 Freedom of Information requests in 2016/17, of these 584 (91%) were responded to in time. This compared to 522 (461 - 88% were responded to in time) in 2015/16.

NHS Pension Scheme

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

Climate Change

The Trust has undertaken a climate change risk assessment and developed an Adaptation Plan, to support its emergency preparedness and civil contingency requirements, as based on the UK Climate Projections 2009 (UKCP09), to ensure that this organisation's obligations under the Climate Change Act are met.

Duty of Candour

The introduction of a statutory Duty of Candour was a recommendation made in the Francis Report. The Duty was included in the Standard NHS Contract from 1st April 2014 and subsequently strengthened as a Care Quality Commission regulatory requirement from 1st October 2014.



The intention of the regulation is to ensure that providers are open and honest with service users and other 'relevant persons' (people acting lawfully on the behalf of service users) when things go wrong with care and treatment, and that they provide them with reasonable support, truthful information and a written apology. A significant amount of training has been undertaken during 2016/17 to raise awareness of the processes and requirements of the duty of candour.

The Trust has a Being Open Policy and ensures that, as part of any investigation into Serious Incidents or complaints, there is clear, open and honest communication with patients and their families/carers and that a process for shared learning is in place.

Counter fraud and anti-bribery arrangements

Under the NHS Standard Contract all organisations providing NHS services are required to have appropriate anti-fraud arrangements in place. In 2015, NHS Protect published 'Standards for Providers: Fraud, Bribery and Corruption' ("the Standards") to assist organisations with this process. It

incorporates a requirement that the Trust employs or contracts a qualified person or persons to undertake the full range of anti-fraud work, and that it produces a risk based workplan that details how it will approach anti-fraud and corruption work.

The Trust is committed to ensuring fraud, bribery and corruption does not proliferate within the organisation. The organisation is fully compliant with the directions issued by the Secretary of State in 1999, the NHS Standard Contract (2012) and the NHS Counter Fraud and Corruption Manual.

The Trust's Counter Fraud Service is provided by TIAA Limited. The accredited Local Counter Fraud Specialist (LCFS) reports to the Director of Finance and attends the Audit Committee meetings to report on the work achieved. The LCFS works to ensure that counter fraud is integrated into all Trust activity in a positive way.

Throughout the past financial year there has been continued work to embed the counter fraud and anti-bribery culture, and work is undertaken against the Standards, comprising the area of Strategic Governance and the three key principals of Inform and Involve, Prevent and Deter, and Hold to Account.

Reactive investigations comply with legislative requirements and with the NHS Counter Fraud and Corruption Manual. The LCFS liaises with other LCFS personnel and relevant external bodies for investigations, as appropriate. The LCFS is available to receive referrals and to report on the results of any investigations to the Director of Finance and the Audit Committee. All sanctions available to the Trust are considered following a reactive investigation, together with efforts to recover losses incurred.

Annual Quality Account

The directors are required under the Health Act 2009 and the National Health Service

(Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. The Annual Quality Account for 2016/17 has been developed in line with relevant national guidance and priorities were developed following feedback from patients, staff and external stakeholders.

The Quality Account has been reviewed through external audit processes and comments have been provided by local stakeholders including commissioners, Healthwatch and the Health Overview and Scrutiny Committee. Internal oversight has been undertaken by the Senior Leaders Forum, and the Quality and Standards and Audit Committees.

Care Quality Commission (CQC)

The Trust is registered with the Care Quality Commission to carry out eight legally regulated activities from 18 registered locations. Following the Trust's CQC visit in March 2015 the Trust was rated as 'Inadequate'. A re-inspection took place in October 2016, and the associated report was published in January 2017. The latest report recognised significant improvements since the 2015 inspection, and the CQC's overall rating for the Trust was improved to 'Requires Improvement'.

Of note, the CQC ratings of services identified 58 'good' and two 'inadequate' domains. Within the reports the CQC commended 15 areas for outstanding practice. The reports also identified some areas where further improvements were required and included two 'must do' actions, relating to play services in paediatrics and staffing in the A&E departments and 35 'should do' actions. Both hospitals were rated Inadequate for the safe domain of Urgent Care, although Urgent Care was rated 'needs improvement' overall.

There is a robust programme of work and governance framework in place to support

delivery of continued improvement. The improvement plan is reviewed both internally and externally at monitoring meetings with key stakeholders. The Trust remains in special measures and as a result will benefit from professional and financial support. A further CQC re-inspection is expected later in 2017.

Conclusion

My review of the effectiveness of the systems of internal control has taken account of the work of the Executive Management team within the organisation, which has responsibility for the development and maintenance of the internal control framework within their discreet portfolios.

In line with the guidance on the definition of the significant internal control issues, I have not identified any significant control issues other than the financial and performance matters highlighted in sections 5-7 above. Notably, the Trust's year end deficit position of £43.792 million which exceeded the deficit budget and control total and the challenges in respect to achieving referral to treatment timescales and A&E performance.



Chief Executive

REMUNERATION AND STAFF REPORT

Remuneration Report

The Remuneration and Appointments Committee is a non-executive subcommittee of the Board and oversees the appointments of the Chief Executive and Executive Directors and agrees the parameters for the senior appointments process.

The Committee agrees and reviews the Trust policies on the reward, performance, retention and pension matters for the executive team and any relevant matters of policy that affect all staff.

The Committee is chaired by the Senior Independent Non-executive Director and all non-executive directors are able to attend. The Chief Executive, Human Resources Director and Company Secretary attend meetings in an advisory capacity except when issues relating to their own performance, remuneration or terms and conditions are being discussed.

Quoracy for the meeting is three members of which one must be the Committee Chairman.

Under delegated authority from the Trust Board, the Committee determines the appropriate remuneration and terms of service for the Chief Executive and Executive Directors having proper regard to national arrangements and guidance.

