NHS
Sandwell and West Birmingham
NHS Trust

INTEGRATED ANNUAL REPORT AND ACCOUNTS 2020/21

A YEAR LIKE NO OTHER

Patient Dominic Cox with his critical care nursing team.

Front Cover captions

Main Photo - Dermot Reilly Emergency Department

Top photo - Critical care sister Laura Harman

Middle photo - Critical care sister Angelica Batac

Bottom photo - Lawrence Barker Head of Medical Engineering

Contents

Foreword

The 2020/21 year has been an extraordinary one for the National Health Service, and our Trust is no exception. This annual report covers many of the Trust's achievements in responding to the impact of the global pandemic. What stands out in this report is the kindness and compassion that our dedicated teams have exhibited whilst supporting patients and families in these most troubling times.

Our workforce is made up of outstanding, committed individuals who day in, day out, put others before themselves. This core value has shone through during the year and we have seen first-hand the remarkable things that can happen when people are working together on a common and immediate goal.

The NHS remains grateful for the outpourings of support from our local communities. Everyone has played their part – from generous donations to support staff wellbeing, to patient entertainment outside community wards, and of course by abiding by lockdown restrictions and guidance. All of this has been sincerely appreciated.

We have experienced some of our toughest times during the year and have had to rapidly respond to a changing environment to keep patients and staff safe. And yet, we know that there are good things that have come out of these difficult circumstances. We have found reserves we never knew we had in us; we have forged new partnerships with organisations who have supported us; we have rapidly changed processes that we had been talking about improving for years, often in days.

But we also know the toll that this year has had on the populations we serve and on our patients. There are people who have waited for procedures that we, regrettably, had to postpone. Patients who were admitted to hospital have had to stay largely alone, without visitors; and many have been lonely and isolated, in their own homes shielding, or looking after vulnerable family members.

This year, more than ever, our thoughts are with those who have lost loved ones. The tragedy is not less felt, nor easier to cope with because others have experienced the same, but we know people have found great comfort and support from one another through sharing their experiences. Our Trust has lost valued colleagues and many more colleagues have lost friends and relatives.

Throughout all of this our staff and communities have been united. Our partnerships are stronger now than ever before and we have much to look forward to as we reflect and recover together.

The year ahead will see us set new strategic objectives and organisational values and see us listen to staff and patients as we take forward our plans for the future. The emergence of the new, long-awaited Midland Metropolitan University Hospital will provide an acute healthcare facility that our diverse and deprived local communities both deserve and can be proud of. The "Midland Met" has always been determined to offer #morethanahospital and the regeneration opportunities it brings mean that it can be a symbol of hope for the future.

Richard Beeken, Interim Chief Executive

Sir David Nicholson KCB CBE, Chairman

Emergency Department Staff Nurse Salma Nasser.

Our story

Performance Report

Kindness has been our watchword this year as we continued responding to the global coronavirus pandemic. At the start of the year we were just about to reach our peak when the number of patients in hospital beds exceeded 200. Little did we know then that we would see even greater numbers needing hospital admission in the following months, reaching over 400 in January 2021.

Our clinical teams and support staff have worked tremendously hard in all settings whether that was supporting patients who were critically ill, ensuring staff in care homes had access to rapid testing or working in an unfamiliar area, where there was greatest need.

Throughout this report you will find stories of immense professionalism, courage and kindness and we are proud of our teams, our communities, patients and families for the mutual support that has seen us through.

But this year, we did much more than deal with the impact of COVID-19.

We have strengthened partnerships with primary care which has included the incorporation of Your Health Partnership Primary Care Network, with a registered population of over 56,000, adding to the Trust's provision of primary care services. Partnerships with the care sector, voluntary sector and faith groups have also flourished. Integrated care arrangements in our two "places" – Sandwell and West Birmingham (Ladywood & Perry Barr) have continued to develop.

We have also progressed important infrastructure projects including two new multi-storey car parks on our main hospital sites and a new primary care centre at Sandwell Hospital.

The biggest infrastructure project probably in the whole NHS at present, the Midland Metropolitan University Hospital, has progressed well during the year, despite the impact of COVID-19. Our construction partner, Balfour Beatty, has had to adapt to new safe working arrangements but work on the site has not stood still. MMUH was also able to play a part as a COVID-19 testing centre during the first part of the year, providing rapid access to COVID-19 swabbing for people across the region.

We had always intended to progress our partnerships so that we could deliver better care. The pandemic has underlined the value of these partnerships in our two places – 'Sandwell' and 'Ladywood & Perry Barr'. Links with care homes, voluntary groups and public health professionals have been strengthened, along with integrated pathways with primary care, community services and mental health. We have had valuable support from the independent sector that has helped to keep staff and patients safe whilst enabling important treatment to continue.

In the next few pages you will read about the progress our Clinical Groups and corporate teams have made throughout the year.

SWB colleague deposits sample for COVID-19 testing.

IMAGING

Microbiology team lead the way in COVID testing

Testing – or swabbing as it is also known - patients for COVID-19 as they came into our care became one of the priorities for our frontline staff. It meant that a patient would be diagnosed, treated and discharged - where possible – so that healthcare professionals could continue caring for the high volume of patients that presented with COVID-19 symptoms.

The microbiology team introduced different ways in which to do this including rapid swabbing, which would deliver results in two hours. Wards were supplied with swabbing kits, whilst videos on how to package and submit a sample were created so that staff would be able to carry out the procedure with ease.

Point of Care testing also became available – which had a faster turnaround time – and was used in our Emergency Departments. Since introducing rapid testing, the Trust has produced the largest quantity of rapid tests within the Black Country Pathology Service which covers all the NHS Trusts in our system. Swabbing has now become the norm and the way healthcare professionals do this continues to evolve so that it is in line with infection prevention and control procedures.

Bringing AI to the SWB mix

We saw the Trust partner with the University of Oxford spin-out company called Brainomix to support our acute stroke service using artificial intelligence (AI).

Artificial Intelligence technology is a set of algorithms and is used to make sense of a variety and large volume of clinical information more quickly than a human. The technology is being used to analyse CT scans carried out on patients who present at our Emergency Departments. The images are sent to AI, which are processed within minutes and the findings sent to the stroke doctors to review. This approach provides prompt findings to aid the stroke doctors with the clinical management of the patient.

Breast Screening: Decisive action to mitigate disruption

With the onset of COVID-19, the Breast Screening team took decisive action to minimise the impact on appointment uptake through a number of actions. These included:

- Developing a breast screening COVID-19 safety pictorial flyer sent with every invitation to an appointment.
- Employing a social media strategy of informative posts and a video from the Deputy Clinical Director reinforcing the importance of looking after your health and attending screenings – subsequently distributed to all three CCGs to share with their GPs.
- Developing a GP pre-screen start date information pack with a flow chart informing them of all the national changes and the health promotion initiatives available.

These changes have had the desired impact with a key indicator being that screening clinics are fully booked and well attended. With Wave 1 (April to September 2020) uptake at 62.5 per cent. The service has seen increased collaborative working with the CCGs who are keen to support our initiatives and encourage GPs to participate where required.

As the Trust began using Artificial Intelligence to analyse data, patients were told about the process through an easy-to-understand animation.

MEDICINE AND EMERGENCY CARE

First-hand accounts show challenges faced by healthcare workers

During the first and second wave it was apparent that healthcare workers were under pressure and facing challenges like no other. Critical care consultant Dr Nick Sherwood shared what he had been witnessing in a frank interview given to the Birmingham Mail.

He told the newspaper: "Every day you finish work, you see nurses in their cars in the car park crying before they go home and see them coming into work wiping the tears from their eyes before they turn up to do another 12 and a half hour shift. It is incredibly hard. Even the toughest of us - and I thought I was pretty resilient - but I have had some pretty dark moments this year."

Whilst Dr Sarb Clare, acute medicine consultant spoke about the difficulties her colleagues faced: "Some of my colleagues are struggling to sleep, we are not trained to deal with the sheer volume of deaths of young people, the utter pain we see every day," she said. "We know the odds are against some of our patients but we are passionate we want to get them through, we pray for them, we work through the treatments and the proning, and we are destroyed when they don't make it.

"The pressure at the moment is immense and we are feeling that sense of gritting our teeth. It is definitely much harder, this is our third surge here, and what is getting us down is the volume of young patients we are now seeing. These are young people, with young families - they are gasping for breath and they are scared."

Dr Sarb Clare, acute medical consultant.

Dr Nick Sherwood, critical care consultant.

Reacting to protect SCAT patients whilst maintaining this specialist service.

When the pandemic was declared in March 2020, our colleagues in the SCaT centre (Sickle Cell and Thalassaemia Centre) sprang into action. Lead Nurse Liz Green explained: "We moved straight into virtual telephone clinics, spending time each week to phone our patients due to come in the next week to tell them not to attend as instead they would get a phone call.

"Patients both understood and appreciated this response to COVID. They were a shielding population so did not want to present to the hospital unless necessary. All day case pain management and blood transfusions ran throughout the pandemic." During this time there was a decline in our inpatient activity, as the centre averaged two patients, instead of their normal six each day. Pain management is a primary concern for this patient group, so pharmacy arranged home delivery of essential medications to keep patients well. The team run telephone clinics to identify any tests needed by patients, who then are able to book to come in at convenient times. This ensured a safer patient flow. The team also relocated to a bigger department where they are able to socially distance more effectively.

Sixteen year old Ibrahim is a sickle cell patient who needed treatment on the unit every four weeks. He appreciated the measures Liz and her nursing team put in place to protect him and said: "I am worried about the COVID pandemic, but I know it is safe to come into the hospital, because they are keeping me safe."

Sixteen year old Ibrahim had been coming in for treatment throughout the pandemic.

You're in the NHS now: From combat fatigues to scrubs

Soldiers from the British Army swooped in to our hospitals in early February to join the frontline in the fight against COVID-19. Swapping their combat fatigues for pristine white scrubs, the troop of 18 soldiers drawn from the 1st, 4th and 5th medical regiment alongside the 1st and 21st Signals Regiment and 1st Yorkshire Regiment reported for duty keen to support colleagues in caring for patients. Taking command of the troops whilst deployed at Sandwell and West Birmingham was Associate Chief Nurse, Helen Bromage. Welcoming the new recruits at the time, Helen said, "As we see cases of COVID-19 continue to be consistently high, we are pleased to welcome the military personnel who will be supporting colleagues. The soldiers will be on hand to carry out non-clinical tasks such as stacking medicine trolleys, cleaning and doing laundry." This support made a very real and positive difference to the work turning the tide against COVID-19, in practical terms freeing up our clinical colleagues to continue delivering patient-facing care. Speaking at the time, Brigadier AJ Smith, Commander Joint Military Command, West Midlands said: "We remain in support of NHS Midlands as we have been for the last ten months. A force package of 370 military personnel is currently embedded in 23 hospitals across the Midlands providing medical and broader support to the amazing NHS Team as they continue to face this unprecedented challenge."

PRIMARY CARE, COMMUNITY AND THERAPIES

Sheer sense of comradery brings Rowley together

This past 12 months has been unprecedented times for NHS due to COVID-19 as a whole and this is no different for Rowley Regis Hospital. Gearing up to deal with a once-in-alifetime pandemic, Justine Irish, Matron for Primary Care, Communities and Therapy gives us an insight into how her team at Rowley responded to the rapidly evolving need to change working practices to maintain services while keeping patients safe.

She told us: "The first task was preparing the team for what was to come. When you prepare colleagues for working in a low-risk area, they cannot guarantee it will remain that way so it has been difficult. The Rowley team is really special; they are a resilient group who work as a family. The overall mood at Rowley has always been one of we are in it together so let's get on with it." When the pandemic hit, the model of beds on Rowley wards changed, to create a mixed model of medically fit and intermediate care beds all together. Colleagues stepped up to cover other areas, away from where they were most familiar with.

Therapy staff at Rowley Hospital.

Swabbing services made available for staff and their families

Swabbing for symptomatic colleagues and their household members were introduced early on in the pandemic, with two sites available – one at City Hospital and the other at Little Lane car park at Sandwell Hospital. Both were drive through facilities. Each had a capacity to carry out 75 swabs per day. Staff members were encouraged to book an appointment for themselves or family members if they had been experiencing symptoms and the message was sent out through regular COVID-19 bulletins which reached 7,000 staff. Results were available within 48 hours and were delivered via a phone call.

Support to Care Homes

With the Coronavirus being of particular danger to the more elderly of the populace, care homes have come into focus throughout COVID-19. For our organisation, the relationship between our hospital sites and the care homes within our system is an important one as we fight the disease. As part of that the Trust has been offering support not just of vital Personal Protective Equipment (PPE), which it has been supplying in various 'runs' throughout the pandemic but a number of other supplies too at the same time. These supplies included educational exercise resources, electronic devices to support virtual visiting, pulse oximeters along with information about the Monitoring You At Home (MYAH) service and telephone and face-to-face support. Homes that were COVID positive were offered clinical support, which also included testing some residents for the virus. Our exceptional Care Homes team offered emotional support and ensured that the staff at the residential homes knew that we were on this journey together. Meanwhile, thanks to the generosity of the public and companies in the local area, part of the food and drink donated to the Trust was also redistributed as a 'pick me up' for both care home staff and residents who may be struggling with the difficulties that social distancing brings.

Vaccination roll out across SWB

In late December of 2020 our Trust answered the call and became a vaccination hub in order to protect those most at risk in our communities. Please replace highlighted text with the following: We have vaccinated more than 8,500 patients and staff with their first dose, whilst over 7,000 have received their second dose. The main hub for our staff and patients was based at the Education Centre, at Sandwell Hospital. Whilst we were delighted to support the People's Health Partnership, Urban Health and i3 Primary Care Networks with the opening of a vaccine centre based at the City Hospital site. The Cardiac rehab gym in Sheldon Block, was transformed into a centre and patients who are most at risk continue to be vaccinated. It's a hugely successful example of how we have been working together with our GP colleagues during the pandemic. In addition to these hubs, Your Health Partnership, a GP practice which is run jointly with our Trust also started vaccinating their patients against COVID-19. The Trust has worked with the community to encourage and promote the vaccination by producing informational videos which tackles the myths around the jab. Some of these have been created in foreign languages so as to target those hard-to-reach areas where

uptake has been low, whilst discussions have also taken place with religious leaders who are able to push out the message of the importance of the vaccination to their community. Our organisation has also promoted celebrity endorsement of the vaccine.

So far, millions of people have been given a vaccine across the globe and reports of serious side effects, such as allergic reactions or clotting problems, have been extremely rare.

Cathleen Price, Midwife vaccinates Lucille Hamilton, Senior Imaging Support Worker.

Incorporation of Your Health Partnership

1 April 2020 marked a special date in our Trust as it is when we officially welcomed Your Health Partnership (YHP) to our organisation. Working as an additional directorate, it represented a new phase for both our organisation and Your Health Partnership. YHP partners and managers continue to oversee the running of the practices within the directorate, whilst our Trust has responsibility for delivering the contracts that the service currently holds. The organisation is a single GP Practice covering six sites across Sandwell; Carters Green Medical Centre, Mace Street Clinic, Oakham Surgery, Regis Medical Centre, Rowley Village Surgery and Whiteheath Medical Centre. It serves 46,000 people across Sandwell. Our partnership with YHP has seen a new £6 million development at Sandwell Hospital to replace the Carters Green Medical Centre as well as close collaboration when it has come to the administering of COVID-19 jabs within our community. Dr Simon Mitchell, Co-Executive Partner at YHP, said: "This is an exciting time for us. We have an incredible team and culture. We're excited about working with, and as part of, the wider organisation. "We have created a successful business and we thrive on innovation. Working together, we will be able to help the most vulnerable in our society, the housebound, outpatients, and so many more people. Jointly we will be able to build resilience and bring greater improvements in healthcare to our local communities

WOMEN'S AND CHILD HEALTH

Kicking off maternity care the right way

One of the more well publicised service adaptions saw the Trust receive praise not just from the NHS – but also the world of football.

Maternity services worked with local rivals West Bromwich Albion and Aston Villa as the Trust worked to secure additional alternate safe spaces for women to receive treatment. Deputy Director of Midwifery, Louise Wilde, said: "I decided to approach our local football teams because they are in a perfect position to help us deliver these clinics. There were no matches being played and geographically they are both in the right place for our patients. It provides an alternative to a hospital setting which some of our women felt anxious about coming to."

The appointment-only facilities supported by our midwives are still, as of the time of writing this report, proving both antenatal and postnatal support. The Trust would once again like to express its gratitude to both clubs and the staff of each that helped these venues happen. As well as the messages and support we've received from fans, players and coaching staff alike in the months since.

Women being induced have bigger and brighter suite

The opening of a new induction suite within the Maternity Department, offered a brighter and larger area for women being induced.

The facility opened in November and has been very well received by patients. It replaces a smaller three-bedded induction facility which was based on Labour ward.

The five-bedded facility has a separate examination/ treatment room where the women are able to undergo an induction. This room can also be used for staff performing reflexology and aromatherapy sessions on women. It also boasts a comfortable kitchen area for women who will be able to heat their own food and relax in a different environment.

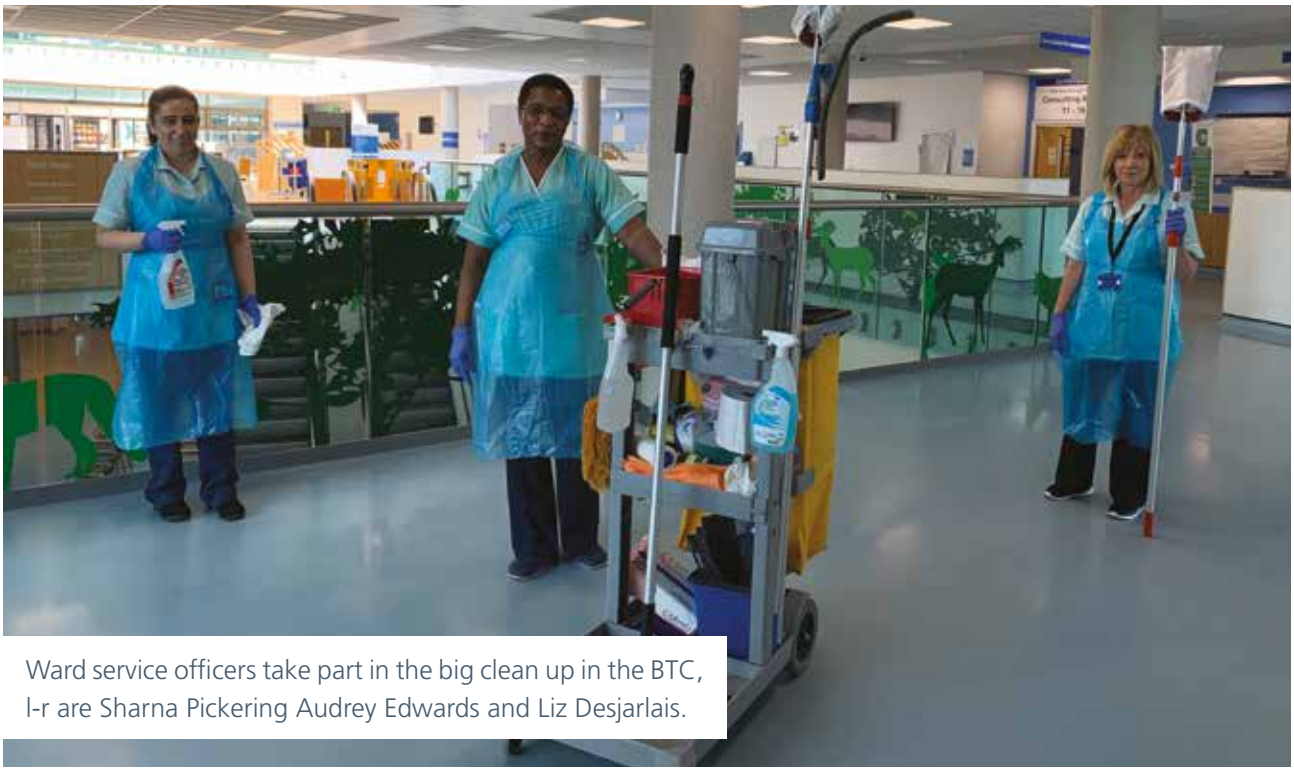
Louise Wilde, Deputy Director of Midwifery, said: "We pushed forward the development of the new room due to the pandemic. Feedback from women about the previous facility told us that they wanted somewhere which was a larger area and so we acted upon this by creating the new suite."

Cathleen Price, Midwife Deputy Ward Manager in the new induction suite.

SURGICAL SERVICES

Outpatient facility becomes COVID-free in big clean up

After the first wave, the Trust embarked on restoring services for outpatients in May 2020. The Birmingham Treatment Centre (BTC) opened up to patients with thanks to the big clean-up operation undertaken by our ward services team. There were a raft of changes to the area, including markings on the floor to support social distancing, perspex screens to protect staff, new handwashing zones and new flooring. It was all part of our six week programme of setting up recovery and restoration. The separate entrance and lay-out helped to provide reassurance that services were separated from acute COVID-19 care.



Ward service officers take part in the big clean up in the BTC, l-r are Sharna Pickering Audrey Edwards and Liz Desjarlais.

Film shows the way into surgery

During the restoration of services after the first wave, a film was developed that showed the patient journey when attending our Trust for surgery.

The virtual walkthrough followed the pathway a patient would take when coming to the Birmingham Treatment Centre at City site, for day case surgery. It took into account the new infection control procedures that all those coming on-site had to follow and the new checking in procedures which were put in place during the pandemic.

Amber Markham, Clinical Lead for Theatres, said: "We want the public to feel reassured that when they come into our hospitals for a procedure they will be in a safe environment and this video shows step-by-step how we do this."

You can view the video on YouTube at
https://www.youtube.com/watch?v=2LvsLBmAiQA

The video shows patients what to expect when coming to our hospitals for day surgery.

CORPORATE SERVICES

COVID-safe measures means builders are back in action on Midland Metropolitan University Hospital

When COVID-19 hit, the construction industry experienced a pause in work. This also briefly affected the development of our new super hospital, the Midland Met, whilst those in the industry developed ways in which work could be carried out in a COVID-safe environment.

After Government regulations eased on the construction industry, Balfour Beatty, builders of the hospital, set to work on making sure those working on site were kept safe.

This included regular rapid testing, using lateral flow kits, and a new welfare facility where construction workers were able to meet up and take breaks in an environment which allowed them to safely socially distance from others. But it didn't stop there. Special snoods were supplied by the Trust for those on site which could be used in place of face masks and visitors included John Spellar MP for Warley and former MP Liam Byrne.

John Spellar MP with Rachel Barlow, Director of System Transformation in the welfare room at the Midland Metropolitan University Hospital.

MMUH makes good progress

Some rooms in the Emergency Department and ward areas are getting their first coat of paint and, the clinical wash hand basins are being fitted. The electrical, mechanical and plumbing works above the ceilings and within walls are in full flow. And the high voltage power is due to be switched on in the summer. There are more than 800 people are working on site daily, which indicates the scope and importance of this project.

A glimpse inside MMUH.

Funding award for skills centre will improve healthcare

In March this year Sandwell Borough Council secured £67.5 million of investment from the Government's Towns Fund – and the Trust is proud that a portion of that money will be ploughed into a project that will invest in healthcare.

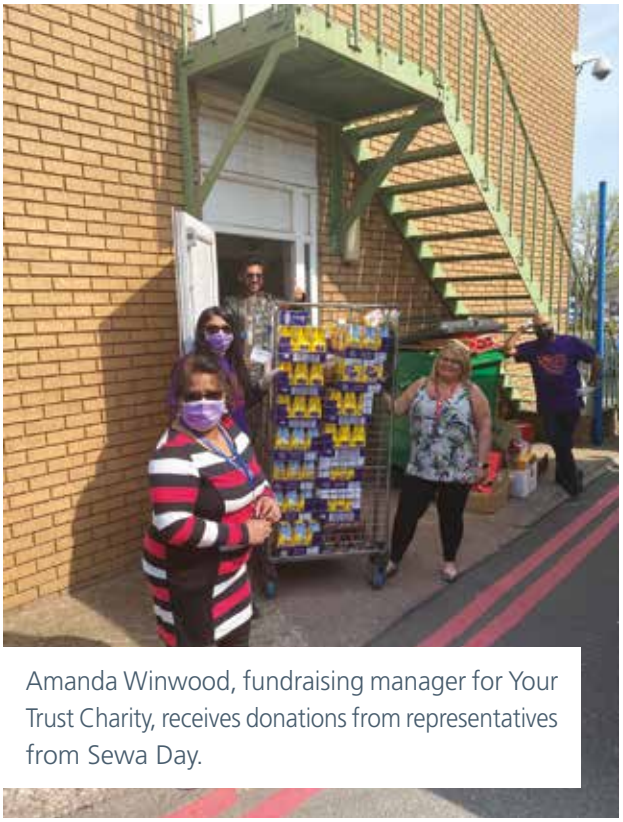
A major new skills centre next to the Midland Metropolitan University Hospital will provide training in healthcare and healthcare-related professions from entry level to level 7 skills. The development will create healthcare workers of the future who we hope will want to use their skills to help improve the health of our population and will really make a massive difference to the care we deliver in our towns.

The Winter Garden is beginning to take shape.

Generosity from community leaves staff grateful

As we all know 2020/21 has been unprecedented and our staff have been challenged like never before. But the community has been a strong support for the NHS and throughout these difficult times we have witnessed phenomenal acts of kindness. Throughout the pandemic we have been flooded with donations that have given our staff encouragement and the drive to continue their hard work in fighting this virus.

Gifts include items to help people with their health and wellbeing, including hand cream and face creams – a welcome relief for those who were constantly using hand sanitiser or wearing face masks. Other generous donations included food, simple things like bread, milk, and snacks. These were all received by fundraising manager Amanda Winwood, from Your Trust Charity and then shared equally across the Trust to all staff.



Amanda Winwood, fundraising manager for Your Trust Charity, receives donations from representatives from Sewa Day.

