NHS
Sandwell and
West Birmingham
NHS Trust

INTEGRATED ANNUAL REPORT AND ACCOUNTS 2021/22

PATIENTS
PEOPLE
POPULATION

Specialist midwives on International Day of the Midwife

Front Cover captions

Left to right: Loury Mooruth, who became one of the first sickle cell patients to receive a new drug to reduce pain. The Midland Metropolitan University Hospital is currently being built in Smethwick and will serve our population. Noor Abduljhbar, one of the Trust's clinical leads at the Tipton Vaccination Centre.

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Foreword

Welcome to the Trust's Annual Report and Accounts for 2021/22. Once again, this year has been impacted by the COVID-19 pandemic and our tremendous staff have stepped forward to provide the best care they can to our patients under challenging circumstances. The commitment, courage and compassion that our staff have shown continues to be exemplary.

We have begun to build back our services and some of the changes that we introduced in order to provide safe patient care will remain. That is because we have learned how to adapt quickly and provide safe services with greater convenience for patients. Many of our patients are now able to have clinical consultations without leaving the comfort of their homes. We continue to see patients face to face depending on individual patient needs, their conditions and treatment plans, and are making great strides in treating patients who have been waiting too long for planned procedures.

The pandemic required us to mobilise changes quickly to keep staff and patients safe. At times that has meant a change to how we engage with our patients or staff over proposals and we are now revisiting how we share information and support our communities in contributing to how services change.

We have always known, but this year it has really come to the fore, how important it is to invest in our staff's health and wellbeing, and in their day to day experience. This organisation has won national awards for its work in this area. The toll of COVID-19 has been heavy on all those in the health service and particularly at our Trust which has been heavily impacted. Our health and wellbeing offer for staff has continued to expand as we help people with their own personal reflections and recovery. We are now building a sustainable People Plan which will tackle the key areas which impact staff experience.

This year we have developed a new five year strategy for the Trust that prioritises our patients, our people and our population. This strategy guides our decision making and our prioritisation so that we can see patient care improve, create a better place to work and support our population in improving their life chances and health outcomes. We have also strengthened our Trust Board with new Non-Executive Directors who bring additional expertise, support and scrutiny in delivering our strategy now and in the years ahead.

The development of the new Midland Metropolitan University Hospital has continued to progress throughout the year. Our clinical teams have invested time and energy in developing new clinical pathways, designing the services and workforce plans that are needed when the new hospital opens. Much of what needs to change will be done in advance of the move date so that we are ready to run safe and effective services from day one of the hospital opening. Our Trust and the Midland Met continues to be "more than a hospital" - the greatest changes will be in our community services and our partnership arrangements with other organisations. These changes will enable our communities to access the right care at the right time, as locally as possible, with hospital attendance only when necessary for serious illness, emergencies or planned procedures.

We are looking forward to the benefits that the new hospital will bring to our patients, our people and our population.

Sir David Nicholson KCB CBE, Chairman

Richard Beeken, Chief Executive Officer

Lucy Woods commended the way midwives have cared for her during her pregnancy journey. Here she is with her new baby Sienna.

Performance Report

Our story

The organisation has focused on adapting its services to the changing nature of the COVID-19 pandemic and the resulting national guidance. A particular achievement has been the continued development of the COVID-19 vaccination programme where our Trust has taken the lead for the provision of vaccination centres, pop-up clinics, and provision of vaccines in schools and to those who are housebound. We continue to adapt our provision in light of new requirements, including different age cohorts and immunosuppressed patients.

We have adapted our inpatient services in order to safely stream patients with COVID-19 symptoms, enable rapid testing and provide separate areas for people who test positive for COVID-19. Throughout the different waves of the pandemic our infection prevention and control guidance has also changed rapidly and our staff must be given due credit for the way they have adopted changes at pace to keep themselves and their patients safe.

We are re-establishing our services under new "living with COVID-19" arrangements, prioritising safe patient care, and keeping in step with national guidance for the NHS.

We have continued to invest in our infrastructure with the opening of the Lyndon Primary Care Centre on the Sandwell Hospital site. The building is the new location for the Carters Green GP practice, provided by Your Health Partnership, who joined the Trust in April 2020. We now match the Royal Wolverhampton Trust in both the scale of our integration with primary care and also in the scale of our ambition in this space, in the future. We have also opened two new multi-storey car parks at Sandwell and City Hospital sites to ensure that parking provision at both hospitals is improved. The Midland Metropolitan University Hospital has continued to be built on site and during the year our clinical teams have established the service models, workforce and financial requirements in order to provide the right care when the building opens.

Our staff have continued to step up to face whatever challenge comes their way and we are delighted that many individuals and teams have been recognised nationally for their significant contributions to the NHS.

Our services have also continued to develop with enhanced models to discharge patients safely home from hospital, the opening of the new urgent treatment centre at Sandwell Hospital, a new short stay acute medical unit and a neonates outreach service so that families can be at home with clinical support rather than stay in hospital.

Urgent care services have been under tremendous pressure right across the country. Birmingham and the Black Country has been no exception and we have worked hard with our partners to minimise waiting times for people. We apologise to patients who have not always received an optimal service and we thank our committed staff right across the NHS for their efforts to ensure that safety has been maintained.

We are pleased that our maternity services maintained a "good" rating from the Care Quality Commission following a focused inspection in May 2021. The service has in place a detailed improvement plan, monitored at Trust Board, to ensure that good care is provided to every service user, baby and family. The actions arising from the Ockenden review are also being implemented across our maternity teams.

Deepening our partnership arrangements has been a key focus for the Trust. We continue to contribute to the development of the integrated care systems in the Black Country and Birmingham & Solihull. We are active in partnership with other NHS Trusts in the Black Country Provider Collaborative where we aim to work together to integrate or improve clinical or corporate services for the benefit of our populations. As the host provider for the Sandwell Place Based Partnership, the Sandwell Health and Care Partnership, we are working with local partners to focus on improvements in health and care for our populations. Because we are so focused on our vision to be the most integrated care organisation we have set up a new, dedicated Board Committee, the Integration Committee, that will oversee the Trust's integration programme including our work to join up services within our organisation, such as primary care, and across with partner organisations.

The Trust's leadership arrangements have developed during the year. Sir David Nicholson was appointed Trust chair in May 2021 and Richard Beeken was substantively appointed chief executive in September 2021, following the departure of Toby Lewis, who moved on after eight years at the helm. New Non-executive directors have joined the Trust Board, bringing additional expertise, support and scrutiny. The Trust has also appointed a new Chief Nurse, Chief People Officer and Chief Integration officer to the executive team.

This year, the Trust has developed a new five year strategy with three strategic objectives:

- **Patients:** To be good or outstanding at everything we do
- **People:** To cultivate and sustain happy, engaged and productive staff
- **Population:** To work seamlessly with our partners to improve lives

Over the next few pages you can see highlights of the Trust's achievements within those three themes.

Our Patients – to be good or outstanding in everything we do

New antibody treatment for COVID patients

In October we introduced treatment for COVID-19 for high risk patients, delivering the medication in the newly formed COVID Medicine Delivery Unit (CMDU) based at City Hospital. Patients are referred from within the community for treatment of COVID-19 infection with a neutralising monoclonal antibody (nMABs) therapy drug called Sotrovumab (Xevudy).

Other anti-viral medications (molnupiravir), can be offered if the patient is not suitable for nMABS treatment. High risk priority patients who receive a positive PCR test can be put forward for the therapy within five days of their result. Dr Chizo Agwu, Deputy Medical Director, explained: "The nMabs therapy (Sotrovimab) helps to treat coronavirus by sticking to the spike protein on the surface of the virus.

"This stops the virus from getting into the patient's lungs and causing infection in the organ. The nMABS also helps their body to fight the virus thereby assisting them in their recovery in a faster time period. A single dose, which is given intravenously, was found in clinical trials to reduce the risk of hospitalisation and death by 79 per cent in high-risk adults with symptomatic COVID-19 infection." The high-risk group include patients with downs syndrome, sickle cell disease, solid cancer, haematological malignancy, severe renal and liver disease, decompensated liver disease, those on significant immunosuppression, and with primary immune deficiencies. Patients must also be aged 12 and above and weigh more than 40kg.

Hocus-POCUS provides a magical remedy to saving patients' lives

A new book co-penned by Dr Sarb Clare, Deputy Medical Director and Acute Physician, aims to share innovative practice to provide ultrasound for patients wherever they need it. Dr Clare wrote the book alongside Dr Chris Duncan who spent two years at our Trust as a senior house officer within ED, AMU and ITU and is now an ITU registrar in London. Having practised point of care ultrasound for nearly 17 years, Sarb has become a pioneer in the use of bed side diagnostics enabling and empowering clinicians to make rapid diagnosis at the bedside.

"This skill is now embedded within secondary care and many postgraduate curricula and the aim of the book was to share all the experiences, cases and top tips to all but also to push the learning out into primary care where patients will benefit greatly," she explained. This project involved many colleagues from the Trust including Dr Jon Benham, Consultant Radiologist; Carl Bellamy, eLearning Manager; Alex Hackney, Clinical Simulation Fellow; Nav Saeed, Consultant Echocardiographer; Dr Maheshwari Srinivasan, Consultant Obstetrician and Gynaecologist and Professor Dan Lasserson. Contributors from around the world included military personnel and remote medicine practitioners.

"This project was a true example of virtual working as we have not met many of our contributors," added Dr Clare. Topics in the book include echocardiography, chest ultrasound, musculoskeletal, neurology and palliative care to name but a few.

Dr Sarb Clare.

On the road to recovery

COVID-19 has completely reshaped the landscape of how services have been delivered, bringing with it a unique set of opportunities alongside the very obvious and real challenges. One of the biggest changes that has transformed services has been remote consultations – being able to see, support and consult with a patient over the internet. Whilst this new approach was at first seen as a temporary measure, there is growing evidence to support the long term benefits as a sustainable and patient focused operating model.

The cardiology department has experienced significant challenges in achieving the 18 week 'Referral to Treatment' target. With a steady rise in demand coupled with the complexities of the service pathway, leading to longer than acceptable waits for patient care, it was clear that given the challenges from the pandemic, without intervention this would have deteriorated further. However, despite the COVID-19 pandemic, cardiology has seen steady improvements over the last 12 months, culminating in the speciality achieving their 18 week Referral To Treatment (RTT) for May 2021 – for the first time in over two years.

Restoration of our services continue across all specialties by using the latest technologies, and implementing new ways of working – from delivering virtual sessions to patients to creating informational videos which can be accessed from home – or anywhere!

Virtual exercise classes for patients get the thumbs up

The ways in which clinical service is delivered has changed due to the pandemic over the last two years. Many clinicians have had to adapt how they work to ensure that our patients continue to receive the right information so we are able to continue caring for them.

The Community Cardio-Respiratory service is doing just that – by creating and using an exercise video that can be accessed by patients from home. Ruth Morrey, Senior Respiratory Physiotherapist, explained: "Pulmonary rehabilitation as we were running it before had to stop at the beginning of the pandemic, so we had to adapt and change the service - for example running a virtual programme and now adapted face to face programmes. It's important that our patients in the community can continue to exercise after the group and this video allows them to do that."

Ruth teamed up with colleague Rianne Caines, also a physiotherapist, to create the video working with the Communications department. The production complements both the virtual as well as face to face programmes we have been running, allowing patients to continue to feel the benefits of the programme after they have finished.

The 13-minute video demonstrates safety tips, a warm-up and then goes onto demonstrate aerobic and strengthening exercises. Patients under the respiratory arm of the service have chronic respiratory conditions such as COPD, with breathlessness being a major symptom.

Ruth Morrey and Rianne Caines who have produced an exercise video for patients to watch at home.

Long COVID clinic delivers much-needed care

Dr Arvind Rajasekaran Respiratory Consultant and Clinical Director of the Respiratory hub, described how his team are working to help an increasing number of patients who are experiencing Long COVID symptoms. It is thought that many people do not consider the impact that Long COVID could make on their lives when dismissing COVID-19 as a virus they endure for a couple of weeks then move on with their lives.

Dr Rajasekaran wider team who work both in the hospital and within the community know for some patients unexplained symptoms linger for some months. He explained: "Following a COVID infection, we know that while the majority experience a mild illness (with around 10 per cent requiring hospitalisation), a small number of patients will continue to be troubled by a range of symptoms well beyond this period.

"The reported symptoms range from disabling fatigue and tiredness, through unexplained breathlessness, chest pains, palpitations, joint pains, sleep problems, difficulty in concentrating (brain fog) mood changes and anxiety to mention a few. As the symptoms are so wide ranging, systematic assessments are needed to understand the impact on patients and provide personalised care plans. We have dedicated Long COVID assessment clinics which carry out these assessments and patients can be signposted or referred to a range of local services, online resources and specialist clinics to manage the symptoms. Across our catchment area GPs are able to refer patients to Long COVID assessment."

Dr Arvind Rajasekaran who leads the Respiratory hub.

Doctor's research will improve quality of endoscopy

In May last year, Consultant Gastroenterologist Dr Nigel Trudgill was successfully appointed to the prestigious Clinical Research Network (CRN) West Midlands Health and Care Scholars Programme. The two year programme provides funding to free up consultant time for a day a week to allow Dr Trudgill time and support from the CRN to focus on and develop his research ideas.

Dr Trudgill explained: "We're working with support from the Birmingham Clinical Trials Unit on a major grant application for a national randomised trial to improve the quality of endoscopy in the UK and reduce the chance of cancer being missed at endoscopy."

Dr Derek Connolly, Director of Research & Development, said: "This was a competitive interview and Dr Trudgill has done very well in attaining this valuable post. It builds on our previous successful applicants Dr Ispoglou and Mr Velota Sung. Research is at the heart of everything we do at SWB and it's imperative as we go into the new hospital that we have world-class researchers." It marks a great year for the Endoscopy team which was also noted for its efforts in reaching out to other departments, sharing expertise through a colonoscopy upskilling course.

Dr Nigel Trudgill, consultant gastroenterologist.

New service helps parents to continue caring for their prem baby at home

A new neonatal service which supports parents of sick babies after they've left hospital has been launched by our Trust. The Neonatal Community Outreach Team (NCOT) helps to ensure the newborn has a smooth transition from City Hospital, in Birmingham, back to their home and that the parents are given the confidence to care for their baby.

Carmen Nuttall, Neonatal Community Outreach Team Leader, explained: "The service is about empowering the parents to look after their baby and having the confidence to do this. The baby will be discharged once they meet a certain criteria including weight/feeding management, nasogastric feeding, oxygen therapy or phototherapy. Once they are at home we will be on hand to support them throughout their journey, ensuring we visit the home one to three times a week.

"Being at home helps to promote the development of the baby ensuring close and loving relationships develop between a family/carer and their baby."

Carmen Nuttall, who is leading the Neonatal Community Outreach Team.

New one-stop clinic for woman with post-menopausal bleeding

In April the gynaecology team developed a one-stop clinic for post-menopausal women cutting down the amount of appointments a patient has to attend.

Despite the Post-Menopausal Bleeding clinic (PMB) being a condensed service, it has not compromised the care delivered by clinicians but instead improved it. Tiff Jones, sister, said: "Traditionally women attending for this issue would be seen several times, but this new way of treating patients means that they will spend around two hours at the hospital, and will see us once.

"We have always had clinics dedicated to the care and investigation of women who bleed after the menopause. Traditionally a woman would attend for a pelvic ultrasound scan which would be followed by a consultation and biopsy if required and then a further two appointments if necessary. The development and expansion of this service allows us to see women as we previously did with the investigation starting with an ultrasound scan, but also with specially equipped rooms, new technology and highly trained staff across the team.

"We can now deliver all the necessary investigations and procedures, therapeutic and diagnostic treatments in one visit avoiding the need for theatre settings and general anaesthetics. For the majority of women this new service ensures the patient only has to attend one hospital appointment. We always want to be the best team that we can, to support our women every step of the way."

The gynaecology team who are delivering a one-stop service for post-menopausal women.

Engaging with new mums on infant feeding

Breastfeeding – it's a skill, some people take naturally to it and others need a little guidance to help them get the hang of it. Our dedicated infant feeding team are on hand to help each new mum find a way to breastfeed that feels natural and comfortable for them should they wish to do so.

Ensuring that we offer an inclusive service is something Louise Thompson, Infant Feeding Coordinator champions as we serve a diverse community. She explained: "We work to support the choices of the women we look after and never want anyone to feel we don't listen to what they want. We began looking at what additional support we could offer to women from various cultures.

"The MBRRACE report shows we can all be doing more for women who are black, Asian or minority ethnic and so we set about trying to reach out and collect feedback from all the groups that we see rather than waiting for people to come to us. This helped us to shape and monitor the care we provide."

She added: "Overall, I'm pleased that we now have a mechanism in place that allows mums to feedback comments in a safe, anonymous and convenient way. Plus, it's a boost for all of us in the team to reflect on the work we do and see that we do make a difference. To any expectant mums out there, I would say we're here to provide helpful information on infant feeding. If parents have any feeding worries or concerns, we're always here to help."

The Infant Feeding team have been making strides in the BAME community by engaging with new mums.

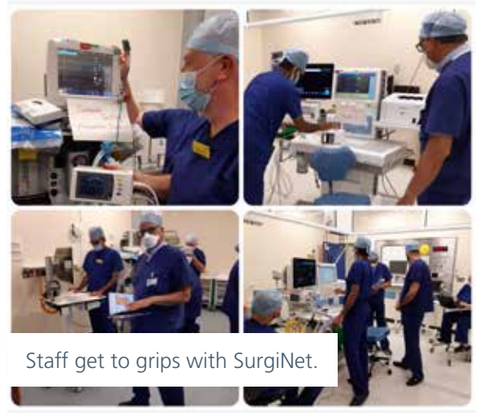
Successful roll out of IT system

More than two years ago we launched Unity, our electronic patient record and in September 2021, to complement this, we rolled out SurgiNet an advanced IT system for our theatres department. It replaced the current system ORMIS and provides a range of benefits for our patients and the staff working within the department.

These include:

- Replacement of the stand-alone system with an integrated solution into Unity EPR
- Provides one unified system
- Information is captured in real time
- Anaesthesia record is fully electronic (reduction in paper)
- All theatre paperwork is captured electronically (reduction in paper)
- Multi-clinician access
- Provides more accurate health record
- Reduced handwriting based errors
- Patient vital signs are recorded electronically and updated at bedside
- Patients can be monitored virtually
- Patient status can be tracked in terms of pre, in theatre, and recovery
- Wards can track theatres in real-time
- Live tracking of capacity (eg other theatres, sites etc).

The roll out was successfully implemented and the system is working well.



Staff get to grips with SurgiNet.

Infection Control Protocol: Safety For All

Following infection prevention and control guidelines has always been a priority for our Trust – it keeps our patients and staff safe. Ensuring that our guidance throughout the pandemic remained in place, up-to-date and as stringent as ever was of great importance. Keeping our staff abreast with the latest procedures on a weekly basis has been in place, sharing guidance in a COVID-19 bulletin which goes out to all staff.

Posters were also produced for all ward areas, with details of what PPE should be worn at all times in those areas. Risk assessments were carried out to assess the situation constantly meaning any changes were immediately communicated to all staff. Additionally, the Trust also made the wearing of surgical masks mandatory for all inpatients from 13 January due to the continuing spread of the Omicron variant. It meant that we continued to keep everyone safe within our care.

Doing our bit to stop antibiotics resistance

Antimicrobial resistance is one of the leading risks to human health and the practice of modern medicine. It is estimated that antimicrobial resistance could cause 10 million deaths a year by 2050. The pandemic appears to have accelerated the threat. Antimicrobial stewardship is a key component in the reduction of healthcare associated infections and contributes to slowing the development of antimicrobial resistance. A start smart, then focused approach is recommended for all antimicrobial prescriptions.

Antibiotics are ineffective for treating COVID-19 infection, unless there is bacterial co-infection. Evidence suggests that bacterial co-infection occurs in less than about five per cent of patients admitted with COVID-19; the incidence of bacterial infection increases during prolonged hospitalisation. However, even patients admitted to critical care are estimated to have relatively low rates of bacterial co-infection – up to 17 per cent.

Our Trust has been keen to raise awareness among healthcare workers about the concerns over antibiotics resistance and continues to make changes and raise awareness in line with the advice given by UK medical bodies and our own research.

City Hospital was lit up to mark World Antibiotic Awareness Week.

Our People – to cultivate and sustain happy, productive and engaged staff

Senior clinicians appointed to new wellbeing role

The wellbeing of our staff has never been so crucial and in early February it was announced that Dr Huma Naqvi and Dr Vikranth Venugopalan were appointed as joint senior medical staff wellbeing leads. The duo are critical in driving the wellbeing agenda for our senior medical colleagues and ensure voices get heard.

Dr Venugopalan explained: "Dr Naqvi and I are the strategic leads for ensuring the health and wellbeing of the senior medical staff including consultants, associate specialists and SAS doctors. This is a very important role as it provides a pastoral service for senior medical colleagues. Our aim is to improve the wellbeing of senior medical colleagues," added Dr Naqvi.

"Looking at the year ahead we want to ensure colleagues are aware of the wellbeing offer provided in our workplace and we also want to increase colleague engagement with wellbeing activities," she said. Both doctors are most looking forward to engaging effectively with the senior medical body to improve their overall wellbeing as well as being that 'voice' for the group and ultimately help reduce burnout rates.

Commenting on their appointments Dr Sarb Clare, AMU Consultant and Deputy Medical Director said: "This is a new role and we are looking forward to being an exemplar for other organisations on how investing in our senior medical body wellbeing is critical in caring for our colleagues who care for our patients. This is a jigsaw piece of the SWB wider strategy on staff wellbeing."

Dr Huma Naqvi and Dr Vikranth Venugopalan who have been appointed as joint senior medical staff wellbeing leads.

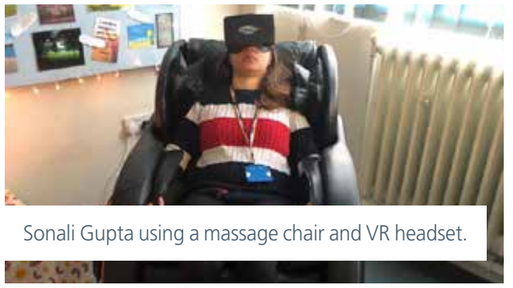
£800k investment means more jobs in nutrition and dietetics service

An investment of £800,000 into the nutrition and dietetics service saw a number of new roles created, leading to a more expanded service. It also meant that patients would benefit from more specialised treatment and support with an increased focus around nutrition-based care pathways in the hospital and community environment.

Ben Biffin, Professional Lead Nutrition and Dietetics, said: "The investment we are seeing within the service shows fantastic recognition by the Trust of the value of good nutrition and hydration in promoting dignity, independence and quality of life for our patients. As dietitians and nutrition nurses we use the most up-to-date public health and scientific research on food, health and disease and translate this into practical guidance to enable people to make appropriate lifestyle and food choices. Nutrition and hydration are often one of the main factors that when given the tools, patients can be independent with their care.

"Evidence proves that good nutrition and hydration can be effective in supporting healthy lifestyles; reducing the risk of future infection, or hospital admission and supporting rehabilitation after illness or injury. This investment comes alongside the release of a new Trust nutrition and hydration strategy promoting it as a fundamental point of care in the journey of our patients."

Dietitian Grace Poole who joined the campaign to recruit into her speciality.



Sonali Gupta using a massage chair and VR headset.

Ensuring the wellbeing of our staff throughout the pandemic and beyond

On the frontline and in the thick of it, working long shifts clad from head to toe in PPE and constantly reminded of the devastating effects of COVID, you wouldn't be human if it didn't affect you.

One research study found that almost half (49 per cent) of those surveyed felt that the pandemic had impacted negatively on their mental health and wellbeing (53 per cent of women and 45 per cent of men) – and those surveyed were not working in health so did not have the additional pressures our colleagues face. Throughout the pandemic our Trust has been resolute in providing as many avenues of mental and physical 'escape' as possible, these include:

- **Occupational health and wellbeing:** Consultations with clinicians, free confidential counselling services, physiotherapy sessions or return to work assessments
- **Psychological support:** Access to coaching conversations, mediation, stress and mental wellbeing risk assessments, help from trained mental health first aiders.
- **Wellbeing services:** The wellbeing team run a number of services to support colleagues including the Sanctuary (formerly 'The Learning Works') and wellbeing hubs at City, Sandwell and Rowley.
- **Supported team time-outs:** The Trust supplied funding for teams to hold their own recovery times together. Most teams have already benefited from this.
- **Upgrading of staff rest areas:** The Trust has been working on improving tired rest areas with new furniture and equipment as needed, and will continue to do so.
- **Wellbeing Hour:** The Trust introduced a wellbeing hour for staff to use once a week. Those who decide to take up the time are able to use it in a variety of ways.

We are continuing to explore how we can further invest in our wellbeing service.

Staff stand up against abuse

The Trust launched a Zero Tolerance campaign which aims to support clinical colleagues against any form of abuse whilst at their workplace after rising levels during the pandemic. Many staff shared why they wanted to work in a safe place, including Dani (pictured) who is based at City Hospital's A&E department. She said: "I come to work to help people. I don't need to suffer abuse while doing my job."

COVID-19 has led to tensions as worried patients, families and members of the public seek to understand the situation, struggle with the realities of lockdown and visiting restrictions but it is clear that colleagues must be able to work in safe surroundings. Statistics in the national staff survey have shown that across the NHS more than one in four NHS colleagues (28.5 per cent) said they had experienced harassment, bullying or abuse from patients, relatives or members of the public. We saw an example of this behaviour back in August when an individual caused thousands of pounds in damages to the A&E department at City Hospital. They were subsequently caught by security, charged by the police, convicted and sentenced to 12 months jail, suspended for 18 months, and ordered to pay £1,200 compensation.

Along with our ongoing poster and video campaign, the Trust stands firm and will defend itself and its staff against abuse. "This conviction enforces the message that violence and aggression and those who wish to disrupt services provided by our Trust will not be tolerated and action will be taken against them," said Mark Lee, Security Officer.

Accident and Emergency nurse Dani is standing up against abuse of NHS staff.

Launch of committee drives forward EDI ambitions

The newly formed equality, diversity and inclusion team (EDI) sprang into action in April 2021 with the aim to drive forward our Trust's ambitions and fulfil responsibilities linked to the NHS People Plan. Consisting of a team of three, Estelle Hickman, Advisor, Khalil Miller, Manager and Donna Mighty, Head of EDI, they have established an EDI Committee and will be introducing a Cultural Ambassador Programme.

The role of the EDI team is to act as a conduit to enable us to understand our individual responsibilities, as we are all accountable for the delivery of this work. This is about facilitating a culture in which our staff and patients can be valued for their individuality, be supported to meet their needs and truly be themselves at all times."

Estelle Hickman, Khalil Miller and Donna Mighty, make up the new formed Equality, Diversity and Inclusion team.

Raising awareness around inclusion

The Trust recognised National Inclusion Week in September by hosting a special event in our memorial garden at City Hospital. Staff from across the organisation came along to visit awareness raising stalls to find out more about how we are trying to be a more inclusive organisation.

"From our Staff Networks and cultural ambassadors, to our Speak Up Guardians and staff from our Learning Works department, there was an array of services on offer for staff to take advantage of," said Khalil Miller, EDI Manager. "The last year has really brought the need for inclusion into sharp focus especially with many of us having spent the past twelve months working remotely so we hope that the United for Inclusion 2021 theme of National Inclusion Week brought colleagues closer together."

He added: "Inclusion creates employee engagement and a sense of belonging which is why it is imperative the Trust has a diverse and inclusive environment. There was a good turn out from across the Trust of both frontline and desk-based staff. I hope this is just the start in helping the Trust become an even more inclusive employer in the future."

Staff gather at the event at City Hospital to mark National Inclusion Week.

Taking skills to the next level with nursing apprenticeships

At a graduation ceremony in December, the Trust welcomed its latest cohort of colleagues who decided to take their skills to the next level as part of the Nursing Associate Apprenticeships Programme. Beginning their journey just as COVID-19 was about to sweep the globe, 10 apprentices worked for two years to finally become fully qualified and Nursing and Midwifery Council registered Nursing Associates.

This apprenticeship programme has spanned probably one of the most difficult periods within the history of the NHS and the group were personally congratulated and thanked by the Deputy Chief Nurse Diane Eltringham for their dedication and commitment. The Nursing Associate role is relatively new to the nursing team and will form a major part of the Midland Metropolitan University Hospital workforce enabling us to continue to provide excellent care for our patients here at the Trust.

Head of Education, Louise Kingham said: "The graduation ceremony was an opportunity for us to celebrate this group's successful completion of one of the Nursing Associate Apprenticeship programmes here at the Trust. This group of staff have now joined the NMC professional register for Nursing Associates. I'm incredibly proud to have been able to accompany and support them through their learning experience alongside our Nursing Associate Apprentice Clinical Education Sister Lisa Tyler whose support for the NAAs is regularly applauded."

Nursing Associate Apprentice Clinical Nurse Educator Lisa Tyler pictured alongside some of the successful apprentices from the 03/19 cohort

Our Population – to work seamlessly with our partners to improve lives

Working within our community to reduce hospital admissions

The virtual ward offer is progressing with a total of 90 beds now provided which is 55 per cent of the total required of us by the national planning guidance by April 2023 and plans are in place to achieve full compliance by September 2022. The acute hospital virtual ward is currently operating solely in Sandwell due to the provision of community services by the Trust in this area. Pathways are being developed with Birmingham Community Healthcare NHS Foundation Trust and will be established to ensure equal provision for residents of Ladywood and Perry Barr. This will reduce inequalities and increase overall virtual bed occupancy.

The delivery of the urgent community response service (UCR) within two hours of referral has continued to exceed the national target, reaching over 75 per cent. This involves our community team assessing patients in their own homes so they can be seen quickly and given the correct care at the right time. We continue our work to increase the number of appropriate calls to the service so we can continue to deliver care to those most in need within our community.

Meanwhile we are developing the management of frail patients at the front door with a successful project piloting a frailty intervention team (FIT) within our A&E department. The primary aim of this team is to deliver comprehensive geriatric assessments facilitated by a core multi-disciplinary team, which consists of a group of clinicians. The pilot has been a great success, and we look forward to establishing this service permanently in our A&Es working towards a vision of a truly integrated front door approach to frailty.

The virtual ward offer, UCR, and FIT pathways will be supported by the establishment of a combined care navigation centre (CNC). This centre will create a "community first" approach to avoid ED attendance and ensure timely discharge. This approach will make full use of virtual wards and urgent community response as well as the Discharge to Assess (D2A) function. The planned CNC model is the first example nationally of a coordination centre bringing together health and care services in a control centre format to ensure citizens have access to the right service at the right time. With the inclusion of direct access into urgent community pathways, specialist services, social care and third sector support, access across the locality will be coordinated and resources will be directed as required. Stage one of the CNC model which involves combining current access points will be complete by the end of May 2022.

Breast screening team recognised for increase in uptake

The breast screening team is the only service nationally to implement the hybrid open invitation system which resulted in maintaining uptake close to pre-COVID levels when nationally uptake saw a significant decline.

The ratios of bookings resulted in clinics being fully booked and well attended. Meanwhile the team also embraced Radio Frequency Identification TAGs which lead to a reduction of the number of visits to hospital made by the patient.

The large team continues to work cohesively over six sites to the highest quality assurance standards consistently and even sometimes seven days a week. They see hundreds of patients a week and were recognised for their achievements in October 2021 when they received the Patient Safety Award in the Trust's internal ceremony The Star Awards.

The Breast Screening team gather together to celebrate recognition for their hard work.

Radiopharmacy sharing expertise across the region

When the Radiopharmacy team shared their working practices during the COVID-19 pandemic it led to the development of national guidance. The department provided crucial support to clinical nuclear medicine services so they could continue to see urgent patients.

But they also worked with other organisations to set up contingencies to benefit the whole region, particularly in terms of potential staffing shortages. Jilly Croasdale, Head of Radiopharmacy and Associate Director for Healthcare Science, added: "Both University Hospitals Birmingham and New Cross in Wolverhampton agreed to support this way of working and their staff came to SWB radiopharmacy to train in manufacturing, releasing and packing of radiopharmaceuticals.

"This prompted the development of national guidance around continued running of radiopharmacy services during the pandemic, developed by the team at SWB. This is something I'm proud of, and which I hope has helped colleagues elsewhere."

Jilly explained more about what the team does: "We make medical isotopes for use in nuclear medicine studies at our own Trust and for other hospitals in the region. These radiopharmaceuticals are used in nuclear medicine to image how well organs are working. Most radiopharmaceuticals are administered by intravenous injection, so their preparation needs to be performed under aseptic conditions. All radiopharmaceuticals are, by definition, radioactive, so radiation protection also forms an integral part of the job."

Jilly Croasdale, Head of Radiopharmacy and Associate Director for Healthcare Science.

Vaccination Programmes: More Than Just The Jab

Vaccination for both the public and the NHS has continued to be a hot topic, with the well-publicised changes in guidelines being an evolving challenge during the final months of 2021 and start of 2022.

Our Trust has throughout the last year worked to get as much information into the hands of staff as possible. This has come in the form of many outreach programmes. A regular COVID-19 bulletin published by the Communications department in collaboration with the executive team details timetables, guidance changes and information updates and is sent to all colleagues on a weekly or bi-weekly basis as required and is also made available via the Trust's intranet. With updates also sent to Trust mobiles.

Alongside our work with regional healthcare teams, the vaccination hubs at our main locations and supporting pop-up clinics throughout the local area, there has also been a series of webinars and question and answer sessions to tackle issues raised by colleagues, including ongoing misinformation spread online and through 'anti-vax' groups. These were not just on the virus itself or the various iterations of the vaccine but also addressing concerns amongst colleagues from black, ethnic and minority backgrounds as well as tackling specific circumstances such as pregnancy, shielding and those with long term health concerns.

Living with long COVID

Community Long COVID patient Jeanette Bailey caught COVID-19 last October. The 62-year-old was a healthy great-grandmother-of-three, who was very active, enjoying long walks and swimming three times a week.

She said: "When I contracted the virus I rapidly deteriorated and was blue lighted to hospital. I spent two weeks in intensive care and it was a scary time, as I watched other patients die and wondered when it would be my turn."

Many months on she is still experiencing shortness of breath, fatigue, heart issues and brain fog.

While one of the more unusual symptoms of COVID she experienced was that her finger and toenails felt like 'tissue paper' and fell out. Clumps of her hair also fell out when she washed or brushed it.