The Committee also advises on, and oversees, the appropriate contractual arrangements with the Chief Executive and Executive Directors, including the proper calculation and scrutiny of termination payments, taking account of national guidance as appropriate.

The remuneration rates are determined by taking into account national benchmarking and guidance in order to ensure fairness and proper regard to affordability and public scrutiny. The remuneration of the Chief Executive and Executive Directors are set at base salary only without any performance related pay.

In line with national guidance, remuneration for all new executive directors includes an element earn back pay related to achievement of objectives. The earn back figure is included in the base salary. Treasury approval for "Very Senior Managers" pay exceeding the Prime Minister's salary is also required.

In addition, the Committee monitors the performance of the Chief Executive and Executive Directors based on their agreed performance objectives.

Matters considered in 2016/17 included:

- Chief Executive's report on individual Directors' performance and objectives
- Annual performance review for Chief Executive
- Review of Senior NHS Salaries
- Approval of relevant appointments and terminations
- Clinical Excellence Awards

Due to nature of the business conducted Committee minutes are considered confidential and are therefore not in the public domain. The Chair of the Committee draws to the Board's attention any issues that require disclosure to the full Board or require Executive action.

The following table outlines the notice periods for Directors and Officers in post at 31st March 2017:

Directors and Officers	Start date	Notice period
Catherine Ashton Director of Strategy	August 2016	6 months
Joanne Chadwick-Bell Chief Operating Officer	November 2016	6 months
Dr Adrian Bull Chief Executive	April 2016	6 months
Monica Green Director of Human Resources	June 2002	6 months
Jonathan Reid Director Finance	June 2016	6 months
Dr David Walker Medical Director	September 2016	6 months
Alice Webster Director of Nursing	May 2012	6 months
Lynette Wells Company Secretary	February 2012	3 months

For statements on salary and pension benefits for all senior management who served during 2016/17, please see tables.



Salary entitlements of senior managers

2016/17

Single total figure table - audited

Name and title	Salary (bands of £5,000) £'000	Expense payments (taxable) to nearest £100 £'00	Performance pay and bonuses (bands of £5,000) £'000	Long Term Performance pay and bonuses (bands of £5,000) £'000	All pension related benefits (bands of £2,500) £'000	Total (bands of £5,000) £'000
Susan Bernhauser Non-Executive Director	5-10	1**	0	0	0	5-10
Jackie Churchwood-Cardiff Non-Executive Director (appointed 01/03/16)	5-10	5**	0	0	0	5-10
David Clayton-Smith Chairman (appointed 11/01/16)	35-40	9**	0	0	0	35-40
Miranda Kavanagh Non-Executive Director (appointed 09/11/15)	5-10	0	0	0	0	5-10
Barry Nealon Non-Executive Director	5-10	0	0	0	0	5-10
Michael Stevens Non-Executive Director	5-10	0	0	0	0	5-10
Catherine Ashton Director of Strategy (commenced 01/08/16)	75-80	1**	0	0	50-52.5	125-130
Dr Adrian Bull Chief Executive (appointed 11/04/16)	175-180	4**	0	0	0	175-180
Joanne Chadwick-Bell Chief Operating Officer (appointed 14/11/16)	45-50	1**	0	0	47.5-50	95-100
Monica Green Director of Human Resources	105-110	1**	0	0	82.5-85	190-195
Jonathan Reid Director of Finance (appointed 13/06/16)	100-105	0	0	0	85-87.5	190-195
Dr David Walker Medical Director (appointed 07/09/16)	25-30	3**	0	0	0	25-30
Alice Webster Director of Nursing	110-115	1**	0	0	70-72.5	185-190
Lynette Wells Director of Corporate Affairs	95-100	0	0	0	60-62.5	155-160

2015/16

Name and title	£'000	£'00	£'000	£'000	£'000	£'000
Susan Bernhauser Non-Executive Director	10-15	1**	0	0	0	10-15
Jackie Churchwood-Cardiff Non-Executive Director (appointed 01/03/16)	0-5	1**	0	0	0	0-5
David Clayton-Smith Chairman (appointed 11/01/16)	5-10	0	0	0	0	5-10
Miranda Kavanagh Non-Executive Director (appointed 09/11/15)	0-5	0	0	0	0	0-5
Barry Nealon Non-Executive Director	5-10	0	0	0	0	5-10
Michael Stevens Non-Executive Director	5-10	5**	0	0	0	5-10
Catherine Ashton Director of Strategy (commenced 01/08/16)	0	0	0	0	0	0
Dr Adrian Bull Chief Executive (appointed 11/04/16)	0	0	0	0	0	0
Joanne Chadwick-Bell Chief Operating Officer (appointed 14/11/16)	0	0	0	0	0	0
Monica Green Director of Human Resources	100-105	1**	0	0	5-7.5	105-110
Jonathan Reid Director of Finance (appointed 13/06/16)	0	0	0	0	0	0
Dr David Walker Medical Director (appointed 07/09/16)	0	0	0	0	0	0
Alice Webster Director of Nursing	105-110	1**	0	0	35-37.5	140-145
Lynette Wells Director of Corporate Affairs	75-80	0	0	0	15-17.5	90-95

For key for Salary and Pension entitlements of senior managers tables please see page 85.