Partnering up leads to joint campaigns

Sandwell Borough Council, Public Health West Midlands and the Trust have worked extremely closely to deliver consistent and relevant messaging throughout the pandemic. In fact, two of our nursing professionals are featured in a Sandwell-wide campaign urging the population to they take up their offer of the COVID-19 vaccination, which has been developed by the council.

The Trust has also shared important messaging to staff directly by featuring important information in the COVID-19 bulletin that is sent out to all staff on a regular basis.

Procurement delivers on PPE challenge

When COVID-19 struck and hospitals across the country got anxious about supply guarantees for gloves, gowns and masks, the procurement team at our Trust were hard at work phoning suppliers and building their own supply chain to ensure we could continue protecting our patients and staff.

Whilst our Trust often holds local stocks of common Personal Protective Equipment (PPE), the unprecedented scale and impact of COVID-19 brought with it unimagined challenges. Alongside the issue of ensuring an uninterrupted supply of PPE, the team also worked to develop a dashboard which allowed us to not only map the current usage rates of critical PPE but also to forecast usage against our deliveries. The ever-changing supply chain meant ongoing problems to solve.

Chief Finance Officer Dinah McLannahan: "The procurement teams have done an amazing job to keep this critical piece of our COVID-19 infrastructure going and never running out. Through their hard work, we've managed to keep everything going. Thank you to not only the guys in the procurement offices but also all of our colleagues who have been out on the ground managing the stock and supporting the distribution across our organisation."

Suppliers ensure fit testing clinics are active

The correct wearing of Personal Protective Equipment (PPE) when working at the Trust has been one of the most important factors in preventing the spread of COVID-19. So when the pandemic struck it was only fitting that specialist clinics were set up to ensure this was the case.

Fit testing clinics saw thousands of staff being fitted for the correct face mask in line with the area that they were working in. There were a range of masks, from FFP3 to N95, which needed to be worn correctly – an ill-fitting one would lead to the virus seeping through and infecting the person. However, the Trust's relationship with the suppliers Bradley's meant that we were well stocked with face masks throughout 2020/21 so were able to keep our patients and staff safe.

Visionable – The future of outpatient consultations

Visionable is our solution to the longstanding problem of having patients come in to outpatient clinics for a simple consultation, something that often only consists of a review of test results and conversation. We ask patients to take time out of their busy lives, book time off work, leave school and journey in to our hospitals where they then pay for the privilege to park, when the simple straightforward solution would be to hold a virtual consult.

Visionable allows our clinical colleagues to develop virtual clinics, where patients are able to join them by video and discuss their care using just their mobile phone. One of the first clinicians to take up the challenge of offering virtual clinics was Consultant Paediatrician Dr Nick Makwana: "We have been looking for a solution to this problem for a long time and although COVID-19 hasn't been the best of situations, it has helped us look at the ways we provide care in a much more innovative way.

"Whilst the threat of COVID-19 remains, patients are understandably hesitant to come to hospital, this system lets us deliver their care to them, where they are, where they feel comfortable and relaxed and most importantly it's allowed us to continue providing care to patients who are self-isolating. The system is mutually beneficial to our clinical colleagues and patients as critically it allows us to practice social distancing where this would be difficult in a small consulting room."

Keeping SWB safe and secure

On 23 March 2020, Prime Minister, Boris Johnson announced that the UK was going into lockdown. With COVID-19 accelerating rapidly across the UK this move was made to protect the NHS and to help save lives. This meant we had to act decisively to place all of our sites into full lockdown to ensure patient and colleague security was not compromised including restricting access to all visitors coming on to our sites and challenging everyone, including staff, about why they needed to enter our sites. Building risk assessments across each of our hospital sites were completed and all our doors were repaired and modified to ensure the best security measures were in place for lockdown. Staffing rotas were also increased over an interim period and regular bank staff were put in place to make sure we were fully prepared as an organisation.

Members of the security team based at City Hospital who work to keep our sites secure (Photo taken pre pandemic).

Estates team swing into action to create COVID-secure Trust

When COVID-19 struck, the Estates team swung into action by creating a safe and secure environment for patients and staff. They did this by sourcing and fitting Perspex screens across the Trust sites, installed special welcome stations at each entrance which were manned by staff giving out face masks and hand sanitiser, and ensured that floor stickers with social distancing messages were positioned in all buildings. However, this was just the tip of the iceberg. When the vaccination programme kicked off for staff, the Estates team ensured that the main hub, based in the Education Centre at Sandwell Hospital was set up in a COVID-safe way, following all required infection prevention and control regulations. They were able to transform the Conference Room, by installing new flooring and sinks for handwashing, into a clinical area that has seen thousands of staff and patients vaccinated and protected against the virus. They also delivered significant physical reconfiguration of our emergency departments in the space of hours, to allow us to safely segregate those areas according to COVID guidance.

Communications team provide vital resource

Throughout the pandemic staff have been kept updated with vital guidance around the treatment of patients, infection control procedures and wellbeing support through a COVID-19 bulletin produced by the Communications Team. As the world grappled with an unknown virus and new information was shared – sometimes on a daily basis - it was of the utmost importance that this was disseminated to our frontline and support services. Stepping up to provide a seven day a week service with 24 hour on call support, the communications team maintained an enhanced service to ensure all messages were distributed to exacting timeframes.

During the first wave a daily COVID bulletin was produced and distributed seven days a week, with the frequency dropping as the number of patients with the virus also fell. The team were supported by the Medical Illustration department who were responsible for the production of posters delivering important messages to patients and staff and other materials that were shared through the Trust's external channels, like social media. And, as the world's attention focussed on health, the Trust press office came under increasing pressure to supply the good news stories of survivors to give the public hope in a time of crisis. One story that went viral, was that of 106 year old Connie Titchen, who was clapped off the ward on her discharge.

Volunteers – providing comfort in difficult times

Our hospital sites may have had to go into lockdown, but that hasn't stopped us in wanting to be caring and kind and more importantly, ensure our patients are still our number one priority. Our volunteer service in particular seized this opportunity to offer a helping hand. With visiting restricted due to the outbreak of COVID-19, our volunteer service decided they wanted to turn this negative into a positive by launching a new role for the service - a 2020 response volunteer. "The role of a 2020 response volunteer is to assist the organisation during the coronavirus pandemic," said Patricia Hunt, Volunteer Service Manager. "All our response volunteers will be flexible and able to take on a variety of duties from distributing information leaflets, posters to helping us with the many donations from the community and wayfinding. The role was designed to help support our frontline colleague whilst they care for our patients."

The Trust would like to take this opportunity to thank the service and all of the volunteers for the fantastic assistance they have provided over the last year.

Bereavement volunteers

It's been a difficult and challenging year for many, but for the bereavement care team, it has truly been like no other. The service was introduced in April directly in response to COVID-19 including two redeployed nurses from outpatients. But the service has also been helped tremendously by four volunteers who have befriended relatives mourning their loved ones and experiencing loneliness and isolation, by offering them guidance and a kind ear when they have needed it most.

"I can't praise the volunteers enough," explained Sue Edwards, recently appointed bereavement nurse. "They have given these relatives much-needed support in their time of need. They have talked to people who have lost up to five members of the same family to this virus. Supporting grieving loved ones is the main focus of the team. We aren't counsellors, but when we call people, we acknowledge their loss, ask how they are and how the family is coping. The team, during their initial contact, offer a follow-up call and share details of the service.

"Sometimes, however, the next of kin isn't always a relative. They can be the window cleaner or hairdresser. It is just as vital to offer them the same level of support as they had a relationship with this person."

The Extra Gear: Redeployment, flexibility and a rainbow of brigades

It became obvious to the Trust very early on that there would be a need for some form of redeployment to meet the changing circumstances and priorities of care. Services shifted focus, reduced or expanded their scope and many colleagues found themselves working in very different areas to help care for those in need.

Nicki Heys, normally an Advanced Physiotherapist told us more: "What has been remarkable about this whole situation is our people. I have witnessed the most inspirational support, professionalism and teamwork. Dedication and hard work is an expectation, and is ordinarily seen daily, but somehow everyone has rallied together and gone up an extra gear."

That rallying around also resulted in a rainbow of volunteers brigades to be created back in April. Those whose roles were not needed full time and were not shielding were asked to consider taking up temporary redeployment into key support functions. Volunteers were then split in to the following brigades: clinical administration (red), PPE wardens (yellow), cleaning (green), portering and transport (blue) and specialist projects (purple), the latter covering areas such as wellbeing, isolation and the recovery programme.

5 July – light up sites to say thank you to our communities

To celebrate 72nd birthday of the NHS, on 5 July we lit up our main hospital sites blue to say a massive thank you to our local communities and businesses who have provided invaluable support to our Trust over the last 12 months, especially during the COVID-19 pandemic.

To mark the special occasion last year, we introduced Smokefree in 2019 however in 2020, it was all about thanking the community. Between the hours of 8pm – 11pm, City Leasowes, Rowley and Sandwell all shone blue and glistened under the lights. In addition to this, we also planted an array of flowers outside our Sandwell Hospital site to show appreciation for the patients we serve.

On the evening of Sunday 5 July we celebrated the NHS's 72nd birthday by lighting up some of our buildings.

Your Trust Charity

making everyone matter

Your Trust Charity - the registered charity of Sandwell & West Birmingham Hospitals 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

We have been overwhelmed by the enormous generosity of our donors, supporters and colleagues during the coronavirus pandemic, and have had the most successful year in Your Trust Charity's recent history. We raised a total of £1,672,311* in 2020-21, and would like to extend a heartfelt thanks for donated items, kind messages of thanks, and financial contributions from so many in our community.

Thanks to this unprecedented support, we have been able to report charitable expenditure for the year of £1,244,934*, which includes spend of £911,821* against our four priority areas of infrastructure, education, innovation and community resilience.

* provisional financial figures (unaudited)

This would simply not have been possible without the tireless efforts of our fundraisers, who have continued to raise money for us in such a challenging situation where we have not been able to run any face-to-face events. This ranges from some of our more 'eccentric' supporters, to those that have tugged at our heartstrings.

We'd also like to extend particular thanks to the supporters on NHS Charities Together, who have helped us with emergency grant aid during the pandemic, as well as supporting us to lead a successful major partnership project with five of our NHS charity partners across the Black Country and West Birmingham. Here is a selection of our many successful fundraisers this past year:

Security officer has 24 ins of hair chopped off for charity

In July, Security officer Kay Bali showed off her newly snipped locks – after having 24ins chopped off for a Your Trust Charity. The 37-year-old decided to have her luscious locks lopped off after volunteering at Sandwell and West Birmingham NHS Trust.

After spending time assisting at the pop up shop, run by the organisation's Your Trust Charity, she decided to have the haircut in aid of the good cause and has raised £1,500. The task was carried out at Sandwell Hospital by Liza Gill, Volunteer Service Manager, who's also a part-time beautician.

Afterwards, Kay, from Wednesbury, said: "I love my new hair – although I must admit I was a little bit nervous when she started to snip away, as I've had long hair since I was a child.

"But I'm so glad to have had it chopped off for a really good cause and I'm proud to support Your Trust Charity. I have seen first-hand the good work that they do.

"There are so many people who have donated, including the domestics, ward staff, my colleagues in security, and those working within catering to name but a few. I've seen how tirelessly colleagues work here, from frontline healthcare workers to domestics. I think that this is the perfect cause, especially whilst the NHS is really under pressure, trying to deliver the best care possible during this awful outbreak.

Toy Tesla set to spark joy at Birmingham eye hospital

From September 2020, young patients at the Birmingham Midland Eye Centre (BMEC) have been able to travel down the corridors in style thanks to the donation of a ride-on Tesla Model S for kids.

Tesla Owners UK were happy to deliver one of the sought after battery-powered pint-sized versions of Tesla's all-electric luxury cars. It is hoped that the prospect of the special ride will help alleviate some of the anxiety children may feel before heading in for an operation.

Deryn Harvey, Tesla Owners UK mini Tesla programme coordinator, said: "Tesla Owners UK are delighted that Birmingham Midland Eye Centre has accepted a donation of a mini-Tesla electric vehicle. The car is sure to bring joy and alleviate anxiety in young children in hospital. They really can drive themselves to theatre! BMEC, based at Birmingham City Hospital, is especially deserving, as it was nominated by one of our local members in gratitude for the great service provided to their children."

Amanda Winwood, Fundraising Manager for Your Trust Charity added: "We know that hospital can be a scary place for patients of all ages, even more so when there is surgery due. With this, along with other updates we are making to our patient areas we hope to provide additional distractions to our younger patients and help them through their required eye care. We will ensure that the car goes through our infection control process before and after it is used, in line with COVID-safety measures that are in place at the Trust."

Grants and Commissions

Thank you to NHS Charities Together's Covid-19 appeal*, which granted us £259,825 during 2020-21. This has meant we could support:

Our staff

- Provided staff wellbeing packs to all of our 7,000 staff during wave 1 - including lip balm, hand cream, face masks, toiletries, and snacks
- Delivered fruit & cereal bars to all our wards during wave 2
- Gave NHS rainbow badges and a gift to all of our staff during wave 2
- Enabled additional holistic therapies and further psychologist and talking support during the pandemic
- Purchased one Metronap energy pod so our staff can rest and recover

Our patients & communities

- Provided new ward based volunteer roles, helping families with technology & bereavement support
- Lit up our hospital sites in blue and planting 4 rainbow flower beds to say thank you to our community during the NHS's 72nd birthday
- Created a cultural education programme for children and young people, to be based from our Midland Metropolitan University Hospital site
- Helped 20 schools in North West Birmingham to run their food and essentials collection and distribution project during wave 2
- Facilitated emotional wellbeing outreach support to our diverse communities during wave 2
- Established a community bakery pilot for newly arrived locals during wave 2
- Provided a Covid-19 response programme for elderly people

We are very grateful to ongoing grant aid of £29,500 from Sandwell Safer Partnership (SSP), which partly funds our domestic violence support service in our A & E department, a vital service that experienced a growth in demand during the pandemic. Your Trust Charity also ran the hugely successful 'World of Work' programme from our City Hospital site alongside our volunteer service, seeing a fabulous 102 participants go through in this skills & employability programme.


View of the Winter Garden - Image courtesy of Edward Williams Architects

We Are Metropolitan

We are very grateful for the ongoing support of our 'We Are Metropolitan' campaign for the Midland Metropolitan University Hospital, due to open in 2022. This includes our business committee members, co-chaired by Paul Faulkner, chief executive of the Chambers, and Steve Allen, president of the Chambers and partner and head of Birmingham office at Mills and Reeve, and our community committee members, co-chaired by Dr Sarb Clare and Dr Nick Makwana from our Trust. We'd like to give special thanks to Peter Salt, Managing Director of Salts Healthcare, who continues to chair our Campaign Council.

As at 31st March 2021, we have secured an impressive £978,000 towards our target of £2 million by 2022. Along with further pledges of support, we are well over half way there - but would like to continue to ask for the help of our local community and businesses to help make Midland Met more than a hospital. This can only be achieved if we raise these vital funds.

Our Future Plans

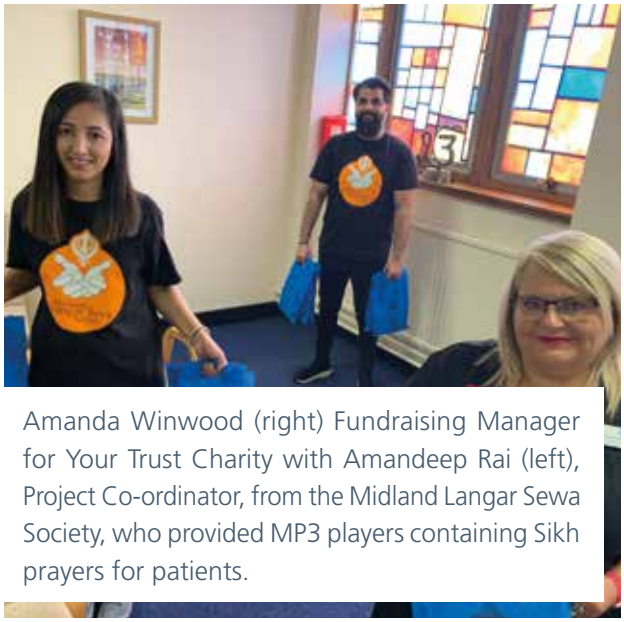
Your Trust Charity has completed four years of its current five year fundraising strategy, which aims to position Your Trust Charity as a key service deliverer and facilitator of partnerships within the region. We continue to be acutely aware of ongoing challenges as our staff and community looks to recovery post COVID-19. We simply cannot succeed without our donors, supporters, fund ambassadors and colleagues, and would like to thank you all for your continued 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:

Contact us:

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



Amanda Winwood (right) Fundraising Manager for Your Trust Charity with Amandeep Rai (left), Project Co-ordinator, from the Midland Langar Sewa Society, who provided MP3 players containing Sikh prayers for patients.

Young patient Leo Warman received a donated book as part of the World Book Day celebrations, whilst he was in our care.

Local knitting groups have kept supplying our elderly dementia patients with twiddle muffs throughout the pandemic. NB picture taken before pandemic.

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
- Endocrine & Metabolic R&D

Community Appeal

- iCares
- Palliative Care
- Dementia Support

Birmingham Midland Eye Centre (BMEC) Appeal

Midland Metropolitan University Hospital Appeal

COVID-19 and beyond

Although the year was dominated by COVID-19, the Trust continued to make progress in many important areas of development in line with our vision and priorities.

The Trust is part of the Integrated Care System (ICS) in the Black Country and West Birmingham that brings together partners across health, social care and the voluntary and community sectors. The ICS is known as the Healthier Futures Partnership.

HEALTHIER FUTURES PARTNERSHIP - Statement from the Independent Chair

Serving a population of around 1.5m million people, our partnership is the collaboration across local authorities, NHS bodies and the voluntary and community sector 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.

After an unprecedented year, my biggest reflection is of pride in our heath and care workforce, together with gratitude for all those who have gone above and beyond to care for people at their most vulnerable and protect many more from the impact of COVID-19. Through the challenges of the last 12 months the strength, the compassion, commitment and determination of our people has been outstanding. On behalf of our partnership, thank you for all that you have done and continue to do.

As COVID-19 pressures start to ease, NHS organisations will face the new challenge of restoring services. Whilst we need to ensure people are seen for the care they need in as timely a way as possible, we also have to guarantee that our NHS workforce are supported to rest, decompress and recover from a year of unprecedented demands placed upon them physically and emotionally. Our People Board is focusing on the wellbeing support required to ensure help and assistance are provided for those who were there for so many people when they were needed most.

For local government partners the challenge of enabling communities and people to safely go about their daily lives is key. Testing capacity and support for local businesses will play a vital part in this, as will support for people and families who need extra help to manage their new circumstances.

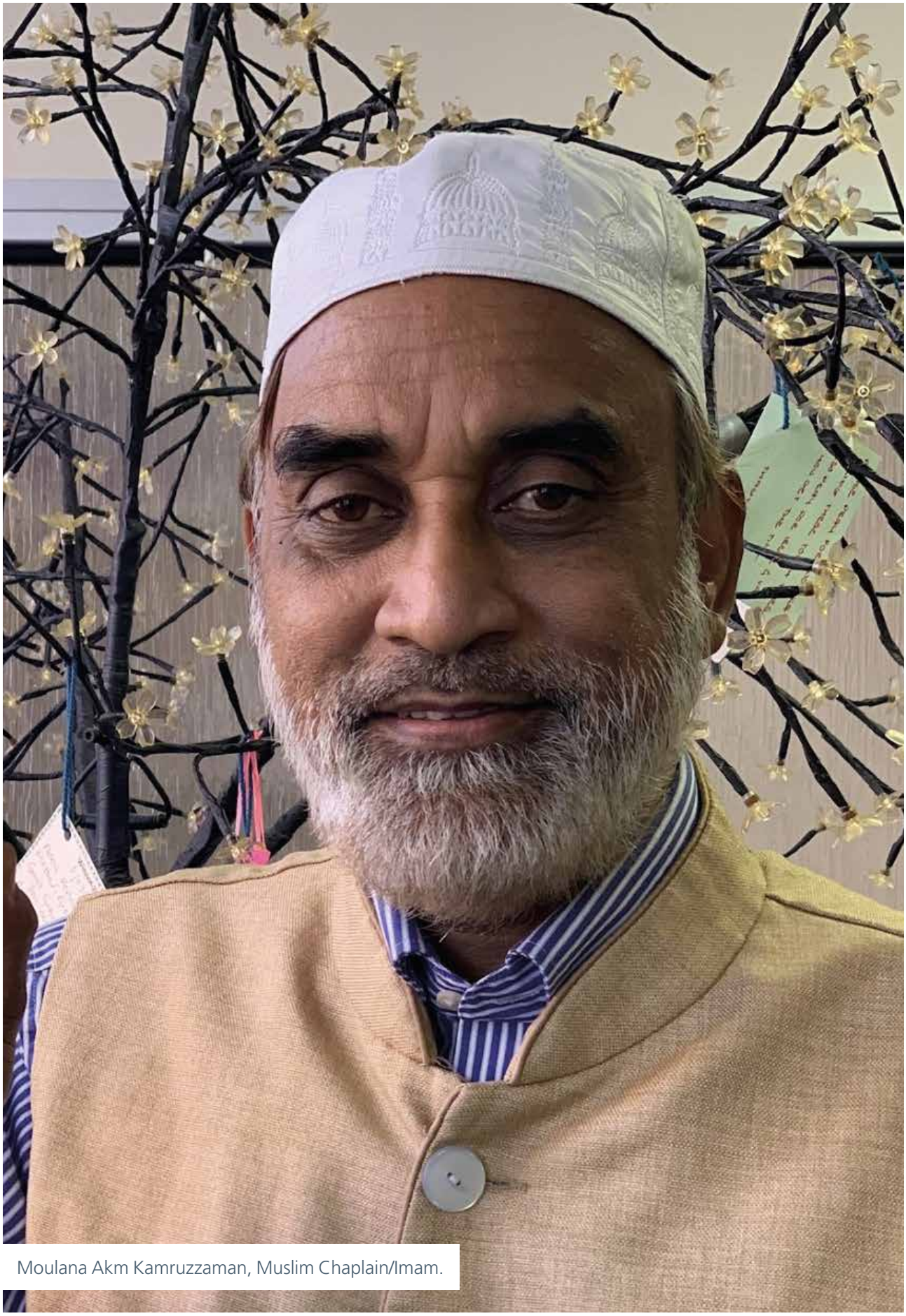
This year, more than ever, the voluntary and community sector has played a really important role, helping people to stay connected to communities and building resilience in the darkest of times. The kind spirit of a few has shone through our communities and been a lifeline for many.

Perhaps the greatest example of our partnership working has been our vaccination programme which continues at pace. Operating from over 30 vaccination locations we rapidly moved through the cohorts of eligibility, starting with those most vulnerable. Whilst uptake has been generally high, we have seen some areas of concern. We know the lower uptake in some areas will be due to a number of factors, including confidence in the vaccine, convenience of access and also complacency with regard to whether people feel the need to be vaccinated. We also know that COVID-19 has disproportionately impacted on our Black, Asian and Minority Ethnic communities and that worryingly, the uptake of the vaccine is also much lower amongst these groups.

To respond to these challenges, we are increasing our efforts to get the right information to people and have where necessary changed the mode of vaccine delivery to improve accessibility. Working with Public Health in each place, we have also created a network of community champions, as well as working with community and faith leaders and also trusted community voices, to help deliver the right messages.

Our partnership exists to benefit local people, and through our continued collaboration and working together, I am confident we can deliver truly integrated health and care services of which everyone in the Black Country and West Birmingham can be justifiably proud. I would like to thank all health and care colleagues throughout our system for their commitment, dedication and hard work during the past year and for their help in bringing this ambition closer to being realised.

Jonathan Fellows
Independent Chair
Black Country and West Birmingham Healthier Futures Partnership



Moulana Akm Kamruzzaman, Muslim Chaplain/Imam.

Integrated Care Partnerships: Sandwell and Ladywood & Perry Barr

The Trust takes a leading role in two integrated care partnerships (ICPs) that cover the population served by the Trust. There is one ICP for Sandwell and one for Ladywood & Perry Barr covering West Birmingham. Both ICPs have an independent chair and representation from health care providers, local authorities and the voluntary sector. Service users are also represented. Both ICPs have strengthened relationships during the year and developed plans to focus on improving outcomes in key areas. Sandwell ICP priorities are to improve experience at end of life, improve school readiness and reduce social isolation. Ladywood & Perry Barr priorities are to reduce childhood obesity and improve experience at end of life. The ICPs also recognise the importance of the development of the Midland Metropolitan University Hospital and the role that partners have in ensuring that MMUH meets the acute and emergency care needs of the population. The new hospital relies on community services, social care and primary care working effectively with acute services so that MMUH can care for those patients who need to stay in hospital with acute medical conditions, a longer than 24 hour stay following surgery or emergency care.

Midland Metropolitan University Hospital master plan

Building a world-class healthcare facility takes strategic vision, innovation, collaboration, meticulous planning and expert execution. Hospitals need to meet the healthcare needs of the communities they serve, and stand up to all of the challenges of modern life and offer patients, colleagues and visitors the facilities they deserve as standard and so much more.

MMUH will bring both change and opportunities. It will boost regeneration in the area - it will provide clinical teams with modern purpose-built facilities and be our single-site acute hospital. It will see the consolidation of acute emergency and inpatient services and bring together our two emergency departments to operate as one. Our flagship hospital will offer clinical colleagues the opportunity to provide enhanced patient care.

It will also be home to several new facilities, including two trauma theatres, two emergency theatres, two maternity theatres and 15 delivery suites. MMUH will offer a new level of care in many respects. For example, our design includes 50 per cent single rooms in generic inpatient wards – this brings benefits in terms of infection prevention and control.