"When your body shuts down, your body removes blood away from where it's not needed, which is your hair and nails," she added. "Consequently when your body starts its recovery it's still in shock. My hair fell out and my nails became very brittle and were disintegrating. I'm never going to be what I was. It made me very depressed to start with and you don't know how long these problems are going to carry on. This virus destroys your way of life from what it was. It makes you very weary."

Changing primary care practice through COVID-19

When COVID hit our healthcare service it came with a huge impact. Many know of how it affected our hospitals, but what about those in our community – more specifically our GP services?

Contrary to belief, GP surgeries run by the Trust never stopped seeing patients face to face. Many were managed via telephone/photo/video/online but those who needed to be seen were invited into the practices so they could be managed safely. We also worked closely with other practices to establish a 'red site' at the Aston Pride Primary Care Centre where patients with confirmed or suspected COVID could be seen safely. When this ended in mid-2021, the Your Health Partnership Primary Care Network established our own red site at Rowley Village surgery which was decommissioned in March.

Longer-term we are working on a different way to manage patients with any possible infectious disease, e.g. infuenza, chickenpox, scarlet fever, to reduce the risk of infecting other vulnerable patients in the waiting room. We have also embraced the use of technology. All primary care colleagues now have access to the accuRx software enabling us to communicate with patients via text message and email, to receive photos from patients and to instantly start video consultations where appropriate.

We also now have an online consultation platform called accuRx Patient Triage and have a GP each day dedicated to responding to online requests for things such as medication reviews, sick notes and clinical enquiries. Our practice nursing teams also use accuRx to gather information from patients before their annual review such as asthma symptom control questionnaires. We have invested in a new telephone system and leadership of the telephony team. This has resulted in reduced waiting times on the telephone for our patients which, while still long at peak times, have objectively improved.

This all means that we can continue to offer appointments even when colleagues have to self-isolate or work from home for other health reasons. Over the winter we have delivered a record number of weekly appointments for our patients through a special winter access fund created by NHSE.

James Gwilt outside Lyndon Primary Care Centre, which is situated on the Sandwell Hospital site.

Working with diverse communities in maternity

Midwifery staff Afrah Muflihi and Vanessa Berry have been working hard to raise awareness across our diverse communities about how the Trust is delivering safe care during the pandemic by appearing on foreign language media.

They shared the current COVID guidelines, including the visiting policy at the Trust on popular Asian channel Kanshi TV as well as Ambur Radio. Afrah, who was appointed as Equality and Diversity Lead Midwife, said: "It's really important that we try and reach as many as our women as we can. We know that our patients come from diverse communities and English is not always their first language."

Afrah has also worked with the communications team to produce a series of animations in various languages.

Afrah Muflihi, Equality and Diversity Lead Midwife.

Maternity department launches third sector referral centre

The maternity department has facilitated one of the country's first third sector pregnancy referral centres which will improve the way women access care. In a move which is aimed at diverse groups, it will mean earlier referrals ensuring a healthier start to pregnancy.

The European Welfare Association (EWA), a community interest organisation focused on supporting migrants, became the first to join the scheme, which is being led by Afrah Muflihi, the recently-appointed equality, diversity and inclusion lead midwife.

Other referral centres to join will be the Yemeni Community Association in Sandwell, Brushstrokes Refugee Centre, Murray Hall Trust, Sandwell and Walsall Citizens Advice Bureau, and Sandwell Consortium. Representatives from the centres are given training by our midwives so they are able to offer health and wellbeing advice to pregnant women. The patients will also complete a referral form which is given to Trust midwives.

The launch of the third sector pregnancy referral centre.

Breast unit creates "how to" video for GPs

Working with our primary care colleagues, we are keen to support GPs to enhance the service they offer in surgery. To this end our acute Breast Surgery team have produced a video specifically showing GPs what to look out for when they are examining a patient who presents with symptoms such as lumps, discharge or puckering of the skin as well as breast pain. The four-minute film is presented by Nurse Consultant (Breast) Simerjit Rai who demonstrates what steps to take during the examination, and what can be hard to spot even by experienced medics.

The Breast Unit is based at the Birmingham Treatment Centre, City Hospital.

SWB on the road to net zero carbon

Our Trust has always been rooted in the community; offering more than just clinical services. We have developed the Green Strategic Plan to take a coordinated, strategic and action-oriented approach to sustainability, delivering sustainable healthcare to ensure services remain fit for purpose today, and for the future.

The Green Strategic Plan addresses impact through asset management, travel and logistics, climate adaption, capital projects, green spaces, sustainable care models, our people, sustainable use of resources including local procurement and management of carbon omissions.

The plan reaches beyond the walls of our hospital and community buildings and aims to affect our people and local population. Working with strategic partners our influence allows us to further contribute to local regeneration through improved health, wealth and environmental improvements.

Our road to Midland Met

The opening of Midland Metropolitan University Hospital (MMUH) is highly anticipated, and rightly so. MMUH brings a unique opportunity to create a healthcare facility that will significantly enhance the care we provide. It will serve acutely unwell patients that need a hospital stay; or whose care is an emergency. The new facilities will be supported by services provided at two treatment centre sites and a multitude of multidisciplinary community services.

En route to and beyond MMUH opening, twelve clinical care pathway transformation schemes are being worked on and will ensure:

- Patients are supported in the community to prevent unnecessary admissions.
- Rapid diagnostics and senior decision making will ensure the most clinically effective treatment plans are in place quickly.
- Patients are supported to recover in the hospital with a seven day a week therapeutic care approach delivered by multidisciplinary teams.
- Discharged patients will receive the right level of community services support they require to continue their recovery or their preferred journey to end of life.

The aspirations for our new hospital reach far beyond providing effective clinical care. We are building a facility for our local communities to use. Our Winter Garden will have one of the largest gallery spaces in the region. We are also devising an arts and culture programme that will see a broad mix of content co-created and curated on-site at Midland Met. Plus, our opening festival will further help to bring our communities together.

Beyond this, we are working across a partnership with Sandwell Council, Birmingham City Council, the Combined Authority and the Canal and River Trust to ensure MMUH contributes directly to the wider regeneration in the region. This means we will be supporting plans to implement cycle routes, housing projects and, we've secured funding to develop with partners a learning campus that will train our future workforce and provide new learning opportunities for our local population.

To stay united on our journey to Midland Met, we've introduced a six-step change programme so that we consistently track our progress as we take steady steps towards opening our new hospital.

So far, we've achieved all of this and there's lots more to come:

- We are actively testing clinical models in frailty and community care.
- Benchmark rooms are being reviewed. These demonstrate the final finished standard for areas like single side rooms.
- The acute care model, community services model, workforce and affordability have been approved by the Trust Board.
- Resident engagement sessions are underway to seek feedback on proposed changes to our day-case surgery.

Signed

Chief Executive Officer Date: 11 July 2022

Midland Metropolitan University Hospital

Your Trust Charity

Your Trust Charity - the registered charity of Sandwell and West Birmingham NHS Trust - has the following mission:

"To enhance the experience of all people using our services including staff, patients and their families. We will do this by providing additional facilities and supporting innovative projects that create a comfortable and secure environment."

We exist to achieve the following four priorities:

1. Infrastructure

- Improving the organisation's environment and making the capital improvements to facilities
- Supporting integrated care across the estate of SWBH and allied providers

2. Education

- Supporting the educational development of clinical and non-clinical staff
- Aims to secure the long term future of health and social care in Sandwell and West Birmingham
- To support education within the local community

3. Innovation

- Help the Trust to be a leader of innovation, pump priming activities, running pilots and testing out new ideas and technologies for care that enhances outcomes for local people

4. Community resilience

- Support communities to improve their health outcomes, enabling them to provide outstanding, compassionate care independent of statutory providers

What we have achieved

This last year the charity has focused on supporting the restoration and recovery of services at our NHS Trust, whilst the ongoing effect of the pandemic has continued. We are so grateful to the fantastic support of our donors, supporters, staff and volunteers during the coronavirus pandemic, who have helped us to raise a total of £1,471,415* in 2021-22.

We are also pleased to be able to report charitable expenditure for the year of £1,011,412*, which includes spend of £745,055* against our four priority areas of infrastructure, education, innovation and community resilience, and our We Are Metropolitan campaign.

* provisional financial figures (unaudited)

Thank you to everyone in our community who has supported our efforts with your donations and in kind contributions - we simply could not achieve so much great work for our people, patients and local population without them. Even with many restrictions in place during the year, we have still been heartened to see so many of our supporters continuing to tirelessly fundraise for us.

As with last year, we are very thankful to the supporters on NHS Charities Together, who have supported us with a wellbeing grant for our staff and community, ongoing assistance in our major partnership project with five of our NHS charity partners across the Black Country and West Birmingham, and also supporting our new initiative around youth volunteering. Here is a selection of our many successful fundraisers this past year:

School raises £4.5k for intensive care team

In December 2021, intensive care staff were left overwhelmed by a generous £4,500 donation received from a Sandwell school. Pupils and staff from The Phoenix Collegiate in West Bromwich raised the cash for Your Trust Charity by taking part in a sponsored fun run as well as other charity events.

Rebecca O'Dwyer, Lead Nurse, who accepted the cash alongside intensive care consultant Dr Jon Hulme, said: "This is an amazing amount of money that will be used towards maintaining the health and wellbeing of the staff. The team has been working tirelessly throughout the pandemic and have been faced with extremely challenging circumstances. But this donation is such a lift for us all. We are so grateful to each and every single one of them for such a kind and generous donation."

Head teacher Mike Smith added: "It has been really important as a school to recognise and support the amazing work that our local hospitals, especially the work intensive care units have done over the past 21 months. I have seen first hand the dedication and care they have shown to our loved ones. This donation by Harvie Lal and Hollie Vazey on behalf of the school is to say thanks for this effort."

Amanda Winwood, Fundraising Manager for Your Trust Charity, said: "Every donation that we receive goes towards enhancing the experience of our staff and patients. Throughout the pandemic we have received an amazing amount of support from our community. This donation from Phoenix is a perfect example of this."

(l-r) Headteacher Mike Smith, with pupils Hollie Vazey and Harvie Lal handing over the cheque to Dr Jon Hulme and Rebecca O'Dwyer.

'A quilt is a hug you can keep'

In May 2021, Project Linus UK made a wonderful donation of quilts to Your Trust Charity to use across our children's unit. Coming in to a hospital for anyone is quite daunting but for our youngest patients having home comforts around them can ease their fear.

Project Linus was originally formed in the USA on Christmas Eve 1995, some five years later Project Linus UK was formed. Anne Salisbury-Jones began a sewing group and they started to make quilts for their local children's ward. The project has grown and volunteers give their time up and down the UK to provide these lovely quilts. The name 'Project Linus' is after the security blanket toting character 'Linus' from the Peanuts comic strip. The late Charles Schultz the creator gave permission for the name 'Linus' to be used for the quilts.

In 2021 were contacted by Vivienne and Kim who are our local group leads and they supplied us with some beautiful quilts to pass on to our young patients. The quilts are gifted to individual children who are 'in need of a hug', they were all sizes and colours and are designed for babies, children and teenagers and provide warmth, comfort and security. We are now on our second delivery and look forward to working with the group through 2022. The quilts are given out by our play team and they been received very well on the children's ward, providing much needed comfort to our youngest patients at a difficult time for them.

A selection of quilts donated by Project Linus UK

Grants and Commissions

Thank you to NHS Charities Together, which granted us a further £257,473 during 2021-22. This has meant we could support:

Our people
- Plans to install an outdoor gym at our City Hospital site
- Running a number of 'pop-up staff wellbeing hubs', rotating across our 3 hospitals and community sites
- Creating and operating a new support programme for our staff with MSK disorders

Our patients
- Rolling out of our E-bike pilot in our Trust and local community, to benefit our staff and socially prescribed patients
- Setting up a volunteer befriending local support service for our patients living with and beyond cancer (LWBC)

Our population
- Supporting our 'Inside Outside' programme as part of our art in hospital strategy at Midland Met, bringing together artists, children and young people, and clinicians to create high quality art
- Establishing the Youth Volunteering Champions (YVC) project, which will support 16 – 25 year olds through work placement opportunities to youths across the community in the healthcare sector

We Are Metropolitan

We have had another successful year of our ongoing 'We Are Metropolitan' campaign for the Midland Metropolitan University Hospital. This includes our business committee members, co-chaired by Henrietta Brealey, chief executive of the Chambers, and Deb Leary, president of the Chambers and CEO/Founder of Forensic Pathways, who took over from Steve Allen as past president during the year. We'd also like to thank our community committee members, co-chaired by Dr Sarb Clare and Dr Nick Makwana from our Trust, and particular thanks to Peter Salt, Chief Executive of Salts Healthcare, who continues to chair our Campaign Council.

We'd also like to thank the Listers Group, in particular group chairman, Keith Bradshaw and managing director, Terry Lister for an amazing donation of £178,000 towards cardiovascular research as part of our campaign, which will help to change many of our patients' lives as we move into our new hospital.

As at 31 March 2022, we have secured almost £1.4 million towards our target of £2 million. However, we still need the help of local businesses and our community to get to £2 million by the time our hospital opens. We want to make Midland Met more than a hospital, but that can only be achieved if we raise these vital funds.

Our Future Plans

Your Trust Charity has now completed its five year fundraising strategy, and is working on new plans up to 2027 which will continue to deliver our main strategic aim of positioning Your Trust Charity as a key service deliverer and facilitator of partnerships within the region. This will of course include supporting the challenges of our people, patients and population as the NHS recovers from the effects of COVID-19. We simply cannot succeed without our donors, supporters, fund ambassadors and colleagues, and would like to thank you all for your ongoing support.

How you can get involved

- **Donate to We Are Metropolitan** online: https://donorbox.org/your-trust-charity
- **Donate by cheque**
- **You can always fundraise for us** - we would love to hear your ideas. Contact us for an event registration form online and we will be in touch to support you
- **Direct debit** - print out the direct debit form on our website, or complete and send a donation form back to us via Freepost
- **Bank transfer** - you can donate to us directly by bank transfer. Please contact us for our bank details
- **Leaving a gift in your will to Your Trust Charity** - a wonderful way to ensure you will still help make a difference beyond your lifetime
- **Follow us on social media:** @SWBHnhs SWBHnhs SWBHnhs

Contact us:

Telephone: 0121 507 5196
Email: trustcharity@nhs.net
Website: https://www.swbh.nhs.uk/charity

Jade Tomlinson, Midwife

Sophie Barker, Senior Sister, surgical ward (Lyndon 3)

Laura Taylor, Cardiology Nurse

Our appeals

Your Trust Charity currently operates eight appeals (including a general appeal), complemented by a number of themes detailed below:

Your Trust Charity General Appeal

Women's & Child Health Appeal
- Neonatal Care
- Maternity
- Paediatrics
- Bereavement Services

Medicine & Emergency Appeal
- Cardiology
- Diabetes
- Respiratory Medicine
- Emergency Department
- Gastroenterology & Hepatology
- Sickle Cell & Thalassaemia

Surgical Appeal
- Cancer
- Breast Care
- Critical Care Services

Research & Development Appeal
- Neurology
- Rheumatology
- Cardiology

Community Appeal
- iCares
- Palliative Care
- Dementia Support

Birmingham Midland Eye Centre (BMEC) Appeal

Midland Metropolitan University Hospital Appeal

HEALTHIER FUTURES PARTNERSHIP - Statement from the Independent Chair

On 1 April, 2021, the Black Country and West Birmingham was formally designated an Integrated care system (ICS).

The ICS is a new partnership between the organisations that meet health and care needs across an area, to coordinate services and to plan in a way that improves population health and reduces inequalities between different groups. There are 42 ICSs covering every area in England.

This year we have once again seen real strength in the health and care services locally. Despite providing hospital care for over 8,500 people affected by COVID-19, NHS services have continued to provide other emergency and routine care and treatment. There have been over 7.4 million primary care appointments, over 18,000 babies born, more than 1,200 urgent heart surgeries, over 2,400 hip/knee operations and around 700,000 mental health contacts. Our partners in West Midlands Ambulance Service have responded to over 650,000 999 and 111 calls. Many services have had to adjust the way that they have worked to respond to demands and to keep staff and patients safe. I recognise how hard some of these changes have been for those using services, but they have been necessary in these unprecedented times, and they have ensured we have been able to be there for those most at need, when they need us most.

Health and care services have been working tirelessly to keep people safe in their own homes, promoting independence, supporting rehabilitation, and preventing emergency admissions by wrapping care around people as close to home as possible. These efforts have not only protected those who have been receiving this excellent care but also protected services from becoming overwhelmed, thus protecting others who need them too. We have over 300 care homes in the Black Country and West Birmingham and many more carers visiting people at home. My thanks go to all of those working in care for their fantastic work.

Our thriving community and voluntary sector have continued to work tirelessly to provide essential companionship and support to communities to remain strong throughout the pandemic. All four community and voluntary sector councils have come together to form an alliance which will provide resilience to their offer of support and allow them to grow stronger over the coming years.

With over 2.5 million doses delivered since December 2020, perhaps the greatest example of our partnership working has been our vaccination programme. We have opened over 100 vaccination sites, ranging from GP surgeries and pharmacies, to community halls, places of worship and of course some of our larger centres. There have been over 70 volunteers helping these sites to work well and many, many more clinical leaders, vaccinators, administrative staff and others supporting the roll-out. Recognising the hesitancy and some areas of low uptake, this year we have adopted a grass roots level of engagement. Community COVID-19 Champions have worked with local authority, voluntary and community groups and NHS staff to reach communities and take a targeted approach to getting the right information to people who need it. This network of trusted voices has undoubtedly made a difference and it is a model which has been highlighted in several national reports as best practice. I am pleased to see that through partnership working we are seeing those hesitant continuing to come forward and get the lifesaving vaccine.

Another highlight for me this year has been the collective work of our people board. The collective expertise of health and care leaders in this space has resulted in over 600 international nurses joining our system, many apprentice opportunities being created across all our partner organisations, many training opportunities, awareness sessions to support those with protected characteristics, a raft of health and wellbeing support for our workforce and events put on that celebrate those working so hard on the frontline, including a really successful event to mark Black History Month. This is an area which will continue to gather momentum over the coming year as we combine efforts to make the Black Country the best place to work.

This last year has affected us all in many ways and we have seen the far-reaching terrible impact of COVID-19 on local people and communities. There is however a positive that we should take from the fact that this pandemic has bought public health issues to the forefront and the positive impact we can have when we work better together. Across the Black Country and West Birmingham, we have some the country's most deprived neighbourhoods, some of the worst health outcomes and poorer than average life expectancy. It is no coincidence that we have seen a bigger impact than many areas from COVID-19 but it is something which we indisputably need to work together to address. This pandemic has focused our partnerships attention on the inequalities that exist for some of our communities such as those who are black, Asian and minority ethnic. As we focus on restoring services we are looking to ensure that we create a system which is weighted to support those most vulnerable, improves access and reduces these inequalities. We are committed to working with partners and communities to create an environment in which local people can live healthier lives and to make a concerted effort to reach out to those with poorer access to improve health outcomes and reduce the inequality gap.

Throughout the last 12 months, much like the previous year, the strong relationships across our partnership have ensured we have been in the best position to tackle the COVID-19 pandemic. It is true though that our partnership is only as great as the people within it, and despite the most tumultuous of years those working across health and care have dug deep to keep services going and to protect those most vulnerable. On behalf of our partnership I want to recognise the strength, the compassion, commitment and determination of our people and say thank you to each and every one of you for all you have done, and continue to do.

Looking to the future, we have made good progress towards establishing the future Integrated Care Board (ICB) and our new Integrated Care Partnership (ICP) ready for the Health and Care Bill to be enacted in July 2022. These changes will also see the movement of West Birmingham Place to the Birmingham and Solihull Integrated Care System. Our commitment is to work with colleagues in BSOL to make that transition a smooth one and for there to be minimal disruption for the people in West Birmingham. I am delighted to say that we have recruited new Board Members for the ICB, these new appointments, with their strong personal motivations and experiences, will bring different ideas, perspectives, and backgrounds to create a stronger and more creative environment, forge ever stronger partnerships across our area, and deliver a healthier future in the Black Country.

Our strength comes from the relationships we have with each other, and this will continue to grow as our system builds new partnerships and collaboratives. Together we exist to benefit local people, and through our continued collaboration, I am confident we can deliver truly integrated health and care services of which everyone in the Black Country can be justifiably proud.

Jonathan Fellows
Independent Chair

Black Country and West Birmingham Healthier Futures Partnership

Daisy gives her experience at Tipton Vaccination Centre where she received her COVID jab a thumbs up

Sandwell Place Based partnership

This year has seen rapid and exciting developments with the formation of the Sandwell Health and Care partnership. We host the partnership which includes adult social care, children's services, public health, primary care, community health services and the voluntary sector. We have already seen examples of the impact of working with our partners collaboratively through the implementation of our discharge to assess model (D2A). Together we created an integrated discharge hub which enables people to be discharged from hospital with the support they need when they have completed their hospital treatment.

As a result of this work in the Trust to date, we have reduced our community bed numbers by 47, meaning that people who would previously have occupied those spaces are now either in their own home or in a more suitable post-acute bed to meet their needs.

In addition our work with public health colleagues has led to successful services offered to children and young people through children's public health and also to citizens requiring sexual health advice and treatment. We now provide innovative treatment including pre-exposure prophylaxis (PreP) medication for people at high risk of contracting the infection. This is an important advancement towards keeping our community safe and well.

We have reorganised our community teams to provide a rapid response service to support people at home and reduce the requirement for paramedic calls and attendances in our emergency departments. We are now seeing an average of 76% of people with urgent needs within two hours. Our acute hospital at home virtual ward in the community is enabling more people to receive complex medical intervention without the need for admission to hospital and our therapists and nurses are providing care and rehabilitation for more people at home to support them to live well for longer.

As a partnership we recognise that there is significantly more that can be done to help our local community that goes beyond healthcare. We are working with our partners in public health, social care and the third sector to provide help and support for the wider determinants of health. Through social prescribers and care coordinators we are ensuring that people have access to the wide variety of services available in Sandwell.

Our partnership has set ambitious objectives to work with the community to improve the health, wellbeing and outcomes for local people. We have committed to delivering care and support in a coordinated way through several work streams such as integrated care in individuals teams in each of the six Sandwell towns, a care navigations centre, resilient communities, responsive urgent intermediate care and by working with GPs to achieve a sustainable model of primary care

Ladywood and Perry Barr Care Partnership (West Birmingham)

As West Birmingham transfers to Birmingham and Solihull System, we are strengthening our relationship with local GPs to ensure that citizens in the area continue to experience high quality coordinated care. This year we have used data (acute and community) that we collect, to help in the creation of disease registers. These registers allow us to create risk stratification calculations for our patients, which help identify those who require additional need and/or support. We used this method to undertake a pilot with Urban health PCN to improve care for people with diabetes. Dr Ansu Basu, diabetes and endocrinology consultant and Dr Imran Zaman, West Birmingham GP, have designed a method of tailoring care for people with diabetes depending on the results of their blood tests. It has enabled people to receive the right care at the right time from the right person and is showing exciting results with better outcomes and diabetes control.

During 2021 the Trust's Heath Street Health Centre GP Practice in Winson Green was inspected by CQC and was rated as good. The inspectors said: "The way the practice was led and managed promoted the delivery of high-quality, person-centre care."

Through our Heath Street practice we are engaging with the community to improve health inequalities and meet the needs of their diverse population. For example, we have worked with local schools and several community groups to learn more about the needs of citizens and make changes to the way we offers services. With healthcare partners and those within the specialist teams, we have set up a pilot care home model and integrated specialist services such as diabetes, sexual health, pain management and breast clinics to improve outcomes for patients.

During the year we have worked with local GPs to resource and run the COVID-19 Hot Site located at Aston Pride Primary Care Assessment Centre. The facility was set up to see patients face to face who had been referred by their GP if they were suspected of having COVID-19 symptoms. Meanwhile, the Trust worked with 23 practices in Birmingham to set up a vaccination hub at the City Hospital site which operated until July 2021 under the partnership. It was then handed over to the Trust to continue to run and still operates today.

We will continue to strengthen our relationship with GPs and the community in West Birmingham throughout the coming year to ensure high quality care and improved health in the area.

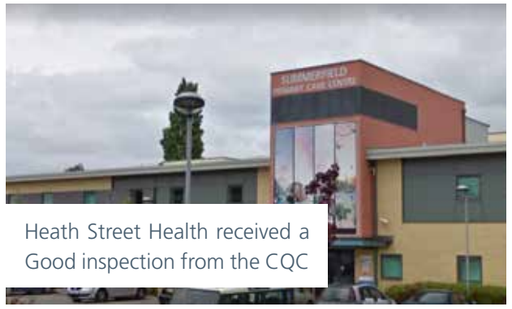
The Trust plans to develop the practices it runs to be trailblazers - using best practice examples to change the access model for its GP practices. It will support local teams to recruit and retain staff for the additional roles that are needed to deliver the Primary Care Networks DES, engage with its local communities for and on behalf of Primary care, creating partnerships between the voluntary sector and local primary care.

In the year ahead there will be exciting developments that will see integration at the centre of all we do locally to improve health and social care for the residents of Sandwell and West Birmingham.

Sandwell and West Birmingham NHS Trust is proud to join 14 other health and care organisations as part of the Healthier Futures Integrated Care System (ICS) serving the 1.5 million people in the Black Country and West Birmingham. Working with other key partners, people and communities, the partnership aims to improve the health and wellbeing of local people by working together to:

a. improve the health of our population by reducing inequalities in health outcomes and improving the quality of and access to services
b. attract more people to work in health and care in our region through new ways of working, better career opportunities, support, and the ability to balance work and home lives
c. work together to build a sustainable health system that delivers safe, accessible care and support in the right locations, in order to get the greatest value from the money we spend

During the last 12 months the partnership has played a key role in responding to COVID-19 and our focus now shifts to supporting our communities, staff and the wider system of health and care to recover from it.



Heath Street Health received a Good inspection from the CQC

Patient Experience – Friends and Family Test

We reviewed our approach to patient experience and recruited a Head of Patient Insight and Involvement. They commenced in post in January 2022 to develop and lead implementation of plans to embed various methods of gaining insight and learning from patient experience throughout the organisation. We also recruited a Head of Community Engagement to develop relationships across the local population.

A detailed benchmarking exercise was conducted during quarter 4 to review our position and performance in recent national Care Quality Commission (CQC) surveys and the Friends and Family Test (FFT).

In CQC national surveys we were found to be about the same nationally in 84 per cent of questions asked, 15 per cent of questions were worse than nationally, and 1 per cent were found to be better. Across national and regional markers for FFT, we were below each. Scores across the local Integrated Care System however were more closely associated than nationally (quantitative data). Serving the most diverse populations regionally and nationally, this may be reflective of societal health inequalities experienced across our populations.

Common themes in data were consistent regarding the kindness, compassion and professionalism of our people, with patients and carers appreciative of our considerable efforts in challenging circumstances. This was the most prominent theme across all of the patient comments provided (qualitative data) through the four most recent national surveys and all FFT care types . Care, treatment and expertise were also highly praised and many conveyed feelings of reassurance where this was found.

Comments reflected patients would like us to improve with communication and involvement in care; also standards of behaviour and attitude in some instances. Other areas for improvement were noted around food, feeding and environmental factors which impacted on patient comfort.

We assessed our position against national assessment tools. This found significant compliance against the standards stipulated and also areas for improvement.

A working plan was subsequently devised to begin to address these areas. Over the year ahead this will guide us in embedding systems to implement routine collection, triangulation and monitoring across a range of data sources, both qualitative and quantitative and in line with our Fundamentals of Care approach. Where required, we will make these bespoke to specific areas of care and treatment, presenting information to our people in a meaningful way.

The Trust seeks views from all patients who access our services through our Friends and Family Test and we also encourage people to share their views via the online NHS.uk portal. We encourage feedback on both good and not so good experiences so that we can learn and improve. Much of our feedback is reported in different ways including by protected characteristics.

During the year we mapped participation from our Trust's patients in the national patient survey programme and found that, whilst participation rates were among the lowest, when compared to other organisations in the region, the participants demonstrated the greatest diversity across ethnicity, religion and age.

The inpatient survey was carried out during the year with patients from the Trust. This report is due to be published in 2022/23 and will include analysis by protected characteristics. The Trust will be using the information, along with information on patient experience from other sources including the complaints service, Patient Advice and Liaison Service queries and online reviews to understand the differentials in experience and where we need to adapt our services to better meet individual needs.

The national maternity survey was published in February 2022 and results are analysed by protected characteristics. The maternity service has a comprehensive programme in place to improve care and experience. The appointment of dedicated EDI midwives is enabling the service to ensure that we reach out into our diverse communities to understand what matters most and how we can do better.

The results of these surveys are published online at Cqc.org.uk

In the year ahead we are engaging with different populations who use our interpreting services to understand their experiences and work with us to further develop our services. We are also beginning trials in different areas for Patient Reported Experience Measures (PREMs) to help us better understand the experiences of people from different communities.

FFT Scores from 1 April 2021 to 31 March 2022

Inpatient (2020), Urgent and Emergency Care (2020), Children and Young People (2020) and Maternity (2021)

Inpatient, Emergency Department, Outpatient, Antenatal and Birth.

NICE (NG138) guidelines for patient experience and the NHS Improvement Patient Experience Assurance Framework.

Inpatient

Positive: 81.03%
Negative: 11.83%
Ratings

Emergency Department

Positive: 68.54%
Negative: 22.06%
Ratings

Day Case

Positive: 91.59%
Negative: 5.16%
Ratings

Maternity: Ante-natal

Positive:77.06%
Negative: 15.16%
Ratings

Outpatient

Positive: 90.02%
Negative: 5.38%
Ratings

Maternity: Birth

Positive: 85.90%
Negative: 9.83%
Ratings

Adesola Ogunsakin has been receiving antenatal care at our Trust and has praised the staff for their great work.

Care Quality Commission

In May 2021, the Care Quality Commission (CQC) carried out an unannounced inspection of our Maternity service due to concerns raised, with the CQC, about the quality of the service. Following a positive on-site visit, the Maternity service retained its 'Good' rating with the inspectors noting the challenges with staffing levels and staff feeling valued.

CQC engagement meetings have continued virtually with our GP practices and Health Street Health Centre was inspected in December 2021. The Practice did not have a rating, under the Trust, and following a comprehensive inspection the practice was rated as 'Good'. Great Bridge Health Centre remains rated 'Good' and Your Health Partnership have not been reassessed since joining the Trust and are working towards achieving a 'Good' rating.

The overall rating for the Trust remains the same at 'requires improvement' following the 2018 inspection, as due to the COVID-19 pandemic no planned inspections were carried out by the CQC. A programme of in-house inspections has been in place, when COVID-19 regulations have allowed, as part of our commitment to making continuous improvement to ensure that patients receive safe, high quality care across all parts of the Trust.

Our goal remains, to attain an overall provider 'Good' rating through the improvements we have made and continue to make. Prior to the pandemic we worked with the CQC through monthly engagement meetings, providing information on specific services from the local teams themselves, together with guided tours of departments of interest. Engagement meetings are set to recommence in 2022.

Sandwell and West Birmingham NHS Trust is registered with the Care Quality Commission and has no conditions attached to that registration. The Care Quality Commission has not taken enforcement action against Sandwell and West Birmingham NHS Trust during 2021/22 and the Trust has not participated in any special reviews or investigations by the CQC during the reporting period.

"Throughout the year the Trust has continued to address CQC improvements with an ongoing programme of weekly in-house unannounced inspections, development of local improvement plans, a programme of self-assessment, and the creation of an evidence vault to support compliance against each of our standard criteria. More details about our weAssure programme can be found in our Quality Account 2021/22."

Maternity teams have received a Good rating from the CQC.

Members of the nursing team on the respiratory hub where many COVID patients are treated.

Performance Overview

The performance overview is a narrative highlighting how we have met our key priorities for the year and the context within which we have been working. More detailed performance analysis can be found in the Trust's Quality Account that is published alongside the Trust's Annual Report and Accounts.

Overview 2021/22

The purpose of the organisation is to "Improve the Life Chances and Health Outcomes of our Population" Our core activities are:

1) Providing good or outstanding care to our patients in everything that we do;
2) Working seamlessly with partners to improve lives.

Neither of these two activities are possible without:

3) Creating happy, productive and engaged staff.

These three activities represent our three strategic objectives. Progress against these objectives is measured by a set of Board Level Metrics.

Plans

Our Corporate Strategy is underpinned by a Governance Framework and a set of enabling plans and Board Level Metrics as shown below.

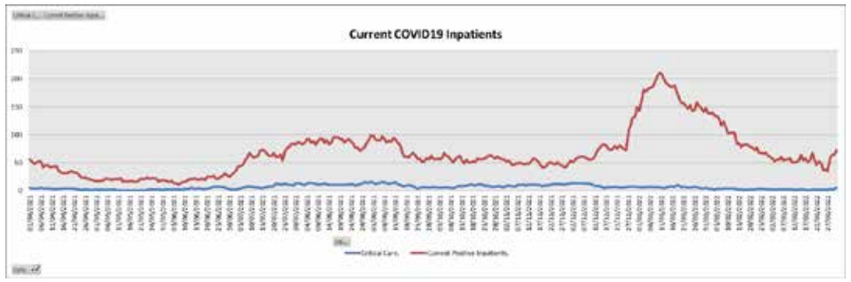
Structurally our Trust:

- Is made up of five Clinical groups and a Corporate group;
- Employs over 7000 people and has a budget of over £600m;
- Is part of the Black Country Integrated Care System whilst being the main acute provider for the Lady Wood and Perry Barr place which forms part of the Birmingham and Solihull Integrated Care System.
- Has its main sites at City Hospital on Birmingham's Dudley Road and Sandwell General Hospital in West Bromwich along with Intermediate Care Hubs at Rowley Regis and Leasowes in Smethwick.
- Owns and runs the Birmingham and Midland Eye Centre (a supra-regional eye hospital), as well the regional Sickle Cell and Thalassaemia Centre, and the regional base for the National Poisons Information Service based at City Hospital.
- Has significant academic departments in cardiology, rheumatology, ophthalmology, and neurology.
- Has community teams that deliver care across Sandwell providing integrated services in GP practices, in community clinics and at home, offering both general and specialist home care for adults, in nursing homes and hospice locations.
- Is building the new Midland Metropolitan University Hospital on Grove Lane, on the Smethwick border with West Birmingham. This will see a consolidation of our acute services into a state-of-the art facility with outpatient and day case procedures being provided at City and Sandwell Hospital.

Context – COVID-19

COVID-19 has once again dominated the year and we have been one of the most impacted Trusts across the Country. Unlike in the first wave in 2020/21 we have managed to continue all our elective procedures alongside the treatment of COVID-19. The vaccination programme has played a major part in helping us to do this.