Salary entitlements of senior managers (continues)

2016/17

Single total figure table

Name and title	Salary (bands of £5,000)	Expense payments (taxable) to nearest £100	Performance pay and bonuses (bands of £5,000)	Long Term Performance pay and bonuses (bands of £5,000)	All pension related benefits (bands of £2,500)	Total (bands of £5,000)
Philip Astell Director of Finance (from 01/04/16 to 15/06/16)	25-30	1**	0	0	62.5-65	90-95
Pauline Butterworth Acting Chief Operating Officer (started 01/09/15, seconded out 14/11/16)	75-80	2**	0	0	80-82.5	155-160
Professor Jon Cohen Non-Executive Director (left 31/10/15)	0	0	0	0	0	0
Charles Ellis Non-Executive Director (left 31/01/16)	0	0	0	0	0	0
Darren Grayson Chief Executive (left 31/01/16)	0	0	0	0	0	0
Vanessa Harris Director of Finance (left 30/09/15)	0	0	0	0	0	0
Amanda Harrison Director of Strategic Development and Assurance (left 30/09/15)	0	0	0	0	0	0
Sally Herne Improvement Director (left 22/12/16)	0	0	0	0	0	0
David Hughes Medical Director (Governance) (ceased 06/09/16)	35-40	1**	0	0	22.5-25	60-65
David Meikle Interim Director of Finance (left 31/03/16)	0	0	0	0	0	0
Maggie Oldham Improvement Director (left 23/12/1523/12/15)	0	0	0	0	0	0
Andrew Slater Medical Director (Strategy)(ceased 06/09/16)	35-40	2**	0	0	0	35-40
Richard Sunley Deputy Chief Executive /Chief Operating Officer (Left 10/10/16)	80-85	1**	0	0	0	80-85
Stuart Welling Chairman (left 30/09/15)	0	0	0	0	0	0

2015/16

Name and title	£'000	£'00	£'000	£'000	£'000	£'000
Philip Astell Director of Finance (from 01/04/16 to 15/06/16)	0	0	0	0	0	0
Pauline Butterworth Acting Chief Operating Officer (started 01/09/15, seconded out 14/11/16)	50-55	1**	0	0	50-52.5	100-105
Professor Jon Cohen Non-Executive Director (left 31/10/15)	0-5	1**	0	0	0	0-5
Charles Ellis Non-Executive Director (left 31/01/16)	5-10	1**	0	0	0	5-10
Darren Grayson Chief Executive (left 31/01/16)	145-150	23**	0	0	75-77.5	225-230
Vanessa Harris Director of Finance (left 30/09/15)	65-70	0	0	0	0	65-70
Amanda Harrison Director of Strategic Development and Assurance (left 30/09/15)	55-60	10**	0	0	0-2.5	55-60
Sally Herne Improvement Director (left 22/12/16)	0	0	0	0	0	0
David Hughes Medical Director (Governance) (ceased 06/09/16)	220-225*	1**	0	0	25-27.5	250-255
David Meikle Interim Director of Finance (left 31/03/16)	125-130	0	0	0	0	125-130
Maggie Oldham Improvement Director (left 23/12/1523/12/15)	0	0	0	0	0	0
Andrew Slater Medical Director (Strategy)(ceased 06/09/16)	195-200	4**	0	0	30-32.5	225-230
Richard Sunley Deputy Chief Executive /Chief Operating Officer (Left 10/10/16)	155-160	0	0	0	65-67.5	225-230
Stuart Welling Chairman (left 30/09/15)	10-15	2**	0	0	0	10-15

For key for Salary and Pension entitlements of senior managers tables please see page 85.

Pension benefits (Audited)

Name and title	Real increase in pension age (bands of £2500) £'000	Real increase in pension lump sum at pension age (bands of £2500) £'000	Total accrued pension at pension age at 31 March 2017 (bands of £5000) £'000	Lump sum at pension age related to accrued pension at 31 March 2017 (bands of £5000) £'000	Cash equivalent transfer value at 1 April 2016 £'000	Real increase in Cash Equivalent Transfer Value £'000	Cash equivalent transfer value at 31 March 2017 £'000	Employer's contribution to stakeholder pension £'000
Catherine Ashton Director of Strategy (commenced 01/08/16)	0-2.5	0-2.5	15-20	35-40	220	28	262	0
Dr Adrian Bull Chief Executive (appointed 11/04/16)	0	0	35-40	115-120	960	0	896	0
Joanne Chadwick-Bell Chief Operating Office (appointed 14/11/16)	0-2.5	2.5-5	25-30	75-80	375	8	396	0
Monica Green Director of Human Resources	2.5-5	12.5-15	40-45	120-125	734	108	842	0
Jonathan Reid Director of Finance	2.5-5	5-7.5	15-20	35-40	158	50	221	0
Dr David Walker Medical Director (appointed 05/09/16)	0	0	0	0	0	0	0	0
Alice Webster Director of Nursing	2.5-5	10-12.5	35-40	115-120	581	79	660	0
Lynette Wells Director of Corporate Affairs	2.5-5	0	12.5-15	0	111	43	154	0
Philip Astell Director of Finance (from 01/04/16 to 15/06/16)	0-2.5	0-2.5	35-40	60-65	685	13	746	0
Pauline Butterworth Acting Chief Operating Officer (started 01/09/15, seconded out 14/11/16)	2.5-5	0	15-20	0	124	36	182	0
David Hughes Medical Director (Governance) (Ceased 24/09/16)	0-2.5	2.5-5	60-65	180-185	1233	33	1309	0
Andrew Slater Medical Director (Strategy) (commenced 01/11/15 - ceased 24/09/16)	0	0	55-60	165-170	1003	0	1003	0
Richard Sunley Deputy Chief Executive /Chief Operating Officer (left 10/10/16)	0	0	50-55	165-170	1298	0	0	0
Sally Herne Improvement Director (started 04/01/16 - left 22/12/16)	0	0	0	0	0	0	0	0

As non-executive members do not receive pensionable remuneration, there are no entries in respect of pensions for non-executive members.

For detailed values on employee benefits and staff numbers please see Note 8 in the Annual Accounts and the Staff Report within the Annual Report.