Patients will receive excellence in clinical care at all points throughout their care pathways. It is a new way of offering clinical care to our local communities, but it will be so much more than that. MMUH will bring together specialties, help to regenerate the immediate local area and create jobs. It will also see the launch of our new learning campus, which we have recently secured over £12 million to invest in it. Our organisation has its sights set firmly on building a better future for the local communities we serve.

One of the most highly anticipated areas within our new hospital is our Winter Garden. It will provide a light, airy focal point for visitors and space for staff to meet and relax away from their clinical areas.

MMUH will help to breathe life into the heart of what once was the industrial West Midlands.

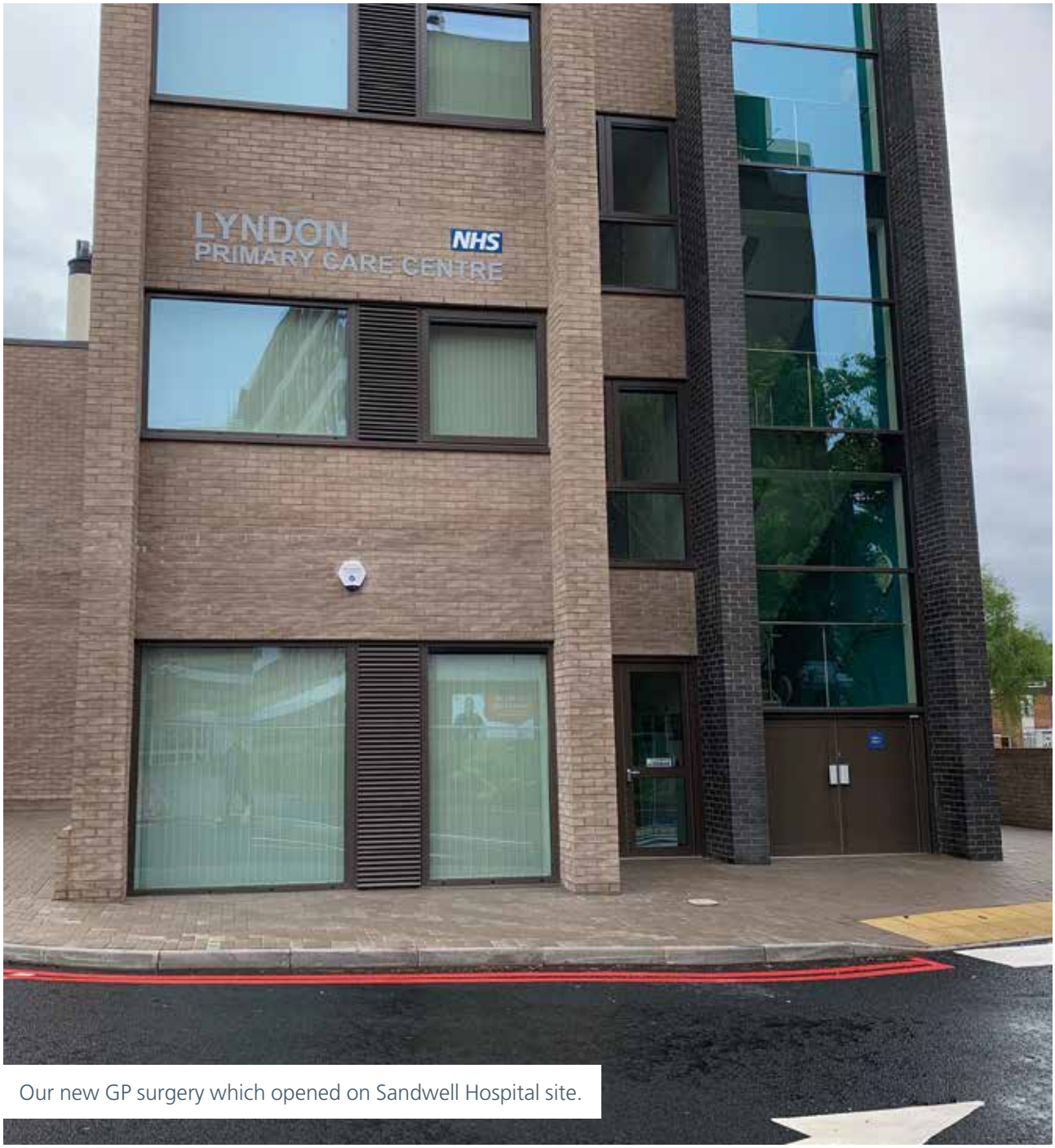
Birmingham City Council and Sandwell Council are working with West Midlands Combined Authority, Homes England, the Canal & River Trust and our organisation to regenerate the Smethwick to Birmingham corridor. MMUH will play an important part in in these regeneration plans. Our flagship hospital will see the Grove Lane area redeveloped and will undoubtedly provide a catalyst for growth in the immediate and surrounding areas.

Car park development

Both our Sandwell and City sites will soon see the opening of multi-storey car parks, providing more convenient parking for patients, visitors and staff. Operated by Q-Park, it will also reduce congestion at both hospitals and offer charging points for electric vehicles. Sandwell will be a 400-space facility, meeting the growing demand following the imminent opening of a new health centre, whilst City will house 550 parking places. Both sites are due to be completed in early Autumn 2021.

New GP surgery opens on Sandwell Hospital site

If you have recently visited our Sandwell Hospital site you may have noticed our new, state of the art £6 million GP surgery. The new building will house Your Health Partnership GP practices Carters Green Medical Centre and Lyndon Primary Care Centre. Your Health Partnership joined the Trust in April 2021. Though the COVID-19 pandemic has delayed construction of the three-story development , the build is expected to be completed in spring of 2021 after work began on the new surgery in October 2019. It is all part of a plan to streamline and improve medical care across borough and will house Carters Green Medical Centre and Lyndon Primary Care Centre who will both be relocating to the new facility. Dr James Gwilt, a GP based at Carters Green, said: "We are looking forward to continuing this tradition of high quality care in a brand new, modern environment." He added: "Being on the Sandwell Hospital site will allow us to deliver care in new ways, better integrated with other organisations working in our area." The surgery will be run by our Trust and aims to service more than 15,000 patients in the local area. In addition, there are also plans in place to build an onsite pharmacy.



Our new GP surgery which opened on Sandwell Hospital site.

Patient Experience – Friends & Family Test

There is a national requirement for Trusts to get patient feedback. This national ask is supported by the Trusts 2020 vision as the 'single measure of success will be the opinion of those we care for; Our patients'.

NHS England/Improvement published new FFT guidelines for the Trust to implement the new questions by 1st April 2020. Due to Covid-19, it has been unfortunate that SWB has had to delay a full relaunch, but the new revised question is still sent out to patients that used our services via SMS & IVM so we can continue to collect feedback.

NHSE changed the dynamic of the question to be asked and placed more importance on qualitative response rather than quantitative response. The question has been changed to accommodate the diverse population and also to be more intuitive for those who may struggle to digest what is being asked. The responses offered for the question have also been reviewed and have been reworded to be seen as more 'reader' friendly. There continues to be the opportunity for free text and more quantitative feedback. As previously the patient demographics are also obtained.

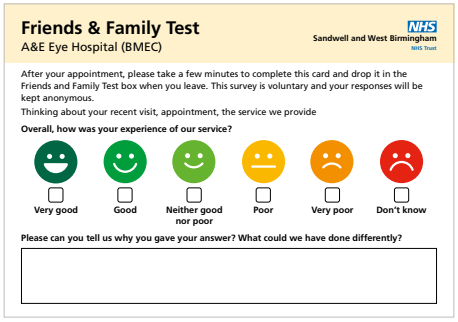
Revised question and answers/options are;

We would like you to think about your recent experience of our [insert service] service at Sandwell & West Birmingham NHS Trust. Overall, how was your experience of our service?

1. **Very Good**
2. **Good**
3. **Neither good nor poor**
4. **Poor**
5. **Very Poor**
6. **Don't know**

Please can you tell us why you gave your answer? What could we have done differently?

Example of FFT Postcard


Friends & Family Test
A&E Eye Hospital (BMEC)
Sandwell and West Birmingham NHS Trust
After your appointment, please take a few minutes to complete this card and drop it in the Friends and Family Test box when you leave. This survey is voluntary and your responses will be kept anonymous.
Thinking about your recent visit, appointment, the service we provide
Overall, how was your experience of our service?
Very good | Good | Neither good nor poor | Poor | Very poor | Don't know
Please can you tell us why you gave your answer? What could we have done differently?

Healthcare Communications (HCC) are the current suppliers and they contact 100% of all patients we send on the daily data extracts unless the telephone numbers fail or the patient has had an appointment within 30 days. They also collate and analyse all the responses and feedback received back from our patients using the Envoy portal on Connect which is available on the 9th working day after month end.

Key Themes from Patients feedback from (1st April 2020 – 31st March 2021)

Positive comments:

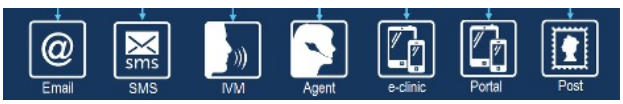
- **Staffing** – staff are professional, caring, friendly and supportive
- **Staff Attitude** – Staff are outstanding, hardworking, efficient and friendly
- **Implementation of Care** – Good all round care, friendly and felt at ease
- **Treatment** – Questions were answered clearly, procedure fully explained and leaflets provided

Areas of Improvement:

- Improve waiting times in A&E departments, being informed on waiting times
- Increase staffing levels on wards
- Staff Attitude – rude, unprofessional, lack of communication, doctors don't listen.

Currently the key initiatives to achieve this are:

1. The implementation of 5 different languages on paper postcards, languages include Punjabi, Bengali, Urdu, Polish and Romanian.
2. The implementation of QR codes on posters around the trust sites.
3. The use of digital response's in hospital using tablets.
4. An online survey available on the external website
5. Setting up a patient engagement group.
6. Discussing further work with external organisations to thinking of different ways to obtain the responses which includes kiosks, call agents, email and post which will come at a cost.



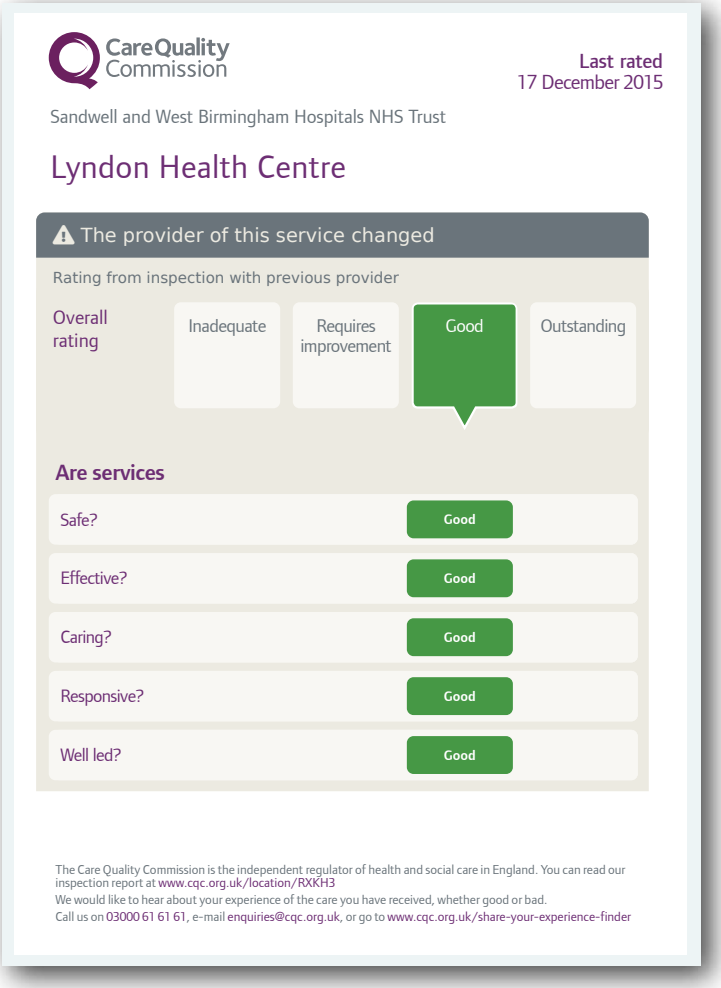
Care Quality Commission

The Trust now includes a number of GP Practices, which under the current CQC inspection processes are assessed separately to the hospitals within the Trust. Due to the COVID 19 pandemic no inspections have been carried out, therefore the overall rating for the Trust remains the same at 'requires improvement' following the 2018 inspection. Your Health Partnership was assessed just prior to joining the Trust and received a rating of 'requires improvement'. The Trust remains committed to continuing to make improvements and will do so through an unrelenting focus on the fundamentals of care and evidencing improvements and learning across the organisation.

Great Bridge, Lyndon and Heath Street GP Practices joined the Trust in 2019. Great Bridge and Lyndon maintained their 'Good' rating following a remote review and Heath Street has yet to be inspected as it was formally aligned with an Urgent care walk-in centre, both of which had a rating of 'Good'. Due to the significant change in leadership the practices will be re-inspected when CQC inspections resume.

The Trust continues to make a number of improvements, with the goal to attain an overall provider 'Good' rating as our first step. Prior to the pandemic the Trust worked with the CQC through monthly engagement meetings, providing information on specific services, from the services themselves, together with guided tours of departments of interest. Engagement meetings for both Hospital and GP practices are recommencing in 2021.

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 & West Birmingham NHS Trust during 2020/21 and the Trust has not participated in any special reviews or investigations by the CQC during the reporting period.



Care Quality Commission

Last rated
17 December 2015

Sandwell and West Birmingham Hospitals NHS Trust

Lyndon Health Centre

⚠ The provider of this service changed

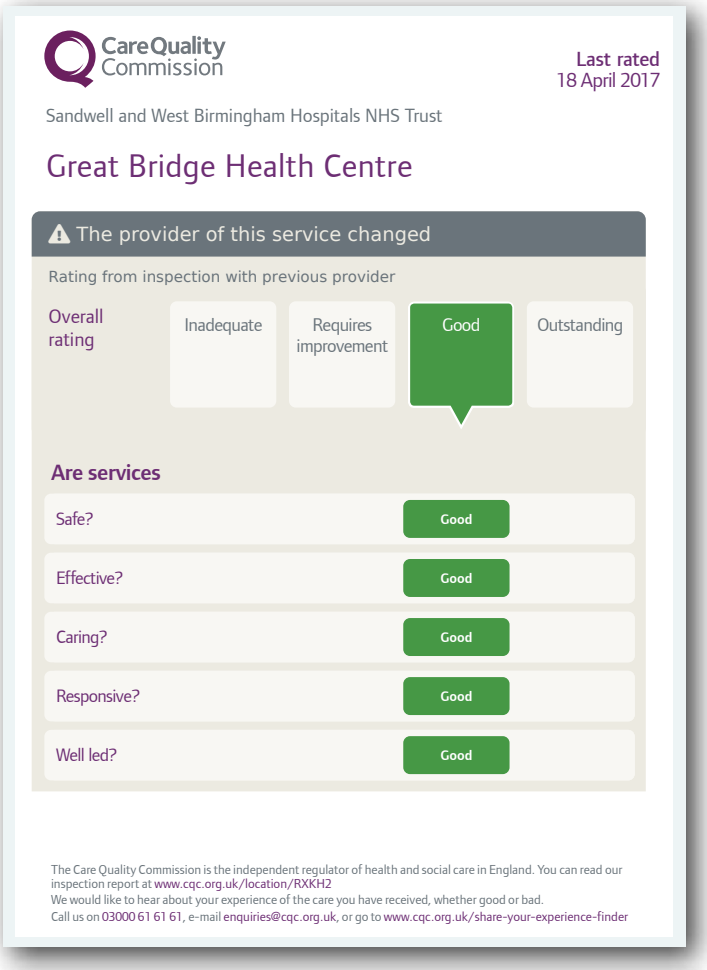
Rating from inspection with previous provider

Overall rating	Inadequate	Requires improvement	Good	Outstanding

Are services

Safe?	Good
Effective?	Good
Caring?	Good
Responsive?	Good
Well led?	Good

The Care Quality Commission is the independent regulator of health and social care in England. You can read our inspection report at www.cqc.org.uk/location/RXKH3
We would like to hear about your experience of the care you have received, whether good or bad.
Call us on 03000 61 61 61, e-mail enquiries@cqc.org.uk, or go to www.cqc.org.uk/share-your-experience-finder



Care Quality Commission

Last rated
18 April 2017

Sandwell and West Birmingham Hospitals NHS Trust

Great Bridge Health Centre

⚠ The provider of this service changed

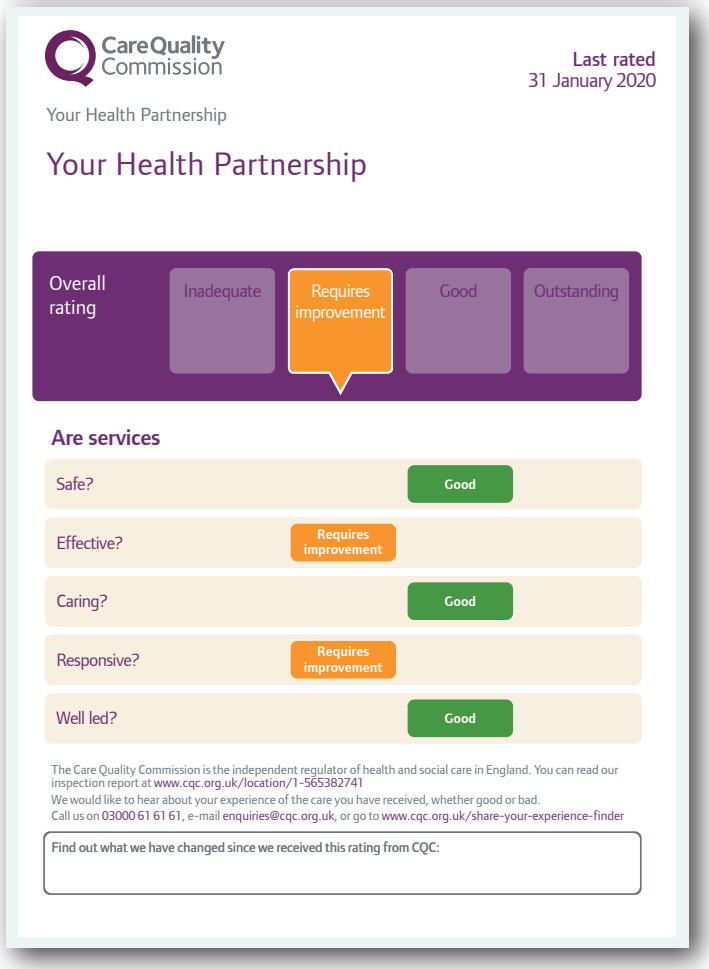
Rating from inspection with previous provider

Overall rating	Inadequate	Requires improvement	Good	Outstanding

Are services

Safe?	Good
Effective?	Good
Caring?	Good
Responsive?	Good
Well led?	Good

The Care Quality Commission is the independent regulator of health and social care in England. You can read our inspection report at www.cqc.org.uk/location/RXKH2
We would like to hear about your experience of the care you have received, whether good or bad.
Call us on 03000 61 61 61, e-mail enquiries@cqc.org.uk, or go to www.cqc.org.uk/share-your-experience-finder



Care Quality Commission

Last rated
31 January 2020

Your Health Partnership

Your Health Partnership

Overall rating	Inadequate	Requires improvement	Good	Outstanding

Are services

Safe?	Good
Effective?	Requires improvement
Caring?	Good
Responsive?	Requires improvement
Well led?	Good

The Care Quality Commission is the independent regulator of health and social care in England. You can read our inspection report at www.cqc.org.uk/location/1-565382741
We would like to hear about your experience of the care you have received, whether good or bad.
Call us on 03000 61 61 61, e-mail enquiries@cqc.org.uk, or go to www.cqc.org.uk/share-your-experience-finder

Find out what we have changed since we received this rating from CQC:

Care Quality Commission

Last rated
5 April 2019

Sandwell and West Birmingham Hospitals NHS Trust

	Inadequate	Requires improvement	Good	Outstanding
Overall rating		▼		
Are services **Safe?**		Requires improvement		
Are services **Effective?**		Requires improvement		
Are services **Caring?**				Outstanding ☆
Are services **Responsive?**		Requires improvement		
Are services **Well led?**		Requires improvement		
Use of resources		Requires improvement		
Combined rating for quality and use of resources		▲		

The Care Quality Commission is the independent regulator of health and social care in England. You can read our inspection report at www.cqc.org.uk/provider/RXK

We would like to hear about your experience of the care you have received, whether good or bad.

Call us on 03000 61 61 61, e-mail enquiries@cqc.org.uk, or go to www.cqc.org.uk/share-your-experience-finder

Find out what we have changed since we received this rating from CQC:

Performance Overview

Overview 2020/21

As well as our response to COVID-19, the Trust has continued to progress against our key priorities. This section outlines what we have achieved throughout the year as well as our future plans.

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

About our Trust

We are an integrated care organisation, dedicated to improving the lives of local people, to maintaining an outstanding reputation for teaching and education, and to embedding innovation and research. We employ over 7,000 people and spend around £430m of public money, largely drawn from our local Clinical Commissioning Group. We are responsible for the care of over half a million people from across North-West Birmingham and all the towns within Sandwell.

Our teams are committed to providing compassionate, high quality care from City Hospital on Birmingham's Dudley Road, from Sandwell General Hospital in West Bromwich, and from our intermediate care hubs at Rowley Regis and Leasowes in Smethwick. The Trust includes 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. Inpatient paediatrics, most general surgery, and our stroke specialist centre are located at Sandwell Hospital. We have significant academic departments in cardiology, rheumatology, ophthalmology, and neurology. Our community teams 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. Our new hospital – the Midland Metropolitan University Hospital – is currently under construction and is located on Grove Lane, on the Smethwick border with west Birmingham.

1. Our organisational response to COVID-19

Throughout the year we continued to respond to the pandemic putting safety and kindness at the forefront. We changed swiftly our outpatient processes so that virtual (video / telephone) appointments could take place safely. During the summer we prioritised restoration of imaging and then routine surgery in our non-COVID-19 ('green') facility, the Birmingham Treatment Centre. We repatriated services back onto our sites including haematology that moved to a refurbished unit at City Hospital that is more fit for purpose, providing patients with more privacy and dignity.

As cases of COVID-19 increased in October and throughout the winter months our surge plan was enacted and we expanded our critical care facilities once again, redeploying staff to manage the dramatic increase of patients who were at the most unwell. Our capacity in January hit 270% at its peak, excluding over 80 patients who were well enough to be transferred to other hospitals. Our infection control pathways adapted in light of changing national guidance and local prevalence. This included frequent swabbing of all patients and different levels of PPE depending on the individual risk and the level of risk in clinical areas.

All staff members have had a COVID-19 risk assessment completed which has identified adjustments to ensure safe working. Supporting staff wellbeing has remained a priority. Our Wellbeing Sanctuary has provided valuable support for hundreds of staff and in many cases enabled them to remain at work. Many more resources have been made available to colleagues to meet their wellbeing needs.

2. Delivering our 2020 vision promises in line with the NHS Long-Term Plan

Towards the end of 2020 we established a local vaccination centres at Sandwell and City Hospitals, followed by the centre at the Tipton Sports Academy. Tens of thousands of staff, key workers, patients and members of the public have successfully received their first (and in some cases second) doses of a COVID-19 vaccination.

Our place-based work in Sandwell and Ladywood & Perry Barr has continued to progress although at a slower pace than planned, due to the impact of COVID-19. The organisations within the partnership have committed to prioritise collaborative work on agree outcomes which are:

- **Sandwell:** improve experience at end of life; improve school readiness; reduce social isolation
- **Ladywood & Perry Barr:** reduce childhood obesity; improve experience at end of life

The Trust has collaborated during the year with partners in the Black Country and West Birmingham Sustainability and Transformation Partnerships (STP), which was formalised as an Integrated Care System (ICS) on 1 April 2021. Collaborative working has been particularly beneficial during the pandemic. We have developed our response to acute care collaboration and committed to joint working with other provider Trusts where we can identify gains in clinical outcomes for patients. The Trust continues to actively contribute across the ICS and provider collaboration work streams.

3. Developing our 2025 ambitions in partnership with the wider health and social care system

Midland Metropolitan University Hospital is at the heart of our transformation plans over the next five years. During the year we have progressed and developed our transformation programme, engaging clinical teams in the work needed to change clinical pathways so that MMUH works for patients and referrers, and delivers the benefits we have planned. Clinical teams have been developing their service and speciality plans and will, where feasible, embed changes ahead of the opening of the new hospital. Some of these changes have been completed during the year including a single site for inpatient haematology patients, who moved into a newly refurbished unit at City Hospital.

Midland Met has always been "more than a hospital" as we recognised the significant regeneration opportunities that this new acute healthcare facility could bring to the local area. During the year we have completed masterplans for the City Hospital area and the area around MMUH as well as the linkages between the two sites. This master planning has been carried out in collaboration with stakeholders including both local authorities. One facet of the regeneration masterplan is the development of a learning campus around the MMUH site and it is great news that this scheme has been awarded funds from the Towns Fund for feasibility.

We have begun work to set our future strategic objectives and ensure they fit within the NHS Long Term Plan, the Integrated Care System purposes and our Integrated Care Provider outcomes. We expect to engage with colleagues and stakeholders this year to finalise these priorities.

4. Achieving consistency in the quality and standards of care that we provide

We have continued to strive towards improved standards of care recognising that we already have 70% of services rated as good or outstanding. This year we have established a number of ways to monitor the standards of the care that we provide. Our weAssure programme reviews data on quality and safety with actions reported for any areas that have triggered as falling or have not yet improved. In-house unannounced inspections began during the first half of the year where wards and services were inspected against quality and safety standards. Feedback on these inspections has gone back to the teams providing useful information to highlight where they are doing well and where there is room for improvement. Although the inspections were halted during the second wave of the pandemic, they are now restarting. Wards and services have completed self-assessments and been identified actions that will help to ensure a "'good" or "outstanding" rating in future Care Quality Commission inspections. An evidence repository for assuring ourselves, the public and the CQC of our delivery against the core assessment domains is in development.