Our Inpatient activity for COVID-19 positive patients started the year below 50. It rose to between 50 and 100 from July to mid-December before spiking dramatically in early January at over 200. Since then we have seen a steady decline into March, however, we know this has begun to rise again significantly in April 2022.



Performance Analysis

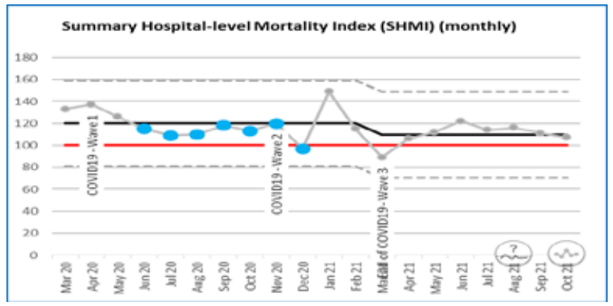
The Performance Analysis section is included in pages 37 – 41 and provides an overview of key performance metrics that we have monitored and developed improvement plans for during the year. The financial review including key financial information from our financial statements can be found in the directors' report in the finance and investment section beginning on page 80.

Performance across the NHS has been significantly affected and staff are burnt out with sickness levels from COVID and from stress/anxiety being high. Our Trust serves an inner city and a very deprived population. We have been materially impacted but are proud of what we have done, whilst building a new hospital and developing our new five year strategy.

In 2021/22 we have written and signed off our five-year strategy. Alongside this we have introduced a rationalised set of Board Level Metrics in August 2021 to fit with the Care Quality Commission's domains. These have been aligned to our Governance Framework and through it to our Non-Executive led committees. The progress against some of the key Board Level Metrics is set out below under the headings of our three 2027 strategic objectives:

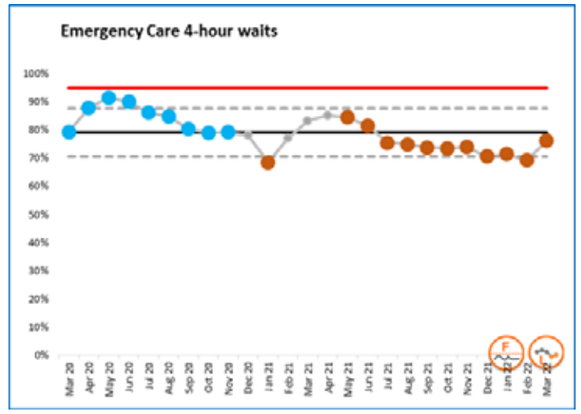
Patients

Our Standardised Hospital Mortality Rate (SHMI) shows a ratio between the number of patients who die following hospitalisation at the Trust and the number that would be expected to die. Nationally, there is a time lag to its reporting. Our cumulative SHMI has improved to 113 for the 12-month period to November 2021. Core work on sepsis and documentation and coding has been underway for some time and is further expected to improve the position as the latest data is reported. Despite this improvement our performance remains in the bottom quartile against other Trusts.



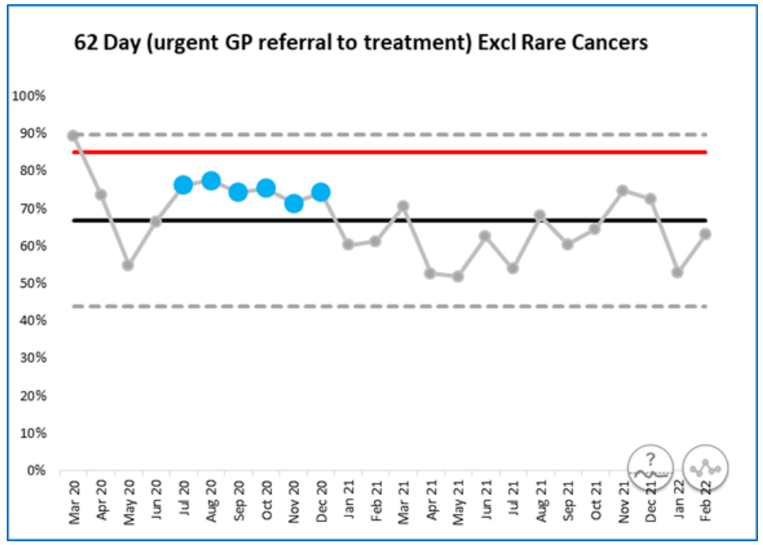
Our four Hour Emergency Access Standard shows the percentage of patients attending our emergency departments that are admitted, transferred or discharged within four hours.

Whilst our performance has fallen since April 2021 our national ranking has improved showing that relatively we have been able to cope with the unprecedented pressures that we have seen. Our shift to the new hospital in the coming years will help us to improve further as we consolidate two sites into one.

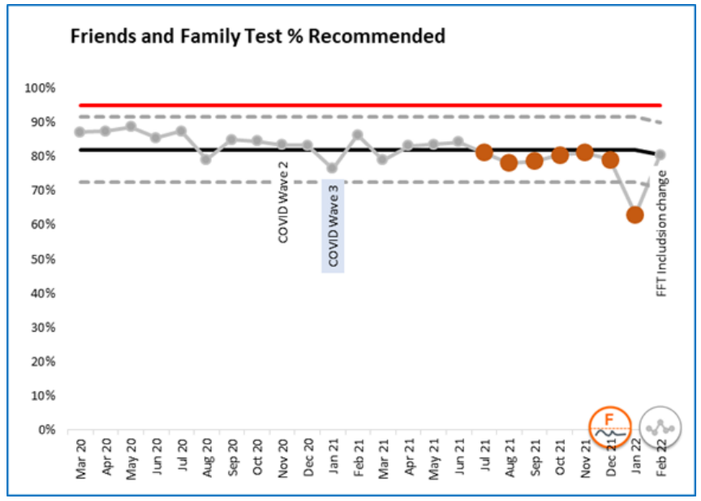


Our 62 Day Cancer Referral to Treatment Target shows the percentage of patients that, when cancer is first suspected have a confirmed diagnosis and start treatment within 62 days.

Between April 2021 and November 2021 we improved our performance from around 53 per cent to 75 per cent but we were impacted again in January 2022. We are beginning to recover this position again as we close the year. Our relative performance improved through the year but remains low.



Our core Patient Experience measure, the Friends and Family Test shows the numbers of patients who would be likely or extremely likely to recommend the service to their friends or family. It is broken into eight sub components of which our Trust collects and reports five of them. Throughout the year our performance dipped slightly. In comparison to other NHS Trusts it is poor. This is a focal point for our fundamentals of care approach.



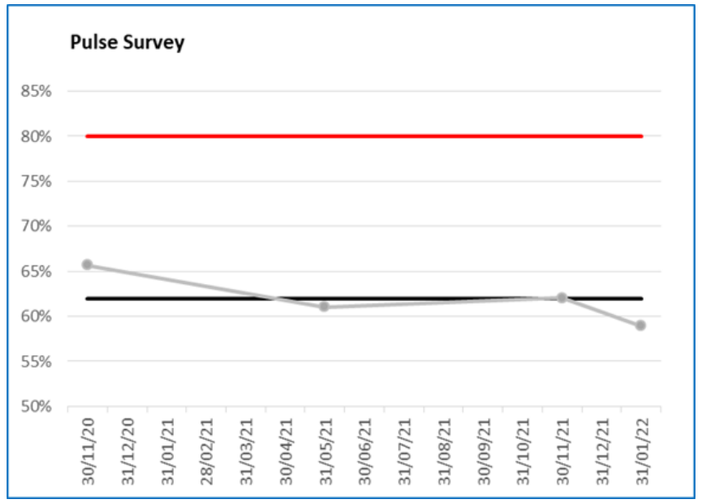
Financially we will report a surplus £4.4 million. Despite this surplus the Trust remains under constant financial pressure with an underlying deficit that is expected to be higher than the £24 million reported in the prior year and a reduced value of reserves. Our cash position remains very strong.

People

A national quarterly pulse survey has been created which sits alongside the annual staff survey. The pulse survey asks questions against nine key domains whilst providing the Trust the opportunity to add additional question aligned to its strategic objectives and priorities.

This quarterly data points have afforded us the ability to be able to better look at trends. Our overall performance has fallen which is consistent with the NHS overall. Our performance in this area is poor and is a focal point of our People plan.

Delivering great care starts with great people; people who are happy, productive and engaged in their work. Over the next five years, we will improve staff experience to be in the top 25 per cent of NHS Trusts through four means: culture, technology, physical environment, and learning and development. Growing our culture together is a key part of improving staff experience. In addition to culture, we will strive to make our technology easy for our people, patients and population to use and in the new hospital, the Midland Metropolitan University Hospital, and across all sites, we will develop workspaces that our staff are proud of.



Population

We host the Placed Based Partnership across Sandwell. This is still forming and we will be agreeing metrics in either 2022 or 2023.

The Trust is a partner in the Ladywood and Perry Barr Placed Based Partnership which is also still forming and is yet to finalise its key performance measures.

There are a number of ways in which we are delivering care to our patients in the community. This includes the virtual ward offer, which will reduce inequalities and increase overall bed occupancy, whilst the urgent community response service (UCR) continues to exceed the national target. The management of our frail patients at the front door continues to be developed, with the successful pilot of the frailty intervention team (FIT), based within our A&E department.

Aside from our Board Level Metrics two other areas that have been closely monitored by the Board include:

Maternity and Ockenden Review

We have continued our intensive improvement work in our maternity service aligned with the Ockenden Review in 2021/22. Maternity services at the Trust were rated by the Care Quality Commission (CQC) as 'Good' in July 2021. Their report stated that 'the service managed safety incidents well. Staff recognised and reported near misses. Managers investigated incidents and shared lessons with the whole team and wider services. Feedback was obtained from the Maternity Voices Partnership where a new mum wrote 'I can't stop talking about my incredible experience.' Feedback from trainees stated that they felt well supported in the unit. The Trust has also now achieved a score of 100 per cent compliance against the seven immediate essential actions and the workforce action as part of the Ockenden Review.

However, there are several maternity indicators which are lower performing including: antenatal appointments within 10 weeks, and Friends and Family Test. There is continued Board oversight and improvement work in the service. Professor Kate Thomas has been appointed as the new maternity NED safety champion, providing additional challenge to the maternity team based on her clinical expertise as a GP as well as extensive leadership experience.

COVID-19 Vaccination

During 2021/22 we have continued to work in partnership with our community in COVID-19 vaccination, where we gave nearly 135,000 vaccination injections to our population and staff.

We joined forces with the local authority and voluntary and faith organisations on the vaccination programme. The aim was to support vaccination uptake in the area, with a particular focus on black, Asian and minority ethnic groups, which traditionally have lower vaccination uptake rates. This involved providing vaccination clinics in mosques, gurdwaras, community centres and other venues. The Sandwell 'Vaccination Bus' also regularly rolled up at the Hawthorns Stadium.

The public health team trained people of influence in the community to support others to get their jab. The 'Community Vaccination Leaders' course trained around 180 local people including faith leaders, community organisers and voluntary sector workers. The course proved so popular that other council teams in the UK came to Sandwell to learn how to deliver the course in their areas. Our work was nationally recognised, winning the highly competitive Local Government Chronicle Awards (LGC).

Leadership

2021/22 has seen several changes in our Trust, with changes to our Board:

- Sir David Nicholson was appointed as Chair and Richard Beeken as CEO;
- We appointed a new Non-Executive Director, Rachel Hardy, and three Associate Non-Executive Directors: Mike Hallissey, Val Taylor, and Jo-anne Wass;
- We also welcomed the appointment of two Executive Directors to the Board: Mel Roberts as Chief Nurse and Daren Fradgley as Chief Integration Officer.

These appointments see the strengthening of our leadership team so that we can improve the life chances and health outcomes for our population.

Future Priorities

Our five-year strategy and its objectives are set in the context of:

- completing and opening a new hospital with both supply chain and workforce challenges;
- meeting the changing demands of COVID including vaccination;
- recovery and restoration of our services, in particular our planned care waiting lists;
- worsening health in our population, exacerbated further through inequalities;
- a workforce that is burnt-out and suffering physical and mental health impacts of COVID;
- integrating with other organisations at place and system level
- rising inflation and associated costs set alongside finite resources in a health system that requires end to end transformation.
- a multitude of national organisations and local teams each with its own objectives, measures and agendas, working with the best of intentions to drive improvement, whilst all competing for the commitment of the same front-line resources.
- two regulatory frameworks, one from the Care Quality Commission (CQC) and one from NHS England/Improvement (NHSE/I) that rank our performance based on a four-part scale which essentially categorises us Outstanding, Good, Requires Improvement or Inadequate.

These are difficult and on occasion unprecedented times. Nevertheless, we are clear what we need to do and we must stay focussed on it:

- **For our Patients** - To be good or outstanding at everything that we do;
- **For our People** - to cultivate and sustain happy, productive and engaged staff;
- **For our Population** - to work seamlessly with partners to improve lives.

This sits alongside a risk appetite defined by the Board that states that: "As a Board, we are willing to take decisions that are likely to bring scrutiny of the organisation. We outwardly promote new ideas and innovations where potential benefits outweigh the risks."

We cannot do everything at once, so if we are to make meaningful progress on what is most important we must prioritise our key actions. We have therefore planned our strategy into actions before opening our new hospital, and afterwards.

More information can be found in our Quality Account that is published alongside this report and in our WRES action plan.

Our Trust Priorities

Before MMUH

- Launch our Strategy and co-develop the plans e.g. Fundamentals of Care
- Value and Behavioural Framework
- Prepare for and open MMUH
- Staff journey from recruit to retire
- Budget reset and cost control
- Place Base Partnership Development
- Agree a Continuous Quality Improvement approach

MIDLAND METROPOLITAN UNIVERSITY HOSPITAL

After MMUH

- Embed new ways of working and Continuous Quality Improvement
- Make significant improvement in our Board Level Metrics, Staff Survey and Patient Experience
- Develop a Learning Campus
- Work closer with partners in the Integrated Care System

Accountability Report

Corporate Governance Report

Director's Report

The Trust Board meets on a monthly basis. The Chair of the Board for the year 2021/22 was Richard Samuda until May 2021 and then Sir David Nicholson for the remainder of the year. Board and Committee attendance is detailed below with changes in membership during the year highlighted.

Non-Executive Directors: Board and Committee attendance

	Trust Board	Remuneration & Terms of Service	Audit and Risk Management	Quality and Safety	Finance and Investment	Finance and Investments & Performance	Charitable Funds	People & Organisational Development	Estates Major Projects Authority	Public Health, Equality & Community Development	Digital Major Projects Authority	Integration Committee	MMUH Opening
Richard Samuda [1]	1/1			1/1				1/1	1/1		1/1		
Sir David Nicholson Chair [2]	10/10	3/3		1/1					3/5				
Harjinder Kang, Vice-Chair [3]	5/7	1/2	4/4	6/7	3/3				6/6				
Mick Laverty, Non-Executive Director	11/11	3/3	6/6			3/3	2/3	4/4	6/7				3/3
Prof Kate Thomas, Non-Executive Director	11/11	3/3	6/6	10/11				6/6					
Mike Hoare, Non-Executive Director	10/11	3/3	6/6		4/4	3/3			6/7		3/3	1/1	
Waseem Zaffar, Non-Executive Director	10/11	3/3	2/6				3/3		6/7			1/1	
Lesley Writtle, Lesley Writtle, Non-Executive Vice-Chair [4]	9/11	3/3	6/6	10/11				2/2					
Rachel Hardy, Non-Executive Director [5]	3/3	1/1	1/1			3/3							2/3
Dr Michael Hallissey, Associate Non-Executive Director [6]	2/3	1/1	1/1	2/2									3/3
Mrs Jo-Ann Wass, Associate Non-Executive Director [7]	2/3	1/1	1/1					1/2					3/3
Mrs Val Taylor, Associate Non-Executive Director [8]	3/3	1/1	1/1					2/2				1/1	

Executive Directors: Board and Committee Attendance

	Trust Board	Remuneration & Terms of Service	Audit and Risk Management	Quality and Safety	Finance and Investment	Finance and Investments & Performance	Charitable Funds	People & Organisational Development	Estates Major Projects Authority	Public Health, Equality & Community Development	Digital Major Projects Authority	Integration Committee	MMUH Opening
Richard Beeken, Chief Executive [9]	11/11		1/1	1/1	1/4		2/3	2/4	7/7		2/3		2/3
Liam Kennedy, Chief Operating Officer	10/11			9/11	3/4	2/3		5/6	1/1		2/3	1/1	2/3
Dr David Carruthers, Medical Director	10/11			11/11	1/4		2/3	6/6					1/1
Mel Roberts, Chief Nurse [10]	11/11			8/11			3/3	3/6				1/1	
Dinah McLannahan, Chief Finance Officer	11/11		6/6		3/4	3/3	2/3		6/7				3/3
Frieza Mahmood, Chief People Officer	11/11					1/3		5/6			3/3		2/3
Kam Dhami, Director of Governance	11/11		6/6	11/11							1/3		

KEY			
	Chair		Chair
1	Employment ceased April 2021	7	Appointed January 2022
2	Appointed Trust Chairman May 2021	8	Appointed January 2022
3	Employment ceased November 2021	9	Extended Acting CEO February 2021 to September 2021. Appointed as CEO in September 2021
4	Appointed Vice Chair December 2021	10	Appointed Chief Nurse September 2021
5	Appointed January 2022	11	Appointed interim Director of Integration November 2021. Appointed Chief Integration Officer March 2022.
6	Appointed January 2022		

The Trust Board

The Trust Board is a unitary board accountable for setting the Trust's strategic direction, vision and values, monitoring performance against objectives, ensuring high standards of corporate governance and helping to promote links between the Trust and the local community. The Board consists of the chairman, chief executive, six executive directors and six non-executive directors (NEDs) all with voting rights. Additionally, there are three associate non-executive directors, plus four other executive directors in a non-voting capacity.

As at 31 March 2021, there were no executive or non-executive vacancies. The Trust Board seeks to reflect the local population it serves and, as part of succession planning.

The Trust Board has overall responsibility for the Trust's strategy, quality and safety of healthcare services, education, training and research. Day-to-day responsibility for implementing the Trust's strategy and delivering operational requirements is delegated through the group chief executive to the group executive directors and their teams.

The Trust Executive Group (at 31 March 2022) is:

- Richard Beeken, Chief Executive (Board Member)
- Liam Kennedy, Chief Operating Officer (Board Member)
- Dr David Carruthers, Medical Director (Board Member)
- Mel Roberts, Chief Nurse (Board Member)
- Dinah McLannahan, Chief Finance Officer (Board Member)
- Frieza Mahmood, Chief People Officer (Board Member)
- Kam Dhami, Director of Governance (Board Member)
- Daren Fradgley, Director of Integration (Board Member)
- Ruth Wilkin, Director of Communications
- Rachel Barlow, Director of System Transformation
- Martin Sadler, Chief Informatics Officer
- Dave Baker, Director of Partnerships and Innovation

Trust Board and board committees

The Trust Board elects to establish board committees to assist it to carry out its functions, which can include the implementation of time-limited board committees or board committee sub-groups.

Trust Board meetings are held in public and the papers are made available on the Trust website in advance of each meeting. The Board regularly reviews performance against national standards and regulatory requirements via an Integrated Performance Report. The Board places a strong emphasis on the quality and safety of patient care and, in addition to performance reports, regularly hears directly from patients, carers and staff including through patient and staff stories.

Exception reports are provided to the Trust board (based on use of a standard proforma reporting template) by each of the board committees chair following their meetings.

Committee	Purpose
Trust Board	The Committee provides oversight and assurance in respect of all aspects of quality and safety relating to the provision of care and services to patients, staff and visitors. During the year the Committee has contributed to the development of the Trust's Quality and Safety Plans which form core pillars of the Trust's strategic direction. The Committee meets monthly.
Remuneration and Terms of Service Committee	The Committee advises on the terms and conditions of employment and remuneration packages for the Chief Executive and Executive Directors. The Committee meets three times a year.
Audit & Risk Management Committee	The Committee provides oversight and assurance in respect of all aspects of governance, risk management, information governance and internal controls across Trust activities. The committee meets five times a year.
Quality and Safety Committee	The Committee provides oversight and assurance in respect of all aspects of quality and safety relating to the provision of care and services to patients, staff and visitors. During the year the Committee has contributed to the development of the Trust's Quality and Safety Plans which form core pillars of the Trust's strategic direction. The Committee meets monthly.
Finance and Investment Committee (until January 2022)	The Committee provides oversight and assurance in respect of the Trust's financial plans, investment policy and the robustness of major investment decisions. The Committee has retained a sharp focus on the Trust's delivery against its Long Term Financial Model. The Committee met bi-monthly until November 2021.
Finance, Investments and Performance Committee (from January 2022)	The Committee provides scrutiny and challenge with regard to The Trust's financial and operational planning and performance relating to Its achievement of business and operational objectives, Planning and delivery of capital investments and major projects and Estates, facilities and digital strategy and implementation. The Committee superseded the Finance and Investment Committee, Digital Major Projects and Estate Major Projects as part of the Governance review. The Committee meets monthly.
Charitable Funds	The Committee provides oversight and assurance in respect of how the Trust's Charitable Funds are invested to the benefit of patients in accordance with the wishes of donors. The Committee meets quarterly.
People and OD	The Committee provides oversight and assurance of delivery against the Trust's workforce and OD strategies, including the programme of workforce transformation, recruitment and retention and sickness absence management. The Committee met bi-monthly until January 2021, when as part of the Governance Review it moved to a monthly meeting .
Digital Major Projects (until January 2022)	The Committee provides the Board with assurance concerning the strategic direction of the Trust. As part of the Governance Review the working of this committee was incorporated into the Finance, Investments and Performance Committee, specifically implementation of the Electronic Patient Record system Unity. The Committee moved from meeting monthly during the year to bi-monthly.
Estate Major Projects Authority (until January 2022)	The Committee provides the Board with assurance concerning the strategic direction of the Trust. Specifically, to support the project to establish the Midland Metropolitan University Hospital (MMUH). EMPA ensures that programmes of work/ reconfigurations are consistent with the long term direction towards the new hospital. The committee moved from meeting bi-monthly to monthly during the year . As part of the Governance Review the working of this committee was incorporated into the Finance, Investments and Performance Committee for the general Trust Estate works and the newly established Midland Metropolitan University Hospital (MMUH) Opening Committee for work related to establish the MMUH .
Midland Metropolitan University Hospital (MMUH) Opening Committee. (From January 2022)	The MMUH Opening Committee provides assurance to the Trust Board on the construction, practical completion, operational commissioning and opening of the hospital, specifically including the safe transfer of clinical services. The Committee will provide assurance to the Trust Board, that the MMUH is safe to receive patients into the new building alongside other necessary clinical configuration in the Treatment Centre's and community services. The Committee incorporated the MMUH work of the Estate Major Projects as part of the Governance review. The Committee meets monthly.
Public Health, Community Development and Equality Committee	The Committee provides oversight and assurance regarding plans to drive holistic public development and equality health interventions and the Trust's equality ambitions. The Committee met bi-monthly but had not met in the 2021/22 year. As part of the Governance Review the working of this committee was incorporated into the Integration Committee.
Integration Committee (from March 2022)	The purpose of the Committee is to provide the Board with assurance concerning the strategy and delivery plans for the Trusts Population Strategic Objective. As part of the Governance Review the working of Public Health, Community Development and Equality Committee was incorporated into Integration Committee. The Committee meets monthly.

Trust Board Register of declared interests 2021/22.

Name	Role	Description of declared interest	Comment / reasoning for acceptance of material interest (where required)
Sir David Nicholson	Trust Chair	• Chair – Worcester Acute Hospitals Trust • Sole Director – David Nicholson Healthcare Solutions • Director – Charles Hastings Education Centre • Director - The Worcestershire Healthcare Education Co Ltd • Visiting Professor - Global Health Innovation, Imperial College • Spouse is Chief Executive of Birmingham Women's and Children's NHS Foundation Trust • Member - IPPR Health Advisory Committee • Senior Operating Partner for Healfund (Investor in healthcare in Africa) • Advisor to KPMG Global • Non-Executive Director – Lifecycle	This role does not bring any business decisions that would be in direct competition with Sandwell and West Birmingham NHS Trust Will withdraw from any business discussions that could have any potential conflict of interest
Mike Hoare	Non-Executive Director	• Director: Metech Consulting • CTO: Fujitsu	These roles does not bring any business decisions that would be in direct competition with Sandwell and West Birmingham NHS Trust

Name	Role	Description of declared interest	Comment / reasoning for acceptance of material interest (where required)
Waseem Zaffar	Non-Executive Director	• Elected Councillor: Lozells Ward (Birmingham City Council) • Cabinet Member at Birmingham City Council (Transport & Environment) • School Governor: Heathfield Primary School.(Chair) • Member: Unite the Union and the Labour Party. • Director: Simmer Down CIC • Director: Midlands Community Solutions CIC • Director: West Side BID • Member of GMB Union • Director at West Midlands Rail • Regional Board Member of Canals and River Trust, • Member of the West Midlands Combined Authority Environment Board • Member of the Trent Floods Committee • General Secretary at Labour Friends of Kashmir • Member at Labour Cycles • Member – The Co-operative Party	Will withdraw from any business discussions that could have any potential conflict of interest
Kate Thomas	Non-Executive Director	• Sessional Post – GMC (Education Associate) • Sessional Post – Health Education England (Member: Foundation Programme Workforce Delivery Group) • Trustee – Medical Schools Council Assessment	Will withdraw from any business discussions that could have any potential conflict of interest
Mick Laverty	Non-Executive Director	• CEO: ExtraCare Charitable Trust • Council Member & Audit Committee Chair: University of Birmingham	Will withdraw from any business discussions that could have any potential conflict of interest
Lesley Writtle	Non-Executive Director	• Nil declared	n/a
Rachel Hardy	Non-Executive Director	• Sole Director - Doodle Health Limited • Consultancy work with Doodle Health Limited primarily in the NHS. • Teaching and coaching through the HFMA • Trustee of WE Dunne Charitable Trust	Will withdraw from any business discussions that could have any potential conflict of interest
Mike Hallissey	Associate Non-Executive Director	• Director of Assure Dialysis, wholly owned subsidiary of UHB • Director Of Bristol Owners and Drivers Association Ltd, not for profit car club	Will withdraw from any business discussions that could have any potential conflict of interest
Val Taylor	Associate Non-Executive Director	• Trustee of Servol Community Trust	Will withdraw from any business discussions that could have any potential conflict of interest
Jo-Anne Wass	Associate Non-Executive Director	• Husband is Locality Director (West Yorkshire) for NHS England/ Improvement • Director of Health Partnerships at the University of Leeds • Occasional management consultancy assignments in an independent capacity, including in the NHS	Will withdraw from any business discussions that could have any potential conflict of interest
Richard Beeken	Chief Executive	• Director and Company Secretary of Watery Bank Barns Ltd • Spouse is a senior lecturer in midwifery at Wolverhampton University	This role does not bring any business decisions that would be in direct competition with Sandwell and West Birmingham Hospitals NHS Trust
Dinah McLannahan	Chief Finance Officer	• Independent Member of the Audit Committee of the Black Country Living Museum.	This role does not bring any business decisions that would be in direct competition with Sandwell and West Birmingham Hospitals NHS Trust
Mel Roberts	Chief Nurse	• Company Secretary – Star leather (husband's company)	This role does not bring any business decisions that would be in direct competition with Sandwell and West Birmingham Hospitals NHS Trust
Frieza Mahmood	Chief People Officer	• Non-Executive Director - Washwood Heath Multi Academy Trust • Enterprise Adviser – Birmingham Schools	This role does not bring any business decisions that would be in direct competition with Sandwell and West Birmingham Hospitals NHS Trust
David Carruthers	Medical Director	• Nil declared	n/a

Name	Role	Description of declared interest	Comment / reasoning for acceptance of material interest (where required)
Liam Kennedy	Chief Operating Officer	• Nil declared	n/a
Kam Dhami	Director of Governance	• Nil declared	n/a
Daren Fradgley	Director of Integration	• Non Exec Director – Walsall Housing Group • Director – Wombourne Management Company • Spouse – System Manager – West Midlands Ambulance Service NHS Foundation Trust • Practice Plus Group Employee	These roles do not bring any business decisions that would be in direct competition with Sandwell and West Birmingham NHS Trust
Ruth Wilkin	Director of Communications	• Trustee / Board Director, DeafKidz International	These role does not bring any business decisions that would be in direct competition with Sandwell and West Birmingham Hospitals NHS Trust
Martin Sadler	Chief Information officer	• I am an IBM champion for 2022 and have attended a conference as a guest speaker where they paid for travel and accommodation.	IBM provide our Picture Archiving solution and one of our Artificial Intelligence solutions. My support of IBM is intended to focus their efforts and in ovations preferably on the Trust. There is no personal gain of material interest to me.
David Baker	Director of Partnerships and Innovation	• Director and part owner (with my wife) of PB Health Ltd since June 2020	This role does not bring any business decisions that would be in direct competition with Sandwell and West Birmingham Hospitals NHS Trust
Rachel Barlow	Director of System Transformation	• Nil declared	n/a

Fit and Proper Persons Requirement (FPPR)

The 2014 Health and Social Care Act imposed additional requirements on the posts of Directors to be 'Fit and Proper Persons'. In assessing whether a person is of good character, the matters considered must include convictions, whether the person has been struck off a register of professionals, bankruptcy, sequestration and insolvency, appearing on barred lists and being prohibited from holding directorships under other laws. In addition, Directors should not have been involved or complicit in any serious misconduct, mismanagement or failure of care in carrying out an NHS regulated activity.

The Trust requires all Directors to make an annual declaration of compliance with the FPPR standards. In 2021/22, all Board members were required to complete a self-certificate to confirm compliance with these standards, and where appropriate external assessments, including Disclosure and Barring Service checks were undertaken. The results were scrutinised by the Trust Chairman who concluded that the Board members were, and remain, fit to carry out the roles they are in.

Signed

Chief Executive Officer Date: 11 July 2022

IThe Critical Care Nursing team are dedicated to their roles in caring for extremely ill patients

Annual Governance Statement 2021/22

Scope of responsibility

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Sandwell and West Birmingham NHS Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Sandwell and West Birmingham NHS Trust for the year ended 31 March 2022 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Chief Executive (CEO) has overall responsibility for there being an effective governance system, including risk management, in place in the Trust and for meeting all statutory requirements and adhering to national guidance. Much of the responsibility is delivered through the Director of Governance. The Trust Board ultimately is accountable for risk management and must be satisfied that appropriate policies and strategies are in place, that systems are functioning effectively and that risk management and internal controls are effective and maintained across all of the organisation's activity ensuring the strategic objectives of the organisation are achieved.

The Board has established an Audit and Risk Management Committee which assists the Board in this process by reviewing the effectiveness of risk management and governance activities supported by the Internal Auditor's annual work, report and opinion on the effectiveness of the system of internal control.

The Board considers risk on a regular basis through the review of our risk register at the Public Board and on a strategic level through consideration of the Strategic Board Assurance Framework (SBAF) at both Board committees and Board. The Trust Board is supported by a range of committees that scrutinise and review risk assurances such as the Quality and Safety Committee, Finance, Investments and Performance Committee, Integration Committee and People and Organisational Development Committee.

Risk management training is available to all managers to ensure they are aware of their roles and responsibilities and is a core part of the Trust's Accredited Manager's Programme. This includes support in how to raise, document and mitigate risks.

The risk and control framework

The Trust has a Risk Management Policy which provides a framework for the identification and management of risks, the role of the Board and its standing committees, together with individual responsibilities.

The Trust promotes a culture of openness and encourages all staff and patients to actively report any issues, incidents or near misses, where they feel inappropriate action may have occurred, or systems and practices could be improved.

Our approach to risk is to bring to life the processes we have long applied with the added on going challenge of COVID-19.

The Risk Management Policy provides a structured, systematic approach to risks to ensure that risk assessment is an integral part of clinical, managerial and financial processes across the organisation. Oversight of operational risks is undertaken by the Executive Risk Management Committee to ensure that there is appropriate leadership and accountability for the management of risk. The Board and Board committees are regularly updated on high-rated risks, enabling them to challenge and assess the level of assurance available. The Audit and Risk Management Committee considered the Risk Management Framework during the year.

Executive Directors have responsibility for risk management within their own services and an overall responsibility for risks highlighted by Clinical Groups and directorates, which come under their area of accountability. There is an expectation that thematic risks, for example across safety or workforce, are considered by the Executive team as necessary.

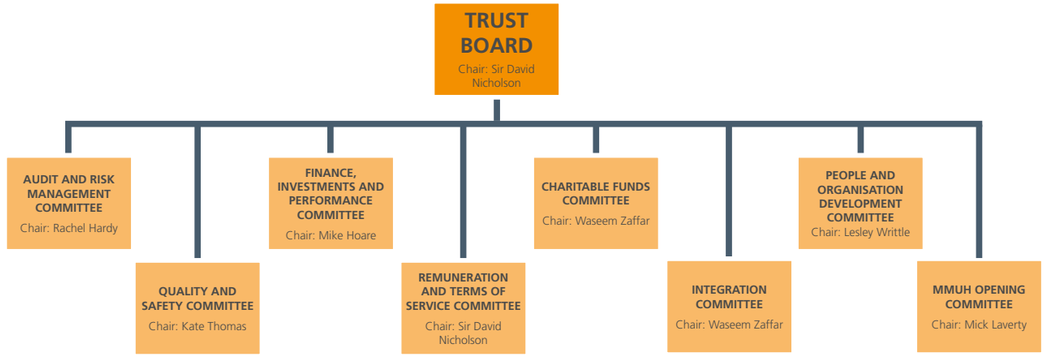
The risks and mitigation faced by the Trust is based on analysis undertaken at team, Directorate and Group level. The risks are scrutinised in those tiers, whilst always being visible corporately. They are collectively considered at the Risk Management Committee, chaired by an Executive director. The Clinical Leadership Executive, chaired by the Chief Executive, and attended by the full Executive team, then scrutinises these risks monthly.

All staff have both the opportunity and expectation of reporting risks within their area of operation, which are then subject to a process of review, validation and (if appropriate) scoring and management. Management of risk is undertaken at a level appropriate to the potential impact of the risk.

At an operational level, risks are monitored at ward/department, directorate or Clinical Group level. Where a risk cannot be managed locally, has a major impact on service capability or Trust reputation or may result in major litigation, this is presented to the Risk Management Committee where any escalation decisions are made.