Key for Salary and Pension entitlements of senior managers tables

- * David Walker, non-Board related salary for the full year of £167k.
- * David Hughes, non-Board related salary for the full year of £164k.
- * Andrew Slater, non-Board related salary for the full year of £137k.
- * Catherine Ashton., non-Board related salary for the full year of £32k.
- ** represents reimbursement of travel costs incurred and leased car benefits, subject to UK income tax and disclosed to nearest £100

Richard Sunley left the Trust on 10th April

2016 and was undertaking project work for NHS Improvement until 10th October 2016

Salary costs for Maggie Oldham and Sally Herne were incurred by the Trust and recovered from the NHSi

##The amount included in the column headed "all pension related benefits" represents the annual increase (expressed in £2,500 bands) in pension entitlement. This amount represents pension benefits accruing to executive directors.

Cash Equivalent Transfer Values

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 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

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Payment for Loss of Office (audited)

Philip Astell (Acting Director of Finance 01/04/16 to 15/06/16) received compensation for loss of office during the year 2016/17.

The gross amount of this settlement was £53,811, this payment was in lieu of working a notice period, including annual leave, and no additional contractual payments were made.

Pay ratios (audited)

	2016/17	2015/16 Restated
Band of Highest Paid Director	£200-205k	£220-225k
Median Total Remuneration	£27,832	£28,180
Ratio	1 : 7.25	1 : 7.85



In 2016/17 the Trust calculated the median pay based upon the full time equivalent staff at the 31st March 2017 on an annualised basis, including agency costs, whilst in 2015/16 the Trust calculated the median pay without the agency costs. The 2015/16 values have been restated to reflect the new methodology.

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director/member in their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest paid director in East Sussex Healthcare NHS Trust in the financial year 2016/17 was £200k-£205k (2015/16, £220-225k). This was 7.25 times (2015/16, 7.95) the median remuneration of the workforce, which was £27,832 (2015/16 £28,180).

In 2016/17, 8 (2015/16, 2) employees received remuneration in excess of the highest paid director. Remuneration ranged from £15,142 to £250,818 (2015/16 £15,099 to £238,860).

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

It should be noted that the changes in ratio between financial years have arisen due to:

- Application of the national NHS wage settlements for all staff groups.
- In addition the remuneration of the most highly paid individual has reduced due to a reduction in taxable allowances.



STAFF REPORT

Our workforce at the end of 2016/17 consisted of 6,867 members of staff (6,012 full time equivalents).

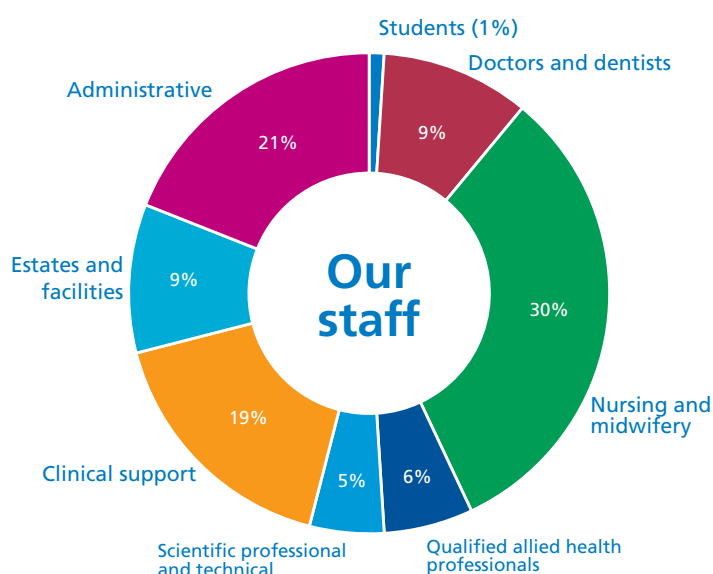
The analysis below is for staff employed at the end of the year only.

Analysis of Staff Numbers

Number of senior managers by band as at 31st March 2017.

	FTEs as of 31/03/17
Directors	8.00
Agenda for change Band 9	3.00
Agenda for change Band 8d	12.00
Agenda for change Band 8c	25.93
Agenda for change Band 8b	50.15
Agenda for change Band 8a	154.22

Our staff are made up as follows:



#ourmarvellousteams

“ Heathfield Goodstart Health Visiting Team -

Everyone in the team is mindful of each other and our individual strengths and vulnerabilities. We know we are not perfect and we have a laugh. We provide a good service and do our best and we are learning every day. We appreciate the training and change our practice and try to be constant in changing and challenging times. Together I believe we are making a difference to mothers, children and families. Katy, our CNN, is a mine of information and always helps without us having to ask. Elspeth is clever and methodical and very thorough and tells great jokes. Julie, our admin, is very experienced and responds to our requests efficiently despite our interrupting her numerous tasks with too little time to do everything. Gill coordinates the team and fits everything in in her relaxed and respectful way and our students have been great. We miss them all. Tracey, very new member of the team as a CNN is welcome and no doubt will add her own ingredients to the mix. I feel privileged to work alongside them all.”