The Trust has established a programme to improve the culture and leadership in maternity services. The programme has progressed throughout the year and been added to following the publication of the Ockenden Report into maternity service safety and culture nationally. The Trust's progress against the maternity plan and response to the Ockenden recommendations is shared regularly with the Trust Board in public.

During the year, our clinicians have had to adapt quickly to changing guidance in relation to the treatment of patients with COVID-19 and a range of infection prevention and control updates to keep staff and patients safe. Medical examiners have reviewed all deaths in our care to identify any learnings. Throughout the pandemic we

have monitored COVID-19 related deaths to understand at risk factors. This has enabled us to provide the right advice to patients to minimise risks including shielding advice, home oxygen monitoring and virtual ward rounds for patients who are able to stay at home. Better evidence on treatments including dexamethasone, Non-invasive intervention and proning has reduced mortality due to COVID-19 throughout the year.

More information on the quality and safety of our services during the year can be found in the Trust's Quality Account 2020/2021.

5. Improving the wellbeing and engagement of colleagues at all levels

This year, colleague wellbeing has been a priority for the Trust. A range of interventions have been continued or established over the year including conversion of the Trust's Learning Works into our Wellbeing Sanctuary, which has provided a safe, confidential space to talk, think or relax with a range of therapeutic treatments on offer. We have embedded a range of mental health support including mental health first aid training, and REACT training so that colleagues can identify people who are struggling and provide support.

We have strengthened our mental wellbeing partnerships throughout the year and have been able to provide 24/7 access to confidential counselling, bespoke mental health support for high stress areas including critical care, a mental health app so that colleagues can monitor their wellbeing, a resilience support and coaching.

We know that allowing our colleagues time and space to reflect and recover after the second wave of COVID-19 is crucial to ensure we are able to continue restoring NHS services at the pace required.

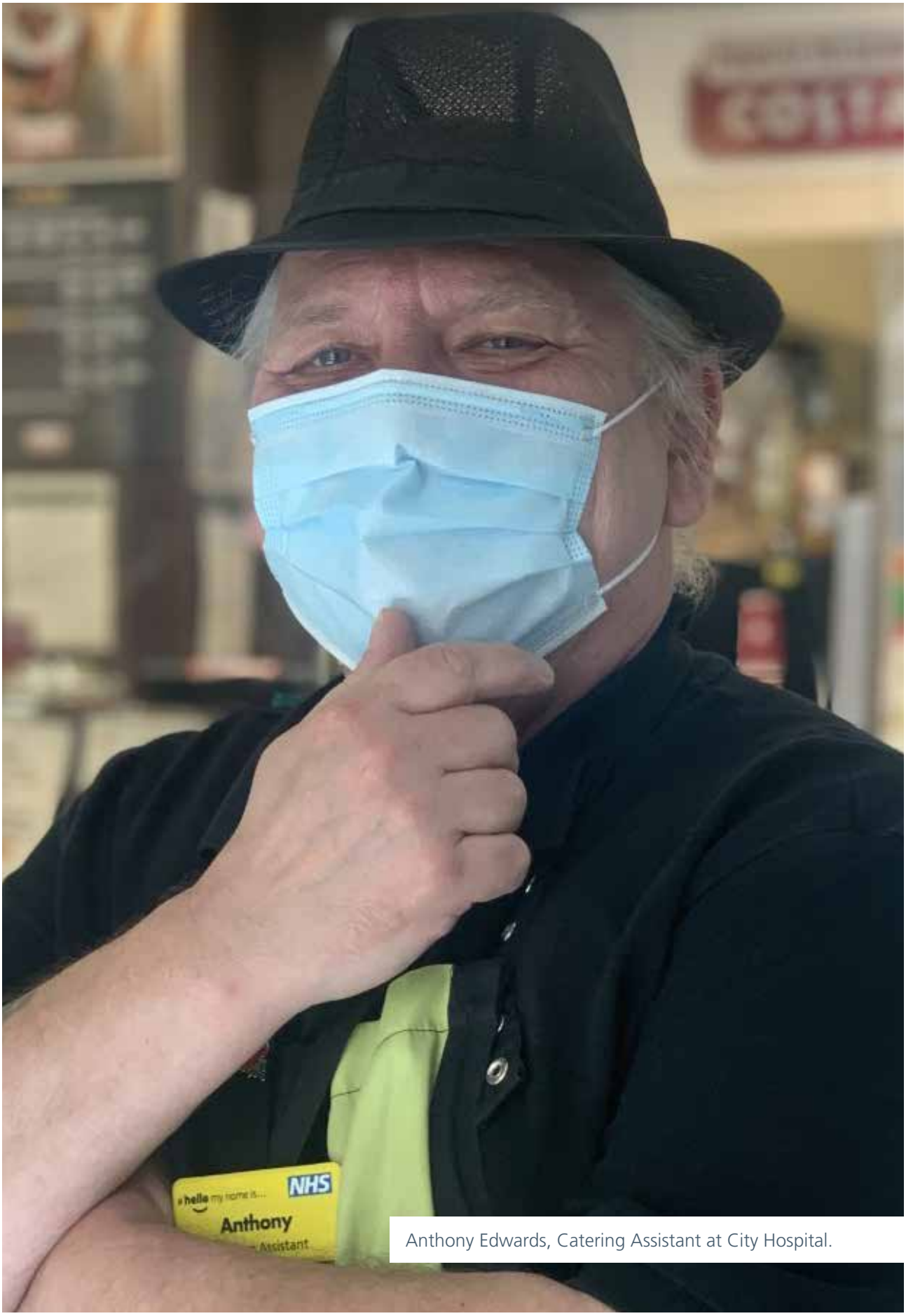
We have more to do to help staff feel engaged and motivated as the results of the NHS national staff survey demonstrate. Actions are in place to help staff feel happier in their jobs and with the Trust as their employer. This includes actions on equality, diversity and inclusion; team communication; health and wellbeing; and line manager development. The NHS should no longer give the impression that we take our greatest resource for granted. Our COVID-19 experience has brought that into sharp relief.

Providing equality of access for all

The Trust recognises the different needs of our diverse communities and it has been particularly important this year to address inequalities. During our response to COVID-19 we quickly reviewed outcomes for those patients admitted with COVID-19 to understand the risk factors. We shared this information with Health and Wellbeing Boards and this informed targeting of messaging to different community groups.

We were particularly focused on messaging to encourage people to access medical care if they felt unwell and reassure them of the steps that are taken to protect patients from transmission of infection. We also shared many stories of people's recovery from COVID-19 for patients who were successfully discharged. Some of our services were set up differently during the year such as cancer services being provided in the independent sector.

We also arranged for service provision elsewhere for children with emergency needs, with the support of Birmingham Children's Hospital. Every staff member had an individual risk assessment which enabled suitable adjustments to be made to enable them to work safely. In some case this meant changing roles to lower risk areas or the provision of additional PPE.



Anthony Edwards, Catering Assistant at City Hospital.

Future Priorities

Strategic Context

The NHS Long Term Plan sets out how "Integration" will improve health and social care for all. The NHS England and Improvement's System Oversight Framework (Consultation Document) states that the best way to manage NHS resources to deliver high quality, sustainable care is to focus on organising health at both system and organisational level.

With this in mind the strategic direction is the formation of Integrated Care Systems tasked with serving four fundamental purposes:

1. Improving population health and healthcare;
2. Tackling unequal outcomes and access;
3. Enhancing Productivity and Value for Money;
4. Helping the NHS to support broader social and economic development.

The strategic changes being implemented are significant in terms of how we are being asked to operate but they are consistent with our vision.

During the first part of 2021/22 we will be engaging with colleagues and partners to confirm our purpose and define our strategic objectives.

Developing our Purpose

Our Trust has always aspired to be more than just a hospital. In fact, we have always aspired to be more than just a healthcare provider.

Our vision has been to become renowned as the most 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."

Developing our Strategic Objectives

We expect that our strategic objectives will need to focus on three core areas:

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

Our People

The success of our strategy is a combination of the talent in the organisation and the quality of the leadership team. It is our people, and those of our partners, that can; help our population start life well; help our patients when they are ill; form and maintain great teams. The adaptability and improvement of our organisation and of our system is totally dependent on how we grow and care for our people.

Our Patients

At all times we must deliver excellence in the fundamentals of care. To do this we must provide responsive services that are consistently safe, effective and caring. Alongside this we must:

1) ensure that our patients and their carers feel part of our family when they need us and have an excellent experience;
2) ensure we develop excellent processes so that patient flow is complimented with effective use of resources.

Our future objectives will need to address the five Care Quality Commission domains along with the additional domain around use of resources;

1. Are we safe?
2. Are we effective?
3. Are we caring?
4. Are we responsive?
5. Are we well-led?
6. Do we use our resources well?

In defining our purpose and developing our strategic objectives we will refresh our values. In doing so we will consolidate the thoughts of our people, our patients, our population and our partners so that they represent the voice of the people that we work with and serve.

Our Population

To improve population health we must first better understand the people that we serve. Analysis of population health data along with increased levels of engagement, listening and co-production of improvement initiatives will help us to achieve this. The formation of our Integrated Care Partnerships/Place based teams will help us to connect in both understanding and delivery in prioritised areas.

Our strategic objectives will need to consider the four National ICS purposes:

1. Improving Population Health and Healthcare
2. Tackling Unequal Outcomes and Access
3. Enhancing Productivity and Value for Money
4. Supporting Social and Economic Development

We know that the population of Sandwell and West Birmingham have lower healthy life and overall live expectancy. We also know that deprivation levels and child poverty are high. As we work with partners to improve life chances and health outcomes in the short, medium and long term we will consider improvement rates as well as outturn position. How we go about our work and the success it has will determine whether we are seen by our population as being a trusted anchor institution.

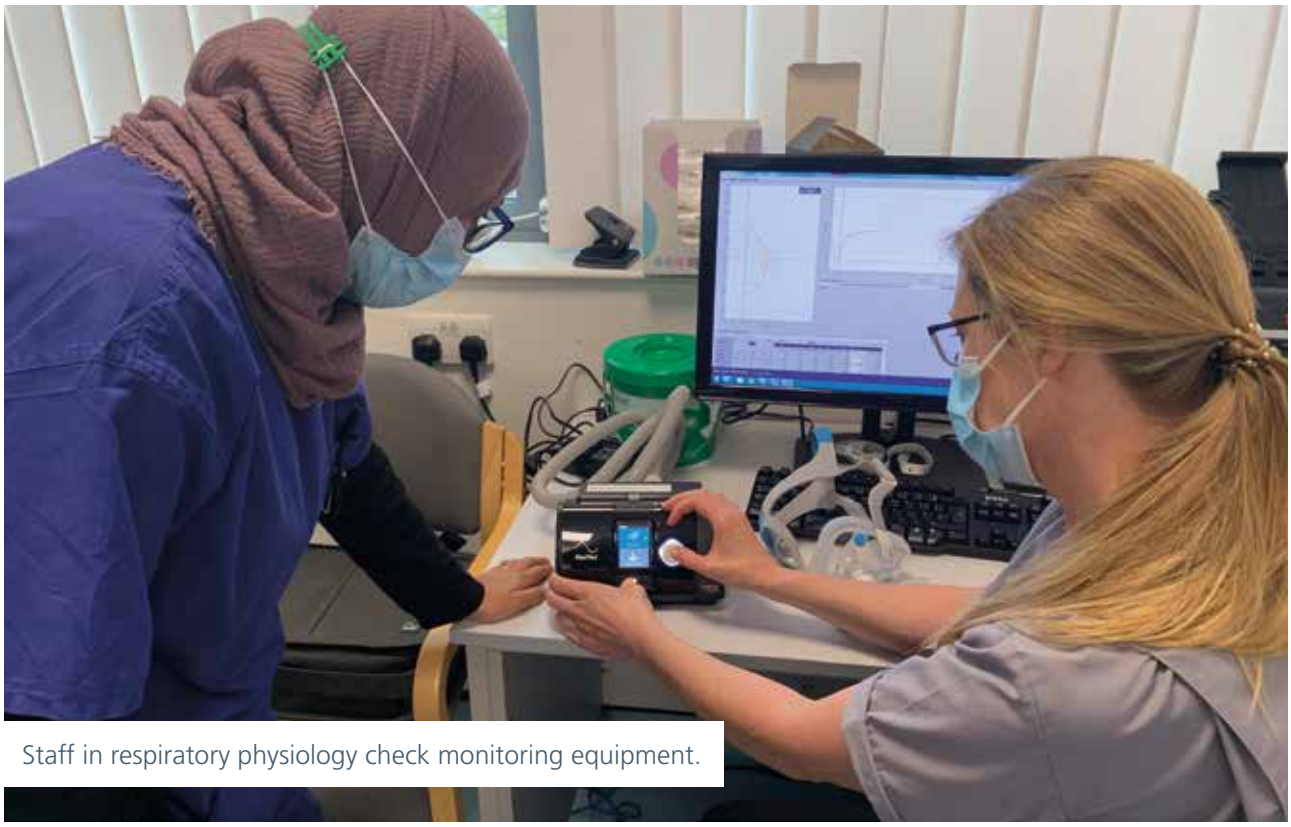
Midland Metropolitan University Hospital

The opening of the Midland Metropolitan University Hospital is a key priority for the Trust for the next two years.

For our people it creates a new environment to learn and to work on a single site and as a single team for acute care. Consolidation of staffing and the ability to attract new staff will help to create and sustain our workforce and to develop our teams.

For our patients infection control will be improved with 50% of the rooms being single and en-suite. Critical areas such as theatres and intensive care will benefit from the latest design thinking and technology. There will be more seven day services, same day emergency care and ambulatory care, all of which will meet national best practice.

For our population there will be much more pro-active and personalised care, more healthy eating, and space for outdoor physical activity including cycle routes, a canal and transport links. Electric vehicles will support clean air. Care will be in the right place and ambitions will be raised through the development of a learning campus.



Staff in respiratory physiology check monitoring equipment.

Alignment to the NHS System Oversight Framework

As we develop our purpose and strategic objectives over the coming year we will ensure that they are consistent with the NHS System Oversight Framework which sets out 5 National Themes:

1. Quality of care access and outcome;
2. Preventing ill health and reducing inequalities;
3. Finance and Use of Resources;
4. People;
5. Leadership and capability;

This framework also allows for a sixth theme around local strategic priorities which recognises the unique set of circumstances that specific systems may have around the most critical health and care challenges and the need to support broader social and economic development.

Critical care at City Hospital the height of the pandemic.

The gynaecology team on D21 at City Hospital won the Quality of Care Star award at our annual awards event 2020.

Management of risks relating to strategic objectives

The Trust has in place a Board Assurance Framework (BAF) that identifies risks to the Trust's achievement of its strategic objectives and mitigating actions. The BAF will be refreshed to align with the Trust's future priorities.

Delivery of the Midland Met programme requires significant investment of time from staff within the organisation as well as commitment from external partners. The Trust has in place an established governance structure for the programme and assurance oversight from the Estates Major Projects Authority and the Trust Board. The COVID-19 pandemic has impacted on the programme as well as the construction plans. On site progress is closely monitored.

COVID-19 restoration and recovery is a priority for the NHS and we recognise the impact that the pandemic has had on our workforce. We will need to ensure system-level collaboration in order to provide restored NHS services for patients, reducing waiting times for people whose treatment has been rescheduled as well as for people who are yet to be seen. We also need to continue to invest in the health and wellbeing of our staff so that they are able to reflect on the impact on the pandemic on themselves and get the right support to continue delivering high standards of healthcare.

Provider collaboration aims to support improved clinical outcomes and should enable greater sustainability for vulnerable services that can be delivered in partnership with other Trusts or by one Trust on behalf of others. We continue to collaborate across the Integrated Care System on this endeavour.

The establishment of the new proposals for legislation on Integrated Care Proposals means that the West Birmingham area could, in the future, be required to be co-terminus with local authorities. The Trust and other partners within the Integrated Care Partnership (ICP) continue to review the impact of this on commissioning and partnership arrangements so that any risks are clearly identified and mitigated.

Accountability Report
Corporate Governance Report

Director's Report

The Trust Board meets on a monthly basis. The Chair of the Board for the year 2020/21 was Richard Samuda. 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	Charitable Funds	People & Organisational Development	Estates Major Projects Authority	Public Health, Equality & Community Development	Digital Major Projects Authority
Richard Samuda, Chair	12/12	4/4	1/1	12/12	6/6	4/4	4/4	8/8	4/4	9/9
Harjinder Kang, Vice-Chair	11/12	4/4	4/5	12/12	5/6	-		7/8		
Mick Laverty, Non-Executive Director	11/12	3/4	4/5			0/4	3/4	6/8		
Prof Kate Thomas, Non-Executive Director	12/12	1/1	5/5	9/12			2/4		4/4	
Mike Hoare, Non-Executive Director	11/12	4/4	5/5		6/6			7/8		9/9
Waseem Zaffar, Non-Executive Director	11/12	4/4	3/5			4/4		8/8	3/4	
Lesley Writtle, Non-Executive Director[1]	9/12	4/4	5/5	9/12					3/4	
Marie Perry, Non-Executive Director[2]	3/3		3/3	3/3	1/1					1/2

Executive Directors: Board and Committee Attendance

	Trust Board	Remuneration & Terms of Service	Audit & risk Management	Quality and Safety	Finance and Investment	Charitable Funds	People & Organisational Development	Estates Major Projects Authority	Public Health, Equality & Community Development	Digital Major Projects Authority
Toby Lewis, Chief Executive[3]	3/12		1/1	2/12		1/4	1/4	1/8	1/4	0/9
Richard Beeken, Interim Chief Executive[4]	1/1						1/1	1/2		1/1
Liam Kennedy, Chief Operating Officer[5]	10/12			9/12	5/6		3/4			6/9
Paula Gardner, Chief Nurse[6]	3/3			2/2		1/1	1/1		1/1	
Kathy French, Interim Chief Nurse[7]	5/5			5/12		1/1	1/1		2/2	
Mel Roberts, Interim COO/ Interim Chief Nurse[8]	5/5			7/8		1/1	1/1		1/1	
Dr David Carruthers, Medical Director[9]	11/12		1/1	11/12		4/4	4/4	4/4	3/3	6/6
Dinah McLannahan, Chief Finance Officer	11/12		5/5		6/6	3/4		6/8		
Kam Dhami, Director of Governance	8/12		4/5	7/12						3/9
Raffaela Goodby, Director of People and OD[10]	7/7						2/2			5/5
Frieza Mahmood, Chief People Officer[11]	5/5						2/2			1/2

KEY			
	Chair		Chair
1	Appointed Non-Executive Director from Associate Non-Executive Director	7	Interim Chief Nurse July 2020 to December 2020
2	Employment ceased June 2020	8	Appointed Acting COO October 2020 to January 2021, appointed Acting Chief Nurse January 2021
3	Absence due to ill health from June 2020	9	Appointed Acting CEO June 2020 to February 2021
4	Appointed Interim CEO 8th February	10	Employment ceased October 2020
5	Paternity Leave October 2020 – January 2021	11	Appointed January 2021
6	Employment ceased June 2020		

The Trust Executive Group (at 31st March 2021) is:

- Toby Lewis, Chief Executive Officer (Board Member)
- Richard Beeken, Interim Chief Executive (Board Member)
- Liam Kennedy, Chief Operating Officer (Board Member)
- Dr David Carruthers, Medical Director (Board Member)
- Mel Roberts, Acting 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)
- Ruth Wilkin, Director of Communications
- Rachel Barlow, Director of System Transformation
- Martin Sadler, Chief Informatics Officer
- Dave Baker, Director of Partnerships and Innovation

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	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 meets bi-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 meets bi-monthly.
Digital Major Projects	The Committee provides the Board with assurance concerning the strategic direction of the Trust. 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	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. 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.
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 meets bi-monthly.

Trust Board Register of declared interests 2020/21.

Name/Title	Description of declared interest	Comment / reasoning for acceptance of material interest (where required)
Sir David Nicholson, KCB CBE *Appointed Trust Chairman 1 May 2021*	• Sole Director – David Nicholson Healthcare Solutions • Non-Executive Director - Lifecycle Group • Chair - Worcestershire Acute Hospitals NHS Trust • Visiting Professor – Global Health Innovation, Imperial College Group • Herefordshire and Worcestershire ICS Chair • Governor, Nottingham Trent University • Trustee Invictus Academy • Member IPPR Health Advisory Committee Senior Operating Partner, Healfund (investor in healthcare in Africa). • Advisor to KPMG Global • Spouse is Chief Executive of Birmingham Women's and Children's NHS Foundation Trust	Will withdraw from any from any business discussions that could have any potential conflict of interest
Richard Samuda Trust Chair	• Trustee: 'Kissing It Better' healthcare charity • Wife is CEO of 'Kissing it Better' healthcare charity	This role does not bring any business decisions that would be in direct competition with Sandwell and West Birmingham Hospitals NHS Trust Will withdraw from any business discussions that could have any potential conflict of interest
Harjinder Kang Non-Executive Director	• Trustee - Birmingham Botanical Gardens • Member of Council - University of Birmingham • Director of Healthcare, Life Sciences and Bio-Economy - Department for International Trade, HM Government	These roles do not bring any business decisions that would be in direct competition with Sandwell and West Birmingham Hospitals NHS Trust
Mike Hoare Non-Executive Director	• Director: Metech Consulting • CTO: Fujitsu	These roles doe not bring any business decisions that would be in direct competition with Sandwell and West Birmingham Hospitals NHS Trust
Waseem Zaffar	• Elected Councillor: Lozells & East Handsworth Ward (Birmingham City Council) • School Governor: Heathfield Primary School. • 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,	Will withdraw from any business discussions that could have any potential conflict of interest

	• 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 • School Governor: Heathfield Primary School	
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
Toby Lewis Chief Executive	• Council member, Aston University [to July 2021]	Will withdraw from any business discussions that could have any potential conflict of interest
Richard Beeken Interim Chief Executive	• Director and Company Secretary of Watery Bank Barns Ltd • Wife, Fiona Beeken, 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 and Black Country 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 Acting 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	Nil declared	n/a
David Carruthers Medical Director	Nil declared	n/a
Liam Kennedy Chief Operating Officer	Nil declared	n/a
Kam Dhami Director of Governance	Nil declared	n/a

Annual Governance Statement 2020/21

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 & West Birmingham Hospitals NHS Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Sandwell & West Birmingham Hospitals NHS Trust for the year ended 31 March 2021 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. During 2020/21 the full Board has undertaken risk management refresher training and considered how risk is best stratified through the organisation.

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 and Investment 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.

Our approach to risk is to bring to life the processes we have long applied with the added in-year challenge of COVID-19. The Board acknowledges there is more work to be done on risk appetite at a Clinical Group and directorate level, but the process of considering controls within the SBAF has allowed the Board to consider what it will tolerate by way of results and limitation of control over major system risks. This will be adapted in 2021/22 as we reconsider our long term strategic objectives and align our approach with partners across the ICS.

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 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 **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: Non-executive director	• Consider operating risks arising from major change programmes and investments • Examines transformation load as against management capacity
Clinical Leadership Executive **Chair:** Chief Executive	• 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

Committee	Key Risk Management Responsibilities
Risk Management Committee **Chair:** Director of Governance	• 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

During the year our Internal Auditors reviewed our SBAF including the underlying processes and controls. The Audit concluded that processes provide partial assurance for 2020/21, as against a more positive view in prior years. In particular, there is a need to ensure that routine updates on gaps and actions are completed. In addition to the standing item at all Board committees, the whole Board's consideration of the SBAF will be made more frequent, along with all highly rated risks. An internal audit of risk management processes was also carried out during the year, providing reasonable assurance of the control framework in place and identified some management actions around engagement and feedback to staff demonstrating changes that have been made due to staff reporting.

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). In contrast to prior years the salience of IT weaknesses has reduced.

- There is a risk that management bandwidth does not match organisational and system wide ambition because of either recruitment or capability difficulties, leading to project delays that compromise our improvement trajectory to meet our undertakings and ambitions.
- There is a risk that our necessary level of cash backed cost reduction and income and expenditure plans are not achieved in full or on time, compromising our ability to invest in essential revenue developments and inter-dependent capital projects. The Trust continues to meet our financial obligations at this time.
- 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. Our relative mortality indicators have deteriorated since Q2 2020/21 and active work to understand and address that has been prioritised.

During 2020/21 the Board undertook 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 were put in place under temporary COVID-19 governance arrangements in line with the national level 3/4 Critical Incident Guidance. We considered in detail risks such as:

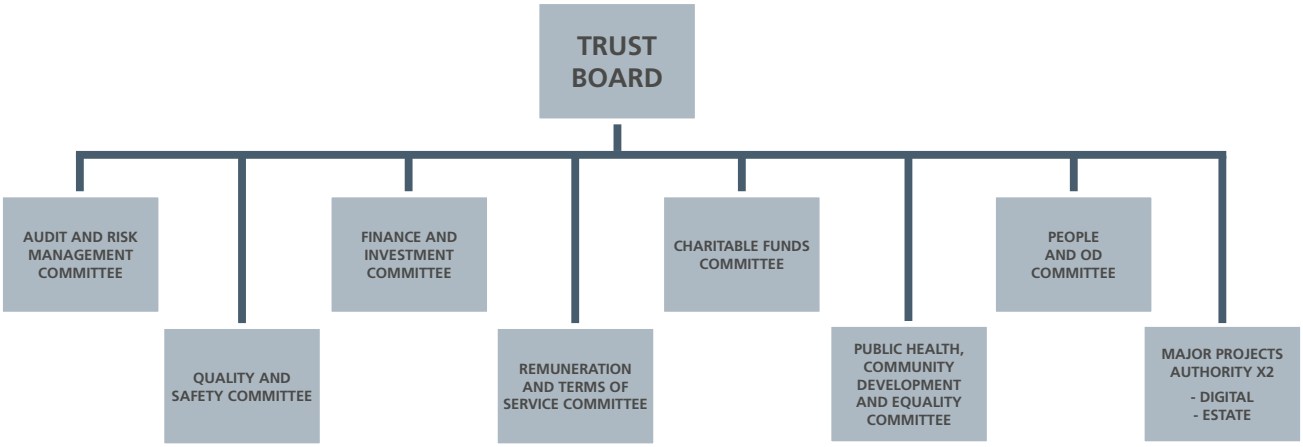
- The impact of COVID-19 care on other Trust services and wait times, not only inside our organisation but across the community.
- Implementation of guidance on PPE and other Health and Safety protections to support our employees
- The impact of restrictions on visiting on care and on experience
- How shielding could be supported by the Trust's clinicians in partnership with primary care colleagues across SWB
- The opportunities and risks raised by the rapid deployment of technology in how care was being provided
- The equity with which both patients and our workforce were treated, with particular attention to the needs of Black and Minority Ethnic residents
- Infection Control risks and mitigations especially relating to nosocomial transmission

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, with it being a standing item on the CLE Digital Committee.