The Board committee's discussions (see figure 1 following) are very much the first third of most of our Board meetings and drive decision making. All Board and committee meetings demonstrate strong evidence of peer challenges across all disciplines. A monthly meeting is held with the Chief Executive before each Board meeting, attended by all Non-executive directors.

Figure 1



The following structure supports the Trust Board in discharging this responsibility:

Committee	Key Risk Management Responsibilities
Audit & Risk Management **Chair:** Non-executive Director	• Review the establishment and maintenance of an effective system of internal control and risk management.
Quality and Safety **Chair:** Non-executive Director	• Provide strategic oversight to ensure that all risk management activity is • co-ordinated across the Trust in a systematic and focused way. • Through regular and co-ordinated reports to Trust Board, provide an overview of all areas of risk. • Monitor the Trust Risk Register
Finance and Investment January 2022) (until January 2022) **Chair:** Non-Executive Director	• Consider business risk management processes in the Trust. • Review arrangements for risk pooling and insurance • Consider the financial implications of pending litigation against the Trust.
Estate MPA/Digital MPA: (until January 2022) Chair: Non-executive director	• Consider operating risks arising from major change programmes and investments • Examines transformation load as against management capacity
Finance, Investments and Performance: (from January 2022) **Chair:** Non-executive director	• Consider business risk management processes in the Trust. • Review arrangements for risk pooling and insurance • Consider the financial implications of pending litigation against the Trust. • Consider operating risks arising from major change programmes and investments • Examines transformation load as against management capacity
Clinical Leadership Executive **Chair:** Chief Executive Risk Management Committee Chair: Director of Governance	• Provide operational scrutiny of Clinical Group/corporate directorate risk • management activity (i.e. receipt of regular reports) • Ensure that risk management processes are integrated with other key governance activities. • Provide support to line managers and advise the Risk Management Committee of the on-going risk profile of the Trust, the changing trends in risks and priorities for action. • Agree the Risks to be overseen by the Trust Board • Provide detailed scrutiny and moderation of risk scores for risks proposed by groups/ corporate directorates for inclusion on the Risk Register before presentation to CLE
Health and Safety Committee Chair: Director of Governance	• Monitor significant health & safety risks facing the Trust • Provide an open forum for discussion of risk management issues with staff side representatives

Board Assurance Framework

During the year, following our Internal Auditors review our SBAF in 2020/21 which concluded that processes provide partial assurance. The Board commissioned a full review of the current SBAF, with the aim to develop a new BAF in response to the recently approved Trust Strategy.

Since January 2022, the Board has worked to develop a new BAF in response to the recently approved Trust Strategy. The development process of the BAF has been a fully collaborative method since January 2022. This has included Board Development sessions, a series of 1:1 meetings with the executive lead and NED Committee members. At each step of the development the Board Committees have been presented the proposed changes of agreement and oversight.

The final version of the BAF will be in place for April 2022 which will detail all the agreed risks that may compromise the achievement of the Trust's strategic objectives in line with the three Trust Strategy headings - Patients, People, Population.

As part of this process the Trust set out to agree the risk appetite for the Board and its Committee's.

I summarise below a brief description of the organisation's key risks, drawn from the most significant risks as set out in our Strategic Board Assurance Framework (SBAF).

- There is a risk that labour supply does not match our demand for high quality staff, because of low training numbers or overseas options for students, and therefore we are unable to sustain key services at satisfactory staffing levels resulting in poorer outcomes, delayed delivery, or service closures. This will be addressed on an ICS wide basis.
- There is a risk that we do not deliver improved mental health and wellbeing across our workforce because our interventions are not targeted at those at prospective risk, resulting in absence and teams not being able to deliver to their full potential. Kindness has been the focus of our COVID-19 response work.
- There is a risk that the Trust is unable to reduce amenable mortality to the timescale set out in our plans because we do not identify interventions of sufficient heft to alter outcomes.

COVID-19 arrangements

During 2021/22 the Board continued additional monitoring of risks specifically relating to the impact of the COVID-19 pandemic, receiving regular reports to demonstrate the controls and assurances in place. Emergency planning command and control meetings that were put in place under temporary in line with the national level 3/4 Critical Incident Guidance continued in 2021/22. We considered in detail risks such as:

- The impact of COVID-19 care on other Trust services and wait times, not only inside our organisation but across the community.
- The impact of restrictions on visiting on care and on experience.
- Infection Control risks and mitigations especially relating to nosocomial transmission.
- The potential impact of Vaccination as a Condition of Deployment (VCOD) for the current staff and future recruitment.
- The risk of secondary harms to patients and potential fatalities as a consequence of delayed treatment due to a reduction in inpatient and outpatient capacity.

This report reflects the context of a particularly high level of COVID-19 cases the Trust has managed compared to many organisations. Examples of the significant impact of the pandemic for the organisation include a highly stretched critical care service provision; a high risk of nosocomial infections (where the virus is transmitted by staff or other patients); and a disproportionate impact of the virus on BAME individuals. These outcomes reflected the significance and urgency of changes to the Trust's controls environment. The Trust's response included physical environment changes (including expansion of additional critical care facilities), infection control-led cohorting and zoning of hospitals; and risk-based changes to safeguard staff working in hospital environments and their patients (including a risk assessment process, and widespread PPE provision and social distancing).

Governance framework

Notwithstanding these exceptional items, the Governance framework by which the Trust is managed has been stable over some time, with incremental alterations made based on internal learning and external advice. It remains the case that our systems and approaches include:

Quality governance at the heart of the work of each Clinical Group management board. Revised arrangements are in place now in each Group to ensure that data on safety and quality is a standing local discussion item leading to action. Our QIHD programme then provides an improvement emphasis to that work that helps teams to identify and act on areas for betterment.

Monthly review within the Executive Performance Management Committee considers data quality across all aspects of the organisation's work including HR, finance and service information. Both internal data quality assessment and the use of Internal Audit is deployed through that locus.

Care Quality Commission standards compliance is managed through CLE, the Executive Quality Committee and through regular meetings with the CQC attended by the Director of Governance, Chief Nurse and the Chief Executive, overseen by Quality and Safety Committee and Audit and Risk Management Committee.

Under Information Governance we explain how data security is managed.

The Trust continues to be a good reporter of incidents, maintaining a top centile level as benchmarked from the NRLS. We have recently reviewed the ease with which we capture incidents and are adapting our incident reporting system based on staff feedback, to make it easier to report. In line with the national Patient Safety Strategy, over the coming months we will use our Patient Safety Specialists to further improve our incident reporting, with particular reference to near misses. With the advent of the WeLearn initiative it is hoped that staff will see the benefit of reporting incidents through the shared learning and improvements that are evident.

Compliance issues

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

The Trust has considered whether or not it has complied with provider licence conditions G6(3) - Systems for compliance with licence conditions and related obligations and CoS7 – Availability of Resources. The organisation's governance infrastructure and arrangements, risk management strategy and risk management processes identify risks to compliance and these processes and systems are regularly reviewed through a range of internal audit reports and management reviews of systems and processes.

Assurance for compliance against licence condition CoS7 is derived through going concern assessment processes, external audit opinion, financial reports and updates and the financial plan.

The Trust has published on its website an up-to-date register of interests, including gifts and hospitality, for decision-making staff (as defined by the Trust with reference to the guidance) within the past twelve months, as required by the 'Managing Conflicts of Interest in the NHS' guidance. A broader declarations of interest process has being implemented in 2021/22, which brings the management process into a more automated system for recording and data reports. A full communication plan was implemented and accomplished to support staff in the new system.

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

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

Well-led

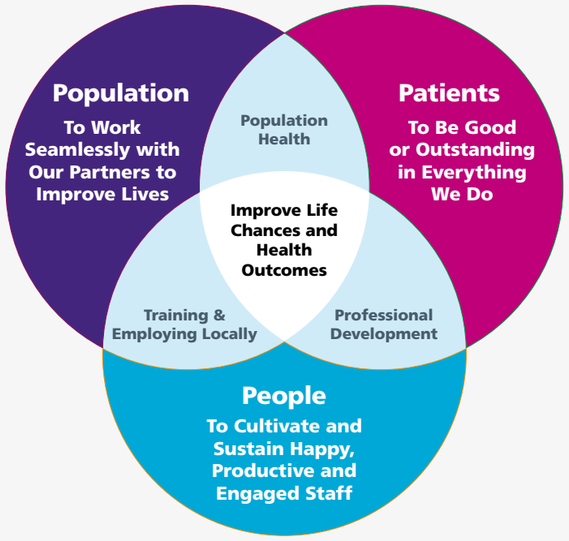
In April 2019, when the latest CQC inspection report was published, the Trust received an overall rating of 'requires improvement' (scoring 'requires improvement' across all of the key domains, excluding Caring which was rated as 'outstanding').

Although NHS Trusts are exempt from needing to monitor the NHS Provider Licence, directions from the Secretary of State require NHS Improvement to ensure that NHS Trusts comply with conditions equivalent to the licence as it deems appropriate.

In May 2019, the Trust received enforcement action by NHS Improvement (NHSI). These undertakings covered:

- Emergency care constitutional standards failures
- Persistent failure to meet agency spend and control targets
- Management bandwidth concerns
- Moderate harm governance concerns

Several supportive measures were put in place by NHSEI to support these areas and an action plan was put in place to support with the required improvements.



Trust 5 Year Strategy

At the heart of our 2015 to 2020 strategy, we wanted to be the best integrated care organisation in the NHS.

In that time, we have made huge strides working together on areas such as end of life care, specialised care when leaving hospital (complex discharge) and, of course, vaccination. In 2020, we integrated with a General Practice group, Your Health Partnership, meaning that we now hold direct responsibility for primary, community and secondary care needs for 10 per cent of our population.

Our efforts to implement seamless and best value, quality care across the Black Country and West Birmingham have been supported by changes in national policy. 2022 will see the introduction of Integrated Care Systems (ICS), Place Based Partnerships (PBP) and Provider Collaboratives (PC).

Our vision for 2020 focused on the development of our new hospital, now named the Midland Metropolitan University Hospital (MMUH). We have always aspired to be more than a hospital. In fact, we have always aspired to be more than a healthcare provider and to become renowned as the best integrated care organisation in the NHS. This is because we have always believed that by working seamlessly with our population, our people, and our partners we could "Improve the Life Chances and Health Outcomes of our Population".

In February 2022 the Trust adopted our new Trust Strategy for the next five years. The strategy set out the three strategic objectives:

1. **Our People** – to cultivate and sustain happy, productive and engaged staff
2. **Our Patients** – to be good or outstanding in everything we do
3. **Our Population** – to work seamlessly with our partners to improve lives

The strategic objectives will be delivered through a number of key programs, which are still under development; The People Plan, Fundamentals of Care and Well Led Programmes and our Better Value, Quality Care Programme.

Governance Review

Following the appointment of myself as CEO and Sir David Nicholson as the Trust Chair. We commissioned the Value Circle to undertake a Governance Review in July 2021. In August 2021 the conclusion of the review was received and stated, that the Trust had experienced significant changes in its leadership team in the past two years amid the COVID-19 pandemic. It is clear that cultural behaviours coupled with a high turnover of staff, have created significant challenges to embedding learning. When placed in unclear clinical and corporate governance structures, these cultural factors have exacerbated the issues.

It was recognised that the difficulty of reversing past cultural norms had led to struggles in building a strong and stable team, resulting in weak decision making, ownership, accountability and delegation of responsibilities.

It was acknowledged, that the Trust need to undertake a series of strategic and organisational refreshes to bring governance up to NHS good practice standards.

A series of actions were agreed and a number of these have either been completed or are in the process of being finished. These include for example; A review of Executive Portfolios, a view of Trust Board Governance and Committee Structure, the Trust Strategy refresh, SBAF review and risk management review.

Examples of the actions taken can been seen throughout this report.

Executive Portfolio Review

To support the Governance Review actions, an Executive Portfolio Review was commissioned and undertaken by the Value Circle.

The purpose of the review was to create clarity around job portfolios by defining and aligning the individual responsibilities performed by each Executive member and their role in co-produced activities.

Each member of the executive team has received a range of opportunities to engage with this review process and we understand the executive engagement has had no limitations.

This review was undertaken in line with the development and approval of the new Trust Strategy and the following findings were accepted and agreed and would come into place on 1 April 2022:

Executive Directors who are/will be Board members will have the title "Chief Officer" which includes the following:

- Chief Strategy Officer (previously titled Director of Partnerships and Innovation) (Non-voting)
- Chief Medical Officer (previously titled Medical Director) (Voting)
- Chief Integration Officer (Non-voting)
- Chief Finance Officer (Voting)
- Chief People Officer (Non-voting)
- Chief Governance Officer (previously titled Director of Governance) (Non-voting)
- Chief Operating Officer (Voting)
- Chief Nursing Officer (Voting)
- Chief Development Officer (previously titled Director of System Transformation) (Non-voting)

- The Chief Strategy Officer will manage the improvement team and improvement function, creating an internal "management consultancy" on which other executives and their teams can draw to drive the delivery programmes of our strategy. The role will also have overall executive lead responsibility for the development and alignment of the Trust Strategy and supporting strategies and plans that drive our strategic objectives.

- The Chief Medical Officer will encompass the specific responsibility of developing clinical services strategy, through liaison with the Chief Strategy Officer and Chief Integration Officer roles.

- The Chief Integration Officer will lead the delivery of community and primary care services, including the PCCT group. The role will also include being the executive accountable officer for the Place Based Partnership in Sandwell as envisaged in the Government's Integration White Paper.

- The Chief Finance Officer will be the executive lead for annual planning, liaising with the Chief Strategy Officer in particular, to align the annual plans to our strategy. The Chief Finance Officer will also be the executive lead for Freedom to Speak Up, bringing objectivity to the role, separate from the People & OD function.

- The Chief People Officer will be the executive lead for staff engagement. The Executive Director of Communications will continue to provide "at the elbow" support for communication strategies, materials, analysis and logistics in the staff engagement space.

- The Chief Governance Officer will be accountable for effective Board and committee working, as well as the effective coordination of the new executive operating structure. The role will be responsible for regulatory liaison, legal matters, risk management, health & safety and continue with the SIRO role.

- The Chief Operating Officer will be the lead executive for the design and implementation of the new, acute care model which will support the MMUH. The post will retain Board leadership of IT.

- The Chief Nursing Officer will become the lead executive for quality and safety and take on the executive lead responsibility for the Quality & Safety Committee of the Board with support from the Chief Medical Officer. This will include the leadership of quality governance dynamics (engagement, leadership, direction and approach), leaving the quality governance mechanics (processes, structure, governance team management) with the Chief Governance Officer.

- The Chief Development Officer will lead on the capital development, estates and regeneration agenda as well as retaining executive leadership of the Midland Met programme.

During 2021/22 there have been Executive Director changes with the appointment of Richard Beeken as Chief Executive, Daren Fradgley as Director of Integration and Mel Roberts as Chief Nurse.

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

During the 2021/22 financial year traditional means of assessing use of resources as defined through the regulatory framework continued to be suspended due to the pandemic. The Trust shifted its focus to ensuring the economic, effective and efficient use of resources through expenditure incurred in response to the pandemic and the recovery of elective activity being authorised through its tactical and strategic command structure. Alongside this the Finance and Investment Committee continued to monitor performance against Trust budgets, the capital programme, long term cash and capital plans, and monitoring our financial performance against the Trust's Long Term Financial Model with a forward look towards 2022. In addition throughout the year the Trust monitored the two strategic board assurance risks through the Finance and Investment Committee.

Despite the pandemic the Trust reported delivery of £8 million of cost efficiencies during 2021, delivered a £5.2 million Income and Expenditure surplus and spent almost £23 million of capital expenditure to improve our Estates, IT and equipment infrastructure. We also began planning for the 2022/23 programme aligned with the 13 national priorities and local priorities. Our immediate focus entering 2022/23 is to safely reduce Covid related costs where possible and clearly identify those that are recurrent in nature, and the impact on operational productivity metrics. In addition to this, our attention must turn to reducing temporary staffing, use of which has grown during in response to the pandemic.

Demonstrating that we consider the social and environmental impacts ensures the legal requirements in the Public Services (Social Value) Act (2012) are met. The Trust is also required to deliver Sustainable Development as part of our obligations under the NHS Standard Contract Service Conditions – Section SC18 – requires we produce information about environmental matters, including the impact of the Trust upon the environment. The Trust is committed to delivering a Net Zero Health Service under the Greener NHS programme and has undertaken risk assessments which led to a Board Approved Green Plan to address. It also recognises that our obligations under the Climate Change Act and Adaptation reporting are met and complied with.

Finally, we have embedded an "affordability work stream" as part of the governance structure supporting the Midland Metropolitan University Hospital (MMUH). The scope of the work stream is to review and reset where applicable activity plans as we recover from the pandemic and ensure that we have location and service plans that ensure MMUH will operate optimally and effectively when it opens. In addition, the work stream aims to ensure the detail of workforce plans are affordable against the budgets of the Trust and the long term financial plans of our Integrated Care System in the Black Country and West Birmingham.

Information governance and data security

Information governance provides the framework for handling information in a secure and confidential manner. Covering the collection, storage and sharing of information, it provides assurance that personal and sensitive data is managed legally, securely, efficiently and effectively in order to deliver the best possible care and service.

The Director of Corporate Governance leads on the Trust's Information Governance Group, the principal body overseeing the management of information risks. This group reports into the Risk Management Committee and oversees the development and submission of the Trust's annual Data Security and Protection toolkit.

The Trust's control and assurance processes for information governance include:

- Information asset owners covering patient and staff personal data areas.
- A trained Caldicott Guardian, a trained Senior Information Risk Owner and a trained Data Protection Officer.
- A risk management and incident reporting process and related risk register.
- Mandatory data security training for all staff.
- Data protection, information security, records management and confidentiality policies.

The NHS Digital data security and protection toolkit for 2021/22 was given a later deadline for submission, 30 June 2021, than had been historically the case (linked to the postponement of the 2019/20 submission). Our overall compliance with the Data Security and Protection Toolkit (DSPT) has not met the required standard and a comprehensive improvement plan is in place. An internal audit against prescribed standards identified evidence deficits which have been now addressed and additional resources have been implemented.

The Trust developed an improvement plan for 2020/21. The annual Internal Audit review of the Data Security and Protection toolkit was due to take place in May 2022.

On the 30th November 2021, the Trust Loss more than 19 systems and their respective data due to a server malfunction caused by reversal of a national upgrade. This was reported to the Information Commissioner's Office (ICO) in accordance with national guidance and an investigation is still ongoing

To ensure the secure management of patient and staff information, the Trust continually seeks to further develop and improve its information security systems and processes, embedding clear policies and procedures in our staff's daily work and ensuring that staff receive appropriate information governance training.

Data quality and governance

The data quality items contained in the Quality Account are all ones routinely considered within the Board and its committees, other than the consolidated report back on the clinical audit programme. In particular, data on amenable mortality, on VTE, on sepsis, and on infection are discussed as standing items.

The Board oversight of data quality is maintained through the Audit and Risk Management Committee with regular reports being received.

Waiting list accuracy is considered by a distinct team operated outside the control of the Chief Operating Officer. The Trust remains in a position of having too many people waiting too long. The recovery work of the Trust, system and NHS as a whole will be a priority in 2022/23, in a post COVID-19 environment.

Throughout COVID-19 the Board has focused time and attention on the accuracy of data around mortality, nosocomial infection, and compliance with external guidance. This is delivered operationally through a Chief Executive led Gold command meeting. Audit work, presented to the Board and elsewhere, provides a high level of confidence in the accuracy of our data. This includes a local focus on ethnic origin data and relative rates of infection and mortality.

Review of effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the information provided in this annual report and other performance information available to me.

My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the board, the audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

In evaluating our effectiveness I have benefitted from contributions from across the Board's membership, considered the matters within the Audit and Risk Management Committee, and examined internal and external audit opinions. I have considered in turn clinical audit reports both internal and those examining peer comparisons.

I note that there remains improvement work for us around some aspects of the actions from the staff survey results and the Trust response to concerns raised. Add to this the lack pace in the implementation of the People Plan regarding the culture changes needed and the development of the workforce.

We need to address the lack of assurance from the Quality and Safety Committee on the delivery of the Fundamentals of Care Programme.

We have reviewed the structures and systems to provide oversight of our major development of the Midland Metropolitan University Hospital. A dedicated Board MMUH Opening Committee has been put in place to ensure cohesion in our approach to the clinical model, workforce change and the construction itself.

The Trust has engaged very actively with our ICS and ICP colleagues, and has agreed arrangements in principle associated with the provider collaborative. We need to ensure that we maximise the opportunities are the host of the Place Based Partnership (PBP) in Sandwell.

Conclusion

2021/22 was a year of significant challenge for the whole NHS. Having discussed the governance of the Trust with executive colleagues, and those holding responsibility for much of the year, and with the prior and incoming chair, I consider that the governance profile raised no new risks beyond those identified in 2020/21.

In 2020/21 Information Governance and Workforce Assurance were identified as significant risks. These risks remains pertinent, but some significant work on IG has taken place in year and new management arrangements are in hand and we are in a positive position in this area. Similarly there has been a focus on workforce assurance to mitigate the risks detailed in the annual governance statement and the improvement plans will continue to be monitored through the People and OD Committee and the implementation of the People Plan.

During 2021/22, the Trust has further embedded its revised governance arrangements at corporate level to further strengthen the Trust's systems and processes for controls and assurance, and support the delivery of the Trust's quality and financial improvement plans.

Signed

Chief Executive Officer Date: 11 July 2022

Deputy Chief People Officer Meagan Fernandes along with other senior people have pledged to ensure they listen more.

Remuneration and Staff Report

SALARIES AND ALLOWANCES OF SENIOR MANAGERS								
Name and Title	2021-22				2020-21			
	(a) Salary (bands of £5,000) £000	(b) Expenses payments (taxable) to nearest £100 £	(c) All pension related benefits (bands of £2,500) £000	(d) Total all payments and benefits (bands of £5,000) £000	(a) Salary (bands of £5,000) £000	(b) Expenses payments (taxable) to nearest £100 £	(c) All pension related benefits (bands of £2,500) £000	(d) Total all payments and benefits (bands of £5,000) £000
Sir David Nicholson, Chair (from May 2021)	45-50	0	0	45-50	0	0	0	0
Richard Samuda, Chair (to April 2021)	0-5	200	0	0-5	20-25	200	0	20-25
Cathyrn Thomas, Non-Executive Director	10-15	0	0	10-15	10-15	0	0	10-15
Marie Perry, Non-Executive Director (to June 2020)	0	0	0	0	0-5	0	0	0-5
Mick Laverty, Non-Executive Director	10-15	0	0	10-15	10-15	0	0	10-15
Waseem Zaffar, Associate Non-Executive Director	10-15	0	0	10-15	10-15	0	0	10-15
Harjinder Kang, Non-Executive Director (to November 2021)	5-10	0	0	5-10	10-15	0	0	10-15
Lesley Writtle, Non-Executive Director	10-15	0	0	10-15	10-15	0	0	10-15
Michael Hoare, Non-Executive Director	10-15	0	0	10-15	10-15	0	0	10-15
Michael Hallissey Associate Non-Executive Director (from January 2022)	0-5	0	0	0-5	0	0	0	0
Rachel Hardy Non-Executive Director (from January 2022)	0-5	0	0	0-5	0	0	0	0
Val Taylor Associate Non-Executive Director (from January 2022)	0-5	0	0	0-5	0	0	0	0
Jo-Anne Wass Associate Non-Executive Director (from January 2022)	0-5	0	0	0-5	0	0	0	0
Toby Lewis, Chief Executive (to February 2021)	0	0	0	0	205-210	0	47.5-50.0	255-260
Richard Beeken, Chief Executive (from October 2021)	100-105	0	52.5-55.0	150-155	0	0	0	0
Richard Beeken, Interim Chief Executive (from February 2021 to September 2021)*	0	0	0	115-120	35-40	0	0	35-40
Dinah McLannahan, Chief Finance Officer	150-155	0	32.5-35.0	185-190	140-145	0	85.0-87.5	225-230
Paula Gardner, Chief Nurse (to June 2020)	0	0	0	0	25-30	0	0	25-30
Kathleen French, Interim Chief Nurse (from June 2020 to December 2020)	0	0	0	0	50-55	0	0	50-55
Mel Roberts, Chief Nurse	120-125	0	115.0-117.5	240-245	60-65	0	127.50-130.0	190-195
David Carruthers, Medical Director - Acting Chief Executive (from June 2020 until February 2021)	190-195	0	0	190-195	190-195	0	0	190-195
Liam Kennedy, Chief Operating Officer (from March 2020)	125-130	0	0	125-130	125-130	0	0	125-130
Kam Dhami, Director of Governance	100-105	0	22.5-25.0	120-125	100-105	0	15.0-17.5	115-120
Frieza Mahmood, Chief People Officer (from January 2021), Acting Director of Workforce & Organisational Development (from October 2020 until December 2020)	110-115	0	97.5-100.0	210-215	50-55	0	62.5-65.0	115-120
Raffaela Goodby Director of Organisation Development (until 30/09/2020)	0	0	0	0	65-70	0	37.5-40.0	105-110
Bethan Downing, Acting Director of Workforce & Organisational Development (from October 2020 until December 2020)	0	0	0	0	30-35	0	35.0-37.5	65-70

Reporting of Compensation Schemes

There were no compensation scheme payments in 2021/22

Exit Packages

There were no Exit Packages in 2021/22

Off-Payroll Engagements

There were no Off Payroll Engagements of Board Members in 2021/22

Notes to Salaries and Allowances of Senior Managers

1. Non-Executive Directors - do not receive pensionable remuneration and therefore do not accrue any pension related benefits.

2. Pension Related Benefits are a nationally determined calculation designed to show the in year increase in notional pension benefits, excluding employee contributions, which have accrued to the individual. Changes in benefits will be dependent on the particular circumstances of each individual.

3. Performance pay and bonuses and Long term performance pay and bonuses are not applicable to the Trust and are therefore excluded from the table above

* costs for the Interim Chief Executive reflect the recharged cost from Walsall Healthcare NHS Trust and are not specifically the direct pay costs paid to Mr R Beeken, employers costs will be included as part of the recharge.

Pensions

The pension information in the table below contains entries for Executive Directors only as Non-Executive Directors do not receive pensionable remuneration.

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 (or other allowable beneficiary's) pensions payable from the scheme. CETV's are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real Increase in CETV

This reflects the increase in CETV effectively funded by the employer. It excludes 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. The benefits and related CETVs do not allow for a potential adjustment arising from the McCloud judgement (a legal case concerning age discrimination over the manner in which UK public service pension schemes introduced a CARE benefit design in 2015 for all but the oldest members who retained a Final Salary design.)

Pay Multiples

Reporting bodies are required to disclose the relationship between the total remuneration against the 25th percentile, median and 75th percentile of total remuneration of the organisations workforce. Total remuneration of the employee at the 25th percentile, median and 75th percentile is further broken down to discose the salary component.

The remuneration of the highest paid director / member in Sandwell and West Birmingham NHS Foundation trust in the financial year 2021-22 was £193,000 (2020-21, £207,000). The relationship to the remuneration of the organisation's workforce is disclosed in the below table.

Pay Ratio information table

2021-22	25th Percentile	Median	75th Percentile
Total remuneration £	£21,777	£31,534	£40,057
Salary component of total remuneration £	£19,918	£25,655	£39,027
Pay Ratio information	8.84:1	6.10:1	4.81:1

In 2021-22, 7 (2020-21, 2) employees received remuneration in excess of the highest-paid director/member. Remuneration ranged from £200,000 to £240,000 (2020-21 £210,000 to £255,000).

Remuneration of all Staff ranged from £9,405 to £292,260 (on a full time equivilant basis).

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

Fair Pay Disclosure

Percentage change in remuneration of highest paid director.	£ decrease from 2020/21 to 2021/22	% decrease from 2020/21 to 2021/22
Salary and allowances	-£15,000.00	-7.23%
Performance pay/bonuses	0	0

Average percentage change in remuneration of all employees (excl highest paid director)	£ increase from 2020/21 to 2021/22	% increase from 2020/21 to 2021/22
Salary and allowances	£1,968.00	7.18%
Performance pay/bonuses	0	0

PENSION BENEFITS								
Name and Title	Real increase in pension at age 60	Real increase in Lump sum at pension age	Total accrued pension at pension age at 31st March 2022	Lump sum at pension age related to accrued pension at 31st March 2022	Cash Equivalent Transfer Value at 31st March 2022	Cash Equivalent Transfer Value at 31st March 2021	Real Increase in Cash Equivalent Transfer Value	Employers Contribution to Stakeholder Pension
	(bands of £2500) £'000	(bands of £2500) £'000	(bands of £5000) £'000	(bands of £5000) £'000	£'000	£'000	£'000	To nearest £0
Richard Beeken, Chief Executive (from 01/10/2021)	0-2.5	5-7.5	60-65	135-140	1116	1022	29	0
Dinah McLannahan, Chief Finance Officer	0-2.5	0	35-40	60-65	591	551	29	0
Kam Dhami, Director of Governance	0-2.5	0	45-50	95-100	878	833	28	0
Mel Roberts, Chief Nurse	5-7.5	10.0-12.5	45-50	95-100	825	700	104	0
Frieza Mahmood, Chief People Officer	5-7.5	7.5-10	20-25	40-45	310	236	58	0

The following elements of the Remuneration Report are subject to audit:

- Compensation schemes
- Pay multiples including Fair Pay disclosure
- Workforce Profile by Employment Category (staff numbers)
- Staff costs
- Remuneration and Staff Report Table
- Pension Benefits Table

Speaking Up

Feedback from staff engagement sessions, surveys and recent complaints has highlighted key areas of focus to support us in achieving the culture change and transformation required to create a safe environment to enable our staff to speak up and to achieve the Freedom to Speak Up ambitions:

The core areas of focus centre primarily on:

- Improving staff confidence in raising concerns
- Staff experience during the investigative and review process
- Embedding of wider thematic learning to address broader and systemic issues.

Significant work has been implemented to enable us to suitably address these concerns. A Lead Freedom to Speak up Guardian, has been successfully appointed to in post in Quarter 4 of 21/22. We are currently reviewing the whistleblowing policy as one of the priority policies for engagement with Trade Union colleagues through the Trusts negotiating and consultative mechanisms to support ratification in Quarter 4. This will be followed by a relaunch of Trust communications and Training in relation to Freedom to Speak Up.

As part of National Speak Up Month in October a bespoke Speak up communications campaign was delivered to improve awareness of the existing and new channels open to staff to highlight concerns relating to experience, safety and quality, along with promoting managerial access to support tools.

Furthermore the Chief Executive, Chief Nurse and Chief People Officer have made concerted efforts to engage with staff offering drop in sessions for staff to raise concerns and share ideas for improvement. In addition to this as series of engagement exercises have been undertaken with leaders across the organisation in providing feedback on the new People Plan priorities (includes Speak Up commitments under psychological safety) and Trust wide engagement is also underway in developing our Trust values which will help to drive and embed the cultural improvements required in this area. The outcome of this work will lead to a new behavioural framework aligned to a leadership development framework which is currently in development to support the required change in emphasis.

Our workforce

Our workforce is our biggest asset and we invest heavily in education, development and health and wellbeing services for all colleagues.

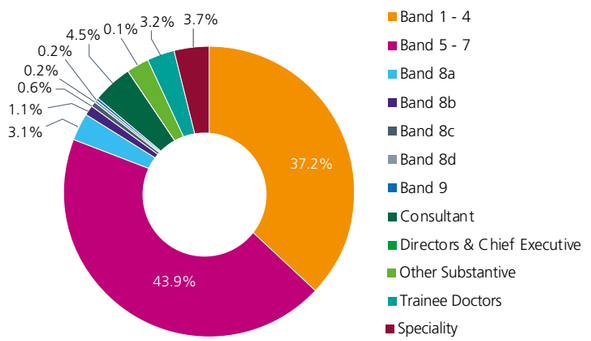
Staff Report

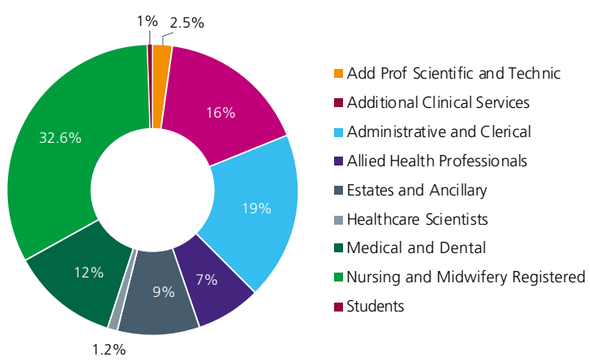
Workforce by band

Pay Band	Count of FTE
Band 1 - 4	37.19%
Band 5 - 7	43.87%
Band 8a	3.06%
Band 8b	1.08%
Band 8c	0.59%
Band 8d	0.22%
Band 9	0.22%
Consultant	4.49%
Directors & Chief Executive	0.13%
Other Substantive	2.28%
Trainee Doctors	3.15%
Specialty	3.71%
Grand Total	**100.00%**

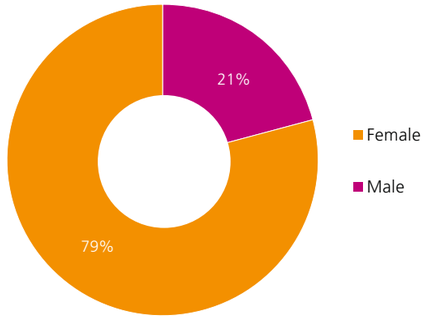
Managers and Senior Managers	Band 8 - Range A	51
	Band 8 - Range B	39
	Band 8 - Range C	25
	Band 8 - Range D	11
	Band 9	13
	Directors & Chief Executive	11

Workforce Profile 2022

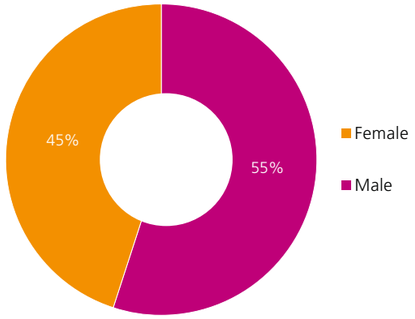




Workforce gender profile



Directors' gender profile



Breakdown of the number of male and female staff at 31 March 2022

All staff

Gender	Headcount	%
Female	6021	79.4%
Male	1559	20.6%

Directors*

Female	Headcount	%
Board Level Director	5	45%
Male		
Board Level Director	6	55%
Grand Total	**11**	

*Definition of Directors: A person who (a) has responsibility for planning, directing or controlling the activities of the Trust, or a strategically significant part of the Trust, and (b) is an employee of the Trust.