Employee benefits - Gross Expenditure 2016/17

	Total £000s	Permanently Employed £000s	Other £000s	Total £000s	Permanently Employed £000s	Other £000s
Salaries and wages	227,527	186,454	41,073	220,413	181,938	38,475
Social security costs	18,716	17,235	1,481	14,660	13,837	823
Employer contributions to NHS BSA - Pensions Division	23,960	22,064	1,896	23,444	22,128	1,316
Termination benefits	405	405	0	13	13	0
TOTAL - including capitalised costs	270,608	226,158	44,450	258,530	217,916	40,614
Employee costs capitalised costs	637	548	89	443	396	47
Gross Employee Benefits excluding capitalised costs	269,971	225,610	44,361	258,087	217,520	40,567

Average staff numbers

	Total YTD Number	Permanently Employed Number	Other Number	Total Prior Year Number	Permanently Employed Number	Other Number
Medical and dental	605	516	89	600	514	86
Administration and estates	1,252	1,146	106	1,139	1,039	100
Healthcare assistants and other support staff	2,029	1,665	364	1,853	1,473	380
Nursing, midwifery and health visiting staff	1,903	1,750	153	1,881	1,722	159
Nursing, midwifery and health visiting learners	22	22		26	26	
Scientific, therapeutic and technical staff	559	496	63	550	495	55
Healthcare Science staff	130	130		131	131	
Other	7	7		88	88	
Total	6,507	5,732	775	6,268	5,488	780
Of the above - staff engaged on capital projects	16	14	2	15	13	2

Exit packages (audited)

2016/17						
Exit package cost band (including any special payment element)	Number of compulsory redundancies	Cost of compulsory redundancies	Number of other departures agreed	Cost of other departures agreed	Total number of exit packages	Total cost of exit packages
	Whole numbers only	£s	Whole numbers only	£s	Whole numbers only	£s
Less than £10,000			2	7,243	2	7,243
£10,000 - £25,000	1	18,400	4	58,498	5	76,898
£25,001 - £50,000	2	63,090	0	0	2	63,090
£50,001 - £100,000	1	51,777	3	176,810	4	228,586
Totals	4	133,266	9	242,551	13	375,817

2015/16						
Exit package cost band (including any special payment element)	Number of compulsory redundancies	Cost of compulsory redundancies	Number of other departures agreed	Cost of other departures agreed	Total number of exit packages	Total cost of exit packages
	Numbers	£s	Numbers	£s	Numbers	£s
Less than £10,000	0	0	7	11,957	7	11,957
Totals	0	0	0	11,957	7	11,957

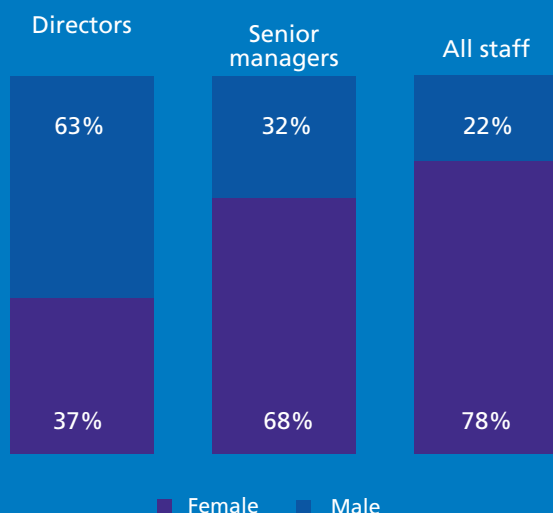
Analysis of Other Departures

	2016/17		2015/16	
	Agreements Number	Total value of Agreements £000s	Agreements Number	Total value of Agreements £000s
Mutually agreed resignations (MARS) contractual costs	1	64	1	0
Contractual payments in lieu of notice	7	167	6	12
Exit payments following employment tribunals or court orders	1	12	0	0
Totals	9	243	7	12

Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Pensions. Exit Costs in this note are accounted for in full in the year of departure. Where ESHT has agreed early retirements, the additional costs are met by ESHT and not by the NHS pensions scheme. Ill-health retirement costs are met by the NHS pensions scheme and are not included in the table.

Gender distribution by directors, other senior managers and staff

Gender breakdown of Trust
- 31st March 2017



Senior Managers includes all staff on Agenda for Change Bands 8a-8d.

Staff fact file*

As of 31st March 2017:

- Just under 78% of our staff were female
- 38.6% of all staff work part-time
- 35.2% of staff are over 50 years old
- Just over 2.3% of staff identified themselves as disabled and just over 1.2% identified themselves as either gay, lesbian or bisexual
- 12.3% of staff are from a black or minority ethnic (BME) origin. This compares to 14.6% nationally (England, 2011 Census) and just over 8.3% in East Sussex (December 2012)

* Source: ESR (comparative ethnic info from 2011 Census and East Sussex in Figures).