The Board committees discussions (see figure 1 below) 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 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. Over the past year, and due to the Pandemic, the Trust has seen a rise in incidents rated moderate and above, largely due to patients acquiring Covid 19 during their admission.

During 2020/21 there have been Executive Director changes with the appointment of Frieza Mahmood as Chief People Officer and Mel Roberts as Acting Chief Nurse. There were also interim arrangements in place for the Chief Executive from June. For 2021/22 we welcome Sir David Nicholson as our new Chair following the retirement of Richard Samuda.

The Trust is fully compliant with the registration requirements of the Care Quality Commission. This includes new registrations associated with our primary care work, and our contribution to Red sites for COVID-19.

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 is being implemented in 2020/21, albeit our historic gifts and hospitality policies remain extant and operational.

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. This also includes Board workshops on the SBAF and risk appetite.

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.

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. The Trust has continued to make particular arrangements for medical staff associated with the pension taper, which were agreed by the Remuneration Committee during 2019/20.

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with. In particular the Board has a dedicated Committee with a focus on diversity, and our People Plans reflect commitments to change BAME representation in senior management roles above band 8a. These commitments are being achieved. There is continuing work to do in this field with a focus on strategy development.

In 2019/20 workforce assurance controls were highlighted as an area of significant ongoing risk. Through the Board and the People and OD Committee there is oversight of a number of productivity related work streams which take into account the use of benchmarking data e.g. through the proactive use of NHSI's Model Hospital data to ensure the workforce is effectively and efficiently utilised. These have been used to inform related work streams such as Job Planning review processes. The outcome of which has been to move to progress the implementation of Electronic Job Planning for which we have secured funding and are actively delivering through a dedicated project team. We have also successfully bid for and received funding for a single integrated E-Rostering System for all staff groups for which we are about to embark on the procurement phase.

A Nursing establishment review was completed by the Chief Nurse and is currently being reviewed to ensure it remains fit for purpose to support the delivery of requirements for our new hospital due to open next year. Throughout the pandemic regular oversight of safer staffing levels has continued with professional leadership by the designated Executive and independent oversight of Board members.

Action plans were developed and implemented in relation to the National Staff Survey Results and employee engagement remained a key focus of our work through the utilisation of Listening in to Action events, Safety Summits as a learning tool and implementation of welearn actions including use of reflective practice methodologies.

A tailored recruitment strategy for hard to fill roles was implemented in collaboration with professional leads to address workforce risks and challenges with transformation opportunities being capitalised on during this process. Progress on these plans is regularly received at Board Subcommittee level.

We have participated in streamlining work within the ICS and worked in partnership to delivery workforce ambitions related to EDI, Health and Wellbeing, Resourcing and Education commissioning to support workforce retention, deployment and recruitment aims

Covid19 has impacted significantly on the need to increase temporary workforce capacity and as a result Bank and agency costs have increased. However these have been subject to regular review, monitoring and been appropriately authorised with mitigation strategies in place at a local and corporate level to support rectification when pressures have abated.

Sickness absence has been monitored on a regular basis with daily reporting and substantially increased central HR, Occupational Health and Wellbeing support to deal with the physical and psychological impact of the pandemic with risk assessments being formally reviewed, monitored and reported on through the Board Subcommittee structure.

Board have oversight of ward metrics, and regularly visit clinical front line areas to test out assumptions in person. Board members are also fully involved in readiness for inspection processes and scrutiny of data and assessment criteria. The Board also has oversight of CQC improvement plans and regularly scrutinise the strategic BAF and the IQPR through an independent chair.

All related policies are appropriately embedded and communicated with staff.

In February 2020 the Trust commissioned the Good Governance Institute (GGI) to conduct a development review that would support the Board in readiness for a CQC and NHSI/E well-led review. Due to the unique circumstances of Covid-19, restoration and recovery and executive team changes the review was adjusted to incorporate a remote desktop review of key documents which underpin the Trust vision and supporting corporate plans. Interviews were carried out with Board members and senior staff with reporting to the Board via a development session in October 2020.

Areas for further work include risk management, use of insight and intelligence, leadership development and processes/methodology for continuous improvement.

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

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

During 2021 traditional means of assessing use of resources as defined through the regulatory framework were 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 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 £9.8m of cost efficiencies during 2021, and began planning for the 2021/22 programme. Our immediate focus entering 2021/22 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 2021 in response to the pandemic.

Finally, we have established 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

The Trust has reported no level 2 incidents during the past year.

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. The continuing work against all the assertions of the DSPT is anticipated to support the Trust being in a compliant position by June 2021.

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 2021/22, 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 weekly 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 Risk Management, but a Board commissioned review issued a positive opinion. Deployment of our policy tracking electronic solution has been slow, not least with COVID-19, and will occur in coming months.

We have reviewed the structures and systems to provide oversight of our major development of the Midland Metropolitan University Hospital. This is currently anticipated to open in 2022. A dedicated Board committee remains in place to ensure cohesion in our approach to the clinical model, workforce change and the construction itself.

With significant changes in leadership personnel over the last six months, and the work of managing the pandemic, it is in the early quarters of 2021/22 that we will be best placed to consider any further changes needed to our committee arrangements to make sure that they are purposive and proportionate. These decisions will be informed by the Governance Review commissioned by the new Chair. Where we can, we will seek to reduce the scale and frequency of meetings and to improve work to provide evidence of compliance held in repositories to permit ongoing audit.

The Trust has engaged very actively with our ICS and ICP colleagues, and has agreed arrangements in principle associated with the provider collaborative.

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Conclusion

2020/21 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 2019/20.

In 2019/20 Information Governance and Workforce Assurance were identified as significant risks. The pandemic has inevitably slowed focus on some improvements. These risks remains pertinent, but some significant work on IG has taken place in year and new management arrangements are in hand. Similarly there has been a focus on workforce assurance to mitigate the risks detailed in the previous annual governance statement and the improvement plans will continue to be monitored through the People and OD Committee.

The incoming chair has commissioned an external evaluation of our governance arrangements to provide a baseline from which the Trust can implement improvements.

I consider that the significant internal control issues identified during 2019-20 continued to persist into the period of 2020-21, largely due to the scale of work required to address these matters. The external evaluation of our governance arrangements will support and possibly extend, the improvement plans already in place.

Signed 

Interim Chief Executive Date: 1 July 2021

Remuneration and Staff Report

Overview of terms of service governance

The Remuneration and Terms of Service Committee, met on [tba] occasions during 2020/21. It is chaired by Harjinder Kang, Non-Executive Director, and attended by all non-executive directors. The outcome of meetings is reported to the Board. The main matters considered in year were:

- Reviewing executive director salaries by reference to large Trust median peer group excluding London
- Considering succession planning proposals from Acting Chief Executive and agreeing salary ranges for hires under that plan
- Ensuring implementation of national salary instructions in respect of non-executive directors
- Reviewing proposed Executive Group appointments including interim appointments.

Membership of the Committee is the Trust Chair and all Non-Executive Directors. At 31 March 2021 these were:

- Richard Samuda (Chair)
- Harjinder Kang (Vice-Chair)
- Michael Hoare
- Mick Laverty
- Waseem Zaffar
- Kate Thomas
- Lesley Writtle

It is not the Trust's policy to employ Executive Directors on 'rolling' or 'fixed term' contracts; all Executive Directors' contracts conform to NHS Standards for Directors, with arrangements for termination in normal circumstances by either party with written notice of 6 months. The salaries and allowanced of senior managers cover both pensionable and non-pensionable amounts.

Items contained within the table Salaries and Allowances of Senior Managers and Pension Benefits and the section on pay multiples are auditable and are referred to in the audit opinion.

The new Children's Emergency Care Unit at City Hospital.

Remuneration and Staff Report

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

SALARIES AND ALLOWANCES OF SENIOR MANAGERS								
Name and Title	2020-21				2019-20			
	(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
Richard Samuda, Chair	20-25	200	0	20-25	20-25	0	0	20-25
Olwen Dutton, Non-Executive Director (Vice Chair) (to 30/6/19)	0	0	0	0	0-5	0	0	0-5
Cathyrn Thomas, Non-Executive Director	10-15	0	0	10-15	5-10	0	0	5-10
Marie Perry, Non-Executive Director	0-5	0	0	0-5	5-10	100	0	5-10
Mick Laverty, Non-Executive Director	10-15	0	0	10-15	5-10		0	5-10
Waseem Zaffar, Associate Non-Executive Director	10-15	0	0	10-15	5-10	0	0	5-10
Harjinder Kang, Non-Executive Director	10-15	0	0	0-5	5-10	0	0	5-10
Lesley Writtle, Non-Executive Director (from 1/3/20)	10-15	0	0	10-15	0-5	0	0	0-5
Michael Hoare, Non-Executive Director Designate	10-15	0	0	10-15	5-10	0	0	5-10
Toby Lewis, Chief Executive	205-210	0	47.5-50.0	255-260	190-195	0	47.5-50.0	240-245
Richard Bekeen, Interim Chief Executive (from 8/2/2021)*	35-40	0	0	35-40	0	0	0	0
Antony Waite, Director of Finance & Performance Management (to 02/08/19)	0	0	0	0	50-55	0	0	50-55
Dinah McLannahan, Chief Finance Officer (from 11/03/2020)	140-145	0	85.0-87.5	225-230	115-120	0	50.0-52.5	170-175
Paula Gardner, Chief Nurse (to 18/06/20)	25-30	0	0	25-30	120-125	0	0	120-125
Kathleen French, Interim Chief Nurse (from 19/06/20 to 20/12/20)	50-55	0	0	50-55	0	0	0	0
Mel Roberts, Acting Chief Operating Officer (from 10/10/20 until 03/01/21), Acting Chief Nurse (from 04/01/21 - 31/03/21)	60-65	0	127.50-130.0	190-195	0	0	0	0
David Carruthers, Medical Director - Acting Chief Executive from 15/06/21 until 07/02/21	190-195	0	0	190-195	180-185	0	0	180-185
Liam Kennedy, Chief Operating Officer (from 10/03/20)	125-130	0	0	125-130	5-10	0	0	5-10
Rachel Barlow, Chief Operating Officer (until 09/03/20)	-	-	-	-	125-130	0	25.0-27.5	150-155
Kam Dhami, Director of Governance	100-105	0	15.0-17.5	115-120	100-105	0	22.5-25.0	125-130
Raffaela Goodby Director of Organisation Development (until 30/09/20)	65-70	0	37.5-40.0	105-110	110-115	0	27.5-30.0	140-145
Bethan Downing, Acting Director of Workforce & Organisational Development (from 01/10/20 until 31/12/20)	30-35	0	35.0-37.5	65-70	0	0	0	0
Frieza Mahmood, Director of Workforce & Organisational Development (from 01/01/21), Acting Director of Workforce & Organisational Development (from 01/10/20 until 31/12/20)	50-55	0	62.5-65.0	110-115	0	0	0	0

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.)

During the year, the Government announced that public sector pension schemes will be required to provide the same indexation in payment on part of a public service scheme pensions known as the Guaranteed Minimum Pension (GMP) as applied to the remainder of the pension i.e. the non GMP. Previously the GMP did not receive full indexation. This means that with effect from August 2019 the method used by NHS Pensions to calculate CETV values was updated. Therefore the method in force at 31 March 2020 is different to the method used to calculate the value at 1 April 2019. The real increase in CETV will therefore be impacted and will in effect, include any increase in CETV due to the change in GMP methodology.

The information included below has been subject to external audit.

Pay Multiples

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

The midpoint banded remuneration of the highest paid director/Member in the Trust in the financial year 2020-21 was £207,500 (2019-20, £192,500). This was 8 times (2019-20,7) the median remuneration of the workforce, which was £27,416 (2019-20, £30,615).

In 2020-21, 2 (2019-20, 7) employees received remuneration in excess of the highest-paid director/member. Remuneration ranged from £210,000 to £255,000 (2019-20 £200,000-£270,000).

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.

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

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 2021	Lump sum at pension age related to accrued pension at 31st March 2021	Cash Equivalent Transfer Value at 31st March 2021	Cash Equivalent Transfer Value at 1st April 2020	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	£'000
Toby Lewis, Chief Executive	2.5-5.0	0-2.5	65-70	130-135	1126	1039	42	0
Dinah McLannahan, Acting Director of Finance & Performance Management (Chief Finance Officer from 11/03/20)	5-7.5	5-7.5	30-35	60-65	551	457	67	0
Kam Dhami, Director of Governance	0-2.5	0	45-50	95-100	833	786	20	0
Mel Roberts, Acting Chief Nurse	2.5-5.0	5-7.5	35-40	85-90	700	565	45	0
Bethan Downing, Acting Director of Workforce & Organisational Development (from 01/10/20 until 31/12/20)	0-2.5	0-2.5	15-20	30-35	267	230	0	0
Frieza Mahmood, Director of Workforce & Organisational Development (from 01/01/21), Acting Director of Workforce & Organisational Development (from 01/10/20 until 31/12/20)	0-2.5	2.5-5.0	15-20	30-35	236	187	11	0

Fair Pay Disclosure

The Trust complied with its gender pay gap reporting requirements during 2019/20 and will upload our next report by 5 October 2021. The reports are published online at https://gender-pay-gap.service.gov.uk/Employer/4zIwraun – search Sandwell & West Birmingham Hospitals NHS Trust.

Dr Vaishnavi Kumar, Trust Chief Registrar.

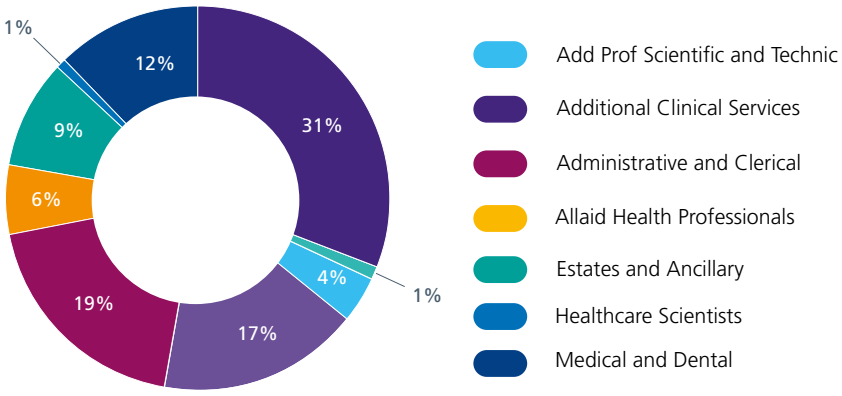
Our Workforce

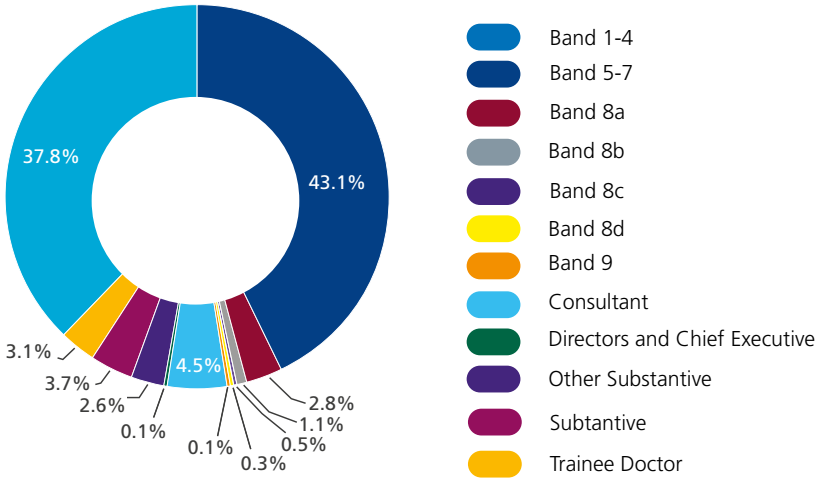
Our workforce is our biggest asset and we invest heavily in education, development and health and wellbeing services for all colleagues.

Staff report

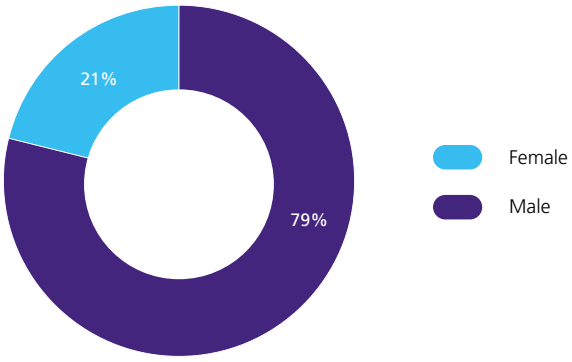
Managers and Senior Managers	Band 7	43
	Band 8 - Range A	40
	Band 8 - Range B	42
	Band 8 - Range C	22
	Band 8 - Range D	13
	Band 9	9
	Directors & Chief Executive	11

Workforce profile 2021

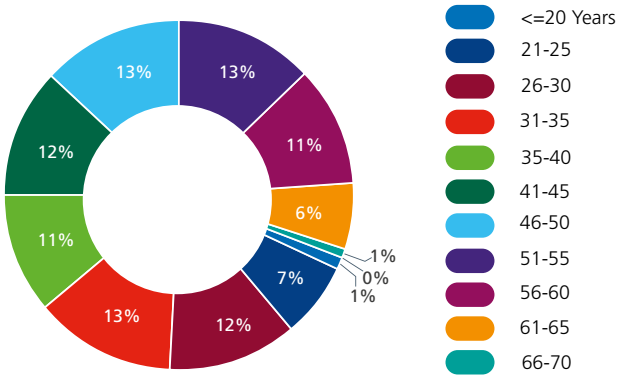




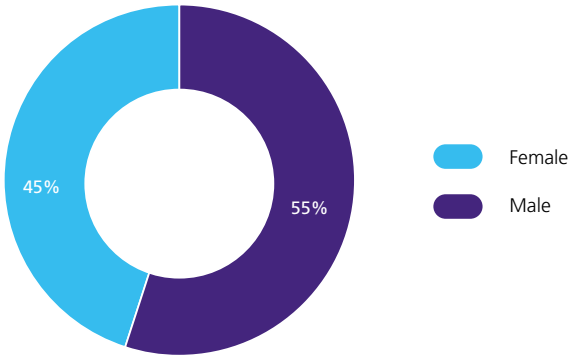
All Employees Gender Profile 2021



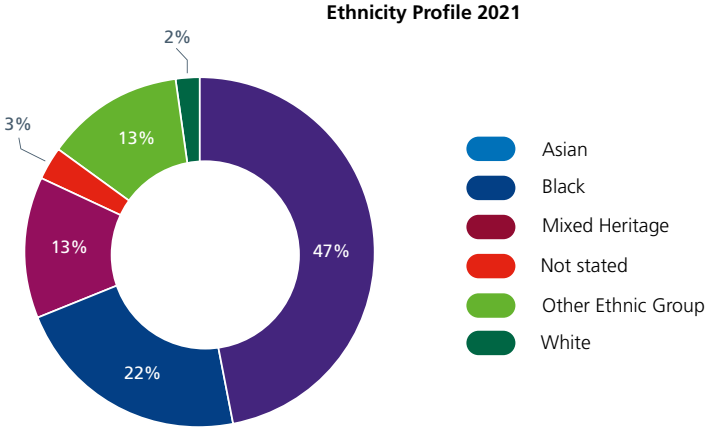
Age Profile 2021



Directors Gender Profile 2021



Ethnicity Profile 2021



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

Staff costs

			2020/21	2019/20
	Permanent	Other	Total	Total
	£000	£000	£000	£000
Salaries and wages	299,848	-	**299,848**	262,331
Social security costs	30,134	-	**30,134**	26,509
Apprenticeship levy	1,480	-	**1,265**	1,265
Employer's contributions to NHS pension scheme	45,608	-	**45,608**	41,021
Pension cost - other	-	-	**-**	-
Other post employment benefits	-	-	**-**	-
Other employment benefits	-	-	**-**	-
Termination benefits	-	-	**-**	-
Temporary staff	-	17,267	**18,911**	18,911
Total gross staff costs	**377,070**	**17,267**	**394,337**	**350,037**
Recoveries in respect of seconded staff	-	-	**-**	-
Total staff costs	**377,070**	**17,267**	**394,337**	**350,037**
Of which				
Costs capitalised as part of assets	2,311	-	**2,311**	2,737

Average number of employees

			2020/21	2019/20
	Permanent	Other	Total	Total
	Number	Number	Number	Number
Medical and dental	903	149	**1,051**	**958**
Administration and estates	1,285	200	**1,485**	**1,282**
Healthcare assistants and other support staff	1,608	285	**1,893**	**1,753**
Nursing, midwifery and health visiting staff	2,055	391	**2,446**	**2,309**
Scientific, therapeutic and technical staff	612	62	**674**	**605**
Healthcare science staff	22	-	**22**	**22**
Total average numbers	**6,485**	**1,086**	**7,571**	**6,929**
Of which				
Number of employees (WTE) engaged on capital projects	36	-	**36**	**132**

				12m Rolling Sickness Percentage (%)											
Groups	**Group FTE**	**Target (%)**	**Baseline (19/20) (%)**	**Apr-20**	**May-20**	**Jun-20**	**Jul-20**	**Aug-20**	**Sep-20**	**Oct-20**	**Nov-20**	**Dec-20**	**Jan-21**	**Feb-21**	**Mar-21**
Corporate	1487.75	3.00	4.59	4.94	4.99	4.91	4.88	4.86	4.84	4.82	4.88	4.90	5.05	5.08	4.91
Imaging	254.58	3.00	4.05	4.20	4.26	4.21	4.38	4.33	4.24	4.26	4.39	4.39	4.66	4.72	4.62
Medicine & Emergency Care	1409.61	3.00	5.33	5.96	6.21	6.28	6.32	6.41	6.55	6.66	6.85	6.98	7.16	7.21	6.95
Primary Care, Community and Therapies	1132.82	3.00	4.26	4.60	4.80	4.84	4.81	4.84	4.89	4.94	5.08	5.06	5.15	5.13	5.01
Surgical Services	1371.31	3.00	5.39	5.85	6.16	6.22	6.30	6.35	6.39	6.27	6.15	6.11	6.39	6.61	6.47
Women & Child Health	879.96	3.00	5.54	5.77	5.76	5.72	5.66	5.60	5.59	5.61	5.63	5.63	5.80	5.94	5.75
Trust	**6536.02**	**3.00**	**4.98**	**5.38**	**5.54**	**5.55**	**5.56**	**5.57**	**5.62**	**5.62**	**5.68**	**5.70**	**5.89**	**5.97**	**5.79**

The information included below has been subject to external audit.

Reporting of compensation schemes

There were no compensation scheme payments in 2020/21.

Then Exit packages

There were no exit packages in 2020/21.

Off pay-roll engagements

There are no off payroll engagement of Board members or senior officials with significant financial responsibility between 01 April 2020 and 31 March 2021.

Consultancy services

During 202/21 the Trust complied with the controls introduced by the NHS Trust Development Authority in 2015/16 which included the requirement for NHS bodies to seek approval for consultancy projects over £50,000. No expenditure was incurred.

Staff policies applied during the financial year

Due the COVID-19 pandemic, only a small number of policies were reviewed during the year and structures are being put in place to ensure our policies are up-to-date and subject to regular review to ensure they are fit for purpose and in line with best practice. Our revised policy for managing staff absence was implemented in August 2020, and a training programme is being developed to further support managers as it was difficult to fully embed while managers and staff were challenged in dealing with the pandemic.

All policies affecting staff are consulted on with our Staff Side representatives to represent the views of our staff. In addition, we actively canvass input from our managers and key stakeholders including our staff networks for ethnic minority, LGBT and staff with a disability and long-condition.

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. The development of our governing body and the expansion plans we have for our charitable foundation will also reinforce this work. 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; the appointment to these two key roles demonstrate our ongoing commitment to equality and inclusivity and the delivery our action plan which has been aligned to four key priorities:

- Efficacy of recruitment and employee relations practices
- Equitability of access to career progression and employee development opportunities
- Fairness in relation to the application of pay and related benefits
- Relevance and timeliness of support for those with additional needs/requirements

In 2020/21 we made the following progress against these priorities:

- Efficacy of recruitment and employee relations practices
  a) A review of the Trust's Recruitment Procedure.
  b) The establishment of a system for analysing recruitment data from the 'Trac' recruitment system.
  c) Review of the system for commissioning investigations within the Trust and utilising data generated by the Case Investigation Unit to determine trends which may identify where processes may have been applied inequitably.
- Equitability of access to career progression and employee development opportunities
  a) Gaining commitment and funding for facilitated Board Development sessions to tackle unconscious bias.
  b) The commitment via the STP Black Lives Matter Group for the Trust to run a Reverse Mentoring Scheme which all aid career progression and development for ethnic minority staff; also known as "upward mentoring".
  c) Commencement of discussions to establish, and potentially expand, the existing Female Clinicians Group which supports the career progression of female clinicians as one of its aims as a staff network.
  d) Commitment to support future 'Stepping Up' development programmes from ethnic minority staff, to include development opportunities to enable participating staff to put their learning into practice.
- Fairness in relation to the application of pay and related benefits
  a) Further analysis of the Trust's gender pay gap data and the identification of target areas for action by Band and Staff Group. Analysis is ongoing to identify key areas for action.
- Relevance and timeliness of support for those with additional needs/requirements
  a) The development of a Policy to support reasonable adjustment passports for disabled staff.