Staff Turnover

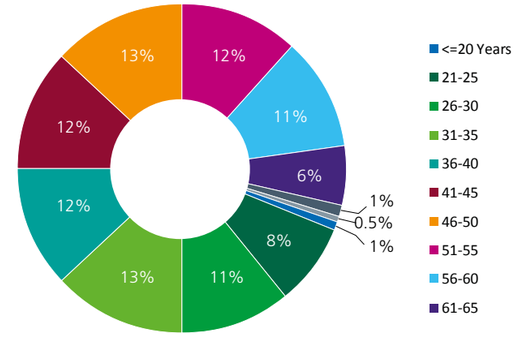
The Trust's staff turnover data is captured as part of NHS Digital's NHS workforce statistic data. This information is an official statistics publication which complies with the UK Statistics Authority's Code of Practice. This can be viewed online here: https://digital.nhs.uk/data-and-information/publications/statistical/nhs-workforce-statistics/february-2022#chapter-index

The top five reasons for staff leaving the Trust were cited as the following:

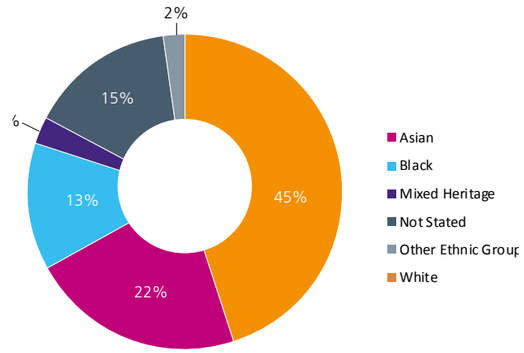
Reason	%
Resignation	26.23%
Retirement	17.36%
Relocation	11.26%
Promotion	10.57%
Work Life Balance	8.38%

Staff Group Turnover	%
Add Prof Scientific and Technic	24.5%
Estates and Ancillary	16.9%
Medical and Dental	14.5%
Administrative and Clerical	13.4%
Allied Health Professionals	13.3%
Nursing and Midwifery Registered	12.8%
Healthcare Scientists	12.5%
Additional Clinical Services	11.6%
Overall	**13.6%**

Age profile



Ethnicity profile 2020/21



The information included in the table below has been subject to external audit.

Staff costs

			2021/22	2020/21
	Permanent	Other	Total	Total
	£000	£000	£000	£000
Salaries and wages	328,984	-	**328,984**	299,848
Social security costs	32,857	-	**32,857**	30,134
Apprenticeship levy	1,617	-	**1,617**	1,480
Employer's contributions to NHS pension scheme	37,565	-	**37,565**	45,608
Temporary staff	-	17,022	**17,022**	17,267
Total gross staff costs	**401,023**	**17,022**	**418,045**	**394,337**
Recoveries in respect of seconded staff	-	-	**-**	-
Total staff costs	**401,023**	**17,022**	**418,045**	**394,337**
Of which				
Costs capitalised as part of assets	2,028	-	**2,028**	2,311

Average number of employees (WTE basis)

			2021/22	2020/21
	Permanent	Other	Total	Total
	Number	Number	Number	Number
Medical and dental	903	93	**996**	**1,051**
Administration and estates	1,200	172	**1,372**	**1,485**
Healthcare assistants and other support staff	1,658	298	**1,956**	**1,893**
Nursing, midwifery and health visiting staff	2,113	457	**2,570**	**2,446**
Scientific, therapeutic and technical staff	595	18	**613**	**674**
Healthcare science staff	132	22	**154**	**22**
Other	6	-	**6**	**-**
Total average numbers	**6,607**	**1,060**	**7,667**	**7,571**
Of which:				
Number of employees (WTE) engaged on capital projects	32	32	**64**	**36**

Sickness absence data

Groups	Group FTE	Target (%)	Baseline (20/21) (%)	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22
Corporate	1468.27	4.00	4.91	4.58	4.53	4.63	4.67	4.73	4.78	4.93	4.92	4.99	4.92	4.93	??
Imaging	257.93	4.00	4.62	4.44	4.45	4.47	4.59	4.62	4.79	5.00	5.40	5.71	5.84	5.98	??
Medicine & Emergency Care	1558.84	4.00	6.95	6.40	6.21	6.16	6.36	6.41	6.42	6.46	6.35	6.46	6.56	6.55	??
Primary Care, Community and Therapies	1130.24	4.00	5.01	4.80	4.74	4.76	4.83	4.91	5.07	5.19	5.13	5.26	5.44	5.55	??
Surgical Services	1356.47	4.00	6.47	6.10	5.93	5.86	5.80	5.96	6.15	6.34	6.34	6.42	6.61	6.56	??
Women & Child Health	912.90	4.00	5.75	5.54	5.43	5.40	5.45	5.50	5.51	5.47	5.36	5.47	5.54	5.54	??
Trust	**6684.66**	**4.00**	**5.79**	**5.45**	**5.34**	**5.33**	**5.40**	**5.48**	**5.57**	**5.68**	**5.64**	**5.75**	**5.84**	**5.97**	**??**
				12m Rolling Sickness Percentage (%)											

Staff policies applied during the financial year

Due to the ongoing impact of the COVID-19 pandemic and associated operational pressures a small number of Trust policies have been reviewed. A review of the current catalogue of policies is underway to ensure they meet current legal requirements with a view to update these further throughout the next financial year. The Attendance at Work policy is being reviewed, further to its implementation in 2020 to expand its support for staff and managers subsequent to the pandemic.

We continue to work alongside our staff side colleagues in reviewing and implementing our Trust policies to ensure that the opinions of our staff and taken into consideration. We work closely with our Equality, Diversity and Inclusion team to ensure key stakeholders are represented and moving forward we will also look at how we can engage our Staff Networks to ensure the lived experience of our staff is taken into account in the development of our polices. Additionally once our new Trust values are agreed, we will work towards ensuring these values and behaviours are embedded across all our policies and practice

We believe as a Trust that it is important that we have a culture of openness, trust, learning and accountability. A culture where we learn from things that go wrong and where we have the confidence to raise concerns and report on safety issues without fear of retribution. With this in mind we are embarking on a journey towards implementing Just and Learning principles to ensure that all matters related to safety and conduct are dealt with in in a fair and consistent manner and ensure swift and proportionate action is taken to address the identified concerns also enabling accountability and learning from things that go wrong. To support us on this journey, we are prioritising the review of our current employee relations policies including Disciplinary, Grievance and Dignity at Work to incorporate the Restorative, Just and Learning principles as well to take account of the Civility Saves Lives principles.

These policies will be reviewed in quarter 1 of the new financial year. We are also piloting the introduction of a decision-making framework supported by a multi-disciplinary group to independently assess the severity of concerns raised, make recommendations on action, and monitor progress on delivery against expectations; this is to include support for staff wellbeing and embedding of learning. It is hoped through this approach we will be able to proactively reduce the number of cases being referred to formal disciplinary processes and reduce the disproportionate impact of our processes on certain staff groups.

Diversity issues and equal treatment in employment and occupation

The Trust remains committed to achieving equality and inclusivity both as an employer and as a provider of health services. We are determined to ensure that our policies and practices meet the needs of all service users as well as those of our c7000 staff. We will publish our equality assurance and objectives on our websites, and in print format on request. The Trust Board is committed to developing ever more consistent links into our local communities, working with the voluntary sector, faith and grassroots organisations. Over the last year we have introduced a number of diversity and inclusion initiatives and measures to improve the experiences and outcomes for our patients and staff, including the appointment of a Head of Equality, Diversity and Inclusion (EDI) and an EDI Manager together with the appointment of an EDI Lead for Maternity Services. These key roles demonstrate our ongoing commitment to equality and inclusivity.

Over the last year, the EDI Team have led on a number of initiatives, working alongside colleagues to raise the profile of the EDI agenda across the Trust.

As part of our membership of the Employers Network for Equality & Inclusion (ENEI), the EDI Team participated in TIDE (Talent Inclusion & Diversity Evaluation) and achieved a silver award for 2021. TIDE is a benchmarking tool that ENEI have developed to assess organisational performance and progress in relation to Diversity and Inclusion. TIDE measures against eight different areas of D&I practice:

1. Your workforce
2. Strategy and plan
3. Leadership and accountability
4. Recruitment and attraction
5. Training and development
6. Other employment practices
7. Communication and engagement
8. Procurement

We have also been approved by NHS England and St John Ambulance as an NHS Cadet site for the foundation programme – supporting 14 -16 year olds. The programme began in September 2021 and supports our desire to be an Anchor Institute.

The EDI Team hosted Inclusion Week, which was an outdoor event with a number of stalls which included our staff networks, staff side colleagues, chaplaincy, health and well-being team (at City site) and a SWBH Pride event (at Sandwell site).

The Team rolled out a series of podcasts on creating safe spaces to discuss race. The Trust Board story in July 2021 also had an EDI focus and a dedicated Quality Improvement Half Day session took place Trust wide where Teams were asked to discuss:

- What equality, diversity and inclusion means to them
- How they build trust and create psychological safety within teams
- How they create safe spaces for colleagues to feel able to speak up
- How they can ensure they understand someone's lived experience

An EDI Delivery Group Chaired by the Chief Nurse has been established and an EDI plan for 22/23 is currently in development to ensure alignment with the priorities of our new People Plan with a focus on the following key areas

- Leadership (specific focus on inclusive and compassionate leadership)
- Employee Lifecycle (improving the experience of our staff across the employee life cycle)
- Culture and Climate (transforming our culture)
- Our Patients, Our Community (improving the experience of our patients and communities)

In addition to the above programmes of work our EDI Lead for Maternity has led on the implementation of a number of key work programmes over the last nine months that have positively impacted on patient experience. Below is are examples of key programmes delivered:

Accessible Birth and Beyond Antenatal Classes

The Trust secured a small amount of funding to work with a partner voluntary sector organisation to deliver classes to vulnerable women as well as offer support with any additional requirements. The Trust partnered with Bethel Doula Health and Healing Network and with support with the EDI lead are trialling classes that will help women and their families to prepare for the birth and caring for a new born baby.

The aim of the classes from an EDI perspective was to ensure that our offer at the Trust was accessible to all the families we care for. Until recently we did not keep any form of record of who attended these classes and there was a reliance on the women and her family to make the contact to attend classes. We understood that this self-referral process meant the classes were not equitably accessible to all women and indeed we could not monitor how many women were referred into the service.

After consulting with women and midwives it was agreed that referral into the classes to be equitable should form part of the midwife's sphere of responsibility rather than the woman. However it was also understood that in current workforce constraints this needed to be quick and seamless to not add any additional pressure on the midwife. After consulting with our digital midwife the referral into the classes were imbedded into Badgernet referral process therefore fulfilling the quick and seamless requirement. This change also ensured that accurate documentation of the request was captured on the women's electronic record supporting the midwives code of conduct requirements of maintaining accurate records of care.

Community Supported Pregnancy Referrals

We have trained seven organisations to support expectant families to access maternity services to ensure that women have a variety of ways of accessing our services without delay. Working with our screening specialist midwives, we have strengthened this process from an EDI perspective by adding a telephone number for self-referral and adding a QR code to the poster which directs to a link offering a translation of the poster.

Our self-referral service now makes up approximately 30 per cent of referrals. The majority of referrals are coming from GPs with a very small amount now starting to come through via the voluntary sector. However true to the PDSA cycle we have found that women did not access centres affiliated to their particular faith or ethnicity as

they feared confidentiality may be breached by using these centres. Therefore with this in mind alongside wanting to ensure that expectant families are best supported with the wider social determinants of health we have secured £17k funding from the West Midlands Safety Innovation and Improvement fund to pilot working alongside Sandwell's Children's Centre.

The aim of the project will be to train the seven children's centres who are neutral venues offering a variety of family support services to engage local families to access maternity services through their established centre whilst at the same time giving women pregnancy related health interventions, offering access to early Healthy Start vouchers and introduction to the family support service offer at the centres to support with the wider determinants of health.

Still Birth Awareness Campaign

An audit undertaken of stillbirths over a three year period found that particular ethnic minority groups from certain postcodes areas were had higher incidents of stillbirths. We have been seizing opportunities to raise awareness of importance of acting on diminished fetal movements without delay using a variety of communication platforms.

At the end of February and March the Team attended Asda Capehill (B66/B67) and Perry Barr (B19/B20/B21) to pilot a community awareness campaign on raising awareness of supporting expectant mums to seek help in the event of reduced fetal movements. Therefore ensuring that the people wrapped around the expectant mum within her community and networks are sending accurate and consistent health information.

Equal opportunities

The Trust remains an Equal Opportunities Employer, and is proudly a National Living Wage Employer. We are also a Disability Confident Employer and we are working towards making the Stonewall Top 100 Employers list.

Employment issues including employee consultation and/or participation

Collaborative working with our Union colleagues has been a priority in ensuring employment issues are resolved amicably for all. As such we have monthly forums such as our Joint Consultative and Negotiation Committee (JCNC) and monthly Staff Terms and Conditions Committee (STACC) with our union colleagues to review any concerns for a joint and joined up resolution to ensure our Trade Union colleagues are actively engaged in our wider People Agenda around culture change and improving staff experience.

Health and safety at work

Our organisation accepts its humane, economic and legal responsibilities in respect of the management of health and safety risks arising from its activities that may affect staff, patients and others. We are committed to:

- provision of adequate control of the health and safety risks arising from its work activities.
- consultation with its employees on matters affecting their health and safety.
- provision and maintenance of safe plant and equipment.
- safe handling and use of substances.
- provision of information, instruction, training and supervision for employees.
- developing and maintaining the competence of all employees to do their work safely.
- prevention of accidents and workplace ill-health.
- maintenance of safe and healthy working conditions.
- review and revision of this policy at three-yearly intervals and whenever necessary.

Trade union relationships

We have had in post a full time staff side convener, who attends the Clinical Leadership Executive forums and other key meetings and a full time deputy staff side convenor. Both have been employed for over a year and work closely with Staff, HR and key stakeholders in the Trust. We have also appointed a full time Organisational Change lead to support with the future changes required for our new hospital and a full time Policy lead to support the review, update and introduction of all policies. Our staff side representatives are granted facility time to cover duties carried out for the trade union or as a union learning representative, for example, accompanying an employee to disciplinary or grievance hearing. It also covers training received and duties carried out under the Health and Safety at Work Act 1974. Monthly meetings are held with our staff side colleagues and there is open dialogue to discuss any concerns.

Human capital management such as career management and employability

The Trust continues to provide a ring-fenced and dedicated training budget in excess of £1 million to support staff to undertake further development for their role and future careers. In 2021/22 this was again also supplemented by Health Education England (HEE) Continuing Professional Development (CPD) funding for nurses, midwives and Allied Health Professionals (AHPs). As in the previous year, staff development continued to be impacted by the COVID-19 pandemic, however, where possible, learning continued to be provided in different ways such as via e-learning, video, virtual online classes.

All new starters continued to receive an induction which was mainly delivered online, supported by virtual face to face sessions to ensure they have everything they need to start work in their new role. Our new online induction portal was also launched to enable new starters to access key supportive information prior to their start date.

Due to the impact of the COVID-19 pandemic, the Trust carefully considered its approach to its Personal Development Review Process (PDR) to ensure that it is both meaningful and conducted in a way which was practical, given ongoing constraints on capacity. Therefore, for this year, the focus was changed to ensure a personalised discussion and plan for each individual which included a discussion about their wellbeing alongside learning from the year, personal aspirations and development planning.

The Cerner Theatres and Anaesthesia electronic patient records solution, Surginet, was implemented during the year with relevant staff receiving the required training. The Trust is one of only a few NHS Apprenticeship Providers and we continue to be proud to be able to educate, develop and grow our workforce via our own training offer - approximately 100 apprentices are currently on programme with excellent results having been achieved by completers. Just over 70 per cent of these apprentices have been recruited from the local area thus supporting local employment and contributing to the local health economy.

In 2021 we were also extremely proud to achieve an Ofsted 'Good' rating across all aspects of apprenticeship provision. We also work closely with local universities for the provision of higher level apprenticeships and there are currently over 150 colleagues undertaking higher level apprenticeship training which ranges from Masters degrees to assistant practitioners, nurse associates and advanced clinical practitioners. Support for nursing and midwifery students continued whilst still ensuring safety within COVID-19 restrictions.

Widening Participation Strategic Projects and Programmes

Widening participation continued to be a core strategy which benefits both the organisation and our local community. This included supporting people who may be overseas healthcare qualified refugees or migrants from our local population to access and return to a career in Healthcare, alongside working with young people at risk of homelessness and ex-offenders. A key focus in 2021 has been the development of the concept and vision for a new Learning Campus which will be located on the MMUH site and which will also involve partnerships with local stakeholders such as the Council, College and Universities.

Wellbeing Update

Throughout the COVID-19 pandemic, the Trust endeavoured to provide robust wellbeing support to colleagues including those who have been shielding or working from home for other reasons. The access to our wellbeing services has remained open to all and to further encourage colleagues to benefit from these services we opened new onsite wellbeing hubs at City, and Sandwell and Rowley Regis sites besides continuing to provide services at the offsite wellbeing Sanctuary. The Occupational Health and Wellbeing Team has worked closely with other People and OD functions and managers to support colleagues returning to onsite working following the lifting of shielding and working from home guidance.

A wide range of services are offered as part of wellbeing support including:

- Meditation and mindfulness
- Single session therapy
- Hypnotherapy
- Soundscape

- Massage chair
- Confidential Chats
- Therapeutic Massage by a professional therapist

The gyms at Sandwell and City sites have been reopened and yoga sessions are now delivered onsite in a socially distanced manner. Yoga sessions can also be accessed remotely. Regular feedback forms are collected to keep the services efficient running and relevant to the needs of the colleagues.

Mental Health Support for colleagues is embedded and well established within the organisation with in-house professional counselling support provided via occupational Health and Wellbeing Service. Recognising the impact of the past two years on frontline and support staff, specialist Trauma Focussed Therapy and EMDR has been made available on individual basis and post incident psychological support on a team basis. Wellbeing is also integrated with the Black Country Mental Health Hub for support to colleagues who wish to access this in their local areas or have need for secondary service input. The resources on a range of topics such a menopause, financial health, coping with grief have been widely communicated within the Trust.

New roles to create greater outreach and engagement with specific staff groups have been developed with senior medical staff wellbeing leads and junior doctor wellbeing leads having been appointed to work closely with Occupational Health and Wellbeing to deliver the wellbeing agenda and there are plans to extend to this to nursing and support staff groups in the next financial year.

The Occupational Health and Wellbeing service continues to offer mental wellbeing assessment and individualised support following the assessment. These assessments are based on recognised assessment scales which enable a standardised and scientific method of measuring and comparing results. App based assessment and support option also continues to be provided through the Thrive App. There are about 500 current subscribers to the app and further promotion for its usage is planned.

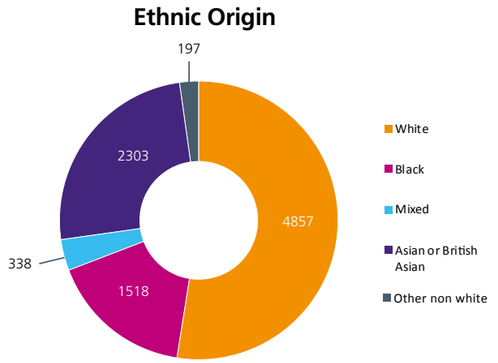
Risk Assessments

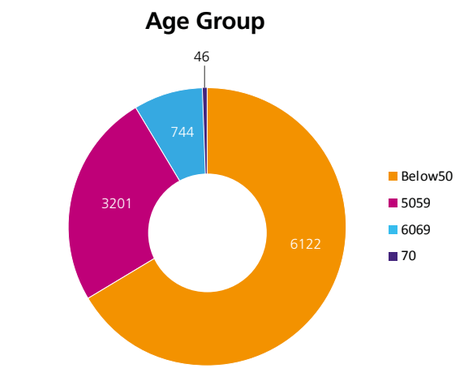
Our risk assessment tool was developed locally by Occupational Health in May 2020 and introduced on a Trust-wide basis from the beginning of June 2020. It is evidence-based on available largescale studies at the time on relative risk of severe COVID-19, particularly studies such as OpenSafely, ISARIC WHO CCP-UK and taking into consideration other known medical and demographic factors for high risk

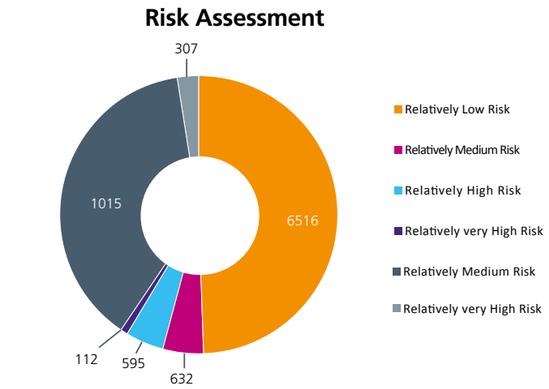
COVID Risk Assessments continue to be offered to staff with over 9000 assessments completed and processed so far. Staff are given individualised advice and guidance following the assessment to help them and their managers understand their risk status and control measures to take to enable their safety at work.

With changes in the national guidance and advice for NHS and Social Care settings we have regularly adapted our guidance, and provided ongoing support to colleagues and managers. We will continue to work with staff to ensure a safe return to working onsite or facilitating alternative options where possible. PPE, infection control and social distancing requirements have remained in place, together with local arrangements for lateral flow/ lamp and PCR testing.

The breakdown of risk assessment categories and demographic distribution in the organisation is depicted in the following charts:







People Plan update

Through our new Trust Strategy and People Plan, we will over the next five years improve staff experience to be in the top 25 per cent of NHS Trusts through four means: culture, technology, physical environment, and learning and development.

Growing our culture together is a key part of improving staff experience, and we will focus on six domains to do this:

1. **Physical Safety** – Our staff feel free from physical harm during their daily work and are assured that the right measures are in place to protect them.
2. **Psychological Safety** – Our staff feel free to express thoughts and feelings about work and speak up about how things could be better without fear of negative consequences.
3. **Equity** – Our staff can truly be themselves, are treated fairly, and are given the right support to meet their individual needs.
4. **Camaraderie** – We nurture trusting relationships and community at work so that wherever we work, we feel like a team.
5. **Choice** – Our staff feel that they have choice and flexibility in their daily lives and the way in which things are done.
6. Staff find **Meaning** in their work and feel that what they do makes a difference.

These domains have been formulated through best practice within healthcare and aligned to the NHS staff survey. We will develop these domains so they are felt by every member of staff in their journey with us from recruitment to retirement and practiced every day through our Values and Behavioural Framework.

In addition to culture, we will strive to make our technology easy for our people, patients and population to use and in MMUH and across all sites, we will develop workspaces that our staff are proud of.

In developing our People Plan, we have heard how passionate staff are to develop, and to support their colleagues to grow too. Learning and development will be another key part of the People Plan and the Fundamentals of Care approach while working with our partner Universities and other education institutions to develop and grow the training programmes that we deliver. The construction of a learning campus on our MMUH site will see further investment in developing our People and our Population.

The Trust's extant retention plan focuses on improving staff experience across the employee lifecycle, from recruitment to retirement. In addition to this, we are working with the ICS Retention programme which is focused on five key priority work streams: Flexible working, Pensions support, Engagement interventions during job life cycle stages, Staff experience through job life cycle; Developing support for international recruits.

Key Risk Management Responsibilities	
Early Career	Improving and extending the on-boarding experience for our colleagues to help them quickly settle in and develop a sense of belonging to the organisation. Continuing to review the on-boarding support for our international recruits.
Mid-Career	Supporting the career development of our colleagues through effective use of our training budget, development of career information and pathways, improving access development opportunities. We have ambitions to develop a talent management framework and extend our coaching and mentoring provision. The ICS Retention Programme is also exploring the introduction of buddying schemes/legacy mentoring within the system.
Late-Career	Provision of pensions and flexible retirement information and support via our new Pensions Connect page and our monthly Pre-Retirement Seminars. There are further plans for the development of a Pensions Portal at ICS level. The planned revision of our Retirement policy will help to promote an ethos of 'working for longer' through the further promotion of flexible retirement options. Supporting colleagues experiencing menopause through provision of a menopause Guide, educational seminars for staff and managers, menopause cafes run by menopause campions, better recording of menopause related absence in ESR and the provision of Occupational Health support.
Employee life-cycle interventions	At ICS level, we are developing a framework for employee life-cycle conversations such as settling in, itchy feet/stay conversations and exit conversation. This builds on the interventions already introduced within the Trust over the last year to create a consistent experience for colleagues across the system.
Staff Experience	
Flexible Working	Participation in the Flex for the Future programme to develop an organisational action plan to embed the NHS people promise "We work flexibly" within the organisation and improve the work-life balance of our colleagues. This encompasses six key elements, with the initial focus being on the first three: Leadership & culture; Flexible working policy & process; Management capability & support; Employer brand & talent acquisition; Inclusive career paths and progression; Social responsibility & advocacy. Our flexible working policy is currently under development which will incorporate the new ethos set out in the revised NHS Terms & Conditions and the NHSE/I Flexible working definition and principles. We have launched a range of guidance documents and practical support to promote flexible working during the recruitment and induction process and to enable positive conversations when a colleague is seeking to work flexibly. We will be developing other practical guidance on job design and flexible working options as part of the Flex for the Future work stream.
Health & Well-Being	We have an award-winning health and wellbeing service within the Trust and have expanded our offer over the past two years to include our Wellbeing sanctuary and on-site well-being hubs, as well as a range of health and well-being support for both physical and mental health. Our future plans (subject to financial investment) include the provision of personalised occupational health and wellbeing offer for staff with integrated and coordinated approach; improved health and wellbeing surveillance; Enhanced psychological therapies support including trauma focussed therapy, EMDR, Team based psychological support and debriefs; Targeted programmes such as lifestyle and physical health; Musculoskeletal service; Statutory medicals and legislation compliance to name but a few. We are also investing in the upgrade of staff rest areas to support colleagues being able to take restful breaks, as well as focusing on better support for nutrition and hydration.
Just and Learning Culture	We continue to establish and embed our approach to a Just and Learning culture in relation to the management of issues when things go wrong in order to create a culture of openness, trust, learning and accountability. The includes a Decision Making framework which ensures that all relevant matters are dealt with in in a fair and consistent manner in line with Just and Learning Principles and ensures swift and proportionate action is taken to address the identified concerns.

The capability of our leaders is essential to the creation of a positive working environment and our emerging leadership framework will ensure our leaders have the skills to take forward our People ambitions.

During 2022/23 we will be taking a more focused approach to improving retention and staff experience in key 'hot spot' areas through the introduction of a quality improvement approach to retention. This approach will provide managers and their teams with a framework through which they can use key data and engagement techniques to gain a deeper insight into the causes of poor staff satisfaction/retention and to develop and test evidence-based change ideas to improve outcomes.

In addition to the corporate work streams, there are a number of profession-specific retention work streams taking place. Our medical workforce work stream aims to improve the working lives of SAS Doctors (Associate Specialists and Specialty Doctors) and Locally Employed Doctors (JSDs and Fellows) through three key areas of focus: well-being, training and education and transforming employment. A Wellbeing Lead for Junior Doctors and JSDs has been appointed and two job share Wellbeing Leads for Consultants and SAS Doctors. The Allied Health Professional work stream is focusing on short-term workforce reform via return to practice, international recruitment, retention improvement practices (particularly for newly registered AHPs), as well as longer-term reform via targeted education and placement (practice learning) expansion and increase in AHP apprenticeships. The emerging Fundamentals of Care programme, which will bring together our doctors, nurses, allied health professionals and our operational leaders in a joint improvement programme, will encompass three particular 'People' priorities. These include:

- **Safe and Skilled Workforce** – this looks at the '3 R's' of Recruitment, Retention and Resilience to ensure we have appropriate staff with the right skills to care for our patients.
- **Education, Development and Growth** will create a 'University on the floor' with development pathways for all professions through the Fundamentals of Care Academy.
- **Compassionate Community** develops recovery and restoration in our workforce including wellbeing, teamwork, belonging and meaning.

Home working update

Many of our staff continue to work very effectively from home. The introduction of video conferencing has supported this transition and enabled continued communication and dialogue to facilitate home working. As a result of the pandemic we have recognised the need to further develop modern working practices to enable employees to maximise their performance and productivity and deliver the greatest value to the organisation, whilst maintaining a good work life balance. As such a policy for Home Working has been developed and is in the process of being ratified prior to launch. The introduction of agile or enhanced flexible working approaches across the Trust will not only provide an enhanced safer working environment for staff, improve service delivery but also places emphasis on the importance on our environment sustainability responsibility. The benefits of improved work life balance, employee engagement and reduced travel make a direct contribution to this strategic priority.

We continue to encourage our colleagues to continue to work from home where possible. Managers continue to have supported and open discussions with staff so that any working arrangements are coordinated effectively and managed safely. In addition, we are continually reviewing our current and future needs in terms of administrative office space, to ensure they meet our requirements for now and in the future when the new Midland Metropolitan University hospital opens.

Sustainability Report

As a large, acute and community NHS Trust, we generate a significant amount of carbon emissions delivering care to our community. We are a vast consumer of energy and water, we generate a significant amount of waste, and are responsible for many staff, patient and visitor journeys.

We have developed a 'Green Strategic Plan' which has been Trust Board approved to transition the organisation towards sustainable healthcare excellence. The Green Strategic Plan addresses impact through medicines, asset management, travel and logistics, climate adaption, capital projects, green spaces, sustainable care models, our people, sustainable use of resources including local procurement and management of carbon emissions. The Plan reaches beyond the walls of our hospital and community buildings and aims to positively affect our people and local population.

For the plan to be successful it requires everyone to work collaboratively with other partners whose services impact all facets of healthcare provision, including clinicians looking at care pathways, procurement for goods and services, and finance to where investment is needed in order to meet standards and generate efficiencies. Our patients and service users are also integral in providing insight and feedback on how we can continually improve and strive towards providing outstanding sustainable healthcare.

Our Green Vision

We recognise that sustainable development is a critical factor in our organisation being able to deliver world class healthcare, both now and in the future. We are therefore dedicated to enabling the creation and embedding of sustainable models of care throughout our operations. We will ensure that our operations and our estates are as efficient, sustainable and resilient as they possibly can be.

Our ambition is:

1. To deliver **high quality care without exhausting resources** or causing environmental damage to preserve resources for future generations.
2. To **embed sustainability into the heart of our organisation** and lead on driving working practice towards using resources, like energy and water, more efficiently to reduce wastage. We believe that investing in infrastructure to improve energy and water efficiency will bring about positive environmental impacts and cost savings.
3. To **engage and inspire our people, patients and our population** to take actions that will collectively make a big impact. Reducing energy and water wastage, generating less waste, and travelling actively and sustainably will benefit the environment and improve physical and mental wellbeing.
4. To be an **anchor institute, leading and influencing key partners in sustainable development**. This includes partnering to create master plans for regeneration of the local area and optimisation of sustainability plans through the scale achieved in partnership working.

Energy and water use in our buildings

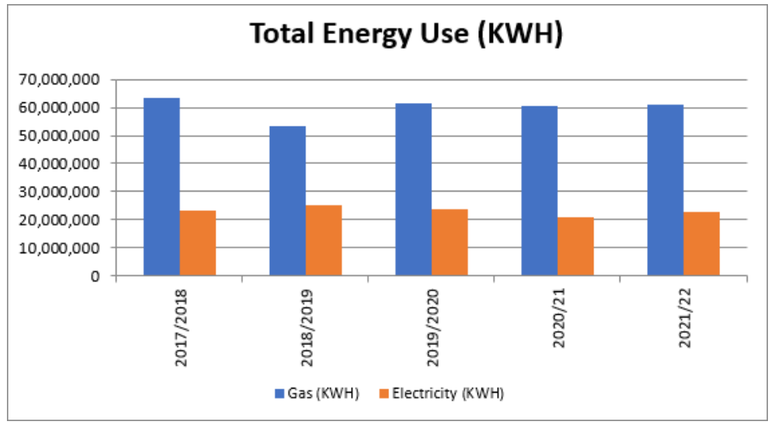
	We produce **20,202 tCO_2e** per annum from direct operations.		**Solar panels** installed at both City Hospital (Birmingham Midland Eye Centre) and Rowley Regis Hospital generating over 87,000 KWH of energy each year
	HSJ Environmental Sustainability Award Winner 2020		**NHS Sustainability Day Awards** (2019) – winner of the Transport Award, Highly Commended in the Staff Engagement Award and Overall Winner
	We produce roughly **2,514 tonnes** of waste per annum		**Recycling** our general waste where possible or **incinerating with heat recovery**
	We are promoting sustainable travel through our **Cycle2Work** scheme.		We are reducing our use of plastics having signed up to the **NHS Plastics Pledge.**

Energy and Water Use in Our Buildings

The Trust is focused on the continual reduction of operational resource use and running costs of essential utilities such as water, electricity, gas and fuel oil. Figure 1 illustrates the total energy use trends for the Trust.

We are developing ambitious plans to decarbonise our energy - reaching net carbon zero for energy related activities ahead of the NHS target of 2040. To support this ambition, we will carry out major infrastructure changes including de-steaming our estates, upgrading our Building Management System so we can better monitor and adjust our energy usage dependant on what is required, installing more solar PV so we can generate more renewable energy on site, rolling out further LED (energy efficient) lighting programmes and potentially connecting to a local District Heating Network where heat energy will be generated from waste. We will also continue to drive our accredited environmental engagement programme, 'Green Impact'. 'Green Impact' involves colleagues working together in teams to complete simple actions that collectively have a big impact. The programme makes strides towards more efficient ways of working, reducing costs and has a positive impact on wellbeing.

Figure 1: Total energy use 2017-18 to 2021-22



*Note: March 2021 data has been estimated using winter averages as this data was not available from suppliers at the time of compiling this report.