#ourmarvellousteam

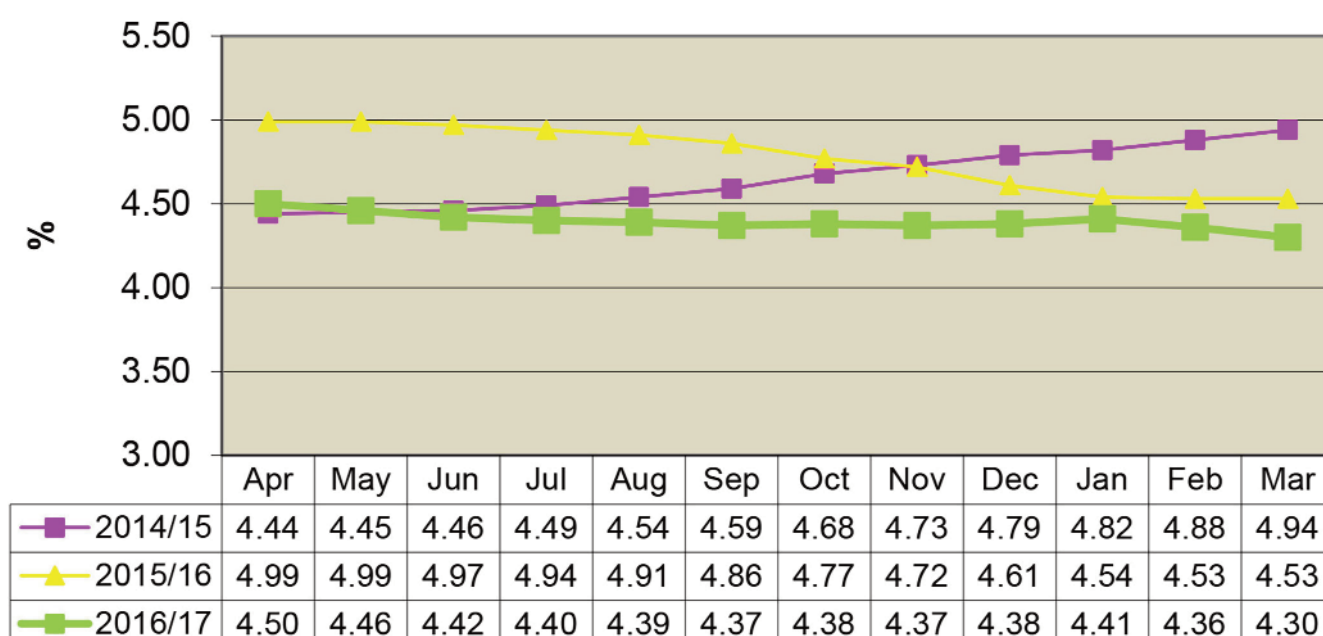
“ Conquest A&E, AAU and IV team - I am a 3rd year registrar in Radiology at Barts and The London NHS trust. I also have a rare medical condition (a mitochondrial disease) that requires specialist in patient care when I become unwell with intercurrent illness. I completed my F1 jobs at Conquest Hospital. I recently was admitted to the Conquest AAU, via A&E, my parents live locally and I became ill whilst staying with them and was not able to get into London to get the treatment I normally have. I just wanted you to know how impressed and grateful I was for the care I received. In particular the nursing and HCA staff in both A&E and AAU who took care of me and were always so prompt with my requests. The doctors were great and in fact the consultant on call that weekend (Dr Nadeem Rahman) was actually my registrar when I was an F1. I was amazed at how many people recognised me from my time there which was 10 years ago. In particular I wanted to flag up what a superb service the IV team is. This is something that I do not have access to in London and wish I did. They were absolutely brilliant and were there so quickly when issues arose with my portacath and that not only helped me get my treatment quicker but also massively reduced my anxiety around having a central venous access device in a strange hospital. Support and hold on to that service, you have no idea how much stress was relieved by having them there, not only for me as a patient but I'm sure for the clinical staff too. I appreciate what a great job is being done at the Conquest.

”

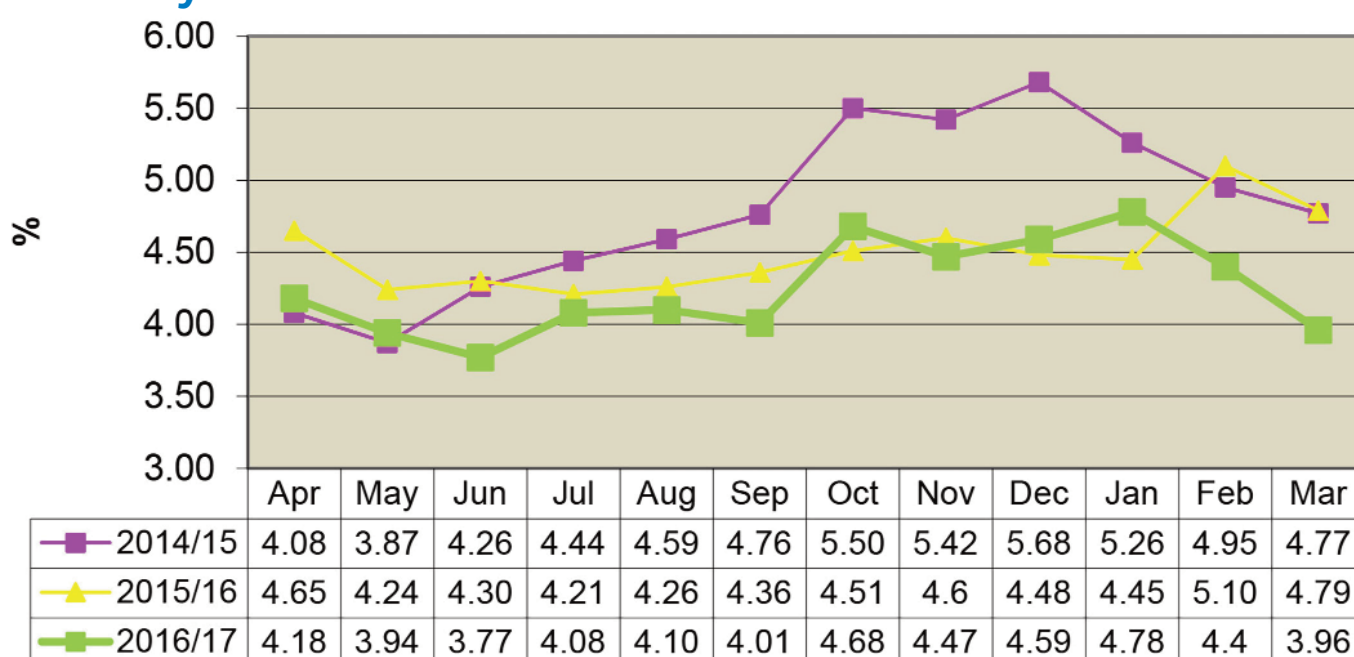
Staff Absence Data

Our annual sickness rate has reduced during the year from 4.50% to 4.30%.
The average working days lost due to sickness per member of staff during the year to 31st March 2016 was 10.16.

Annual sickness rate



Monthly sickness rate



Staff Policies

We ensure that all vacancies for positions within the Trust are advertised both internally and externally, through our Trust website and NHS Jobs2.