As part of our commitment to the EDI agenda we have commissioned cohort one of the RCN Cultural Ambassador programme which will commence in June 2021. The Cultural Ambassadors within our organisation will support the employee relations processes with a view to enhancing fairness and removing the potential of cultural bias occurring.

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.

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 employ a full time staff side convener, who attends Trust Board meetings, and other key forums. In addition, and in recognition of our challenging workforce agenda while plan for restoration and recovery, and the opening of our new hospital, we have appointed a full time deputy staff side convenor. 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. Partnership working throughout the pandemic has been vitally important, and representative have carried out health and safety inspections and supported giving key messages to staff relating to PPE and vaccinations.

Human capital management such as career management and employability

The Trust continued to provide a dedicated training budget in excess of £1m to ensure staff are able to undertake further development for their role and future careers. In 2020/21 this was also supplemented by Health Education England (HEE) Continuing Professional Development (CPD) funding for nurses, midwives and Allied Health Professionals (AHPs). As with other areas in the Trust, staff development has been impacted by the COVID-19 pandemic, however, and where possible, learning has continued to be provided in different ways, including via video, online and virtual training. All new starters to the Trust receive an induction and are supported to ensure they have everything they need to be ready to start working in their new role.

The Aspiring to Excellence Performance and Development Review (PDR) process continued during the year to support colleagues and plans are underway to change the focus slightly for 2021/22 to ensure colleagues have a personal conversation and plan that includes recognising the impact of COVID-19, their contributions during that time and checking on wellbeing.

Training in our electronic patient record system, Unity, has continued with additional courses created 'in house'. Since April 2020, over 2,000 staff have completed core Unity modules. This included specific 'fast track' courses that were created for over 300 staff who were to be moved to COVID-19 inpatient areas from non-inpatient areas. Together with medical leads, there were also other courses set up to cover clinical information and processes relating to the pandemic with over 400 completions. Plans are underway to implement the Cerner Theatres and Anaesthesia solution, Surginet in 2021, with staff training being planned.

The Trust is one of only a few NHS Apprenticeship Providers and we are really proud to be able to educate, develop and grow our workforce with our own training offer as well as close working with local universities for higher level apprenticeships. Currently there are over 250 colleagues undertaking an apprenticeship training

programme with around 100 of those staff being trained by our own provision. In addition we offer Functional Skills Maths and English lessons at levels 1 and 2. The last 12 months have been challenging with the COVID-19 Pandemic and although some colleagues took a break in learning many continued with their education and training with many achieving a "Distinction".

We continued to promote nurse associate pathways – with cohorts of learners continuing with local universities. Support for nursing and midwifery students included induction and virtual training, and ensuring safety with COVID-19 restrictions and guidelines. The coming year will also be busy with post COVID-19 recovery, exploring future pathways for top up degrees, international recruitment and new apprenticeships being developed.

Widening Participation Strategic Projects and Programmes

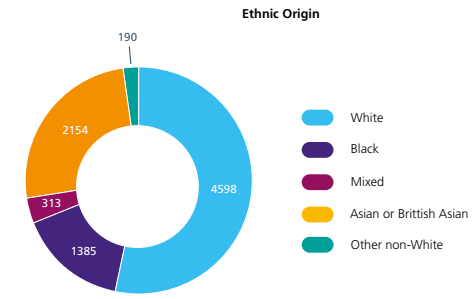
Within our Trust, widening participation is a core strategy which has benefits both to the organisation and to our local community. From facilitating people from the local refugee and migrant population to return to a career in healthcare, to engaging with young people and ex-offenders, the trust and the community have reaped huge rewards. Key benefits and outcomes include:

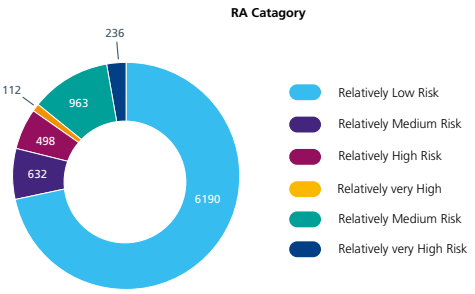
- Enabled over 300 people to take steps to get back into a medical workforce role - with 40 per cent now employed in the local NHS.
- Placed four interns at the end of their learning disability internships into paid permanent work in catering, hospitality and finance in the trust or other local trusts.
- Used diverse methods of recruitment and talent spotting which has made the trust a more inclusive organisation.
- Developed a workforce representative of the local area and patients.

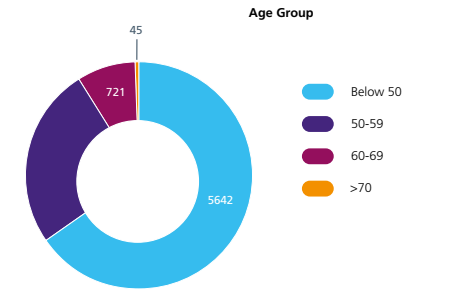
Staff risk assessments

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. It is a stratified tool generating scores which then help in categorising staff into four separate risk categories for health conditions and two categories for pregnant staff. Staff members complete the health and demographic questionnaire which is processed by Occupational Health to maintain confidentiality and a letter is sent to the staff member and their manager advising them of their individual vulnerability category and measures recommended for them in relation to PPE and other control measures. Along with this letter they also receive a 'manager's checklist' which is jointly completed with their manager for workplace part of the risk assessment and control measures.

Any member of staff who may have health issues not captured by the risk assessment tool or there are other health considerations consideration is offered a further individual risk assessment. With a database approach to risk assessment we have access to data in real time to be able to react very quickly to any changes to risk among individuals and the organisation. This has helped plan deployments and prioritising vaccines and other measures as well as monitoring. The breakdown of risk assessment categories and demographic distribution in the organisation is depicted in the charts below.







Wellbeing

In the first wave of COVID-19, the Trust made the decision to purchase specialist external training to support staff in having wellbeing conversations with their colleagues - between May 2020 and March 2021, 215 staff completed a half day training session in how to have a REACT mental wellbeing conversation as part of this initiative. Staff who have completed this training are spread across the whole organisation with approximately 80% of departments having one or more staff members trained, although areas such as Acute and Emergency Medicine, Critical Care and surgery have between 4 to 8 people trained. Other wellbeing support was offered in the form of team debriefs after traumatic incidents, one to one resilience coaching and counselling and also the establishment of the wellbeing hub which offered a range of therapeutic interventions for staff. In addition to this video materials were made available for staff on how to have general wellbeing conversations with their colleagues to also help provide as much peer to peer support as possible during the year.

Throughout the pandemic, the Trust has also responded to feedback from colleagues, and some the supportive measures put in place include:

- Support through Occupational Health; Counsellors; React practitioners
- Resource Pack for managers and staff, regularly updated and shared on the intranet
- Weekly COVID-19 bulletin
- Encouraging staff to take annual leave, and latterly offered the opportunity to sell untaken leave
- 'press pause' as part of the recovery plan
- The Sanctuary – offering a haven for staff to rest and recharge
- Local 'wellbeing' rooms
- Food, water, refreshments and food vouchers
- Managers supporting redeployed staff
- Wellbeing calls to shielding staff – also making attempts to find work from home tasks where possible

Support to shielding staff

Keeping colleagues safe throughout the pandemic has been a key Trust priority throughout the COVID-19 pandemic. We continually reviewed guidance for colleagues who were shielding and regularly updated our guidance.

All shielding colleagues were supported with phone calls from the Sanctuary during the first and second wave to ensure that they had support from friends and family to get their essentials such as grocery and medication. In addition, roles were modified to try and allow as many staff to continue working from home, and risk assessments were carried out to assess their ability to return (managers were provided with supporting documentation to facilitate supportive and meaningful conversations).

We have adapted our guidance, and provided ongoing support, as the situation has changed and will continue to work with our colleagues to ensure a safe return to working or facilitate alternative options where possible. PPE, infection control and social distancing requirements have remained in place, together with local arrangements for track and trace, lateral flow/lamp and PCR testing.

Change to home working

Like most employers, the Trust had to adapt very quickly in response to the COVID-19 pandemic. Many of colleagues have been able to work very effectively from home, where new systems were introduced, eg, Webex Teams video conferencing to facilitate meetings, and equipment was provided, including laptops and mobile phones. While some coronavirus restrictions remain in place, we are encouraging our colleagues to continue to work from if they can. However, we are currently looking at options to integrate staff back in the workplace in a safe and co-ordinated way as we recognise the importance of team interaction, and many staff may be looking forward to returning to an office environment and catching up with friends and colleagues. Managers are being encouraged and supported to have open discussions so that any working arrangements are coordinated effectively and managed safely. Our home working guidance has been in place throughout the pandemic, and regularly updated to adapt to local and national changes.

In addition, we are doing a thorough review of our current and future needs in terms of administrative office space, to ensure they meet our requirements for now and in 2022 when the new Midland Metropolitan University

Hospital opens; this review takes account of COVID-19 guidelines so that we are prepared for the present risk and any future waves.

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 have met the national (revised) core standards in place for response to COVID-19.

We have been responding to COVID-19 since 31 January 2020, through two waves of high levels of infection and admissions to the Trust. Previous training and practices for establishing and running a command and control ensure the Trust response and recovery plans were coordinated and responsive to rapid national guidance and information. We actively engaged and lead on partnership initiatives with health and social care providers to support the management of response to and wellbeing of others through COVID-19. Identified learning from wave 1 was captured, actioned and integrated into the underpinning principles of strategies used in wave 2. As we restore normal EPRR working, we are firmly focused on training, exercise and preparedness for our move into our new hospital, the Midland Metropolitan University Hospital (MMUH).

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.

Vaccination Hub in Sandwell Education centre.

Sustainability report

Over the last year we were very pleased with recognition of our efforts when we won two awards for our sustainability work. On winning the Environmental Sustainability Award at the annual HSJ Awards the feedback included: "The judges were impressed with the public engagement of this entry and the ambition of the Public Health Plan and its incorporation of sustainability. They felt it went beyond the Trust's own metrics, but more importantly talked to the health outcomes of the local population and not just the current patients. Similarly, the social value focus was evident in how they involved and engaged not only their own staff but wider community stakeholders too."

Whilst we also were awarded the 'Contribution to Sustainable Travel – Organisation Award' at the Modeshift National Sustainable Travel Awards. This Award recognises and rewards Modeshift members for projects, events or activities that support and encourage sustainable travel, by highlighting best practice, showing innovation and being inspirational.

We recognise that our healthcare services have the potential to cause a significant impact on the environment. It is therefore our ambition and responsibility to provide high-quality health care that not only enhances patient experience, but delivers healthcare in an environmentally, socially and financially sustainable way.

The Trust is developing a Green Plan (our sustainability strategy) to help drive us towards ambitious net carbon zero targets. This will focus on energy, waste, water, travel, anaesthetic gases, medicines, and much more.

Our 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 and to making sure that our operations, and our estates, are as efficient, sustainable and resilient as they possibly can be.

The Trust's plan is challenging, aiming to address our legal obligations and contribute beneficial outcomes to deliver the sustainability vision for the wider Black Country Sustainable Transformation Partnership (STP). For the Plan to be successful it requires everyone within the Trust 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 ambition is:

1. To deliver high quality care without exhausting resources or causing environmental damage and to preserve resources for future generations. Reducing energy consumption and reliance on fossil fuels is essential. We are also working to reduce our reliance on single-use plastics.
2. To embed sustainability into the heart of our organisation and lead on driving working practice towards using resources, like energy and water,

2019/20 Key Green Statistics

	We produce **20,024 tCO2e** per annum from direct operations.		We currently have solar panels installed at both City Hospital (Birmingham Midland Eye Centre) and Rowley Regis Hospital.
	We produce circa **2,500 tonnes** of waste per annum		We have a **recycling rate of 59%** (1,489 tonnes) of all waste produced by the Trust.
	We are promoting sustainable travel through our **Cycle2Work** scheme.		We are reducing our use of plastics having signed up to the **Plastics Pledge**.

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.

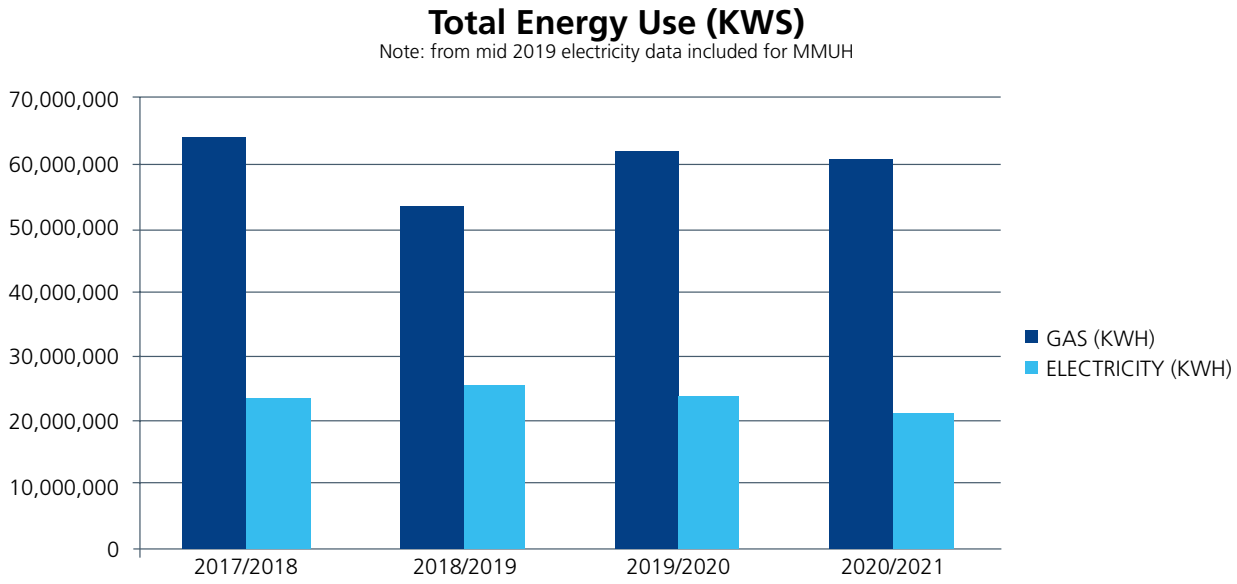
3. To engage and inspire our colleagues and patients to take actions that will collectively make a big impact. We have rolled out our 'Green Impact' staff engagement programme, we actively maintaining and enchasing biodiversity, and support sustainable and active modes of travel to our sites.

Energy and water use in our buildings

The Trust is focussed on the continual reduction of operational resource use, and running costs of essential utilities such as water, electricity, gas and fuel oil, which can also provide opportunities for cost reductions. The Trust continues to monitor and report utility consumption data. Despite challenges, total energy consumption has reduced from the previous financial year. Figure 1 illustrates the total energy use for the Trust.

We have implemented a number of initiatives to reduce energy consumption. Key projects include continued work on LED energy efficiency lighting upgrades, boiler replacements, reviewing our building management system, better control around occupancy, upgrading older and less energy efficient plant and equipment. We 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 2020-21.



*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 2020-21, our solar PV systems generated 81,786 KWH of renewable energy.

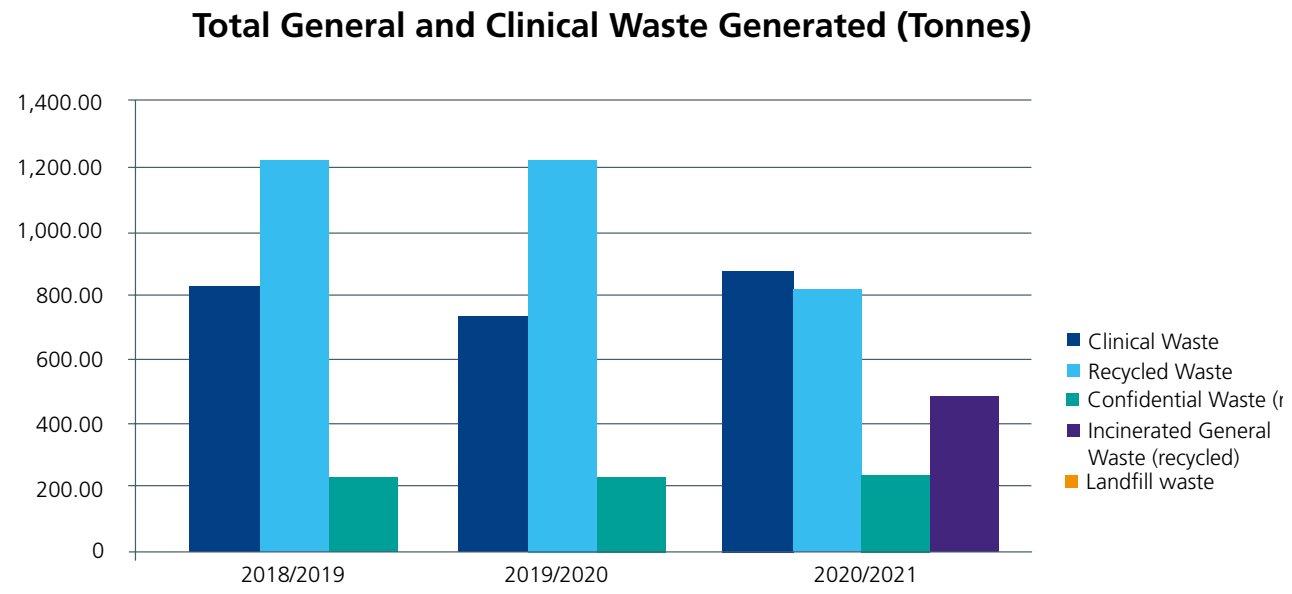
The Trust is working with suppliers to gather data on water consumption. We are committed to making on-going improvements to ensure that water is used wisely and efficiently so that we can work towards our aim of stabilising consumption. This has been a challenge in recent times, with more intensive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

Waste

We understand the importance of using resources in a sustainable manner and have taken steps to reduce the amount of waste we send to landfill. The Trust advocates the waste hierarchy of 'reduce – reuse - recycle – recover' and we are working to reduce our reliance on single-use plastics. 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. Clinical waste disposal has increased during 2020-21 due to Covid-19.

Figure 2: General and clinical waste trends.



The Sustainability team celebrate their in house Green Impact Awards pre pandemic.

	✓ 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 ✓ Reduced energy consumption since the last financial year, despite increased services ✓ 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 will be introducing 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 to a new lease for general transport services (GTS) vehicles. In accordance with the NHS Terms and Conditions of Service, the Trust is prioritising the leasing of low and ultra-low carbon vehicles which are consistent with the UK's carbon reduction strategies and safeguarding of the environment ✓ 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 [1] 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
	✓ 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

[1] NHS Supply Chain, (2020), Single-Use Plastics Pledge, Suitable product alternatives – catering consumables

Engaging with colleagues

Staff survey

Colleagues feel they are making a difference according to latest NHS Staff Survey. In a year that tested NHS organisations across the country SWB colleagues have highlighted improvements in the quality of care and feeling they are making a difference to patients in their responses to the national NHS Staff Survey.

In October 2020, every colleague in our organisation was given the opportunity to take part in the national NHS Staff Survey; over 38 per cent of colleagues completed their survey with 2,786 anonymous responses received.

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/Improvement to support national assessments of quality and safety.

There are a few key insights that we can take away from this year's results:

- I am satisfied with the quality of care I give to patients - 83.5%
- I feel that my role makes a difference to patients - 90.4%
- SWB has made adequate adjustments to enable me to carry out my work - 71.4%
- Care of patients is SWB's top priority - 75.0%

Whilst we look at the good things highlighted in the survey, it's important we review the areas we could do better, and we will be holding a range of listening events throughout June to gain a better insight in to what we can do to improve:

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

weConnect to ensure our teams are engaged

In August 2020 we took part in the last weConnect survey which saw a quarter of the organisation polled and give their views about working for the Trust.

The weConnect survey was wound down due to the provider (Wrightington, Wigan and Leigh Teaching Hospitals NHS Foundation Trust) suspending the programme to external organisations.

The final survey saw an increase in engagement levels in the Trust. Twenty-nine per cent of colleagues responded to the survey which highlighted an improvement in trust and working relationships. There was also a notable rise in advocacy with:

- 64.62% saying they would recommend the Trust as a place to work and
- 75.66% saying they would recommend the Trust as a place to receive care.

Teams involved in the weConnect survey produced action plans on how to make improvements. This could include further targeted surveys or listening events where teams can come together and agree what can be done to ensure colleagues feel they can contribute and have a say in the workplace.

A team deep dive to aid engagement

Part of the weConnect engagement initiative is a pioneer teams programme which sees a small number of teams take part in a six month programme during which they receive dedicated support to drive up engagement in their local areas. Each team is supported by an executive sponsor and a specially trained connector.

The pioneer team programme concluded in December 2020 with seven teams taking part. Despite pressures of the pandemic and teams being redeployed to other areas, colleagues managed to put in place measures to improve the working environment for colleagues.

Future plans for engagement

The Trust is currently considering options for a replacement engagement programme. The development of new organisational values and behaviours framework will assist us in this endeavour also. However, for now, the focus is ensuring we respond to the feedback raised in

the NHS Staff Survey results.

We are also looking forward to taking part in the new national quarterly pulse surveys to be introduced in coming months.

Managers have received a copy of their directorate report which they will be required to share with their teams and jointly develop action plans to make improvements. Teams have also been asked to discuss and put forward suggestions to improve the four main organisational themes (as above). Teams have been given the opportunity to discuss the results during their team time and specially organised WebEx events.

Speaking up

Freedom to Speak up Guardians have been part of the Trust since 2016. During 2020-21 we have undertaken work to make sure that as an organisation we are doing what we should to ensure that our staff feel safe to raise concerns. We have worked with external stakeholders to make sure that we are doing everything that the National Guardian's Office expects of us.

During 2020, a Speak up Guardian attended Trust Board for the first time to present some of the work that is being done to improve our Speak up culture. The guardian also spoke about what it is like to support speak up in the Trust and some of the common themes and trends that had emerged over the past year.

We also participated in the National Guardian's Office Speak up month for the first time, involving staff from across the Trust in what speaking up means to them by using the alphabet to identify key words, such as what accountability and bravery mean to the individuals. Staff from different levels and workforce groups all joined in with this celebration to make it as inclusive as possible. We also provided protected Quality Improvement time to a session on 'speaking truth to power' to emphasise the importance of speaking up.

Speak up concerns can be raised through a number of routes which include;

- Emailing an individual speak up guardian directly
- Emailing the speak up guardian email address which only the Guardians can access
- Through the Staff Networks
- Through a Trade Union or staff side
- Contacting Safecall, a confidential external 'hotline'
- By contacting a member of the Executive team
- Or by contacting the non-executive lead for Speak up

The key priority for the year ahead is appointing our first, fully funded full time Guardian who will lead the Speak up work including building our engagement and communication strategies, and how we ensure that all the workforce know about Speak up. That role will have unfettered access to the Chief Executive and executive team to relay concerns and resolve them quickly.

Our aim is to build a culture where all staff feel that they can safely speak up and raise concerns to their line manager without suffering detriment.

Online first for Star Awards as ceremony goes digital

2020 was a year we will all remember. The year saw a lot of changes and, it was vital for us to recognise the hard work and dedication of colleagues right across our Trust.

On Friday 27 November people gathered together in their work areas and homes to watch Star Awards 2020. The ceremony may have been a digital event, but that didn't stop us from celebrating the hard work, innovation and dedication of our colleagues. It was a celebration of all that is good about our workplace as we recognised the teams and individuals that have made a positive impact for patients and colleagues.

We must say a special thank you to our sponsors, Engie and Tusker. Their support helped us to put together this event and, for that, we share our sincere thanks. Also, a special thank you goes to Des Coleman, a former EastEnders star and now ITV weatherman who once again hosted our event.

In 2020 we received the largest number of nominations in the history of the Star Awards - over 700. Nominations included acts of kindness and stories of overcoming hurdles to provide outstanding leadership. Each nomination had a common thread – our organisation has some remarkable people.

Four awards were chosen by staff. We opened the vote to colleagues, allowing everyone to help decide the most deserving winners. These awards were Non-Clinical Team of the Year, Clinical Team of the Year (Children), Clinical Team of the Year (Adults) and Employee of the Year.

Congratulations to everybody that was shortlisted and to all of our winners.

Our finances and investments

Directors' Report

I don't think any of us have known or could have expected a year like the financial year 2021. Looking back at last year's report, Covid-19 featured, but did not dominate; only really impacting in the final weeks of 1920. Of course, all of 2021 was dominated by Covid-19, and in many ways it has changed the NHS financial landscape forever. Operationally too we were focused as a finance directorate on supporting the response, ensuring sufficient supply of appropriate personal protective equipment (PPE), training as fit testers for FFP3 masks, manning PPE distribution hubs 7 days a week, supporting the accurate payment of redeployed staff at different rates of pay, and continuing to pay suppliers in a timely way, ensuring cash was flowing as it normally would. All this was achieved having moved en masse to working from home, which they did (without exception) quickly, quietly and effectively with no disruption to the service we provide to the Trust. In the case of our Better Payments Practice Code, the team have improved performance since working remotely, achieving nearly 95% in the month of November 2020. I am exceptionally proud of the response from all of the finance team, but particularly of procurement colleagues, who seemingly instantly dropped the concept of their day jobs and contracted hours to support our colleagues with PPE. It was a very uncertain environment to navigate in the early days of the pandemic and I am proud that we have been able to offer our staff full protection at all times, as well as being able to offer mutual aid to other Trusts, Hospices, Housing Associations and Care Homes when they needed it.