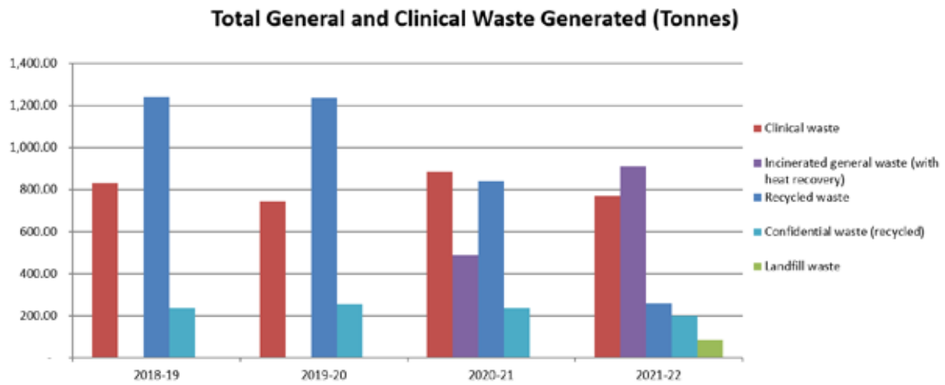
The Trust has two owned solar PV systems to increase the amount of renewable energy we generate on our sites. These are located at City Hospital (Birmingham Midland Eye Centre) and Rowley Regis Hospital. During 2021-22, our solar PV systems generated 95,763 KWH of renewable electricity.

The Trust is working with suppliers to gather data on water consumption. We are committed to making on-going improvements to ensure that water is used wisely and efficiently so that we can work towards our aim of stabilising consumption. This has been a challenge in recent times, with more intensive services and stringent regulations on water safety and hygiene.

Waste

Our vision is to move towards whole lifecycle environmental, social and costings analysis decisions are made (i.e. long-term thinking). We strive to adopt the waste hierarchy (reduce, re-use, repurpose, recycle) across all activities and reduce the amount of disposable items we procure, use and dispose of. We aspire to improve correct waste segregation and engage our staff in paper light ways of working.

Figure 2 shows the Trust's general and clinical waste trends by treatment type. Our waste volumes have been significantly impacted by the pandemic.



Modern Slavery statement

We fully support the Government's objectives to eradicate modern slavery and human trafficking and recognise the significant role the NHS has to play in both combatting it, and supporting victims. In particular, we are strongly committed to ensuring our supply chains and business activities are free from ethical and labour standards abuses. We confirm the identities of all new employees and their right to work in the United Kingdom, and pay all our employees above the National Living Wage. Our Dignity at Work, Grievance and Disputes and Whistleblowing policies additionally give a platform for our employees to raise concerns about poor working practices. We provide training on safeguarding in respect of adults and children which includes reference to modern slavery as a form of abuse. Our policy on safeguarding adults provides advice and guidance to front line practitioners to ensure they are aware of and able to respond to incidents of modern slavery within care settings. Our procurement approach follows the Crown Commercial Service standard and includes a mandatory exclusion question regarding the Modern Slavery Act 2015. When procuring goods and services, we additionally apply NHS Terms and Conditions (for non-clinical procurement) and the NHS Standard Contract (for clinical procurement). Both require suppliers to comply with relevant legislation. Procurement staff receive training on ethical and labour issues in procurement.

Our Achievements and Future Plans

- ✓ Environmental sustainability is considered an important aspect of care delivery now and in the future. Sustainability is supported at a high level, with a senior responsible officer and a Board-level lead responsible for leading on net carbon zero and the broader greener NHS agenda
- ✓ Winner of the HSJ Environmental Sustainability Award 2020
- ✓ Plans in development to achieve net carbon zero by 2030 for energy related carbon emissions for some sites
- ✓ Regeneration Programme Board in place to optimise the impact of over £500 million investment in a new hospital with wider health and wealth focussed regeneration ensuring a legacy for the local population in terms of social, economic and green regeneration
- ✓ The Trust is an anchor institute and we are expanding our partnerships so that we can positively impact on health outcomes locally and nationally (e.g. future district heating schemes and developing cycle routes that link our sites and the city centre)

- ✓ 6 electric vehicle charging points at present across 3 sites. We have introduced two new multi-storey car parks at City and Sandwell Hospitals. As part of this project, circa 100 additional EV charging sockets will be installed
- ✓ Transitioning our transport fleet to low and ultra-low emission vehicles, now including 5 fully electric vehicles
- ✓ Cycle2Work scheme in place to incentivise staff to cycle into work
- ✓ Annual staff travel surveys conducted to track modal changes and support colleagues opting for more active and sustainable options
- ✓ Formal car sharing app to enable staff to easily pair up for car sharing to and from work
- ✓ Awarded a 'Top Cycle Location Gold Standard', 'Top Walking Location Gold Standard' and 'Platinum Top Active Travel Location' by the West Midlands Combined Authority for work the Trust has done to encourage and support the move towards more sustainable and active modes of travel

- ✓ Signed up to the single-use plastics pledge and are actively reducing single-use plastic products used on-site. Currently, 18,200 plastic single-use sharps containers have been saved each year by moving to re-usable sharps containers, 3,000 plastic patient wash bowls and 43,000 plastic kidney bowls have been saved each year by moving to pulp bowls
- ✓ Many more projects in working progress to transition the Trust towards a more re-useable (rather than disposable) organisation

- ✓ Our staff environmental engagement programme, 'Green Impact', has been rolled out. 30 teams signed up and taking action. More than 250 people engaged and over 400 actions achieved in the first two years, including turning lights and equipment off when not required, engaging the wider team on sustainability, embedding energy efficiency into standard working practices, reducing single-use plastics, and many more
- ✓ Work with partners to agree a programme of works to widen engagement on the environmental impact of inhalers and the promotion and use of low carbon inhalers where clinically appropriate
- ✓ Source alternative (low carbon) anaesthetic gases rather than desflurane. Put plans in place to reduce high carbon anaesthetic gas use
- ✓ Explore alternatives to the use of anaesthetic gases for anaesthetics and pain relief. Explore innovation that captures anaesthetic gases to prevent release to the atmosphere.
- ✓ Encourage patients to bring in and then take home medicines after visiting hospital
- ✓ Work to reduce prescribing of medicines and support the transition to social prescribing so that people are in control of their health

Engaging with colleagues

In October 2021, every colleague in our organisation was given the opportunity to take part in the national NHS Staff Survey, we received 2,920 responses (39.3 per cent).

The survey which is conducted once a year allows us to see how colleagues feel about their jobs and working for our Trust and examines the sentiments of colleagues across a range of key areas. Data is then compared against our performance in previous years and comparisons made against other similar organisations to determine our relative performance.

The national survey is mandatory for all NHS organisations with the results being used to inform national initiatives that can help support improvements in staff experience and wellbeing. The results of the national NHS Staff Survey are also used by NHS England to support national assessments of quality and safety.

We recognise that our survey results are not where we want them to be as we have seen our scores reduce across the nine engagement questions compared to the previous survey.

2020 staff survey areas for improvement

Following the release of the 2020 staff survey results, the Trust Board and clinical leadership executive agreed to focus on four key areas for improvement:

- The wellbeing support offered to all staff
- Equality, diversity and inclusion
- Team communication
- Line manager development

The people plan themes are new for 2021 so trends against those themes are not comparable however, we can review specific questions / areas to understand better any improvement.

The below table outlines our scores compared to the average and best scores.

	SWB	Average score	Best score
Health and safety climate	5.3	5.2	6.0
Equality, diversity and inclusion	6.9	7.1	8.0
Team communication	6.4	6.5	7.0
Line manager development	6.1	6.3	6.9

Listening to our colleagues and learning from others

This year we have continued to talk to colleagues about what would make the most difference to how they feel about their jobs and working for our organisation.

Each clinical group and corporate directorate has committed to hold regular listening events where team members are invited to take part in a discussion about the feedback received and what improvement can be made. The events are attended by two executive directors and the group / directorate leads. Each session is recorded and published on our intranet site.

In 2021/22 nearly all the clinical groups have held at least two listening events in addition to more localised engagement activities, for example:

- Surgical services have organised a series of monthly events that staff can attend either face to face or virtually
- Women and child health are holding regular coffee chat sessions allowing staff to raise concerns with senior managers in the group.

Acting on feedback

An action plan template has been developed and shared with the clinical groups and corporate directorate leads to complete and return to the director of communications by the end of April 2022. Clinical groups are asked to ensure that:

- Managers discuss the survey results with their teams and identify their top three actions
- Managers are required to evidence the actions they have taken to ensure their teams have an opportunity to feedback on the results
- Managers are required to complete the action plan template and share it with the group leadership who will use it as a reference for improvements to be made in their areas, with plans reviewed at group review.

Corporate directorates have been encouraged to share the survey findings with their teams at meetings and Quarterly Improvement Half Days and also share their action plans. We have started the process of looking at organisations who have made sustained improvements in staff survey results to identify learnings. We have also requested support from NHS England and Improvement for the development of a core operating model to respond to Pulse survey results.

NHS quarterly pulse survey

In 2021 NHS England and Improvement introduced the quarterly pulse survey as a regular check in to help improve the support that organisations provide. The survey asks the nine mandatory engagement questions that are posed in the national staff survey. At Sandwell and West Birmingham NHS Trust we also use the opportunity to ask extra questions to align with the national people plan promises. We have now conducted three pulse surveys in July 2021, January 2022 and April 2022. The results of the quarterly pulse survey have been consistent with findings in the national staff survey in 2021. Results are shared with managers and published on the intranet. Publication of the results are also used as a basis for listening events that are organised by clinical groups and corporate departments.

Star Awards return to Villa Park

2021 saw the annual Star Awards return to Villa Park as a live event for the first time since 2019, five months before COVID-19 arrived. The ceremony took place on 15 October at Aston Villa Football Club, as we came together to celebrate another year of outstanding service. Albeit in a slightly different fashion with COVID safe measures in place, colleagues put their hands together and raised a glass to those teams, departments and individuals who had gone above and beyond during a particularly trying year.

We must say a special thank you to our sponsors whose support helped us to put together the event and gave attendees a special night to remember and for this, we share our sincere thanks. We must also share a special thanks to Des Coleman, ITV weatherman who did a superb job at hosting the evening once again. Each year the awards attract hundreds of nominations that showcase the hard work, talent and dedication of our fantastic colleagues here at the Trust. We saw stories of kindness, innovation, leadership, teamwork, excellent patient care and much more. Each and every single nomination highlighted one important thing – we have some truly remarkable people working at the Trust. Helping to decide the most deserving winners, we opened the vote to colleagues where four awards were voted for by colleagues. These awards were Clinical Team of the Year, Non-Clinical Team of the Year (Children), Non-Clinical Team of the Year (Adults) and Employee of the year.

Emergency Preparedness, Resilience and Response (EPRR) Statement of Compliance

As a Category one responder under the Civil Contingencies Act 2004, we completed the annual self-assessment for the NHS England Core Emergency Preparedness Response and Recovery (EPRR) Standards, and we maintained our substantial compliance against these.

We continue to respond to COVID-19 and have done so through three waves of high levels of infection and admissions to the Trust. We provide training and support for senior managers in terms of running a command and control structure and ensuring the Trust's response and recovery plans are coordinated and responsive to relevant national guidance and information. We held an Emergo table-top exercise in May 2022 and have extensive business continuity plans in place. We continue to adhere to the national Core Standard for EPRR.

Our finances and investments

Directors' Report

Looking back at last year's report, it was interesting to reflect on an extraordinary year for the world, our country and the NHS. Of course, all of the 20-21 financial year was completely dominated by COVID-19 waves of the pandemic, the second major wave in January 2021 very different and as challenging as the first in 2020, although in very different ways. We have seen less COVID activity in 21-22, and overwhelmingly now those who are with us in hospital with COVID are in with it, not because of it, following the vaccination programme delivered by the NHS. The change in the shape of the pandemic also allowed the NHS to focus on elective recovery, and this shift in focus was reflected in our financial story for 21-22. Unprecedented pressures in urgent and emergency care also informed our finances during 21-22, and the continued construction of our new hospital, the Midland Metropolitan University Hospital in Smethwick, also featured significantly. The pandemic continued to impact on the way the NHS was financed in 21-22, with a continuation of six monthly planning processes, system control totals within an overall resource allocation, block funding, plus the new Elective Recovery Fund, supported by capital investment in the form of the Targeted Investment Fund. The financial risk share across the Black Country system, developed and operated during 20-21, continued during 21-22 and is likely to form the basis of financial relationships and resource allocation processes going forward. This agreed principles such as no one organisation being in surplus if another was in deficit, ensuring any performance ahead of plan was returned into the risk share for redistribution, at the same time ensuring risks not covered by the financial plan could be mitigated.

During the year the team continued to improve our performance in the Better Payments Practice Code, and the Trust is now achieving 95 per cent by value consistently.

For many years now the Trust's financial plans have been based in the long-term financial model (LTFM) of the Midland Metropolitan University Hospital (MMUH) business case, refreshed at various intervals for changes along the way where appropriate. The Trust did not deliver the activity (and therefore income) plans reflected in the LTFM for 19-20, but managed to achieve the financial performance target of c£17 million deficit by offsetting headline performance with expenditure reserves not committed, and underspends on expenditure budgets. When COVID-19 hit, the Trust had reworked the activity and income plans within rollover expenditure budgets which reinstated the LTFM plan, and had a live conversation with system commissioners on activity affordability when events overtook and the regime changed. The impact of the pandemic meant that whilst the Trust hit its overall financial targets, performance was not aligned with budgets. This was the case in 20-21, and again in 21-22. As we now move into a period where COVID is deemed BAU and elective recovery is a key focus for the NHS, and we continue to manage significant urgent care pressures, and we get in to the detail of clinical, operational, workforce and financial planning in preparation for MMUH, it will be necessary to realign budgets for 22-23 so that they are realistic and achievable, and bridge to the future MMUH workforce model. This is key to returning to the levels of financial discipline we had in place before the pandemic and to reset in the context of the new financial regime, and in order to remove some of the premium costs that have necessarily gone in since the Spring of 2020.

The ICS set a break-even financial plan for the first half of 21-22, which it achieved, with the Trust also planning for and delivering a break even position. The system also set a break even plan for the second half of the financial year, supporting the costs of winter with non-recurrent funding, and underwriting the premium costs of elective recovery. Operational pressures over the winter period restricted the Trust's ability to establish schemes fully and there was some slippage meant that a non-recurrent surplus was generated. In addition, non-recurrent and late resource allocation to the system could not be spent well, which further contributed to an overall system and Trust surplus by the end of the financial year.

The Trust's financial performance continues to be measured against four primary duties;

- The delivery of an Income and Expenditure (I&E) position consistent with the target set by the Department of Health (DH) (the breakeven target);
- Not exceeding its Capital Resource Limit (CRL);
- Not exceeding its External Financing Limit (EFL);
- Delivering a Capital Cost Absorption Rate of 3.5 per cent.

These duties are further explained as follows:

Breakeven Duty

Due to the Elective Recovery Funding received in year, and continued funding for ongoing COVID costs, the Trust was able to achieve a small surplus position of £4.411m, despite ongoing infection control challenges in relation to managing COVID, significant Urgent and Emergency Care pressures, and making good progress on Elective Recovery. This performance therefore meets the breakeven duty required of the Trust.

Figure 1 shows how the Trust's reported performance is calculated. The surplus in the published Statutory Accounts is subject to technical adjustment and does not affect the assessment of the Trust's performance against the duties summarised above (i.e. I&E breakeven, CRL, EFL, capital cost absorption)

Figure 1 Income and Expenditure Performance

Although impairments and reversals are not counted towards measuring I&E performance, they must be included in the Statutory Accounts and on the face of the Statement of Comprehensive Income (SOCI). Impairments and reversals transactions are non-cash in nature and do not affect patient care budgets. However, it is important that the Trust's assets are carried at their true values so that users of its financial statements receive a fair and true view of the Statement of Financial Position (Balance Sheet). DH holds allocations centrally for the impact of impairments and reversals.

Income and Expenditure Performance	2021/22	2020/21
	£000s	£000s
Income for Patient Activities	594,329	528,987
Income for Education, Training, Research & Other Income	65,986	86,222
Total Income	**660,315**	**615,659**
Pay Expenditure	(416,017)	(392,026)
Non Pay Expenditure including Interest Payable and Receivable	(465,037)	(224,997)
Public Dividend Capital (PDC) - Payment	(5,790)	(4,096)
Total Expenditure (Including Impairments and Reversals)	**(886,844)**	**(621,569)**
Surplus/(Deficit) per Statutory Accounts	(226,529)	(5,910)
Exclude Provider Sustainability Fund (includes Prior Year incentives)	0	0
Exclude Impairments and Reversals	230,743	6,524
Adjustment for elimination of Donated and Government Grant Reserves	197	(231)
Total I&E Performance	**4,411**	**383**

CRL

Further detailed information on capital spend is shown below at Figure 5. The CRL sets a maximum amount of capital expenditure a trust may incur in a financial year (April to March). Trusts are not permitted to overshoot the CRL although the Trust may undershoot. Against its CRL of £218.3 million for 2021/22, the Trust's relevant expenditure was £211.6 million, thereby undershooting by £6.7 million and achieving this financial duty. The main driver of this underspend was funding received for MMUH not exactly matched by spend.

EFL

The EFL is a control on the amount a trust may source externally and also determines by default the amount of cash which must be held at the end of the financial year. Trusts are not allowed to overshoot the EFL although the trust is permitted to undershoot. Against its EFL of £193.56 million, the Trust's cash flow financing requirement was £193.56 million, thereby achieving this financial duty.

Capital Cost Absorption Rate

The capital cost absorption rate is a rate of return on the capital employed by the Trust, and is set nationally at 3.5 per cent. The value of this rate of return is reflected in the SOCI as PDC dividend (as shown in Figure 1), an amount which trusts pay back to DH to reflect a 3.5 per cent return. The value of the dividend/rate of return is calculated at the end of the year on actual capital employed being set automatically at 3.5 per cent, and accordingly the Trust has achieved this financial duty.

It should be noted that the Trust has not charged a 3.5 per cent dividend charge on MMUH construction costs during 2122 as this is an exceptional item to be excluded from the calculation (DH GAM 20/21). This policy and PDC dividend charge exclusion applies to all assets of over £50 million in construction value.

Income from Commissioners and other sources

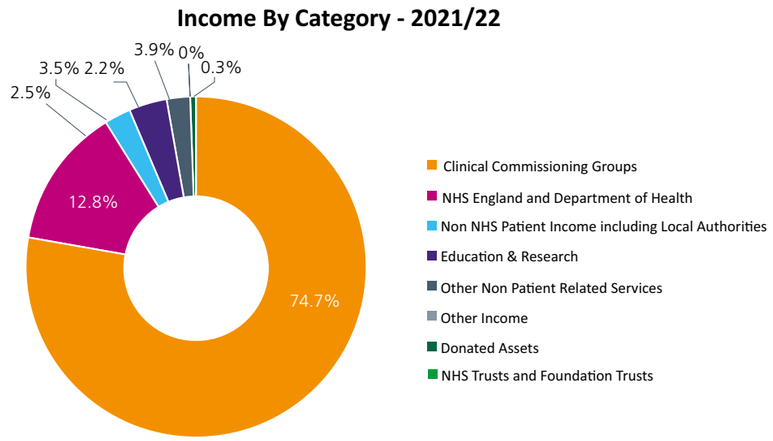
The main components of the Trust's income of £660.315 million in 2021/22 are shown below in Figure 2, showing an overall increase of £44.656 million. Most of this increase is driven by the income received by commissioners, mainly under the pandemic income block arrangements.

Figure 2 Sources of Income

Sources of Income £000s	2021/22	2020/21
	£000s	£000s
Clinical Commissioning Groups 74.7%	493,462	445,793
NHS England and Department of Health 12.8%	84,444	66,736
Non NHS Patient Income including Local Authorities 2.5%	16,695	12,853
Education & Research 3.5%	23,261	21,449
Other Non Patient Related Services 2.2%	14,408	10,547
Other Income 3.9%	25,836	53,793
Donated Assets 0%	47	433
NHS Trusts and Foundation Trusts 0.3%	2,079	2,730
NHS Other (including Public Health England and Prop Co) 0%	83	875
Total Income	**660,315**	**615,659**

Within Figure 3, the pie chart below, the largest element of the Trust's resources flowed directly from Clinical Commissioning Groups, 12.8 per cent from NHSE, and education training and research funds at 3.5 per cent. The Trust is an accredited body for the purposes of training undergraduate medical students, postgraduate doctors and other clinical trainees. It also has an active and successful research community, which continued during the pandemic, and took on new work specifically in relation to COVID-19. The proportions of income received are broadly similar to previous years.

Figure 3 – Income by Category

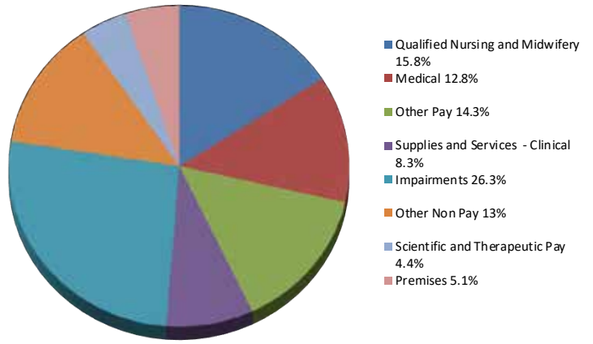


Expenditure

Figure 4, shows that this year, 47% (20/21, 64%) of the Trust's cost was pay and, within this, were nursing and midwifery 15.8% (20/21, 20%), medical staff 12.8% (2021, 18%), other pay 14.3% (20/21, 21%) and scientific and therapeutic 4.4% (20/21, 6%). The categories contain total agency spend of £17.02m for the Trust for the year. This included the continued impact of additional working capacity required for the Covid-19 demand during the year, and the filling of vacancies and sickness backfill. The remaining 53% (20/21, 35%) of operational expenditure was non pay, the largest elements of which was Impairments 26.3% and clinical supplies and services at 8.3% (20/21,12%). This figure includes drug costs and the costs incurred for centrally procured PPE, supplied throughout the pandemic.

As 21/22 included a large impairment value, the % of spend categories is skewed compared to prior years. Excluding the Impairment charge in 21/22, the total Pay cost would represent 64% of total Expenditure.

Figure 4 Expenditure by category



Use of Capital Resources

Capital expenditure differs to day to day operational budgets and involves tangible and non-tangible items costing more than £5,000 and having an expected life of more than one year. In total, the Trust's gross spend during 2122 on capital items was £211.655 million, including self-funded schemes and those externally funded by PDC, the latter being mainly MMUH and targeted investment fund expenditure to support elective recovery. This figure is adjusted by any donated items and the book value of assets disposed when measured against the CRL (see above). A breakdown of this gross expenditure is shown in the pie chart below.

The Trust spent a significant proportion - 82% (2021, 85%) of its capital budget on the Midland Metropolitan University Hospital (MMUH); the spend of £173.061 million was funded by PDC contributions. The Trust also spent £21.792 million (2021, £10.977 million) on upgrading the Trust's residual Estate, including ensuring compliance with statutory standards.

Key schemes within the Estates capital programme included;

- Two new multi-storey car parks at the City and Sandwell sites
- Expenditure on the business case for the new Learning Campus on the MMUH site
- Local projects at the City and Sandwell sites
- Backlog maintenance and statutory standards

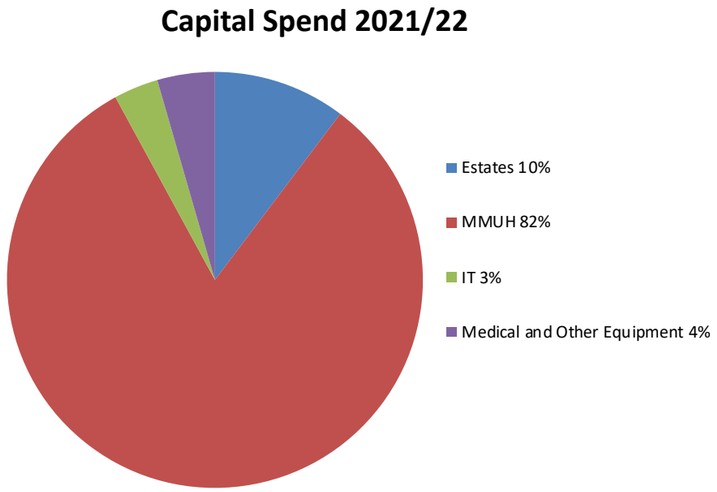
Medical and Other Equipment accounted for £9.468 million (including COVID-19 and Critical Care), all of which has a direct impact on clinical quality improvement. Key schemes include;

- Routine replacement rolling programme
- Diagnostic equipment, Ophthalmology and other specialties
- Targeted Investment Fund equipment (Post Anaesthetic Recovery Unit, Lithotrypter)
- Birmingham Treatment Centre Oral Surgery
- Managed Equipment Service

IT spend included planned investment on the IT Infrastructure, including networks and end user devices. This totalled £7.334 million. Key schemes include;

- Continued development of the Trust's new EPR system
- Network infrastructure investment
- Hardware
- Shared Care Record
- Telephony

Figure 5 Capital Spend, 2021/22



Audit

The Trust's External Auditors are Grant Thornton UK LLP. They were appointed for the 2017/18 audit by the Trust, following a competitive tendering process undertaken during 2016/17 ready for when the previous contract with KPMG LLP expired.

The cost of the work undertaken by the Auditor in 2021/22 was £126,000 including VAT. The fee in respect of auditing the Quality Accounts is included.

As far as the Directors are aware, there is no relevant audit information of which the Trust's Auditors are not aware. In addition, the Directors have taken all the steps they ought to have taken as directors to ensure they are aware of any relevant audit information and to establish that the Trust's Auditor is aware of that information.

The members of the Audit and Risk Management Committee at 31 March 2022 were Rachel Hardy, (Chair), Lesley Writtle, Kate Thomas, Mike Hoare, Mick Laverty, Mike Hallisey, Joanne Wass and Val Taylor.

The management committee from Smethwick Gurdwara visit Midland Met.

Statement of directors' responsibilities in respect of the accounts

The directors are required under the National Health Service Act 2006 to prepare accounts for each financial year.

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

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

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

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

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

By order of the Board

Signed:

Chief Executive

Date: 11 July 2022

Chief Finance Officer

Date: 11 July 2022

Statement of the chief executive's responsibilities as the accountable officer of the trust

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

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

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

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

Signed:

Chief Executive

Date: 11 July 2022

Statement of Comprehensive Income

	Note	2021/22 £000	2020/21 £000
Operating income from patient care activities	3	594,329	528,987
Other operating income	4	65,986	86,222
Operating expenses	1.21, 6, 8, 13.1	(878,808)	(614,902)
Operating surplus/(deficit) from continuing operations		**(218,493)**	**307**
Finance income	11	29	8
Finance expenses	11	(2,275)	(2,129)
PDC dividends payable		(5,790)	(4,096)
Net finance costs		**(8,036)**	**(6,217)**
Other gains / (losses)	12	-	-
Share of profit / (losses) of associates / joint arrangements	17	-	-
Surplus / (deficit) for the year from continuing operations		**(226,529)**	**(5,910)**
Surplus / (deficit) for the year		**(226,529)**	**(5,910)**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	7	3,503	(1,630)
Revaluations	15	2,225	-
Total comprehensive income / (expense) for the period		**(220,797)**	**(7,535)**

Statement of Financial Position

	Note	31 March 2022 £000	31 March 2021 £000
Non-current assets			
Intangible assets	12	183	232
Property, plant and equipment	13	646,763	681,405
Receivables	17	100	100
Total non-current assets		**647,046**	**681,737**
Current assets			
Inventories	16	3,585	3,437
Receivables	17	44,141	29,859
Cash and cash equivalents	18	55,013	71,441
Total current assets		**102,739**	**104,737**
Current liabilities			
Trade and other payables	19	(76,279)	(88,635)
Borrowings	21	(2,055)	(1,553)
Provisions	23	(3,580)	(966)
Other liabilities	20	(10,118)	(4,909)
Total current liabilities		**(92,032)**	**(96,063)**
Total assets less current liabilities		**657,753**	**690,411**
Non-current liabilities			
Borrowings	21	(23,721)	(25,911)
Provisions	23	(3,390)	(3,630)
Other liabilities	20	(15,424)	(3,680)
Total non-current liabilities		**(42,535)**	**(33,221)**
Total assets employed		**615,218**	**657,190**
Financed by			
Public dividend capital		664,942	486,117
Revaluation reserve		14,660	8,932
Other reserves		9,058	9,058
Income and expenditure reserve		(73,442)	153,083
Total taxpayers' equity		**615,218**	**657,190**

The notes on pages 93 to 138 form part of these accounts.

Signed

Name Richard Beeken

Position Chief Executive

Date 11th July 2022

Statement of Changes in Equity for the year ended 31 March 2022

	Public dividend capital	Revaluation reserve	Other reserves	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2021 - brought forward	**486,117**	**8,932**	**9,058**	**153,083**	**657,190**
Surplus/(deficit) for the year	-	-	-	(226,529)	**(226,529)**
Impairments	-	3,503	-	-	**3,503**
Revaluations	-	2,225	-	-	**2,225**
Public dividend capital received	178,825	-	-	-	**178,825**
Other reserve movements	-	-	-	4	**4**
Taxpayers' and others' equity at 31 March 2022	**664,942**	**14,660**	**9,058**	**(73,442)**	**615,218**

Statement of Changes in Equity for the year ended 31 March 2021

	Public dividend capital	Revaluation reserve	Other reserves	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2020 - brought forward	**300,103**	**10,704**	**9,058**	**158,846**	**478,711**
Prior period adjustment	-	-	-	-	**-**
Taxpayers' and others' equity at 1 April 2020 - restated	**300,103**	**10,704**	**9,058**	**158,846**	**478,711**
Surplus/(deficit) for the year	-	-	-	(5,910)	**(5,910)**
Other transfers between reserves	-	(147)	-	147	**-**
Impairments	-	(1,630)	-	-	**(1,630)**
Public dividend capital received	186,014	-	-	-	**186,014**
Other reserve movements	-	5	-	-	**5**
Taxpayers' and others' equity at 31 March 2021	**486,117**	**8,932**	**9,058**	**153,083**	**657,190**

Information on reserves

Public dividend capital
Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. Additional PDC may also be issued to trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the trust, is payable to the Department of Health as the public dividend capital dividend.

Revaluation reserve
Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

Financial assets reserve
This reserve comprises changes in the fair value of financial assets measured at fair value through other comprehensive income. When these instruments are derecognised, cumulative gains or losses previously recognised as other comprehensive income or expenditure are recycled to income or expenditure, unless the assets are equity instruments measured at fair value through other comprehensive income as a result of irrevocable election at recognition.

Other reserves
The other Reserve of £9.058m (as per the Statement of Financial Position) represents the difference between the carrying value of Assets at the Trust inception date and the value of PDC attributed to the Trust. This reserve was created under the guidance of the Department of Health as a result of imbalances between the transfer of assets to Sandwell Primary Care Trusts and the issue of Public Dividend Capital (PDC) to Sandwell & West Birmingham Hospitals when the remainder of the Trust merged with City Hospital NHS Trust to become Sandwell and West Birmingham Hospitals NHS Trust on 1st April 2002.

Income and expenditure reserve
The balance of this reserve is the accumulated surpluses and deficits of the trust.

Statement of Cash Flows

	Note	2021/22 £000	2020/21 £000
Cash flows from operating activities			
Operating surplus / (deficit)		(218,493)	307
Non-cash income and expense:			
Depreciation and amortisation	6.1	21,331	18,538
Net impairments	7	230,743	6,524
Income recognised in respect of capital donations	4	(47)	(433)
(Increase) / decrease in receivables and other assets		(18,029)	17,443
(Increase) / decrease in inventories		(148)	1,692
Increase / (decrease) in payables and other liabilities		(3,682)	1,839
Increase / (decrease) in provisions		2,410	296
Net cash flows from / (used in) operating activities		**14,085**	**46,206**
Cash flows from investing activities			
Interest received		29	8
Purchase of intangible assets		-	(118)
Purchase of PPE and investment property		(204,737)	(174,148)
Net cash flows from / (used in) investing activities		**(204,708)**	**(174,258)**
Cash flows from financing activities			
Public dividend capital received		178,825	186,014
Capital element of PFI, LIFT and other service concession payments		(1,686)	(1,939)
Interest paid on PFI, LIFT and other service concession obligations		(2,311)	(2,143)
PDC dividend (paid) / refunded		(633)	(5,820)
Net cash flows from / (used in) financing activities		**174,195**	**176,112**
Increase / (decrease) in cash and cash equivalents		**(16,428)**	**48,060**
Cash and cash equivalents at 1 April - brought forward		**71,441**	**23,381**
Prior period adjustments			-
Cash and cash equivalents at 1 April - restated		**71,441**	**23,381**
Cash and cash equivalents at 31 March	18	**55,013**	**71,441**

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

The Department of Health and Social Care has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2021/22 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

Note 1.2 Going concern

These accounts have been prepared on a going concern basis. The financial reporting framework applicable to NHS bodies, derived from the HM Treasury Financial Reporting Manual, defines that the anticipated continued provision of the entity's services in the public sector is normally sufficient evidence of going concern. The directors have a reasonable expectation that this will continue to be the case.

Note 1.3 Interests in other entities

The Trust does not have any interests in associates, joint ventures or joint operations.

Note 1.4 Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS).

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for health care services. In 2021/22 and 2020/21, the majority of the trust's income from NHS commissioners was in the form of block contract arrangements. The Trust receives block funding from its commissioners, where funding envelopes are set at a Integrated Care system level. For the first half of the 2020/21 comparative year these blocks were set for individual NHS providers directly, but the revenue recognition principles are the same. The related performance obligation is the delivery of healthcare and related services during the period, with the trust's entitlement to consideration not varying based on the levels of activity performed.

The Trust also receives additional income outside of the block payments to reimburse specific costs incurred and, in 2020/21, other income top-ups to support the delivery of services. Reimbursement and top-up income is accounted for as variable consideration.

In 2021/22, the Elective Recovery Fund enabled systems to earn income linked to the achievement of elective activity targets including funding any increased use of independent sector capacity. Income earned by the system is distributed between individual entities by local agreement. Income earned from the fund is accounted for as variable consideration.

Revenue from research contracts

Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. For some contracts, it is assessed that the revenue project constitutes one performance obligation over the course of the multi-year contract. In these cases it is assessed that the Trust's interim performance does not create an asset with alternative use for the Trust, and the Trust has an enforceable right to payment for the performance completed to date. It is therefore considered that the performance obligation is satisfied over time, and the Trust recognises revenue each year over the course of the contract. Some research income alternatively falls within the provisions of IAS 20 for government grants.

NHS injury cost recovery scheme

The Trust receives income under the NHS injury cost recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when performance obligations are satisfied. In practical terms this means that treatment has been given, it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

Revenue from Local Authorities:

Our main income from LA bodies is from a contract we hold with Sandwell Council for public health services The related performance obligation is the delivery of healthcare and related services during the period, with the trust's entitlement to consideration not varying based on the levels of activity performed.