Applicants who disclose a disability are given an automatic 2 ticks indicator which is visible during the shortlisting process, and enables managers to ensure that all applicants with a disclosed disability, who meet the minimum requirements as set out in the person specification, are called for interview under our guaranteed interview scheme. We treat internal and external applicants in exactly the same way.

We support disabled employees in maintaining their training and career development by undertaking an annual Personal Development Review, with a 6 month follow-up to ensure that agreed actions have been undertaken. Our Learning and Development service gives all

our staff access to personal development training, and staff also have the support of the Occupational Health Service.

When necessary, our Human Resources Department will provide support for staff and for line managers to ensure that, wherever possible, staff needing to find an alternative post due to health issues are helped to identify suitable alternative employment. Support is made available from the Occupational Health Department and Local Disability Advisors as required.

Our Equality, Diversity and Human Rights Manager takes the lead in ensuring that disability awareness is embedded throughout our Trust's culture. All of our staff undergo equality training and have the option of doing this online or face to face. We further ensure that equality is embedded throughout the Trust via Personal Development Reviews, team briefings, and within a variety of Trust communications.



Expenditure on Consultancies

During 2016/17, the Trust's total spending on consultancies was £993,000.

Off-payroll Engagements

	Number
Number of existing engagements as of 31/03/17	0
Of which, the number that have existed:	
for less than one year at the time of reporting	0
for between one and two years at the time of reporting	0
for between 2 and 3 years at the time of reporting	0
for between 3 and 4 years at the time of reporting	0
for 4 or more years at the time of reporting	0

For all new off-payroll engagements between 1 April 2016 and 31 March 2017, for more than £220 per day and that last longer than six months:

	Number
Number of new engagements, or those that reached six months in duration, between 1 April 2016 and 31 March 2017	2
Of which, the number that have existed:	
Number of new engagements which include contractual clauses giving East Sussex Healthcare NHS Trust the right to request assurance in relation to income tax and National Insurance obligations	2
Number for whom assurance has been requested	0
Of which:	
assurance has been received	0
assurance has not been received	0
engagements terminated as a result of assurance not being received	0

Two contracts were arranged through HR and for these the term was included. However, for the contracts which were developed outside HR during a time of organisational change, the Trust cannot

confirm that these are included and as a result is reporting non-compliance. The individual who agreed the contracts and who were the subject of the contracts have now left the organisation. Processes have been in place to ensure HR involvement for contracts since then.

Off-payroll engagements

For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1st April 2016 and 31st March 2017.

	Number
Number of off-payroll engagements of board members, and/or senior officials with significant financial responsibility, during the financial year	1
Total no. of individuals on payroll and off-payroll that have been deemed "board members, and/or, senior officials with significant financial responsibility", during the financial year. This figure should include both on payroll and off-payroll engagements.	15

Modern slavery

Note: The Trust income does not reach the level at which we are required to prepare an annual slavery and human trafficking statement.

This accountability report was approved by the board on 31st May 2017 and signed on its behalf by:



Chief Executive
1st June 2017

SUMMARY FINANCIAL STATEMENTS

Independent Auditor's Report to the Directors of East Sussex Healthcare NHS Trust

We have audited the financial statements of East Sussex Healthcare NHS Trust (the Trust) for the year ended 31 March 2017 under the Local Audit and Accountability Act 2014.

The financial statements comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Taxpayers' Equity, the Statement of Cash Flows and the related notes.

The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the 2016-17 Government Financial Reporting Manual (the 2016/17 FReM) as contained in the Department of Health Group Accounting Manual 2016/17 (the 2016-17 GAM) and the Accounts Direction issued by the Secretary of State with the approval of HM Treasury as relevant to the National Health Service in England (the Accounts Direction).

We have also audited the information in the Remuneration and Staff Report that is described in that report as having been audited.

This report is made solely to the Board of Directors of East Sussex Healthcare NHS Trust, as a body, in accordance with part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 43 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited.

Our audit work has been undertaken so that we might state to the Directors of the

Trust those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Board of Directors of the Trust, as a body, for our audit work, this report, or for the opinions we have formed.

Respective responsibilities of Directors, the Accountable Officer and auditor

As explained more fully in the Statement of Directors' Responsibilities in respect of the Accounts, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

As explained in the Statement of the Chief Executive's responsibilities, as the Accountable Officer of the Trust, the Accountable Officer is responsible for the arrangements to secure economy, efficiency and effectiveness in the use of the Trust's resources.

We are required under section 21(3)(c), as amended by schedule 13 paragraph 10(a), of the Local Audit and Accountability Act 2014 to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. Section 21(5)(b) of the Local Audit and Accountability Act 2014 requires that our report must not contain our opinion if we are satisfied that proper arrangements are in place.

We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Scope of the audit of the financial statements

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

- whether the accounting policies are appropriate to the Trust's circumstances and have been consistently applied and adequately disclosed
- the reasonableness of significant accounting estimates made by the Directors; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the annual report and accounts to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Statement of comprehensive income for the year ended 31st March 2017

	2016/17 £000s	2015/16 £000s
Gross employee benefits	(269,971)	(258,087)
Other operating costs	(146,775)	(138,083)
Revenue from patient care activities	339,788	323,874
Other operating revenue	39,519	32,278
Operating deficit	(37,439)	(40,018)
Investment revenue	17	29
Other gains	0	29
Finance costs	(1,795)	(859)
Deficit for the financial year	(39,217)	(40,819)
Public dividend capital dividends payable	(4,968)	(6,940)
Transfers by absorption - losses	0	(29,260)
Retained deficit for the year	(44,185)	(77,019)
Other comprehensive income	2016/17 £000s	2015/16 £000s
Impairments and reversals taken to the revaluation reserve	0	(262)
Net gain/(loss) on revaluation of property, plant and equipment	6,569	(10,877)
Total comprehensive income for the year	(37,616)	(88,158)
Will not be reclassified to income and expenditure		
Financial performance for the year		
Retained deficit for the year	(44,185)	(77,019)
Impairments (excluding IFRIC 12 impairments)	(5)	(411)
Adjustments in respect of donated government grant asset reserve elimination	398	173
Adjustment re absorption accounting	0	29,260
Adjusted retained deficit	(43,792)	(47,997)