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 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 1920, but managed to achieve the financial performance target of c£17m 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 financial regime for the first half of the financial year was simple, but very clever at the same time. Block income values were determined based on what Trusts had received in Months 1-9 of the previous year; this was compared to expenditure run rates at their traditionally highest rate (the months of November, December and January when winter pressures are at their peak) and if there was a gap of expenditure over income, an extra top up was added, the rationale being that covers the

The Trust introduced Energy Pods for staff to use which helped to relax and rejuvanate them at the end of a shift or during their break.

base expenditure run rate at the busiest time of the year. Then on a monthly basis, if Trusts spent more than their block of income, we made a claim for retrospective top up. The expectation was that this would be the premium cost of responding to the pandemic, net of savings realised from lower levels of elective activity than would normally be seen. These claims were validated and refunded in arrears. This regime was in place for the first six months of the financial year, and worked well. There was also a process for approval and reclaim of costs in relation to capital equipment, which were significant particularly for medical equipment and IT to facilitate virtual clinical and non-clinical ways of working. The Trust was relatively fortunate in that it had sufficient expansion space (from old wards vacant in preparation for MMUH) to not require major estates and building works. It was able to expand during the second wave from two ITUs, to four, for example. Costs were also driven by the Trust having quite a lot in comparison to others of "Nightingale" style wards (mostly at City, and again reflecting the need for MMUH), which meant side rooms to aid infection control were limited.

In the second half of the financial year, the focus was expected to be on restoration and recovery. For the first time, but expected to remain, system wide allocations were made based on individual organisational blocks, plus system wide pots for expected Covid-19 costs and a smaller pot for cost growth, either development or inflation driven. The Black Country and West Birmingham (BCWB) Sustainability and Transformation Partnership (STP, now Integrated Care System, ICS) agreed a process to allocate the system wide pots of resource, and acknowledging that it wasn't possible to adopt a scientific approach to this, and in advance of a likely wave 2, we entered in to a financial risk share arrangement for the second half of the financial year. This agreed principles such as no one organisation being in surplus if another was in deficit, ensuring any performance ahead of plan was returned in to the risk share for redistribution, at the same time ensuring risks not covered by the financial plan could be mitigated. The ICS set a financial plan for the second half of the year of £27m deficit. The SWBH share of this was £4.3m, made up specifically of £2m income required in relation to MMUH decommissioning and double running costs (also known as "Taper Relief") and £2m in relation to mainly catering and car parking income that had reduced with the reduced footfall to our sites during the pandemic.

Wave 2 began to hit in late December and was, of course, much worse than Wave 1, not only in acuity and volumes of patients (many more inpatients with Covid-19 but also we did not see the same drop in non-Covid-19 activity that we had seen in Wave 1), but also for our staff. Sickness rates were higher than in Wave 1 and although we had the experience of the first wave, the workforce was tired. We responded to this with investment in wellbeing, with any reasonable requests to enhance and support wellbeing being considered. This included free food vouchers for all staff, and deliveries of frozen meals, sandwiches and wraps, snacks, and lots of juice and water to all inpatient areas. The focus on inpatients reflected the inability to leave clinical areas easily due to PPE and infection control requirements, but we also made deliveries of snacks and drinks and food vouchers to our community services when requested. We also reviewed our bank rates of pay to ensure we could safely staff our clinical areas with the demand and sickness rates.

During Q4, the Trust was compensated for the £4.3m of non-NHS income behind its deficit plan, and also received cash backed funding for most of the increase in the provision for Annual Leave not taken by 31st March, which increased significantly due to operational demand, although the Trust was as clear as it could be that wherever possible, annual leave should be taken to ensure colleagues rested sufficiently. Despite exceptionally high costs in January and February, his enabled the Trust overall to put surplus funds in to the BCWB ICS risk share, along with one or two others, and achieved a small surplus position of £383k for the 2021 financial year. The block regime has continued for the first half of 2122, which is welcomed, whilst we focus on the safe removal of Covid-19 related costs as much as possible, and restoration and recovery of our staff and elective activity to address clinically prioritised waiting lists, within a journey back to recurrent budgets.

In figure 1 is what the Trust reported as Covid-19 expenditure during 2021. There was not a prescribed way to account or report expenditure as Covid. At SWBH we created a code that could be used to purchase goods and services in the response, capturing the expenditure in one place. This enabled us to ensure full visibility of spend which was typically authorised through the tactical and strategic command meetings. As there was no specific guidance, Trust estate is different and there were varying levels of Covid activity, this does make direct comparison of figures from one Trust to another difficult.

Figure 1

Covid-19 Revenue Expenditure 2020/21	£'000s
Purchase of healthcare from non-NHS and non-DHSC group bodies	22
Staff costs	21,794
Supplies and services – clinical (excluding drugs costs)	2,384
Supplies and services - general	5,878
Drugs costs (drug inventory consumed and purchase of non-inventory drugs)	1,317
Consultancy	0
Establishment	815
Premises - other	6,548
Transport	9
Education and training - non-staff	31
Other	289
Total	**39,087**
Of which:	
Increase ITU capacity (including increase in hospital assisted respiratory support capacity, particularly mechanical ventilation)	7,364
PPE	3,282

Premises costs include office equipment and IT, and minor modifications to the estate and infrastructure in response to the pandemic. From a capital point of view, the Trust was funded via Covid-19 processes for £397k of IT infrastructure and equipment to support Stay at Home, £567k to support remote clinical working, and £256k on expanding Critical Care services and creation of a non-invasive ventilation (NIV) unit. During the pandemic the Trust more than doubled its Critical Care capacity.

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%.

These duties are further explained as follows:

Breakeven Duty

Al though the Trust was reliant on retrospective top up for Covid-19 expenditure to achieve break even in the first 6 months of the financial year, and although set a small deficit plan for the second half, was able to achieve break even as described above. This performance therefore meets the breakeven duty required of the Trust.

Figure 2 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)

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.

Figure 2 Income and Expenditure Performance

Income and Expenditure Performance	2020/21	2019/20
	£000s	£000s
Income for Patient Activities	528,987	475,836
Income for Education, Training, Research & Other Income	86,222	68,197
Total Income	**615,209**	**544,033**
Pay Expenditure	(402,875)	(347,300)
Non Pay Expenditure including Interest Payable and Receivable	(214,148)	(196,392)
Public Dividend Capital (PDC) - Payment	(4,096)	(8,595)
Total Expenditure (Including Impairments and Reversals)	**(621,119)**	**(552,287)**
Surplus/(Deficit) per Statutory Accounts	(5,910)	(8,254)
Exclude Provider Sustainability Fund (includes Prior Year incentives)	0	(18,440)
Exclude Impairments and Reversals	6,524	8,695
Adjustment for elimination of Donated and Government Grant Reserves	(231)	135
Total I&E Performance	**383**	**(17,864)**

CRL

Further detailed information on capital spend is shown below at Figure 6. 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 £218.483m for 2020/21, the Trust's relevant expenditure was £185.744m, thereby undershooting by £32.739m and achieving this financial duty.

EFL

The EFL is a control on the amount a trust may borrow and also determines 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 £196.858m, the Trust's cash flow financing requirement was £131.521m, 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 which is set nationally at 3.5%. The value of this rate of return is reflected in the SOCI as PDC dividend (as shown in Figure 2), an amount which trusts pay back to DH to reflect a 3.5% 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% and accordingly the Trust has achieved this financial duty.

It should be noted that the Trust has not charged a 3.5% dividend charge on MMUH construction costs during 20/21 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 £50m in construction value.

Income from Commissioners and other sources

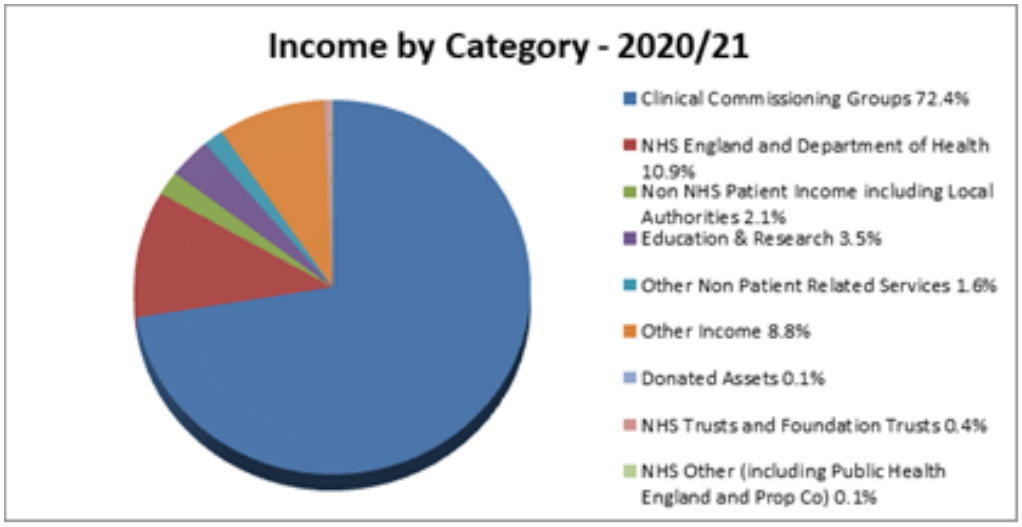
The main components of the Trust's income of £615.659m in 2020/21 are shown below in Figure 3 which shows an overall increase of £71.626m. A large proportion of this is driven by the income received by commissioners that was paid to the Trust for Months 1 – 6 to bring the Trust to a break even position.

Figure 3 Sources of Income

Sources of Income £000s	2020/21	2019/20
Clinical Commissioning Groups 72.4%	445,793	393,084
NHS England and Department of Health 10.9%	66,736	64,402
Non NHS Patient Income including Local Authorities 2.1%	12,853	16,010
Education & Research 3.5%	21,449	18,675
Other Non Patient Related Services 1.6%	10,547	9,348
Other Income 8.8%	53,793	40,093
Donated Assets 0.1%	433	81
NHS Trusts and Foundation Trusts 0.4%	2,730	1,433
NHS Other (including Public Health England and Prop Co) 0.1%	875	907
Total Income	**615,209**	**544,033**

Within Figure 4, the pie chart below, the largest element of the Trust's resources flowed directly from CCGs, 11% from NHSE, and education training and research funds at 3%. 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.

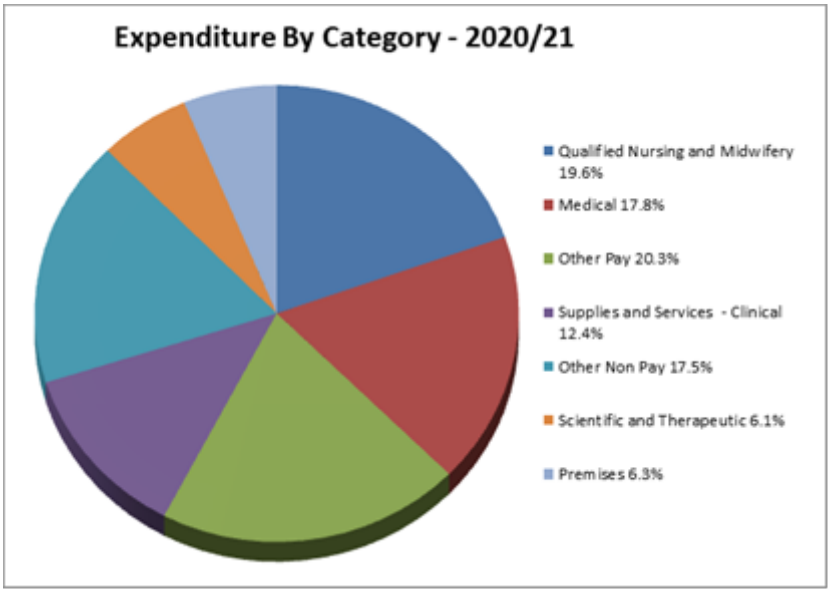
Figure 4 – Income by Category



Expenditure

Figure 5, shows that 64% of the Trust's cost was pay and, within this, were nursing and midwifery 20%, medical staff 18%, other pay 21% and scientific and therapeutic 6%. The categories contain total agency spend of £17.267m for the Trust for the year. This included the impact of additional working capacity required for the Covid-19 demand during the year. The remaining 35% of operational expenditure was non pay, the largest element of which was clinical supplies and services at 12%. This figure includes drug costs and the costs incurred for centrally procured PPE, supplied throughout the pandemic.

Figure 5 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 2020/21 on capital items was £186.177m, including self funded schemes and those funded by PDC, and for the Covid-19 response. 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 - 85% of its capital budget on the Midland Metropolitan University Hospital (MMUH); the spend of £158.545m was funded by PDC contributions. The Trust spent £12.70m on upgrading the Trust's residual Estate, including ensuring compliance with statutory standards.

Key schemes within the Estates capital programme included;

- The Lyndon Primary Care Centre, a new facility for the Carter's Green GP Practice
- Creation of a Children's Emergency Care centre at City Hospital
- Statutory standards, backlog maintenance and Critical Infrastructure projects
- MMUH project support costs and capitalised salaries

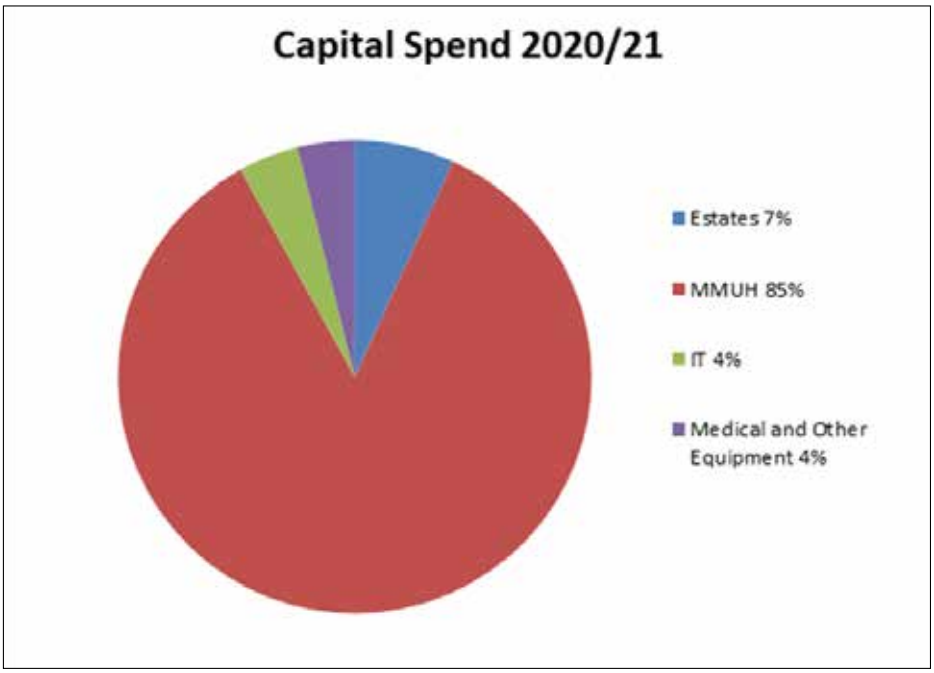
Medical and Other Equipment accounted for £7.279m (including Covid-19 and Critical Care), all of which has a direct impact on clinical quality improvement. Key schemes include;

- Routine replacement rolling programme
- Critical Care expansion including anaesthetic machines and ventilators
- Emergency Department expansion of cubicle capacity
- Endoscopy and Imaging Equipment

IT spend included planned investment on the IT Infrastructure, including networks and end user devices. This totalled £7.534m. Key schemes include;

- Development of the Trust's new EPR system
- Network infrastructure investment
- Firewall
- Shared Care Record

Figure 6 Capital Spend, 2020/21



Audit

The Trust's External Auditors are Grant Thornton UK LLP. They were appointed from 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 2020/21 was £102k including VAT.

As far as the Directors are aware, there is no relevant audit information of which the Trust's Auditors are unaware. 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 2020 were Lesley Writtle, (Chair), Harjinder Kang, Waseem Zaffar, Kate Thomas, Mike Hoare, and Mick Laverty.

Liz Green, Trainee Advanced Clinical Practioner in Sickle Cell and Thalassemia Centre.

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:

Interim Chief Executive

Date: 1 July 2021

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.

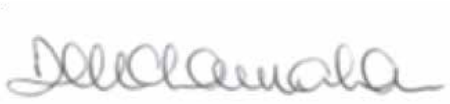
By order of the Board

Signed:

Interim Chief Executive

Date: 1 July 2021

Signed:



Chief Finance Officer

Date: 1 July 2021

Statement of Comprehensive Income

	Note	2020/21 £000	2019/20 £000
Operating income from patient care activities	3	528,987	475,836
Other operating income	4	86,222	68,197
Operating expenses	6, 8	(614,902)	(541,408)
Operating surplus/(deficit) from continuing operations		**307**	**2,625**
Finance income	11	8	223
Finance expenses	12	(2,129)	(2,320)
PDC dividends payable		(4,096)	(8,595)
Net finance costs		**(6,217)**	**(10,692)**
Other gains / (losses)	13	-	(187)
Surplus / (deficit) for the year from continuing operations		**(5,910)**	**(8,254)**
Surplus / (deficit) for the year		**(5,910)**	**(8,254)**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	7	(1,630)	(15,437)
Revaluations	17	-	17,296
Total comprehensive income / (expense) for the period		**(7,535)**	**(6,395)**

Statement of Financial Position

	Note	31 March 2021 £000	31 March 2020 £000
Non-current assets			
Intangible assets	14	232	145
Property, plant and equipment	15	681,405	522,007
Receivables	19	100	181
Total non-current assets		**681,737**	**522,333**
Current assets			
Inventories	18	3,437	5,129
Receivables	19	29,859	45,497
Cash and cash equivalents	20	71,441	23,381
Total current assets		**104,737**	**74,007**
Current liabilities			
Trade and other payables	21	(88,635)	(78,432)
Borrowings	23	(1,553)	(1,876)
Provisions	25	(966)	(715)
Other liabilities	22	(4,909)	(5,475)
Total current liabilities		**(96,063)**	**(86,498)**
Total assets less current liabilities		**690,411**	**509,842**
Non-current liabilities			
Borrowings	23	(25,911)	(27,527)
Provisions	25	(3,630)	(3,604)
Other liabilities	22	(3,680)	-
Total non-current liabilities		**(33,221)**	**(31,131)**
Total assets employed		**657,190**	**478,711**
Financed by			
Public dividend capital		486,117	300,103
Revaluation reserve		8,932	10,704
Other reserves		9,058	9,058
Income and expenditure reserve		153,083	158,846
Total taxpayers' equity		**657,190**	**478,711**

The notes on pages 86 to 133 form part of these accounts.

Signed
Name Mr R Beeken
Position Interim Chief Executive
Date 1st July 2021

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

	Public dividend capital £000	Revaluation reserve £000	Other reserves £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2020 - brought forward	**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)**
Revaluations	-	-	-	-	**-**
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**

Statement of Changes in Equity for the year ended 31 March 2020

	Public dividend capital	Revaluation reserve	Other reserves	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2019 - brought forward	**247,717**	**9,051**	**9,058**	**166,894**	**432,720**
Surplus/(deficit) for the year	-	-	-	(8,254)	**(8,254)**
Other transfers between reserves	-	(206)	-	206	**-**
Impairments	-	(15,437)	-	-	**(15,437)**
Revaluations	-	17,296	-	-	**17,296**
Public dividend capital received	52,386	-	-	-	**52,386**
Taxpayers' and others' equity at 31 March 2020	**300,103**	**10,704**	**9,058**	**158,846**	**478,711**

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	2020/21 £000	2019/20 £000
Cash flows from operating activities			
Operating surplus / (deficit)		307	2,625
Non-cash income and expense:			
Depreciation and amortisation	6.1	18,538	17,276
Net impairments	7	6,524	8,695
Income recognised in respect of capital donations	4	(433)	(81)
(Increase) / decrease in receivables and other assets		17,443	2,440
(Increase) / decrease in inventories		1,692	(421)
Increase / (decrease) in payables and other liabilities		1,839	5,363
Increase / (decrease) in provisions		296	(280)
Net cash flows from / (used in) operating activities		**46,206**	**35,617**
Cash flows from investing activities			
Interest received		8	223
Purchase of intangible assets		(118)	-
Purchase of PPE and investment property		(174,148)	(78,869)
Net cash flows from / (used in) investing activities		**(174,258)**	**(78,646)**
Cash flows from financing activities			
Public dividend capital received		186,014	52,386
Capital element of PFI, LIFT and other service concession payments		(1,939)	(2,390)
Other interest		-	(1)
Interest paid on PFI, LIFT and other service concession obligations		(2,143)	(2,315)
PDC dividend (paid) / refunded		(5,820)	(9,240)
Net cash flows from / (used in) financing activities		**176,112**	**38,440**
Increase / (decrease) in cash and cash equivalents		**48,060**	**(4,589)**
Cash and cash equivalents at 1 April - brought forward		**23,381**	**27,970**
Prior period adjustments			-
Cash and cash equivalents at 1 April - restated		**23,381**	**27,970**
Cash and cash equivalents at 31 March	20.1	**71,441**	**23,381**

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 accounting policies for revenue recognition and the application of IFRS 15 are consistently applied. The contracting arrangements in the NHS changed between 2019/20 and 2020/21 affecting the application of the accounting policy under IFRS 15. This difference in application is explained below.

2020/21

The main source of income for the Trust is contracts with commissioners for health care services. In 2020/21, the majority of the Trust's income from NHS commissioners was in the form of block contract arrangements. During the first half of the year the Trust received block funding from its commissioners. For the second half of the year, block contract arrangements were agreed at a Sustainability and Transformation Partnership level. 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 has received additional income outside of the block and system envelopes to reimburse specific costs incurred and other income top-ups to support the delivery of services. Reimbursement and top-up income is accounted for as variable consideration.

Comparative period (2019/20)

In the comparative period (2019/20), the Trust's contracts with NHS commissioners included those where the Trust's entitlement to income varied according to services delivered. A performance obligation relating to delivery of a spell of health care was generally satisfied over time as healthcare was received and consumed simultaneously by the customer as the Trust performed it. The customer in such a contract was the commissioner, but the customer benefited as services were provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligned with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that were substantially the same and had a similar pattern of transfer. At the year end, the Trust accrued income relating to activity delivered in that year, where a patient care spell was incomplete. This accrual was disclosed as a contract receivable as entitlement to payment for work completed was usually only dependent on the passage of time.

In 2019/20, the Provider Sustainability Fund and Financial Recovery Fund enabled providers to earn income linked to the achievement of financial controls and performance targets. Income earned from the funds is accounted for as variable consideration.

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Comparative period (2019/20)

In the comparative period (2019/20), the Trust's contracts with NHS commissioners included those where the Trust's entitlement to income varied according to services delivered. A performance obligation relating to delivery of a spell of health care was generally satisfied over time as healthcare was received and consumed simultaneously by the customer as the Trust performed it. The customer in such a contract was the commissioner, but the customer benefited as services were provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligned with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that were substantially the same and had a similar pattern of transfer. At the year end, the Trust accrued income relating to activity delivered in that year, where a patient care spell was incomplete. This accrual was disclosed as a contract receivable as entitlement to payment for work completed was usually only dependent on the passage of time.

In 2019/20, the Provider Sustainability Fund and Financial Recovery Fund enabled providers to earn income linked to the achievement of financial controls and performance targets. Income earned from the funds is accounted for as variable consideration.

For 2020/21 and 2019/20

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.

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.

Property, plant and equipment which has been reclassified as 'held for sale' cease to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

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

Assets intended for disposal are reclassified as 'held for sale' once the criteria in IFRS 5 are met. The sale must be highly probable and the asset available for immediate sale in its present condition.

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.

In 2020/21 this includes assets donated to the Trust by the Department of Health and Social Care 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.

Services received

The fair value of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'

PFI Asset

The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at fair value or, if lower, at the present value of the minimum lease payments, in accordance with the principles of IAS 17. Subsequently, the assets are measured at current value in existing use.

PFI liability

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the initial value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the Statement of Comprehensive Income.

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the Statement of Comprehensive Income.

Lifecycle replacement

Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the NHS Trust's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term accrual or prepayment is recognised respectively.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised. The deferred income is released to operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

Assets contributed by the NHS Trust to the operator for use in the scheme

Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the NHS Trust's Statement of Financial Position.

Other assets contributed by the NHS Trust to the operator

Assets contributed (e.g. cash payments, surplus property) by the NHS Trust to the operator before the asset is brought into use, which are intended to defray the operator's capital costs, are recognised initially as prepayments during the construction phase of the contract. Subsequently, when the asset is made available to the NHS Trust, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

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, 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.

Financial assets measured at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income where business model objectives are met by both collecting contractual cash flows and selling financial assets and where the cash flows are solely payments of principal and interest. Movements in the fair value of financial assets in this category are recognised as gains or losses in other comprehensive income except for impairment losses. On derecognition, cumulative gains and losses previously recognised in other comprehensive income are reclassified from equity to income and expenditure, except where the Trust elected to measure an equity instrument in this category on initial recognition.

Financial assets and financial liabilities at fair value through income and expenditure

Financial assets measured at fair value through profit or loss are those that are not otherwise measured at amortised cost or at fair value through other comprehensive income. This category also includes financial assets and liabilities acquired principally for the purpose of selling in the short term (held for trading) and derivatives. Derivatives which are embedded in other contracts, but which are separable from the host contract are measured within this category. Movements in the fair value of financial assets and liabilities in this category are recognised as gains or losses in the Statement of Comprehensive income.

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 individual debt over 90 days old, in addition a full provision is made for Overseas visitor income and invoices raised for Delayed Treatment of Care with Local Authorities.