Note 1.5 Other forms of income

Grants and donations

Government grants are grants from government bodies other than income from commissioners or trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. Where the grants is used to fund capital expenditure, it is credited to the consolidated statement of comprehensive income once conditions attached to the grant have been met. Donations are treated in the same way as government grants.

Apprenticeship service income

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider from the Trust's Digital Apprenticeship Service (DAS) account held by the Department for Education, the corresponding notional expense is also recognised at the point of recognition for the benefit.

Note 1.6 Expenditure on employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Both schemes are unfunded, defined benefit schemes that cover NHS employers, general practices and other bodies, allowed under the direction of Secretary of State for Health and Social Care in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as though it is a defined contribution scheme: the cost to the trust is taken as equal to the employer's pension contributions payable to the scheme for the accounting period. The contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the trust commits itself to the retirement, regardless of the method of payment.

Note 1.7 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

Note 1.8 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

• it is held for use in delivering services or for administrative purposes
• it is probable that future economic benefits will flow to, or service potential be provided to, the trust
• it is expected to be used for more than one financial year
• the cost of the item can be measured reliably
• the item has cost of at least £5,000, or
• collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, eg, plant and equipment, then these components are treated as separate assets and depreciated over their own useful lives.

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Measurement

Valuation

All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Assets are measured subsequently at valuation. Assets which are held for their service potential and are in use (ie operational assets used to deliver either front line services or back office functions) are measured at their current value in existing use. Assets that were most recently held for their service potential but are surplus with no plan to bring them back into use are measured at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

For specialised assets, current value in existing use is interpreted as the present value of the asset's remaining service potential, which is assumed to be at least equal to the cost of replacing that service potential. Specialised assets are therefore valued at their depreciated replacement cost (DRC) on a modern equivalent asset (MEA) basis. An MEA basis assumes that the asset will be replaced with a modern asset of equivalent capacity and meeting the location requirements of the services being provided. Assets held at depreciated replacement cost have been valued on an alternative site basis where this would meet the location requirements.

Valuation guidance issued by the Royal Institute of Chartered Surveyors states that valuations are performed net of VAT where the VAT is recoverable by the entity. This basis has been applied to the trust's Private Finance Initiative (PFI) scheme where the construction is completed by a special purpose vehicle and the costs have recoverable VAT for the trust.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowings costs. Assets are revalued and depreciation commences when the assets are brought into use.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use.

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Revaluation gains and losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating expenditure.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments

In accordance with the GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.
Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

De-recognition

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Donated and grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

This includes assets donated to the trust by the Department of Health and Social Care or NHS England as part of the response to the coronavirus pandemic. As defined in the GAM, the trust applies the principle of donated asset accounting to assets that the trust controls and is obtaining economic benefits from at the year end.

Private Finance Initiative (PFI) and Local Improvement Finance Trust (LIFT) transactions

PFI transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's *FReM*, are accounted for as 'on-Statement of Financial Position' by the trust. In accordance with HM Treasury's FReM, the underlying assets are recognised as property, plant and equipment, together with an equivalent liability. Subsequently, the assets are accounted for as property, plant and equipment and/or intangible assets as appropriate.

The annual contract payments are apportioned between the repayment of the liability, a finance cost, the charges for services and lifecycle replacement of components of the asset. The element of the annual unitary payment increase due to cumulative indexation is treated as contingent rent and is expensed as incurred.

The service charge is recognised in operating expenses and the finance cost is charged to finance costs in the Statement of Comprehensive Income.

Useful lives of property, plant and equipment

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	Min life Years	Max life Years
Land	-	-
Buildings, excluding dwellings	15	70
Dwellings	-	-
Plant & machinery	-	29
Transport equipment	1	7
Information technology	1	10
Furniture & fittings	2	29

Finance-leased assets (including land) are depreciated over the shorter of the useful life or the lease term, unless the trust expects to acquire the asset at the end of the lease term in which case the assets are depreciated in the same manner as owned assets above.

Note 1.9 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the trust and where the cost of the asset can be measured reliably.

Internally generated intangible assets

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised. Expenditure on development is capitalised where it meets the requirements set out in IAS 38.

Software

Software which is integral to the operation of hardware, eg an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, eg application software, is capitalised as an intangible asset.

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Intangible assets held for sale are measured at the lower of their carrying amount or fair value less costs to sell.

Amortisation

Intangible assets are amortised over their expected useful lives in a manner consistent with the consumption of economic or service delivery benefits.

Useful lives of intangible assets

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	Min life Years	Max life Years
Software licences	-	5
Licences & trademarks	-	1

Note 1.10 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the first in, first out (FIFO) method.

In 2020/21 and 2021/22, the Trust received inventories including personal protective equipment from the Department of Health and Social Care at nil cost. In line with the GAM and applying the principles of the IFRS Conceptual Framework, the Trust has accounted for the receipt of these inventories at a deemed cost, reflecting the best available approximation of an imputed market value for the transaction based on the cost of acquisition by the Department.

Note 1.11 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

Note 1.12 Financial assets and financial liabilities

Recognition

Financial assets and financial liabilities arise where the Trust is party to the contractual provisions of a financial instrument, and as a result has a legal right to receive or a legal obligation to pay cash or another financial instrument. The GAM expands the definition of a contract to include legislation and regulations which give rise to arrangements that in all other respects would be a financial instrument and do not give rise to transactions classified as a tax by ONS.

This includes the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements and are recognised when, and to the extent which, performance occurs, ie, when receipt or delivery of the goods or services is made.

Classification and measurement

Financial assets and financial liabilities are initially measured at fair value plus or minus directly attributable transaction costs except where the asset or liability is not measured at fair value through income and expenditure. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices or valuation techniques.

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described below.

Financial assets and financial liabilities at amortised cost

Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable.

After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income and a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets or assets measured at fair value through other comprehensive income, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

Credit losses are determined by review of indiviudal debt over 90 days old, in addition, a full provision is made for overseas visitors income and invoices rasied for delayed treatment of care with Local Authoriities

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

Derecognition

Financial assets are de-recognised when the contractual rights to receive cash flows from the assets have expired or the Trust has transferred substantially all the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Note 1.13 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

The trust as a lessee

Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The implicit interest rate is that which produces a constant periodic rate of interest on the outstanding liability.

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for an item of property plant and equipment.

The annual rental charge is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to finance costs in the Statement of Comprehensive Income.

Operating leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially in other liabilities on the statement of financial position and subsequently as a reduction of rentals on a straight-line basis over the lease term. Contingent rentals are recognised as an expense in the period in which they are incurred.

Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

The trust as a lessor

Finance leases

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the trust's net investment outstanding in respect of the leases.

Operating leases

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Note 1.14 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective from 31 March 2022:

		Nominal rate	Prior year rate
Short-term	Up to 5 years	0.47%	Minus 0.02%
Medium-term	After 5 years up to 10 years	0.70%	0.18%
Long-term	After 10 years up to 40 years	0.95%	1.99%
Very long-term	Exceeding 40 years	0.66%	1.99%

HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates. The following inflation rates are set by HM Treasury, effective from 31 March 2022:

	Inflation rate	Prior year rate
Year 1	4.00%	1.20%
Year 2	2.60%	1.60%
Into perpetuity	2.00%	2.00%

Early retirement provisions and injury benefit provisions both use the HM Treasury's pension discount rate of minus 1.30% in real terms (prior year: minus 0.95%).

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the trust is disclosed at note 23.1 but is not recognised in the Trust’s accounts.

Non-clinical risk pooling

The trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses when the liability arises.

Note 1.15 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity’s control) are not recognised as assets, but are disclosed in note 24 where an inflow of economic benefits is probable.
Contingent liabilities are not recognised, but are disclosed in note 24, unless the probability of a transfer of economic benefits is remote.

Contingent liabilities are defined as:

• possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity’s control; or

• present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

Note 1.16 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

The Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, with certain additions and deductions as defined by the Department of Health and Social Care. Sandwell and West Birmingham hospitals NHS trust, the exclusion of the Midland Metropolitan University Hospital asset is allowable as a significant asset under construction.

This policy is available at https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts.

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the “pre-audit” version of the annual accounts. The dividend calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

Note 1.17 Value added tax

Most of the activities of the trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

Note 1.18 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis.

The losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

Note 1.19 Standards, amendments and interpretations in issue but not yet effective or adopted

IFRS 16 Leases

IFRS 16 Leases will replace *IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease* and other interpretations and is applicable in the public sector for periods beginning 1 April 2022. The standard provides a single accounting model for lessees, recognising a right of use asset and obligation in the statement of financial position for most leases: some leases are exempt through application of practical expedients explained below. For those recognised in the statement of financial position the standard also requires the remeasurement of lease liabilities in specific circumstances after the commencement of the lease term. For lessors, the distinction between operating and finance leases will remain and the accounting will be largely unchanged.

IFRS 16 changes the definition of a lease compared to IAS 17 and IFRIC 4. The trust will apply this definition to new leases only and will grandfather its assessments made under the old standards of whether existing contracts contain a lease.

On transition to IFRS 16 on 1 April 2022, the trust will apply the standard retrospectively without restatement and with the cumulative effect of initially applying the standard recognised in the income and expenditure reserve at that date. For existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000, a lease liability will be recognised equal to the value of remaining lease payments discounted on transition at the trust’s incremental borrowing rate. The trust's incremental borrowing rate will be defined by HM Treasury. For 2022, this rate is 0.95%. The related right of use asset will be measured equal to the lease liability adjusted for any prepaid or accrued lease payments. For existing peppercorn leases not classified as finance leases, a right of use asset will be measured at current value in existing use or fair value. The difference between the asset value and the calculated lease liability will be recognised in the income and expenditure reserve on transition. No adjustments will be made on 1 April 2022 for existing finance leases.

For leases commencing in 2022/23, the trust will not recognise a right of use asset or lease liability for short term leases (less than or equal to 12 months) or for leases of low value assets (less than £5,000). Right of use assets will be subsequently measured on a basis consistent with owned assets and depreciated over the length of the lease term.

The trust has estimated the impact of applying IFRS 16 in 2022/23 on the opening statement of financial position and the in-year impact on the statement of comprehensive income and capital additions as follows:

	£000
Estimated impact on 1 April 2022 statement of financial position	
Additional right of use assets recognised for existing operating leases	2,068
Additional lease obligations recognised for existing operating leases	-
Net impact on net assets on 1 April 2022	**2,068**
Estimated in-year impact in 2022/23	
Additional depreciation on right of use assets	(1,662)
Additional finance costs on lease liabilities	(10)
Lease rentals no longer charged to operating expenditure	1,672
Estimated impact on surplus / deficit in 2022/23	**-**
Estimated increase in capital additions for new leases commencing in 2022/23	**-**

Note 1.20 Critical judgements in applying accounting policies

There are no judgements, apart from those involving estimations (see below) that management has made in the process of applying the trust accounting policies and that have a significant effect on the amounts recognised in the financial statements.

Note 1.21 Sources of estimation uncertainty

The Trust has no assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Furthermore, our independent valuation report on Property, Plant and Equipment states "The COVID-19 pandemic and measures to tackle it continue to affect economies and real estate markets globally. Nevertheless, as at the valuation date property markets are mostly functioning, with transaction volumes and other relevant evidence at levels where enough market evidence exists upon which to base
opinions of value. Accordingly - and for the avoidance of doubt, our valuation is not reported as being subject to 'material valuation uncertainty' as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards". The trust has 3 sources of estimation uncertainty, with a range of uncertainty that does not have a material effect on financial statements.

Property Valuation

Assets relating to land and buildings were subject to a formal valuation at 1st April 2015, completed on an 'alternate MEA' basis. An Existing Use Value alternative MEA approach was used which assumes the asset would be replaced with a modern equivalent, i.e. not a building of identical design - but with the same service potential as the existing assets. The alternative modern equivalent asset may well be smaller (reduced Gross Internal Area) than the existing asset which reflects the challenges Healthcare Providers face when utilising historical NHS Estate. A subsequent annual valuation is performed at 31st March each year to ensure a true and fair view was reflected.

The valuation exercise was carried out in March 2021 with a valuation date of 31 March 2021, applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2020 ('Red Book').The values in the report have been used to inform the measurement of property assets at valuation in these financial statements. Further information is disclosed in Note 13

Valuation of Annual Leave Accrual

As part of Accruals reported at Note 20.1 the Trust has calculated an Annual Leave Accrual. The basis of the accrual is taken from various Trust staff electronic records and derives a cost of the remaining leave untaken at 31st March each year. In 2021/22, the value of the provision of £4.2m - a reduction on the 2020/21 provision (£5.769m) as the Trust eased out of the COVID-19 pandemic.

The records for staff are subject to update by line managers, the Trust advises that records should be maintained in a timely and accurate fashion. Through analysis of the records it was apparent that a certain number of records required updating and this was not completed prior to the estimated calculation taking place. Therefore the Trust considers that the estimation method of applying average calculations to the leave outstanding is reasonable. however the Trust
has calculated that the range of uncertainty in the accrual is between (£862k) and £1066k

Valuation of Assets Under Construction - Midland Metropolitan Hospital

As at 31/3/22 the Trust considered the carry value of the asset under construction "Midland Metropolitan University Hospital". The IAS16 complaint carrying value is Cost less Impairment and the Trust has previously disclosed that an impairment was expected at the date of completion which would reflect the known inefficiencies in building costs and contracts. The Trust, in 20/21 considered that it was unable to measure the potential, future material impairment.
For 21/22 the Trust sought an estimate of cost of the asset at 31/3/22, to represent the investment it would require to build the hospital without contractual delays or inefficiencies that have been experienced on the build historically. The valuation included estimated Finance Costs at a rate of 3.5%. The valuation was then reduced to reflect the current percentage of completion at 31/3/22, to provide a proxy for the costs to build the hospital to its present state. This valuation was then compared to the current 'at cost' carrying value, and the difference impaired. As there is no market for partly completed hospitals or a reliable method to measure the cost to re-provide the partly completed asset, the Trust utilised this as a reasonable estimate.
The revaluation details and impact on the Financial statements is shown below:-

	£'000
Valuation at 31/3/2022 (a)	£544,286
Assessed completion % of the Asset at 31/3/22 (b)	71.95%
Estimated cost at 31/3/2022 (a x b)	£391,614
Actual Cost incurred as at 31/3/22	£630,806
Impairment recognised in 21/22 (a-b)	-£239,192

The Trust recognises that this process will need to be repeated at subsequent reporting dates, until completion. It is also acknowledged that there are uncertainties when using BCIS indices, as these are not formalised in real time, instead finalised and reported historically. As a result, there is no reliable method to provide a range of reasonably possible outcomes.

Note 2 Operating Segments

The Board, as 'Chief Operating Decision Maker', has determined that the Trust operates in one material segment which is the provision of healthcare services. The segmental reporting format reflects the Trust's management and internal reporting structure.

The provision of healthcare (including medical treatment, research and education) is within one main geographical segment, the United Kingdom, and materially from Departments of HM Government in England.

The Trust has only one business segment which is provision of healthcare. A segmental analysis is therefore not applicable.

Note 3 Operating income from patient care activities

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4

Note 3.1 Income from patient care activities (by nature)	2021/22 £000	2020/21 £000
Acute services		
Block contract / system envelope income	403,095	344,955
High cost drugs income from commissioners (excluding pass-through costs)	22,646	20,623
Other NHS clinical income	101,075	95,363
Community services		
Block contract / system envelope income	32,780	27,705
Income from other sources (e.g. local authorities)	8,511	8,480
All services		
Private patient income	-	7
Elective recovery fund	5,967	-
Additional pension contribution central funding*	14,586	13,905
Other clinical income	5,669	17,949
Total income from activities	**594,329**	**528,987**

*The employer contribution rate for NHS pensions increased from 14.3% to 20.6% (excluding administration charge) from 1 April 2019. Since 2019/20, NHS providers have continued to pay over contributions at the former rate with the additional amount being paid over by NHS England on providers' behalf. The full cost and related funding have been recognised in these accounts.

Note 3.2 Income from patient care activities (by source)

	2021/22 £000	2020/21 £000
Income from patient care activities received from:		
NHS England	84,121	66,671
Clinical commissioning groups	493,462	445,793
Department of Health and Social Care	323	65
Other NHS providers	2,079	2,730
NHS other	83	875
Local authorities	11,305	10,272
Non-NHS: private patients	107	7
Non-NHS: overseas patients (chargeable to patient)	1,333	1,628
Injury cost recovery scheme	996	937
Non NHS: other	520	9
Total income from activities	**594,329**	**528,987**
Of which:		
Related to continuing operations	594,329	528,987
Related to discontinued operations	-	-

	2021/22			2020/21		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Acute services	77,221	9,001	86,222	65,986	1,858	67,844
Community services	11,290	-	11,290	11,290	1,740	13,030
All services	2,001	-	2,001	1,858	47	1,905
Private patient income	19,448	226	19,674	21,652	249	21,901
Elective recovery fund	10,547		10,547	14,408		14,408
Additional pension contribution central funding*	33,935		33,935	2,014		2,014
Other clinical income		433	433		47	47
		8,342	8,342		1,740	1,740
Total income from activities	**77,221**	**9,001**	**86,222**	**65,986**	**2,036**	**68,022**
Of which:						
Related to continuing operations			86,222			68,022
Related to discontinued operations			-			-

	2021/22			2020/21		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	1,858	-	1,858	1,858	-	1,858
Education and training	21,403	249	21,652	19,448	226	19,674
Non-patient care services to other bodies	14,408		14,408	10,547		10,547
Reimbursement and top up funding	2,014		2,014	33,935		33,935
Receipt of capital grants and donations		47	47		433	433
Charitable and other contributions to expenditure		1,740	1,740		8,342	8,342
Other income*	24,267	-	24,267	11,290	-	11,290
Total other operating income	**63,950**	**2,036**	**65,986**	**77,221**	**9,001**	**86,222**
Of which:						
Related to continuing operations			65,986			86,222
Related to discontinued operations			-			-

*Other income comprises

	2021/22			2020/21		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
MMUH/Taper Support	4,800		4,800	233		233
Car Parking income	334		334	321		321
Catering		1,513	1,513		1,112	1,112
Staff accommodation rental	160		160	153		153
Toxicology		3676	3,676		2878	2,878
Distinction awards		887	887		413	413
Grants income		1421	1,421		100	100
Misc		7486	7,486		2254	2,254
Projects income		392	392		185	185
Other income		2,692	2,692		-	-
Other income generation schemes		906	906		3,641	3,641
Total 'Other Income'		**18,973**	**24,267**		**10,583**	**11,290**

Note 3.3 Overseas visitors (relating to patients charged directly by the provider)

	2021/22 £000	2020/21 £000
Income recognised this year	1,333	1,628
Cash payments received in-year	378	223
Amounts added to provision for impairment of receivables	1,090	2,178
Amounts written off in-year	1,853	2,261

Note 4 Other operating income

	2021/22			2020/21		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	1,858	-	1,858	1,858	-	1,858
Education and training	21,403	249	21,652	19,448	226	19,674
Non-patient care services to other bodies	14,408		14,408	10,547		10,547
Reimbursement and top up funding	2,014		2,014	33,935		33,935
Receipt of capital grants and donations		47	47		433	433
Charitable and other contributions to expenditure		1,740	1,740		8,342	8,342
Other income*	24,267	-	24,267	11,290	-	11,290
Total other operating income	**63,950**	**2,036**	**65,986**	**77,221**	**9,001**	**86,222**
Of which:						
Related to continuing operations			65,986			86,222
Related to discontinued operations			-			-

*Other income comprises

	2021/22			2020/21		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
MMUH/Taper Support	4,800		4,800	233		233
Car Parking income	334		334	321		321
Catering		1,513	1,513		1,112	1,112
Staff accommodation rental	160		160	153		153
Toxicology		3676	3,676		2878	2,878
Distinction awards		887	887		413	413
Grants income		1421	1,421		100	100
Misc		7486	7,486		2254	2,254
Projects income		392	392		185	185
Other income		2,692	2,692		-	-
Other income generation schemes		906	906		3,641	3,641
Total 'Other Income'		**18,973**	**24,267**		**10,583**	**11,290**

Note 5.1 Additional information on contract revenue (IFRS 15) recognised in the period

	2021/22	2020/21
	£000	£000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	2,444	4227

Note 5.2 Transaction price allocated to remaining performance obligations

	31 March 2022	31 March 2021
Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:	£000	£000
within one year	5,472	885
after one year, not later than five years		
after five years		
Total revenue allocated to remaining performance obligations	**5,472**	**885**

The trust has exercised the practical expedients permitted by IFRS 15 paragraph 121 in preparing this disclosure. Revenue from (i) contracts with an expected duration of one year or less and (ii) contracts where the trust recognises revenue directly corresponding to work done to date is not disclosed.

Note 6.1 Operating expenses

	2021/22	2020/21
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	30,801	28,435
Purchase of healthcare from non-NHS and non-DHSC bodies	16,818	8,408
Staff and executive directors costs	412,964	387,634
Remuneration of non-executive directors	144	104
Supplies and services - clinical (excluding drugs costs)	36,815	42,627
Supplies and services - general	5,309	14,425
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	35,948	33,803
Consultancy costs	3,880	456
Establishment	5,071	4,845
Premises	44,949	38,659
Transport (including patient travel)	1,408	1,431
Depreciation on property, plant and equipment	21,282	18,507
Amortisation on intangible assets	49	31
Net impairments	230,743	6,524
Movement in credit loss allowance: contract receivables / contract assets	531	2,225
Change in provisions discount rate(s)	128	169
Fees payable to the external auditor		
audit services- statutory audit	181	147
Internal audit costs	156	178
Clinical negligence	19,232	15,241
Legal fees	732	463
Insurance	74	94
Research and development	1,972	1,991
Education and training	4,297	4,606
Rentals under operating leases	24	24
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT)	2,693	2,897
Other	2,607	978
Total	**878,808**	**614,902**
Of which:		
Related to continuing operations	878,808	614,902
Related to discontinued operations	-	-

Note 6.2 Limitation on auditor's liability

The limitation on auditor's liability for external audit work is £1 million (2020/21: £1 million).

Note 7 Impairment of assets

	2021/22 £000	2020/21 £000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	230,743	6,524
Total net impairments charged to operating surplus / deficit	**230,743**	**6,524**
Impairments charged to the revaluation reserve	(3,503)	1,630
Total net impairments	**227,240**	**8,154**

The impairment of Midland Metropolitan University Hospital of £239.1m is included within the total above, further information on this impairment can be found at Note 1.21 in these Accounts

Note 8 Employee benefits

	2021/22 Total £000	2020/21 Total £000
Salaries and wages	318,505	299,848
Social security costs	32,857	30,134
Apprenticeship levy	1,617	1,480
Employer's contributions to NHS pensions	48,044	45,608
Temporary staff (including agency)	17,022	17,267
Total gross staff costs	**418,045**	**394,337**
Recoveries in respect of seconded staff	-	-
Total staff costs	**418,045**	**394,337**
Of which		
Costs capitalised as part of assets	2,028	2,311

Note 8.1 Retirements due to ill-health

During 2021/22 there were no early retirements from the trust agreed on the grounds of ill-health (2 in the year ended 31 March 2021). The estimated additional pension liabilities of these ill-health retirements is 0k (£110k in 2020/21).

These estimated costs are calculated on an average basis and will be borne by the NHS Pension Scheme.

Note 9 Pension costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation
A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2022, is based on valuation data as 31 March 2021, updated to 31 March 2022 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation
The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay.

The 2016 funding valuation also tested the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. There was initially a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

HMT published valuation directions dated 7 October 2021 (see Amending Directions 2021) that set out the technical detail of how the costs of remedy are included in the 2016 valuation process. Following these directions, the scheme actuary has completed the cost control element of the 2016 valuation for the NHS Pension Scheme, which concludes no changes to benefits or member contributions are required. The 2016 valuation reports can be found on the NHS Pensions website at https://www.nhsbsa.nhs.uk/nhs-pension-scheme-accounts-and-valuation-reports.

Note 10 Operating leases

Note 10.1 Sandwell And West Birmingham Hospitals NHS Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where Sandwell And West Birmingham Hospitals NHS Trust is the lessee.

	2021/22	2020/21
	£000	£000
Operating lease expense		
Minimum lease payments	24	24
Contingent rents	-	-
Less sublease payments received	-	-
Total	**24**	**24**

	31 March 2022	31 March 2021
	£000	£000
Future minimum lease payments due:		
- not later than one year;	171	24
- later than one year and not later than five years;	119	73
- later than five years.	36	55
Total	**326**	**152**
Future minimum sublease payments to be received	-	-

Note 11 Finance income

Finance income represents interest received on assets and investments in the period.

	2021/22 £000	2020/21 £000
Interest on bank accounts	29	8
Other finance income	-	-
Total finance income	**29**	**8**

Note 11.1 Finance expenditure

Finance expenditure represents interest and other charges involved in the borrowing of money or asset financing.

	2021/22 £000	2020/21 £000
Interest expense:		
Main finance costs on PFI and LIFT schemes obligations	1,164	1,147
Contingent finance costs on PFI and LIFT scheme obligations	1,147	1,001
Total interest expense	**2,311**	**2,148**
Unwinding of discount on provisions	(36)	(19)
Other finance costs	-	-
Total finance costs	**2,275**	**2,129**

Note 12 Intangible assets - 2021/22

	Software licences £000	Licences & trademarks £000	Total £000
Valuation / gross cost at 1 April 2021 - brought forward	**3,201**	**43**	**3,244**
Additions	-	-	**-**
Valuation / gross cost at 31 March 2022	**3,201**	**43**	**3,244**
Amortisation at 1 April 2021 - brought forward	**3,012**	**-**	**3,012**
Provided during the year	49	-	**49**
Amortisation at 31 March 2022	**3,061**	**-**	**3,061**
Net book value at 31 March 2022	**140**	**43**	**183**
Net book value at 1 April 2021	**189**	**43**	**232**

Note 12.1 Intangible assets - 2020/21

	Software licences £000	Licences & trademarks £000	Total £000
Valuation / gross cost at 1 April 2020 - as previously stated	**3,083**	**43**	**3,126**
Prior period adjustments	-	-	**-**
Valuation / gross cost at 1 April 2020 - restated	**3,083**	**43**	**3,126**
Additions	118	-	**118**
Valuation / gross cost at 31 March 2021	**3,201**	**43**	**3,244**
Amortisation at 1 April 2020 - as previously stated	**2,981**	**-**	**2,981**
Prior period adjustments	-	-	**-**
Amortisation at 1 April 2020 - restated	**2,981**	**-**	**2,981**
Provided during the year	31	-	**31**
Amortisation at 31 March 2021	**3,012**	**-**	**3,012**
Net book value at 31 March 2021	**189**	**43**	**232**
Net book value at 1 April 2020	**102**	**43**	**145**

Note 13.1 Property, plant and equipment - 2021/22

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation/gross cost at 1 April 2021 - brought forward	18,850	140,022	-	467,627	127,221	3,599	74,971	2,343	834,633
Prior period adjustments	-	-	-	-	(29,492)	-	(10,718)	(124)	(40,334)
Valuation/gross cost at 1 April 2021 - As Restated	18,850	140,022	-	467,627	97,729	3,599	64,253	2,219	794,299
Transfers by absorption	-	-	-	-	-	-	-	-	-
Additions	-	19,754	-	177,051	8,389	-	5,852	609	211,655
Impairments	-	(133)	-	(239,192)	-	-	-	-	(239,325)
Reversals of impairments	-	3,636	-	-	-	-	-	-	3,636
Revaluations	-	1,985	-	-	-	-	-	-	1,985
Reclassifications	-	11,755	-	(11,755)	-	-	-	-	-
Disposals / derecognition	-	-	-	-	(3,872)	(3,251)	-	-	(7,123)
Valuation/gross cost at 31 March 2022	18,850	177,019	-	393,731	102,246	348	70,105	2,828	765,127
Accumulated depreciation at 1 April 2021 - brought forward	-	-	-	-	101,598	3,583	46,112	1,935	153,228
Prior period adjustments					(29,492)	-	(10,718)	(124)	(40,334)
Accumulated depreciation at 1 April 2021 - As Restated	-	-	-	-	72,106	3,583	35,394	1,811	112,894
Provided during the year	-	8,689	-	-	5,595	10	6,902	86	21,282
Impairments	-	6,820	-	-	-	-	-	-	6,820
Reversals of impairments	-	(15,269)	-	-	-	-	-	-	(15,269)
Revaluations	-	(240)	-	-	-	-	-	-	(240)
Disposals / derecognition	-	-	-	-	(3,872)	(3,251)	-	-	(7,123)
Accumulated depreciation at 31 March 2022	-	-	-	-	73,829	342	42,296	1,897	118,364
Net book value at 31 March 2022	18,850	177,019	-	393,731	28,417	6	27,809	931	646,763
Net book value at 1 April 2021	18,850	140,022	-	467,627	25,623	16	28,859	408	681,405

Note 13.2 Property, plant and equipment - 2020/21

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation / gross cost at 1 April 2020 - as previously stated	18,858	149,463	-	302,082	120,195	3,599	67,437	2,270	663,904
Prior period adjustments	-	-	-	-	-	-	-	-	-
Valuation / gross cost at 1 April 2020 - restated	18,858	149,463	-	302,082	120,195	3,599	67,437	2,270	663,904
Transfers by absorption	-	-	-	-	-	-	-	-	-
Additions	-	2,683	-	168,563	7,206	-	7,534	73	186,059
Impairments	(2)	(1,628)	-	-	-	-	-	-	(1,630)
Reversals of impairments	-	-	-	-	-	-	-	-	-
Revaluations	(6)	(13,514)	-	-	-	-	-	-	(13,520)
Reclassifications	-	3,018	-	(3,018)	-	-	-	-	-
Disposals / derecognition	-	-	-	-	(180)	-	-	-	(180)
Valuation/gross cost at 31 March 2021	18,850	140,022	-	467,627	127,221	3,599	74,971	2,343	834,633
Accumulated depreciation at 1 April 2020 - as previously stated	-	-	-	-	97,065	3,558	39,418	1,856	141,897
Prior period adjustments	-	-	-	-	-	-	-	-	-
Accumulated depreciation at 1 April 2020 - restated	-	-	-	-	97,065	3,558	39,418	1,856	141,897
Transfers by absorption	-	-	-	-	-	-	-	-	-
Provided during the year	-	6,996	-	-	4,713	25	6,694	79	18,507
Impairments	6	7,106	-	-	-	-	-	-	7,112
Reversals of impairments	-	(588)	-	-	-	-	-	-	(588)
Revaluations	(6)	(13,514)	-	-	-	-	-	-	(13,520)
Disposals / derecognition	-	-	-	-	(180)	-	-	-	(180)
Accumulated depreciation at 31 March 2021	-	-	-	-	101,598	3,583	46,112	1,935	153,228
Net book value at 31 March 2021	18,850	140,022	-	467,627	25,623	16	28,859	408	681,405
Net book value at 1 April 2020	18,858	149,463	-	302,082	23,130	41	28,019	414	522,007

The Trust has carried out a review of assets held on the fixed asset register that were carried in the balance sheet at nil net book value. This identified a balance of £40,334k of fully depreciated assets that the trust no longer have in its possession. The Trust have removed this balance from both the gross cost and accumulated depreciation lines in note 13.1, recognising this as a correction at the beginning of the earliest prior period presented. There is no impact on the prime financial statements

Note 13.3 Property, plant and equipment financing - 2021/22

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Net book value at 31 March 2022									
Owned - purchased	18,850	151,065	-	337,321	28,145	6	27,809	931	564,127
On-SoFP PFI contracts and other service concession arrangements	-	25,907	-	-	-	-	-	-	25,907
Owned - donated/granted	-	47	-	56,410	272	-	-	-	56,729
NBV total at 31 March 2022	18,850	177,019	-	393,731	28,417	6	27,809	931	646,763

Management have analysed the method, data and assumptions used to derive the depreciation accounting estimate for equipment. Whilst the range of useful lives applied in the depreciation calculation do not appear to be unreasonable for the assets in question, and they have assured themselves that the charge is not materially misstated. There is a level of uncertainity due to the significant balance of fully depreciated assets carried at 31st March 2022 of £85m which is 48% of closing Gross Cost of equipment.

The Assets under construction balance at 31st March 2022 is predominantly represented by the carrying value of the Midland Metropolitan University Hospital, at £391.6m. Details regarding the treatment of the asset in 21/22 can be found in the Notes to these Accounts under section 1.21

Note 13.4 Property, plant and equipment financing - 2020/21

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Net book value at 31 March 2021									
Owned - purchased	18,850	113,148	-	318,860	20,673	16	28,788	408	500,743
On-SoFP PFI contracts and other service concession arrangements	-	25,841	-	-	4,095	-	69	-	30,005
Owned - donated/granted	-	1,033	-	148,767	855	-	2	-	150,657
NBV total at 31 March 2021	18,850	140,022	-	467,627	25,623	16	28,859	408	681,405

Note 14 Donations of property, plant and equipment

	Cost £000
Hardware Upgrade EYESI Cataract/Vitro "Refurb" x1 S/No SN019-CHT BMEC	47

Note 15 Revaluations of property, plant and equipment

The valuation exercise was carried out in March 2022 with a valuation date of 31 March 2022. In applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2020 ('Red Book'). The values in the report have been used to inform the measurement of property assets at valuation in these financial statements and the Valuer continues to exercise professional judgement in providing the valuation and this remains the best information available to the Trust.

The Trust owns non Operational Land assets of £871,750 which are currently held as surplus assets and are included within the Land Valuation in Note 13.1

These assets are required to be valued at 'Fair Value' in accordance with IFRS13. The valuation technique applied by the appointed Valuer in respect of all the Fair Value figures contained in his assessment was the market approach using prices and other relevant information generated by market transactions involving identical or comparable assets.

For classes of asset held at a revalued amounts, the effective date of the most recent valuation is 31 March 2022 and was carried out by an independent valuer.
Methods and significant assumptions applied in valuing the assets comprise; using build cost information published by the RICS Building Costs Information Service.
Additionally, the valuers have adjusted the remaining useful lives for each element within a building to take account of the expected physical depreciation since the previous assessment. This has been undertaken on a desktop basis other than for significantly altered buildings and new additions which have been assessed through site inspection

There have been no changes in accounting estimates related to the valuation of property, plant and equipment - including changes to residual values, useful lives, valuation methodology or depreciation methods.

The Trust holds no temporarily idle assets or assets not in active use but not classified as held for sale.

Note 16 Inventories

	31 March 2022 £000	31 March 2021 £000
Drugs	1,913	1,620
Work In progress	-	-
Consumables	1,380	1,651
Energy	347	221
Other	(55)	(55)
Total inventories	**3,585**	**3,437**
of which:		
Held at fair value less costs to sell	-	-

Inventories recognised in expenses for the year were £2,011k (2020/21: £43,108k). Write-down of inventories recognised as expenses for the year were £0k (2020/21: £0k).