Statement of financial position as at 31st March 2017

	31/03/17 £000s	31/03/16 £000s
Non-current assets:		
Property, plant and equipment	237,135	231,172
Intangible assets	1,860	1,650
Trade and other receivables	1,308	1,193
Total non-current assets	240,303	234,015
Current assets:		
Inventories	6,195	6,472
Trade and other receivables	40,806	17,184
Cash and cash equivalents	2,100	2,100
Total current assets	49,101	25,756
Total assets	289,404	259,771
Current liabilities:		
Trade and other payables	(53,034)	(39,830)
Provisions	(502)	(253)
DH capital loan	(427)	(427)
Total current liabilities	(53,963)	(40,510)
Net current liabilities	(4,862)	(14,754)
Total assets less current liabilities	235,441	219,261
Non-current liabilities:		
Provisions	(2,488)	(2,709)
DH revenue support loan	(89,662)	(35,218)
DH capital loan	(3,126)	(3,553)
Total non-current liabilities	(95,276)	(41,480)
Total assets employed	140,165	177,781
Financed by:		
Public dividend capital	153,562	153,562
Retained earnings	(118,105)	(74,028)
Revaluation reserve	104,708	98,247
Total taxpayers' equity	140,165	177,781

The summarised financial statements on pages 97 to 100 were approved by the board on 31st May 2017 and signed on its behalf by



Chief Executive
1st June 2017

Statement of cash flows for the year ended 31st March 2017

	2016/17 £000s	2015/16 £000s
Cash flows from operating activities		
Operating deficit	(37,439)	(40,018)
Depreciation and amortisation	12,406	12,665
Impairments and reversals	(5)	(411)
Donated assets received credited to revenue but non-cash	(539)	(947)
Decrease in inventories	277	127
(Increase)/Decrease in trade and other receivables	(24,109)	2,271
Increase in trade and other payables	14,728	11,817
Provisions utilised	(405)	(467)
Other movement in non cash provisions	400	250
Net cash outflow from operating activities	(34,686)	(14,713)
Cash flows from investing activities		
Interest received	17	29
Payments for property, plant and equipment	(12,465)	(10,159)
Payments for intangible assets	(505)	(583)
Proceeds of disposal of assets held for sale (PPE)	0	6
Net cash outflow from investing activities	(12,953)	(10,707)
Net cash outflow before financing	(47,639)	(25,420)
Cash flows from financing activities		
Gross temporary and permanent PDC received	0	32
Loans received from DH - new capital investment loans	0	441
Loans received from DH - new revenue support loans	54,444	66,633
Loans repaid to DH - capital investment loans repayment of principal	(427)	(427)
Loans repaid to DH - working capital loans/revenue support loans	0	(31,415)
Capital element of payments in respect of finance leases	0	(335)
Interest paid	(1,761)	(859)
PDC Dividend paid	(4,617)	(7,558)
Net cash inflow from financing activities	47,639	26,512
NET INCREASE IN CASH AND CASH EQUIVALENTS	0	1,092
Cash and cash equivalents at beginning of the period	2,100	1,008
Cash and cash equivalents at year end	2,100	2,100

Interest Paid and PDC Dividend Paid were shown as Operating activities in 2015/16, these are now accounted for as Financing Activities.

Better payment practice code

	2016/17		2015/16	
	Number	£000s	Number	£000s
Non-NHS payables				
Total non-NHS trade invoices paid in the year	119,039	130,851	131,962	144,870
Total non-NHS trade invoices paid within target	31,288	49,321	75,556	94,383
Percentage of non-NHS trade invoices paid within target	26.28%	37.69%	57.26%	65.15%
NHS payables				
Total NHS trade invoices paid in the year	2,656	46,757	2,619	22,572
Total NHS trade invoices paid within target	786	37,205	1,604	18,886
Percentage of NHS trade invoices paid within target	29.59%	79.57%	61.24%	83.67%

The Better Payment Practice Code requires the NHS body to aim to pay all valid invoices by the due date or within 30 days of receipt of a valid invoice, whichever is later.

Accessibility

We can provide information in other languages when the need arises. Furthermore, to assist any patient with a visual impairment, literature can be made available in Braille or on audio tape.

For patients who are deaf or hard of hearing a loop system is available around our hospitals and a British Sign Language service can be arranged.

If you require any of the Trust leaflets in alternative formats, such as large print or alternative languages, please contact the Equality and Human Rights Department.

Tel: (01424) 755255 Ext: 2620

Conquest Hospital
The Ridge
St. Leonards-on-Sea
East Sussex, TN37 7RD
Tel: (01424) 755255

Bexhill Hospital
Holliers Hill
Bexhill-on-Sea
East Sussex, TN40 2DZ
Tel: (01424) 755255

Eastbourne District General Hospital
Kings Drive
Eastbourne
East Sussex, BN21 2UD
Tel: (01323) 417400

Rye, Winchelsea and District Memorial Hospital
Peasmarsh Road
Rye Foreign
Rye
East Sussex, TN31 7UD
Tel: (01797) 223810



www.esht.nhs.uk



esh-tr.enquiries@nhs.net



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Freedom of Information

The Trust is required under the Freedom of Information Act 2000 to make certain information public. The information available can be found in the Trust's Publication Scheme available on our website at www.esht.nhs.uk/foi

Alternatively write to: Freedom of Information Manager, Eastbourne District General Hospital, Kings Drive, Eastbourne, East Sussex, BN21 2UD.