In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2021/22 the Trust received £1,740k of items purchased by DHSC (2020/21: £7,928k).

These inventories were recognised as additions to inventory at deemed cost with the corresponding benefit recognised in income. The utilisation of these items is included in the expenses disclosed above.

Note 17.1 Receivables

	31 March 2022 £000	31 March 2021 £000
Current		
Contract receivables	40,930	24,539
Allowance for impaired contract receivables / assets	(4,884)	(6,594)
Prepayments (non-PFI)	1,081	951
PFI lifecycle prepayments	5,298	5,424
PDC dividend receivable	-	3,749
VAT receivable	1,716	1,790
Total current receivables	**44,141**	**29,859**
Non-current		
Other receivables	100	100
Total non-current receivables	**100**	**100**
Of which receivable from NHS and DHSC group bodies:		
Current	27,815	14,797
Non-current	100	100

Note 17.2 Allowances for credit losses

	2021/22		2020/21	
	Contract receivables and contract assets £000	All other receivables £000	Contract receivables and contract assets £000	All other receivables £000
Allowances as at 1 April - brought forward	**6,594**	**-**	**6,747**	**-**
Prior period adjustments			-	-
Allowances as at 1 April - restated	**6,594**	**-**	**6,747**	**-**
Transfers by absorption	-	-	-	-
New allowances arising	531	-	2,225	-
Changes in existing allowances	-	-	-	-
Reversals of allowances	-	-	-	-
Utilisation of allowances (write offs)	(2,241)	-	(2,378)	-
Changes arising following modification of contractual cash flows	-	-	-	-
Foreign exchange and other changes	-	-	-	-
Allowances as at 31 Mar 2022	**4,884**	**-**	**6,594**	**-**

* Increases in the allowances for credit losses is predominantly represented by a proportionate increase in the Trust's indebtedness with Overseas Patients, for which the Trust provides in full. Write offs in 2021/22 represent the impact of the Trust writing off debts due from prior years and not solely debts that relate to 2021/22 - see Note 28 of these Accounts

During 2021/22 the Trust wrote off debts relating to Overseas Visitors following external NHSE/I instruction. This write off is 'ledger only' as per best practice guidance and included debt raised in both the current and previous financial years, since the Trust began invoicing for activity where the receiver does not have the right to NHS funded care. The Trust always provides in full for its Overseas debt each year, to limit financial risk and exposure. Once written off in the Trust ledger, the debt is referred to a specialist debt recovery agent to pursue to ensure the Trust achieves maximum possible recovery. Monthly debt recovery has been reported to the Chief Executive and during 2021-2022.

Note 17.3 Exposure to credit risk

Because the majority of the Trust's revenue comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2022 are in receivables from customers, as disclosed in the Trade receivables and other receivables note

Note 18 Cash and cash equivalents movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	2021/22	2020/21
	£000	£000
At 1 April	**71,441**	**23,381**
Net change in year	(16,428)	48,060
At 31 March	**55,013**	**71,441**
Broken down into:		
Cash at commercial banks and in hand	38	36
Cash with the Government Banking Service	54,975	71,405
Total cash and cash equivalents as in SoFP	**55,013**	**71,441**

Note 18.1 Third party assets held by the trust

Sandwell And West Birmingham Hospitals NHS Trust held cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties and in which the trust has no beneficial interest. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	31 March 2022	31 March 2021
	£000	£000
Bank balances	15	8
Total third party assets	**15**	**8**

Note 19.1 Trade and other payables

	31 March 2022	31 March 2021
	£000	£000
Current		
Trade payables	39,248	32,010
Capital payables	17,195	26,280
Accruals	17,291	21,374
Receipts in advance and payments on account	240	457
Social security costs	768	4,580
Other taxes payable	129	3,934
PDC dividend payable	1,408	-
Other payables	-	-
Total current trade and other payables	**76,279**	**88,635**
Non-current		
Other payables	-	-
Total non-current trade and other payables	**-**	**-**
Of which payables from NHS and DHSC group bodies:		
Current	2,223	1,573
Non-current	-	-

Note 19.2 Early retirements in NHS payables above

The payables note above includes no early retirements (2020/21 = 0)

Note 20 Other liabilities

	31 March 2022 £000	31 March 2021 £000
Current		
Deferred income: contract liabilities	9,586	4,909
Deferred PFI credits / income	532	-
Total other current liabilities	**10,118**	**4,909**
Non-current		
Deferred income: contract liabilities	-	3,680
Deferred PFI credits / income	15,424	-
Total other non-current liabilities	**15,424**	**3,680**

Note 21.1 Borrowings

	31 March 2022 £000	31 March 2021 £000
Current		
Obligations under PFI, LIFT or other service concession contracts	2,055	1,553
Total current borrowings	**2,055**	**1,553**
Non-current		
Obligations under PFI, LIFT or other service concession contracts	23,721	25,911
Total non-current borrowings	**23,721**	**25,911**

Note 21.2 Reconciliation of liabilities arising from financing activities - 2021/22

	PFI and LIFT schemes £000	Total £000
Carrying value at 1 April 2021	**27,464**	**27,464**
Cash movements:		
Financing cash flows - payments and receipts of principal	(1,686)	**(1,686)**
Financing cash flows - payments of interest	(1,166)	**(1,166)**
Non-cash movements:		
Application of effective interest rate	1,164	**1,164**
Carrying value at 31 March 2022	**25,776**	**25,776**

Note 21.3 Reconciliation of liabilities arising from financing activities - 2020/21

	PFI and LIFT schemes £000	Total £000
Carrying value at 1 April 2020	**29,403**	**29,403**
Cash movements:		
Financing cash flows - payments and receipts of principal	(1,939)	**(1,939)**
Financing cash flows - payments of interest	(1,147)	**(1,147)**
Non-cash movements:		
Application of effective interest rate	1,147	**1,147**
Carrying value at 31 March 2021	**27,464**	**27,464**

Note 22 Other financial liabilities

There were no other financial liabilities as at 31 March 2022

Note 23 Provisions for liabilities and charges analysis

	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Re-structuring	Redundancy	Other	Total
	£000	£000	£000	£000	£000	£000	£000
At 1 April 2021	**831**	**2,938**	**268**	**47**	**224**	**288**	**4,596**
Transfers by absorption	-	-	-	-	-	-	-
Change in the discount rate	12	116	-	-	-	-	128
Arising during the year	2	60	37	-	-	2,530	2,629
Utilised during the year	(80)	(154)	-	-	-	(50)	(284)
Reclassified to liabilities held in disposal groups	-	-	-	-	-	-	-
Reversed unused	(63)	-	-	-	-	-	(63)
Unwinding of discount	(8)	(28)	-	-	-	-	(36)
At 31 March 2022	**694**	**2,932**	**305**	**47**	**224**	**2,768**	**6,970**
Expected timing of cash flows:							
- not later than one year;	80	2,932	-	-	-	568	3,580
- later than one year and not later than five years;	320	-	-	-	-	-	320
- later than five years.	294	-	305	47	224	2,200	3,070
Total	**694**	**2,932**	**305**	**47**	**224**	**2,768**	**6,970**

Provisions relating to Early Departure Costs covers pre 1995 early retirement costs. Liabilities and the timing of liabilities are based on pensions provided to individual ex-employees and projected life expectancies using government actuarial tables. The major uncertainties rest around life expectancies assumed for the

Legal claims cover the Trust's potential liabilities for Public and Employer liability. Potential liabilities are calculated using professional assessment of individual cases by the Trust's insurers. The Trust's maximum liability for any individual case is £10,000 with the remainder being covered by insurers.
Other provisions cover Working Time Directive £2,000,000 Clinician Pension Tax Provision £100,000, National Poisons potential expenditure of £38k and OIC provision of £500k

Pensions: Injury benefit provisions are calculated with reference to the NHS Pensions Agency and actuarial tables for life expectancy.

Redundancy provisions covers staff who will be made redundant as part of the Trust's ongoing restructuring scheme

The timing and amount of the cash flows is shown above but it must be pointed out that, in the case of provisions, there will always be a measure of uncertainty. However, the values listed are best estimates taking all the relevant information and professional advice into consideration.

Note 23.1 Clinical negligence liabilities

At 31 March 2022, £320,142k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Sandwell And West Birmingham Hospitals NHS Trust (31 March 2021: £208,061k).

Note 24 Contingent assets and liabilities

	31 March 2022 £000	31 March 2021 £000
Value of contingent liabilities		
NHS Resolution legal claims	(170)	(147)
Other	(440)	(343)
Gross value of contingent liabilities	**(610)**	**(490)**
Amounts recoverable against liabilities	-	-
Net value of contingent liabilities	**(610)**	**(490)**
Net value of contingent assets	**-**	**-**

NHS Resolution Legal claims are informed by NHS Resolution. Other includes claims for Pension and Injury Benefit which are informed by the NHS Pensions Agency

Note 25 Contractual capital commitments

	31 March 2022 £000	31 March 2021 £000
Property, plant and equipment	6,083	165,765
Intangible assets	-	-
Total	**6,083**	**165,765**

Following completion of the 21/22 Accounts the Trust entered into a new contract for the completion of the Midland Metroploitan Univerity Hospital for £81.3m that is not included within the commitments above.

Note 26 On-SoFP PFI, LIFT or other service concession arrangements

Birmingham Treatment Centre (BTC) Length of Contract is 30 Years: The purpose of the scheme was to provide a modern, acute facility on the City Hospital site which has now been fully operational since June 2005.The Trust is committed to the full unitary payment until 30th June 2035 at which point the building will revert to the ownership of the Trust.

Managed Equipment Scheme (MES) Length of Contract is 10 Years: The Scheme provides for the maintenance and replacement of the Trust's Imaging Equipment. This contract was assessed against the scope of IFRC12 to establish the appropriate accounting treatment and it was determined that the criteria to account for the scheme as an on SOFP service concession arrangement had been met. The contract, with Siemens Healthcare Limited, commenced on 1st May 2016 and the Trust is committed to the full unitary payment until May 2026 at which point the Trust has the right to exercise an option to take ownership of the equipment.

Note 26.1 On-SoFP PFI, LIFT or other service concession arrangement obligations

The following obligations in respect of the PFI, LIFT or other service concession arrangements are recognised in the statement of financial position:

	31 March 2022 £000	31 March 2021 £000
Gross PFI, LIFT or other service concession liabilities	**34,439**	**37,092**
Of which liabilities are due		
- not later than one year;	3,159	2,652
- later than one year and not later than five years;	11,869	12,566
- later than five years.	19,411	21,874
Finance charges allocated to future periods	(8,663)	(9,628)
Net PFI, LIFT or other service concession arrangement obligation	**25,776**	**27,464**
- not later than one year;	2,055	1,553
- later than one year and not later than five years;	8,078	8,644
- later than five years.	15,643	17,267

Note 26.2 Total on-SoFP PFI, LIFT and other service concession arrangement commitments

Total future commitments under these on-SoFP schemes are as follows:

	31 March 2022 £000	31 March 2021 £000
Total future payments committed in respect of the PFI, LIFT or other service concession arrangements	**95,832**	**104,279**
Of which payments are due:		
- not later than one year;	8,659	8,448
- later than one year and not later than five years;	33,416	35,957
- later than five years.	53,757	59,874

Note 26.3 Analysis of amounts payable to service concession operator

This note provides an analysis of the unitary payments made to the service concession operator:

	2021/22 £000	2020/21 £000
Unitary payment payable to service concession operator	**8,844**	**8,709**
Consisting of:		
- Interest charge	1,164	1,147
- Repayment of balance sheet obligation	1,687	2,033
- Service element and other charges to operating expenditure	2,693	2,897
- Capital lifecycle maintenance	2,153	1,398
- Revenue lifecycle maintenance	-	-
- Contingent rent	1,147	1,001
- Addition to lifecycle prepayment	-	233
Other amounts paid to operator due to a commitment under the service concession contract but not part of the unitary payment	-	-
Total amount paid to service concession operator	**8,844**	**8,709**

Note 27 Financial instruments

Note 27.1 Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the NHS Trust has with CCGs and the way those CCGs are financed, the NHS Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The NHS Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS Trust in undertaking its activities.

Note 27.2 Carrying values of financial assets

Carrying values of financial assets as at 31 March 2022	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	36,046	-	-	**36,046**
Other investments / financial assets	-	-	-	**-**
Cash and cash equivalents	55,013	-	-	**55,013**
Total at 31 March 2022	**91,059**	**-**	**-**	**91,059**

Carrying values of financial assets as at 31 March 2021	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	17,945	-	-	**17,945**
Other investments / financial assets	-	-	-	**-**
Cash and cash equivalents	71,441	-	-	**71,441**
Total at 31 March 2021	**89,386**	**-**	**-**	**89,386**

Note 27.3 Carrying values of financial liabilities

Carrying values of financial liabilities as at 31 March 2022	Held at amortised cost	Held at fair value through I&E	Total book value
	£000	£000	£000
Loans from the Department of Health and Social Care	-	-	**-**
Obligations under finance leases	-	-	**-**
Obligations under PFI, LIFT and other service concession contracts	25,776	-	**25,776**
Other borrowings	-	-	**-**
Trade and other payables excluding non financial liabilities	73,734	-	**73,734**
Other financial liabilities	-	-	**-**
Provisions under contract	-	-	**-**
Total at 31 March 2022	**99,510**	**-**	**99,510**

Carrying values of financial liabilities as at 31 March 2021	Held at amortised cost	Held at fair value through I&E	Total book value
	£000	£000	£000
Loans from the Department of Health and Social Care	-	-	**-**
Obligations under finance leases	-	-	**-**
Obligations under PFI, LIFT and other service concession contracts	27,464	-	**27,464**
Other borrowings	-	-	**-**
Trade and other payables excluding non financial liabilities	79,377	-	**79,377**
Other financial liabilities	-	-	**-**
Provisions under contract	-	-	**-**
Total at 31 March 2021	**106,841**	**-**	**106,841**

Note 27.4 Maturity of financial liabilities

The following maturity profile of financial liabilities is based on the contractual undiscounted cash flows. This differs to the amounts recognised in the statement of financial position which are discounted to present value.

	31 March 2022 £000	31 March 2021 £000
In one year or less	76,893	83,090
In more than one year but not more than five years	11,869	12,566
In more than five years	19,411	21,874
Total	**108,173**	**117,530**

Note 28 Losses and special payments

	2021/22 Total number of cases Number	2021/22 Total value of cases £000	2020/21 Total number of cases Number	2020/21 Total value of cases £000
Losses				
Cash losses	1	7	-	-
Fruitless payments and constructive losses	-	-	-	-
Bad debts and claims abandoned	925	1,999	745	2,294
Stores losses and damage to property	12	143	1	98
Total losses	**938**	**2,149**	**746**	**2,392**
Special payments				
Compensation under court order or legally binding arbitration award	-	-	-	-
Extra-contractual payments	-	-	-	-
Ex-gratia payments	98	500	58	91
Special severance payments	-	-	-	-
Extra-statutory and extra-regulatory payments	-	-	-	-
Total special payments	**98**	**500**	**58**	**91**
Total losses and special payments	**1,036**	**2,649**	**804**	**2,483**
Compensation payments received		-		-

Note 29 Gifts

	2021/22 Total number of cases Number	2021/22 Total value of cases £000	2020/21 Total number of cases Number	2020/21 Total value of cases £000
Gifts made	-	-	-	-

Note 30 Related parties

During the year none of the Department of Health Ministers, Trust Board members or members of the key management staff, or parties related to any of them, have undertaken material transactions with Sandwell & West Birmingham Hospitals NHS Trust.

The Department of Health and Social Care is regarded as a related party. During the year 2021/22 Sandwell and West Birmingham Hospitals NHS Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department. These are listed below:-

	Revenue	Expenditure	Receivables	Payables
NHS Black Country & West Birmingham CCG	430,655	-	19,500	-
NHS Birmingham and Solihull CCG	85,454	20	57	-
Health Education England	21,253	-	3,889	-
Sandwell Metropolitan Borough Council	10,319	-	1,560	-
The Royal Wolverhampton NHS Trust	1,414	16,056	202	112
NHS Resolution	-	19,225	-	-
NHS England, Midlands Regional Office (inc. Specialised commissioning)	46,670	-	-	-

In respect of the amounts stated above, there are no provisions for doubtful debts related to the amount of outstanding balances. There are no expenses recognised during the period in respect of bad or doubtful debts due from related parties.

In addition, the Trust has had a number of material transactions with other government departments and other central and local government bodies. Most of these transactions have been with Department for Education and Skills in respect of University Hospitals Birmingham NHS Foundation Trust, Sandwell MBC and Birmingham City Council.

The Trust has also received capital payments from the Sandwell & West Birmingham Hospitals NHS Trust Charity, certain of the trustees for which are also members of the Trust board, the transactions in 2021-22 were not material to either party.

Note 31 Events after the reporting date

There were no events after the reporting date

Note 32 Better Payment Practice code

	2021/22 Number	2021/22 £000	2020/21 Number	2020/21 £000
Non-NHS Payables				
Total non-NHS trade invoices paid in the year	98,102	613,411	102,083	338,765
Total non-NHS trade invoices paid within target	91,004	595,674	67,053	265,280
Percentage of non-NHS trade invoices paid within target	92.8%	97.1%	65.7%	78.3%
NHS Payables				
Total NHS trade invoices paid in the year	2,293	39,830	2,931	42,113
Total NHS trade invoices paid within target	1,663	35,583	1,360	26,347
Percentage of NHS trade invoices paid within target	72.5%	89.3%	46.4%	62.6%

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 valid invoice, whichever is later.

Note 33 External financing limit

The trust is given an external financing limit against which it is permitted to underspend

	2021/22 £000	2020/21 £000
Cash flow financing	193,567	136,015
Finance leases taken out in year	-	-
Other capital receipts	-	-
External financing requirement	**193,567**	**136,015**
External financing limit (EFL)	193,567	196,858
Under / (over) spend against EFL	**-**	**60,843**

Note 34 Capital Resource Limit

	2021/22 £000	2020/21 £000
Gross capital expenditure	211,655	186,177
Less: Disposals	-	-
Less: Donated and granted capital additions	(47)	(433)
Plus: Loss on disposal from capital grants in kind	-	-
Charge against Capital Resource Limit	**211,608**	**185,744**
Capital Resource Limit	218,261	218,483
Under / (over) spend against CRL	**6,653**	**32,739**

Note 35 Breakeven duty financial performance

In 2021/22 the Trust revalued assets which resulted in a net impairment of £230.7m, the details for which can be found at Note 1.21 and Note 13.1

The table below demonstrates the Trust's operational performance excluding these exceptional items and other allowable adjustments

	2021/22 £000	2020/21 £000
Adjusted financial performance (control total basis):		
Surplus / (deficit) for the period	(226,529)	(5,910)
Remove net impairments not scoring to the Departmental expenditure limit	230,743	6,524
Remove I&E impact of capital grants and donations	197	(231)
Adjusted financial performance surplus / (deficit)	**4,411**	**383**
Breakeven duty financial performance surplus / (deficit)	**4,411**	**383**

Note 36 Breakeven duty rolling assessment

	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
	£000	£000	£000	£000	£000	£000	£000
Breakeven duty in-year financial performance		7,260	2,193	1,863	6,523	6,751	4,653
Breakeven duty cumulative position	4,669	11,929	14,122	15,985	22,508	29,259	33,912
Operating income		384,774	387,870	424,144	433,007	439,022	446,590
Cumulative breakeven position as a percentage of operating income		3.1%	3.6%	3.8%	5.2%	6.7%	7.6%

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	£000	£000	£000	£000	£000	£000	£000
Breakeven duty in-year financial performance	3,857	(11,933)	24,165	17,835	576	383	4,411
Breakeven duty cumulative position	37,769	25,836	50,001	67,836	68,412	68,795	73,206
Operating income	443,698	460,197	494,158	655,374	544,033	615,209	660,315
Cumulative breakeven position as a percentage of operating income	8.5%	5.6%	10.1%	10.4%	12.6%	11.2%	11.1%

Independent auditor's report to the Directors of Sandwell and West Birmingham Hospitals NHS Trust

Report on the Audit of the Financial Statements

Opinion on financial statements

We have audited the financial statements of Sandwell and West Birmingham Hospitals NHS Trust (the 'Trust') for the year ended 31 March 2022, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Accounts Directions issued under Schedule 15 of the National Health Service Act 2006, as interpreted and adapted by the Department of Health and Social Care Group accounting manual 2021 to 2022.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Trust as at 31 March 2022 and of its expenditure and income for the year then ended;
- have been properly prepared in accordance with international accounting standards as interpreted and adapted by the Department of Health and Social Care Group accounting manual 2021 to 2022; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law, as required by the Code of Audit Practice (2020) ("the Code of Audit Practice") approved by the Comptroller and Auditor General. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Trust to cease to continue as a going concern.

In our evaluation of the Directors' conclusions, and in accordance with the expectation set out within the Department of Health and Social Care Group accounting manual 2021 to 2022 that the Trust's financial statements shall be prepared on a going concern basis, we considered the inherent risks associated with the continuation of services provided by the Trust. In doing so we had regard to the guidance provided in Practice Note 10 Audit of financial statements and regularity of public sector bodies in the United Kingdom (Revised 2020) on the application of ISA (UK) 570 Going Concern to public sector entities. We assessed the reasonableness of the basis of preparation used by the Trust and the Trust's disclosures over the going concern period.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the Directors with respect to going concern are described in the 'Responsibilities of the Directors and Those Charged with Governance for the financial statements' section of this report.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report[1], other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other information we are required to report on by exception under the Code of Audit Practice

Under the Code of Audit Practice published by the National Audit Office in April 2020 on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not comply with the guidance issued by NHS England or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

Opinion on other matters required by the Code of Audit Practice

In our opinion, based on the work undertaken in the course of the audit:

- the parts of the Remuneration and Staff Report to be audited have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Accounts Directions issued under Schedule 15 of the National Health Service Act 2006, as interpreted and adapted by the Department of Health and Social Care Group accounting manual 2021 to 2022; and
- based on the work undertaken in the course of the audit of the financial statements and our knowledge of the Trust, the other information published together with the financial statements in the annual report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Under the Code of Audit Practice, we are required to report to you if:

- we issue a report in the public interest under Section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we refer a matter to the Secretary of State under Section 30 of the Local Audit and Accountability Act 2014 because we have reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision which involves or would involve the body incurring unlawful

expenditure, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency; or

- we make a written recommendation to the Trust under Section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit.

We have nothing to report in respect of the above matters.

Responsibilities of the Directors and Those Charged with Governance for the financial statements

As explained in the Statement of directors' responsibilities in respect of the accounts set out on page 86, the Directors are responsible for the preparation of the financial statements in the form and on the basis set out in the Accounts Directions, for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity.

The Audit and Risk Management Committee is Those Charged with Governance. Those Charged with Governance are responsible for overseeing the Trust's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Trust and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (international accounting standards and the National Health Service Act 2006, as interpreted and adapted by the Department of Health and Social Care Group accounting manual 2021 to 2022).
- We enquired of management and the Audit and Risk Management Committee concerning the Trust's policies and procedures relating to:
  - the identification, evaluation and compliance with laws and regulations;
  - the detection and response to the risks of fraud; and
  - the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- We enquired of management, internal audit and the Audit and Risk Management Committee, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We assessed the susceptibility of the Trust's financial statements to material misstatement, including how fraud might occur, evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls and the evaluation of fraud in revenue and expenditure recognition.. We determined that the principal risks were in relation to:
  - Journal entries that altered the Trust's financial performance for the year;
  - Potential management bias in determining accounting estimates, especially in relation to the valuation of property, plant and equipment, occurrence and accuracy of non block-funded income, and existence, and accuracy of year-end payables.
- Our audit procedures involved:
  - evaluation of the design effectiveness of controls that management has in place to prevent and detect fraud;
  - journal entry testing, with a particular focus on significant journals at the end of the financial year which impacted on the Trust's financial performance, and those which were posted by officers who in our view had access and/or approval privileges in excess of the requirements of their role;;
  - challenging assumptions and judgements made by management in its significant accounting estimates in respect of property, plant and equipment valuations and accruals for non-block income and year end payables;
  - assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- The team communications in respect of potential non-compliance with relevant laws and regulations, including the potential for fraud in revenue and/or expenditure recognition, and the significant accounting estimates related to the valuation of the Trust's property, plant and equipment and income and expenditure accruals.
- Our assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's.
  - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
  - knowledge of the health sector and economy in which the Trust operates
  - understanding of the legal and regulatory requirements specific to the Trust including:
    - the provisions of the applicable legislation
    - NHS England's rules and related guidance
    - the applicable statutory provisions.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
  - The Trust's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.

– The Trust's control environment, including the policies and procedures implemented by the Trust to ensure compliance with the requirements of the financial reporting framework.

Report on other legal and regulatory requirements – the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception – the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2022.

Our work on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources is not yet complete. The outcome of our work will be reported in our commentary on the Trust's arrangements in our Auditor's Annual Report. If we identify any significant weaknesses in these arrangements, they will be reported by exception in a further auditor's report. We are satisfied that this work does not have a material effect on our opinion on the financial statements for the year ended 31 March 2022.

Responsibilities of the Accountable Officer

As explained in the Statement of the chief executive's responsibilities as the accountable officer of the Trust set out on page 87, the Chief Executive, as Accountable Officer, is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of the Trust's resources.

Auditor's responsibilities for the review of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under Section 21(3)(c) and 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. 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.

We undertake our review in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in December 2021. This guidance sets out the arrangements that fall within the scope of 'proper arrangements'. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

- Financial sustainability: how the Trust plans and manages its resources to ensure it can continue to deliver its services;
- Governance: how the Trust ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness: how the Trust uses information about its costs and performance to improve the way it manages and delivers its services.

We document our understanding of the arrangements the Trust has in place for each of these three specified reporting criteria, gathering sufficient evidence to support our risk assessment and commentary in our Auditor's Annual Report. In undertaking our work, we consider whether there is evidence to suggest that there are significant weaknesses in arrangements.

Report on other legal and regulatory requirements – Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate for Sandwell and West Birmingham Hospitals NHS Trust for the year ended 31 March 2022 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice until we have completed our work on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources and until we have completed the work necessary to issue our Whole of Government Accounts (WGA) Component Assurance statement for the Trust for the year ended 31 March 2022. We are satisfied that this work does not have a material effect on the financial statements for the year ended 31 March 2022.

Use of our report

This report is made solely to the Directors of the Trust, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014. Our audit work has been undertaken so that we might state to the Trust's Directors 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 Trust's Directors as a body, for our audit work, for this report, or for the opinions we have formed.

M C Stocks

Mark Stocks, Key Audit Partner

for and on behalf of Grant Thornton UK LLP, Local Auditor

Birmingham

11 July 2022

Our year in pictures

APRIL 21

Restart a Heart Day Denice Bryan and her grandson Diaz Whittaker give CPR a go.

MAY 21

Critical Care colleagues gathered for a day of reflection and restoration in May.

JUNE 21

We welcome RCN Cadets at the Birmingham Treatment Centre.

JULY 21

After a year of his 'Dance for Wellbeing' series Dr Nick Makwana and his flash mob team dance one more time to celebrate the 73rd anniversary of the NHS.

AUGUST 21

Continuing our green push, a brand-new fleet of electric vehicles rolled into the Trust.

SEPTEMBER 21

McCarthy Ward's winning entry to the Sepsis Ward Board Challenge.

OCTOBER 21

Dr Chetan Varma receiving his COVID-19 booster.

NOVEMBER 21

Lynda Jones, Ward Services Officer was recognised for her bravery in defending a patient against violence.

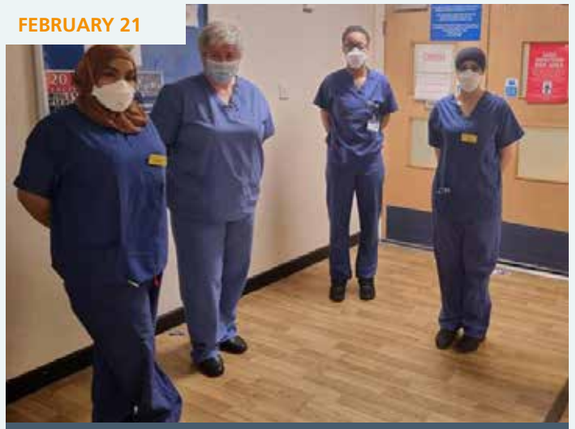
DECEMBER 21

The management committee from Smethwick Gurdwara visit the Midland Met University Hospital.

JANUARY 22

Midwifery staff Afrah Muflihi and Vanessa Berry discuss health matters on Kanshi TV.

FEBRUARY 21



New CMDU unit opens at City Hospital to treat COVID patients with a new drug

MARCH 22

The Trust is one of the first to administer new Sickle Cell drug to patient Loury Mooruth

Further Information

For more information, please visit the Trust's website at www.swbh.nhs.uk. For information relating to your treatment please call the department in question via the number on your appointment letter or the department or contact details listed on the relevant service's webpage (https://www.swbh.nhs.uk/services/). For appointment queries please call our contact centre on 0121 507 4151.

If you are unable to find the information you need on the website, then for non-clinical enquiries please contact the Communications Team by telephone on 0121 507 5303, by email at swbh.comms@nhs.net, or by post at: Communications Department, Trinity House, Sandwell General Hospital, Lyndon, West Bromwich, West Midlands, B74 4HJ.

Referrals and/or appointment requests should not be sent to this address.

The Freedom of Information Act (2000) entitles you to request information on a variety of subjects, including our services, infection rates, performance, and staffing. For more details on how to make a Freedom of Information request you can visit our website – and click onto 'Our Trust', then on the left-hand side panel, select 'Statutory Information'. Within this section you will find the Freedom of Information section.

How to find us

For more details on how to get to our hospital sites, you can go on our website and select the 'Contact Us' tab **(https://www.swbh.nhs.uk/contact-locations/findus/)**.

To contact us by telephone, please contact the main switchboard for Sandwell and City on 0121 554 3801.

Additional contact numbers can also be found on our 'Frequently Asked Questions (FAQ)' page **(https://www.swbh.nhs.uk/contact-locations/faq/)**.

Car parking

Car parks are situated near the main entrance of each hospital. Vehicles are parked at owners' risk. Spaces for disabled badge holders are at various points around our sites.

For convenience patients and visitors can now tap in and out on their credit/debit card to save on taking a ticket. Alternatively, they can take a ticket and pay by credit/debit card at the exits of the car parks as well as by cash at the traditional pay stations around site.

The car parks operate a pay on foot facility except for two pay and display car parks at City Hospital. One is directly in front of the Main Entrance for blue badge holders only, and the other is by Hearing Services. There are also electric vehicle charging points.

Following its opening this year, City Hospital also has a multi-storey car park available for use.

Please note: The multistorey car park at Sandwell Hospital is only available to staff.

Besides the car park outside the main and outpatient entrances, patients and visitors attending Sandwell Hospital or the Lyndon Primary Care Centre are able to access the All Saints car park, situated on Little Lane, opposite the Emergency Department.

Visitor Charges

Standard tariff for all SWB sites (except Rowley Regis)	
Up to 15 minutes	FREE
Up to 1 hour	£2.80
Up to 2 hours	£3.90
Up to 3 hours	£4.40
Up to 5 hours	£4.80
Up to 24 hours	£5.30
Rowley Regis Hospital	
Up to 15 minutes	FREE
Up to 6 hours	£2.80
Up to 24 hours	£5.30
Season tickets	
3 days	£9.20
7 days	£18.50
3 months	£43.00

Blue Badge Holders

Parking for Blue Badge Scheme users is free and is located as close to main hospital buildings as possible.

Patients on benefits

Anyone on a low income who is entitled benefits or receives income support can claim for reimbursement of bus fare and receive a token to allow free exit from hospital car parks. Bring proof of your benefits to one of the following places:

- Birmingham Treatment Centre reception
- Birmingham and Midland Eye Centre general office
- City Hospital Cash Office (ground floor, main corridor, near the Medical Assessment Unit)
- Sandwell General Hospital main reception
- Rowley Regis Hospital main reception

Appointment delays

If your appointment is delayed, through no fault of your own, you can receive a discount in parking charges. You can request a form from the outpatients department, which should be filled in by yourself and handed into the main reception. You will be charged for one hours' worth of parking.

Parking Charge Notices

Parking Charge Notices (PCNs) may be issued if a vehicle causes an obstruction or if a permit or pay and display ticket isn't displayed. Please note:

- Only vehicles displaying a valid blue disabled badge can be parked in a disabled bay.
- Vehicles must be parked in designated parking bays.
- Vehicles must not be parked on double red/double yellow lines or yellow hatched areas.
- Vehicles must not cause an obstruction, e.g. blocking building entrances, fire access/exit routes, cycle-ways, car park entrances, coned off areas and pavements/footpaths

If a vehicle breaches the Trust parking regulations a notice may be placed on it advising that an additional parking charge will be payable. The date, time, location, violation, vehicle make, model and registration will be recorded, and a photograph will be taken showing the position of the vehicle. The PCN will be attached to the windscreen. Payment of PCNs should be made to a third-party contractor by telephone or online. The appeals process and method of payment is detailed on the reverse of the PCN. If you are not satisfied with the outcome, you can make a further appeal to the Independent Appeals Service (ISA). The Independent Appeals Service provides an Alternative Dispute Resolution (ADR) scheme for disputes. Open Parking may engage with the IAS ADR service at their discretion should further dispute arise over this charge in the future. The PCN is set at £60. If payment is received within 14 days from the date of issue, this will be reduced to £30. After 14 days, the full £60 charge is payable unless an appeal has been lodged within the 14-day period.

Q Park Business Manager Ross Badham with Richard Beeken CEO outside the new multi-storey car park at Sandwell Hospital which opened in March

Strategy Patients, People, Population

Sandwell and West Birmingham NHS Trust

Sandwell General Hospital
Lyndon
West Bromwich
West Midlands
B71 4HJ
Tel: 0121 553 1831

Birmingham City Hospital
Dudley Road
Birmingham
West Midlands
B18 7QH
Tel: 0121 554 3801

Birmingham Treatment Centre
Dudley Road
Birmingham
West Midlands
B18 7QH
Tel: 0121 507 6180

Leasowes Intermediate Care Centre
Oldbury Rd
Smethwick
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Tel: 0121 612 3444

Rowley Regis Hospital
Moor Lane
Rowley Regis
West Midlands
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www.swbh.nhs.uk

Find out more

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