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 for 31 March 2021:

		Nominal rate
Short-term	Up to 5 years	-0.02%
Medium-term	After 5 years up to 10 years	0.18%
Long-term	Exceeding 10 years	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 31 March 2020:

	Inflation rate
Year 1	1.20%
Year 2	1.60%
Into perpetuity	2.00%

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

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 33.1 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 26 where an inflow of economic benefits is probable.
Contingent liabilities are not recognised, but are disclosed in note 26, 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. For Sandwell & 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 Climate change levy

Expenditure on the climate change levy is recognised in the Statement of Comprehensive Income as incurred, based on the prevailing chargeable rates for energy consumption.

Note 1.19 Third party assets

Assets belonging to third parties in which the Trust has no beneficial interest (such as money held on behalf of patients) are not recognised in the accounts. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's FReM.

Note 1.20 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 1.21 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2020/21.

Note 1.22 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 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. Currently this rate is 0.91% but this may change between now and adoption of the standard. 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 implementation date for IFRS 16 in the NHS was revised to 1 April 2022 in November 2020. Due to the need to reassess lease calculations, together with uncertainty on expected leasing activity in from April 2022 and beyond, a quantification of the expected impact of applying the standard in 2022/23 is currently impracticable. However, the Trust does expect this standard to have a material impact on non-current assets, liabilities and depreciation.

Note 1.23 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.

PFI Asset Valuation

From 1st April 2015, the Trust has accounted for the Valuation of its PFI Hospital (BTC) on the basis of Depreciated Replacement Cost excluding VAT, prior to this judgement the Trust included VAT at 20% in the Valuation. The Trust considers that by excluding VAT accurately reflects the depreciated replacement cost, as a replacement asset would also be funded by PFI and, by the nature of the contract, have VAT recovered.

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 18

Note 1.24 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. The Trust has identified one source of estimation uncertainty, where the range of uncertainty does not have a material effect on the financial statements

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 2020/21, due to COVID-19, the Trust and the NHS saw unprecedented levels of untaken leave, giving an increase in the provision of £4.044m to £5.769m.

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 was reasonable, however the Trust has calculated that the range of uncertainty in the accrual is between (£0.808m) and £1.894m

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)	2020/21 £000	2019/20 £000
Block contract / system envelope income*	344,955	282,772
High cost drugs income from commissioners (excluding pass-through costs)	20,623	22,916
Other NHS clinical income	95,363	94,903
Community services		
Block contract / system envelope income*	27,705	33,812
Income from other sources (e.g. local authorities)	8,480	8,573
All services		
Private patient income	7	239
Additional pension contribution central funding**	13,905	12,505
Other clinical income	17,949	20,116
Total income from activities	**528,987**	**475,836**

*As part of the coronavirus pandemic response, transaction flows were simplified in the NHS and providers and their commissioners moved onto block contract payments at the start of 2020/21. In the second half of the year, a revised financial framework built on these arrangements but with a greater focus on system partnership and providers derived most of their income from these system envelopes. Comparatives in this note are presented to be comparable with the current year activity. This does not reflect the contracting and payment mechanisms in place during the prior year.

**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)

Income from patient care activities received from:	2020/21 £000	2019/20 £000
NHS England	66,671	64,402
Clinical commissioning groups	445,793	393,084
Department of Health and Social Care	65	-
Other NHS providers	2,730	1,433
NHS other	875	907
Local authorities	10,272	11,355
Non-NHS: private patients	7	239
Non-NHS: overseas patients (chargeable to patient)	1,628	2,795
Injury cost recovery scheme	937	1,235
Non NHS: other	9	386
Total income from activities	**528,987**	**475,836**
Of which:		
Related to continuing operations	528,987	475,836
Related to discontinued operations	-	-

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

	2020/21 £000	2019/20 £000
Income recognised this year	1,628	2,795
Cash payments received in-year	223	463
Amounts added to provision for impairment of receivables	2,178	1,905
Amounts written off in-year	2,261	3,217

Note 4 Other operating income

	2020/21			2019/20		
	Contract income £000	Non-contract income £000	Total £000	Contract income £000	Non-contract income £000	Total £000
Research and development	2,001	-	**2,001**	1,652	-	**1,652**
Education and training	19,448	226	**19,674**	18,273	394	**18,667**
Non-patient care services to other bodies	10,547		**10,547**	9,348		**9,348**
Provider sustainability fund (2019/20 only)			**-**	9,025		**9,025**
Financial recovery fund (2019/20 only)			**-**	8,689		**8,689**
Marginal rate emergency tariff funding (2019/20 only)			**-**	726		**726**
Reimbursement and top up funding	33,935		**33,935**			**-**
Income in respect of employee benefits accounted on a gross basis	-		**-**	-		**-**
Receipt of capital grants and donations		433	**433**		81	**81**
Charitable and other contributions to expenditure		8,342	**8,342**		-	**-**
Other income	11,290	-	**11,290**	20,009	-	**20,009**
Total other operating income	**77,221**	**9,001**	**86,222**	**67,722**	**475**	**68,197**
Of which:						
Related to continuing operations			86,222			68,197
Related to discontinued operations			-			-

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

	2020/21	2019/20
	£000	£000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	4,227	1,136

Note 5.2 Transaction price allocated to remaining performance obligations

	31 March 2021	31 March 2020
Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:	£000	£000
within one year	885	767
after one year, not later than five years		
after five years		
Total revenue allocated to remaining performance obligations	**885**	**767**

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

	2020/21 £000	2019/20 £000
Purchase of healthcare from NHS and DHSC bodies	28,435	15,632
Purchase of healthcare from non-NHS and non-DHSC bodies	8,408	7,052
Staff and executive directors costs	387,634	344,376
Remuneration of non-executive directors	104	79
Supplies and services - clinical (excluding drugs costs)	42,627	46,289
Supplies and services - general	14,425	9,087
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	33,803	34,958
Consultancy costs	456	-
Establishment	4,845	4,752
Premises	38,659	23,888
Transport (including patient travel)	1,431	2,387
Depreciation on property, plant and equipment	18,507	17,240
Amortisation on intangible assets	31	36
Net impairments	6,524	8,695
Movement in credit loss allowance: contract receivables / contract assets	2,225	3,177
Change in provisions discount rate(s)	169	285
Audit fees payable to the external auditor		
audit services- statutory audit	147	67
other auditor remuneration (external auditor only)	-	-
Internal audit costs	178	240
Clinical negligence	15,241	13,218
Legal fees	463	367
Insurance	94	129
Research and development	1,991	1,943
Education and training	4,606	2,878
Rentals under operating leases	24	169
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (PFI)	2,897	2,802
Other	978	1,662
Total	**614,902**	**541,408**
Of which:		
Related to continuing operations	614,902	541,408
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 (2019/20: £1 million).

Note 7 Impairment of assets

	2020/21 £000	2019/20 £000
Changes in market price	6,524	8,695
Total net impairments charged to operating surplus / deficit	**6,524**	**8,695**
Impairments charged to the revaluation reserve	1,630	15,437
Total net impairments	**8,154**	**24,132**

Note 8 Employee benefits

	2020/21 Total £000	2019/20 Total £000
Salaries and wages	299,848	262,331
Social security costs	30,134	26,509
Apprenticeship levy	1,480	1,265
Employer's contributions to NHS pensions	45,608	41,021
Temporary staff (including agency)	17,267	18,911
Total gross staff costs	**394,337**	**350,037**
Recoveries in respect of seconded staff	-	-
Total staff costs	**394,337**	**350,037**
Of which		
Costs capitalised as part of assets	2,311	2,737

Note 8.1 Retirements due to ill-health

During 2020/21 there were 2 early retirements from the trust agreed on the grounds of ill-health (3 in the year ended 31 March 2020). The estimated additional pension liabilities of these ill-health retirements is £110k (£87k in 2019/20).

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 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 2021, is based on valuation data as at 31 March 2020, updated to 31 March 2021 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 at 20.6%, and the Scheme Regulations were amended accordingly.

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgment from the Court of Appeal in December 2018 Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process.

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.

	2020/21	2019/20
	£000	£000
Operating lease expense		
Minimum lease payments	24	169
Contingent rents	-	-
Less sublease payments received	-	-
Total	**24**	**169**

	31 March 2021	31 March 2020
	£000	£000
Future minimum lease payments due:		
- not later than one year;	24	169
- later than one year and not later than five years;	73	118
- later than five years.	55	91
Total	**152**	**378**
Future minimum sublease payments to be received	-	-

Note 11 Finance income

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

	2020/21 £000	2019/20 £000
Interest on bank accounts	8	223
Other finance income	-	-
Total finance income	**8**	**223**

Note 12.1 Finance expenditure

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

	2020/21 £000	2019/20 £000
Interest expense:		
Interest on late payment of commercial debt	-	1
Main finance costs on PFI and LIFT schemes obligations	1,147	1,163
Contingent finance costs on PFI and LIFT scheme obligations	1,001	1,152
Total interest expense	**2,148**	**2,316**
Unwinding of discount on provisions	(19)	4
Other finance costs	-	-
Total finance costs	**2,129**	**2,320**

Note 12.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015

	2020/21 £000	2019/20 £000
Amounts included within interest payable arising from claims made under this legislation	-	1

Note 13 Other gains / (losses)

	2020/21 £000	2019/20 £000
Gains on disposal of assets	-	-
Losses on disposal of assets	-	(187)
Total gains / (losses) on disposal of assets	**-**	**(187)**

Note 14.1 Intangible assets - 2020/21

	Software licences	Licences & trademarks	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2020 - brought forward	**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 - brought forward	**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 14.2 Intangible assets - 2019/20

	Software licences	Licences & trademarks	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2019 - as previously stated	**3,083**	**43**	**3,126**
Prior period adjustments	-	-	**-**
Valuation / gross cost at 1 April 2019 - restated	**3,083**	**43**	**3,126**
Valuation / gross cost at 31 March 2020	**3,083**	**43**	**3,126**
Amortisation at 1 April 2019 - as previously stated	**2,945**	**-**	**2,945**
Prior period adjustments	-	-	**-**
Amortisation at 1 April 2019 - restated	**2,945**	**-**	**2,945**
Provided during the year	36	-	**36**
Amortisation at 31 March 2020	**2,981**	**-**	**2,981**
Net book value at 31 March 2020	**102**	**43**	**145**
Net book value at 1 April 2019	**138**	**43**	**181**

Note 15.1 Property, plant and equipment - 2020/21

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2020 - brought forward	**18,858**	**149,463**	**302,082**	**120,195**	**3,599**	**67,437**	**2,270**	**663,904**
Additions	-	2,683	168,563	7,206	-	7,534	73	**186,059**
Impairments	(2)	(1,628)	-	-	-	-	-	**(1,630)**
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 - brought forward	**-**	**-**	**-**	**97,065**	**3,558**	**39,418**	**1,856**	**141,897**
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**

Note 15.2 Property, plant and equipment - 2019/20

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2019 - as previously stated	**16,935**	**151,416**	**260,561**	**112,906**	**3,599**	**47,333**	**2,088**	**594,838**
Additions	-	11,068	54,106	7,289	-	10,411	182	**83,056**
Impairments	-	(21,998)	(265)	-	-	-	-	**(22,263)**
Reversals of impairments	476	6,350	-	-	-	-	-	**6,826**
Revaluations	1,447	-	-	-	-	-	-	**1,447**
Reclassifications	-	2,627	(12,320)	-	-	9,693	-	**-**
Disposals / derecognition	-	-	-	-	-	-	-	**-**
Valuation/gross cost at 31 March 2020	**18,858**	**149,463**	**302,082**	**120,195**	**3,599**	**67,437**	**2,270**	**663,904**
Accumulated depreciation at 1 April 2019 - as previously stated	**-**	**-**	**121**	**92,577**	**3,498**	**33,836**	**1,779**	**131,811**
Provided during the year	-	7,154	-	4,488	60	5,461	77	**17,240**
Impairments	-	22,107	265	-	-	-	-	**22,372**
Reversals of impairments	(1,353)	(12,324)	-	-	-	-	-	**(13,677)**
Revaluations	1,353	(16,937)	(265)	-	-	-	-	**(15,849)**
Reclassifications	-	-	(121)	-	-	121	-	**-**
Disposals / derecognition	-	-	-	-	-	-	-	**-**
Accumulated depreciation at 31 March 2020	**-**	**-**	**-**	**97,065**	**3,558**	**39,418**	**1,856**	**141,897**
Net book value at 31 March 2020	**18,858**	**149,463**	**302,082**	**23,130**	**41**	**28,019**	**414**	**522,007**
Net book value at 1 April 2019	**16,935**	**151,416**	**260,440**	**20,329**	**101**	**13,497**	**309**	**463,027**

All land and buildng assest are revalued in year

Note 15.3 Property, plant and equipment financing - 2020/21

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2021								
Owned - purchased	18,850	113,148	318,860	20,673	16	28,788	408	**500,743**
Finance leased	-	-	-	-	-	-	-	**-**
On-SoFP PFI contracts and other service concession arrangements	-	25,841	-	4,095	-	69	-	**30,005**
Off-SoFP PFI residual interests	-	-	-	-	-	-	-	**-**
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 15.4 Property, plant and equipment financing - 2019/20

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2020								
Owned - purchased	18,858	121,476	153,315	17,190	41	27,916	413	**339,209**
Finance leased	-	-	-	-	-	-	-	**-**
On-SoFP PFI contracts and other service concession arrangements	-	26,843	-	5,375	-	103	1	**32,322**
Off-SoFP PFI residual interests	-	-	-	-	-	-	-	**-**
Owned - donated/granted	-	1,144	148,767	565	-	-	-	**150,476**
NBV total at 31 March 2020	**18,858**	**149,463**	**302,082**	**23,130**	**41**	**28,019**	**414**	**522,007**

External audit have analysed the method, data and assumptions used by management 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 uncertainty due to the significant balance of fully depreciated assets carried at 31st March 2021 of £123m which is 60% of closing Gross Cost of equipment.

The Assets under construction balance at 31st March 2021 is predominantly represented by the carrying value of the Midland Metropolitan University Hospital, at £455.8m. The Trust will take operational ownership of the hospital in June 2022, at which point the Trust's appointed valuers will provide a revaluation of the property that reflects its worth in existing use (i.e. as a Hospital). As the carrying value prior to that revaluation represents costs incurred to build, it is expected that there will be an impairment of the carrying value to the revalued amount, which will reflect the known inefficiencies in building costs and contracts. As at 31st March 2021 the Trust is unable to measure the potential impairment but considers that it will be a material amount. The Trust will revise this disclosure in the 2021/22 accounts, when a calculated impairment amount will be known.

Note 16 Donations of property, plant and equipment

During 2020-21 the Trust received Donated assets as detailed below, for each item - there were no specific restrictions imposed by the donors

	Cost
	£000
Draeger Mechanical Ventilator - ICU Evita V800 x1	31
Draeger Mechanical Ventilator - ICU Evita V800 x1	31
Verathon Video Laryngoscopes (reusable) GlideScope Core x1	9
Verathon Video Laryngoscopes (reusable) GlideScope Core x1	9
Verathon Video Laryngoscopes (reusable) GlideScope Core x1	9
Verathon Video Laryngoscopes (reusable) GlideScope Core x1	9
Verathon Video Laryngoscopes (reusable) GlideScope Core x1	9
Verathon Video Laryngoscopes (reusable) GlideScope Core x1	9
Verathon Video Laryngoscopes (reusable) GlideScope Core x1	9
Verathon Video Laryngoscopes (reusable) GlideScope Core x1	9
Siemens Mobilett Elara Max-Digital Mobile X-Ray System	90
Siemens Mobilett Elara Max-Digital Mobile X-Ray System	90
SLS Airstream Class II, Biological Safety Cabinet (E-Series)	6
Anterior Eye Segment OCT Imaging Machine-Casia 2 Cornea	70
Metro Naps Energy Pod w/Electric Recline -Energy Pod for CHT Maternity #8396)	11
Team3 Twins Capable Antepartum Foetal Monitor x2 @ £7,177.93 each	15
Sonosite SII Ultrasound System DTC with Transducer	16
	432

Note 17 Revaluations of property, plant and equipment

The valuation exercise was carried out in March 2021 with a valuation date of 31 March 2021. In applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2020 ('Red Book'), the valuer has not declared a 'material valuation uncertainty' in the valuation report as a result of COVID-19, as was the case at 31st March 2020. 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 14.1

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.

Note 18 Inventories

	31 March 2021	31 March 2020
	£000	£000
Drugs	1,620	1,935
Work In progress	-	-
Consumables	1,651	2,973
Energy	221	221
Other	(55)	-
Total inventories	**3,437**	**5,129**
of which:		
Held at fair value less costs to sell	-	-

Inventories recognised in expenses for the year were £43,108k (2019/20: £35,206k). Write-down of inventories recognised as expenses for the year were £0k (2019/20: £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 2020/21 the Trust received £7,928k of items purchased by DHSC.

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 19.1 Receivables

	31 March 2021 £000	31 March 2020 £000
Current		
Contract receivables	24,539	42,525
Allowance for impaired contract receivables / assets	(6,594)	(6,723)
Prepayments (non-PFI)	951	845
PFI lifecycle prepayments	5,424	5,284
PDC dividend receivable	3,749	2,025
VAT receivable	1,790	1,541
Total current receivables	**29,859**	**45,497**
Non-current		
Contract receivables	-	105
Allowance for impaired contract receivables / assets	-	(24)
Other receivables	100	100
Total non-current receivables	**100**	**181**
Of which receivable from NHS and DHSC group bodies:		
Current	14,797	31,381
Non-current	100	100

Note 19.2 Allowances for credit losses

	2020/21		2019/20	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
Allowances as at 1 April - brought forward	**6,747**	**-**	**9,086**	**-**
Prior period adjustments			-	-
Allowances as at 1 April - restated	**6,747**	**-**	**9,086**	**-**
Transfers by absorption	-	-	-	-
New allowances arising *	2,225	-	3,177	-
Changes in existing allowances	-	-	-	-
Reversals of allowances	-	-	-	-
Utilisation of allowances (write offs)	(2,378)	-	(5,516)	-
Changes arising following modification of contractual cash flows	-	-	-	-
Foreign exchange and other changes	-	-	-	-
Allowances as at 31 Mar 2021	**6,594**	**-**	**6,747**	**-**

* 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 2020/21 represent the impact of the Trust writing off debts due from prior years and not solely debts that relate to 2020/21 - see Note 39 of these Accounts

During 2020/21 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 is now reported to the Chief Executive and during 2021-2022 enhanced scrutiny of performance will be used to seek to improve debt recovery performance

Note 19.3 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 2021 are in receivables from customers, as disclosed in the Trade receivables and other receivables note

Note 20.1 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.

	2020/21	2019/20
	£000	£000
At 1 April	**23,381**	**27,970**
Net change in year	48,060	(4,589)
At 31 March	**71,441**	**23,381**
Broken down into:		
Cash at commercial banks and in hand	36	33
Cash with the Government Banking Service	71,405	23,348
Total cash and cash equivalents as in SoCF	**71,441**	**23,381**

Note 20.2 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 2021	31 March 2020
	£000	£000
Bank balances	8	8
Total third party assets	**8**	**8**

Note 21.1 Trade and other payables

	31 March 2021 £000	31 March 2020 £000
Current		
Trade payables	32,010	24,659
Capital payables	26,280	14,802
Accruals	21,374	26,473
Receipts in advance and payments on account	457	5,962
Social security costs	4,580	3,487
Other taxes payable	3,934	3,049
Total current trade and other payables	**88,635**	**78,432**
Non-current		
Other payables	-	-
Total non-current trade and other payables	**-**	**-**
Of which payables from NHS and DHSC group bodies:		
Current	1,573	10,053
Non-current	-	-

Note 21.2 Early retirements in NHS payables above

The payables note above includes no early retirements (2019/20 = 0).

Note 22 Other liabilities

	31 March 2021 £000	31 March 2020 £000
Current		
Deferred income: contract liabilities	4,909	5,475
Total other current liabilities	**4,909**	**5,475**
Non-current		
Deferred income: contract liabilities	3,680	-
Total other non-current liabilities	**3,680**	**-**

Note 23.1 Borrowings

	31 March 2021 £000	31 March 2020 £000
Current		
Obligations under PFI, LIFT or other service concession contracts	1,553	1,876
Total current borrowings	**1,553**	**1,876**
Non-current		
Obligations under PFI, LIFT or other service concession contracts	25,911	27,527
Total non-current borrowings	**25,911**	**27,527**

Note 23.2 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 23.3 Reconciliation of liabilities arising from financing activities - 2019/20

	PFI and LIFT schemes £000	Total £000
Carrying value at 1 April 2019	**31,793**	**31,793**
Prior period adjustment	-	**-**
Carrying value at 1 April 2018 - restated	**31,793**	**31,793**
Cash movements:		
Financing cash flows - payments and receipts of principal	(2,390)	**(2,390)**
Financing cash flows - payments of interest	(1,163)	**(1,163)**
Non-cash movements:		
Application of effective interest rate	1,163	**1,163**
Carrying value at 31 March 2020	**29,403**	**29,403**

Note 24 Other financial liabilities

There were no other financial liabilities as at 31 March 2021

Note 25 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 2020	**883**	**2,865**	**273**	**7**	**54**	**237**	**4,319**
Change in the discount rate	20	149	-	-	-	-	**169**
Arising during the year	96	90	134	40	170	51	**581**
Utilised during the year	(88)	(152)	(128)	-	-	-	**(368)**
Reversed unused	(75)	-	(11)	-	-	-	**(86)**
Unwinding of discount	(5)	(14)	-	-	-	-	**(19)**
At 31 March 2021	**831**	**2,938**	**268**	**47**	**224**	**288**	**4,596**
Expected timing of cash flows:							
- not later than one year;	85	154	268	47	224	**188**	**966**
- later than one year and not later than five years;	339	617	-	-	-	**100**	**1,056**
- later than five years.	407	2,167	-	-	-	**-**	**2,574**
Total	**831**	**2,938**	**268**	**47**	**224**	**288**	**4,596**

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 cases.

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 Clinician Pension Tax Provision £100,000, National Poisons potential expenditure of £74,563 and Carbon Reduction Provision of £63,138

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 25.1 Clinical negligence liabilities

At 31 March 2021, £208,061k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Sandwell And West Birmingham Hospitals NHS Trust (31 March 2020: £199,246k).

Note 26 Contingent assets and liabilities

	31 March 2021 £000	31 March 2020 £000
Value of contingent liabilities		
NHS Resolution legal claims	(147)	(137)
Other	(343)	(184)
Gross value of contingent liabilities	**(490)**	**(321)**
Amounts recoverable against liabilities	-	-
Net value of contingent liabilities	**(490)**	**(321)**
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 27 Contractual capital commitments

	31 March 2021 £000	31 March 2020 £000
Property, plant and equipment	165,765	340,273
Intangible assets	-	-
Total	**165,765**	**340,273**

Note 28 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.

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

	31 March 2021 £000	31 March 2020 £000
Gross PFI, LIFT or other service concession liabilities	**37,092**	**40,066**
Of which liabilities are due		
- not later than one year;	2,652	2,974
- later than one year and not later than five years;	12,566	12,024
- later than five years.	21,874	25,068
Finance charges allocated to future periods	(9,628)	(10,663)
Net PFI, LIFT or other service concession arrangement obligation	**27,464**	**29,403**
- not later than one year;	1,553	1,876
- later than one year and not later than five years;	8,644	7,980
- later than five years.	17,267	19,547

Note 28.2 Total on-SoFP PFI, LIFT and other service concession arrangement commitments

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

	31 March 2021 £000	31 March 2020 £000
Total future payments committed in respect of the PFI, LIFT or other service concession arrangements	**104,279**	**112,521**
Of which payments are due:		
- not later than one year;	8,448	8,242
- later than one year and not later than five years;	35,957	35,080
- later than five years.	59,874	69,199

Note 28.3 Analysis of amounts payable to service concession operator

This note provides an analysis of the unitary payments made to the service concession operator:

	2020/21	2019/20
	£000	£000
Unitary payment payable to service concession operator	**8,709**	**8,291**
Consisting of:		
- Interest charge	1,147	1,163
- Repayment of balance sheet obligation	2,033	2,390
- Service element and other charges to operating expenditure	2,897	2,802
- Capital lifecycle maintenance	1,398	784
- Revenue lifecycle maintenance	-	-
- Contingent rent	1,001	1,152
- 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	**8,709**	**8,291**

Note 29 Financial instruments

Note 29.1 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 29.2 Carrying values of financial assets

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**

Carrying values of financial assets as at 31 March 2020	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	35,883	-	-	**35,883**
Other investments / financial assets	-	-	-	**-**
Cash and cash equivalents	23,381	-	-	**23,381**
Total at 31 March 2020	**59,264**	**-**	**-**	**59,264**

Note 29.3 Carrying values of financial liabilities

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**

Carrying values of financial liabilities as at 31 March 2020	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	29,403	-	**29,403**
Other borrowings	-	-	**-**
Trade and other payables excluding non financial liabilities	65,934	-	**65,934**
Other financial liabilities	-	-	**-**
Provisions under contract	-	-	**-**
Total at 31 March 2020	**95,337**	**-**	**95,337**

Note 29.4 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 2021 £000	31 March 2020 restated* £000
In one year or less	83,090	68,908
In more than one year but not more than five years	12,566	12,024
In more than five years	21,874	25,068
Total	**117,530**	**106,000**

* This disclosure has previously been prepared using discounted cash flows. The comparatives have therefore been restated on an undiscounted basis.

Note 29.5 Fair values of financial assets and liabilities

Book value (carrying value) is a reasonable approximation of fair value of financial assets and liabilities.

Note 30 Losses and special payments

	2020/21		2019/20	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
Losses				
Bad debts and claims abandoned	745	2,294	727	5,400
Stores losses and damage to property	1	98	5	57
Total losses	**746**	**2,392**	**732**	**5,457**
Special payments				
Ex-gratia payments	58	91	66	173
Total special payments	**58**	**91**	**66**	**173**
Total losses and special payments	**804**	**2,483**	**798**	**5,630**
Compensation payments received		-		-

Note 31 Gifts

	2020/21		2019/20	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
Gifts made	-	-	-	-

Note 32 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 2020/21 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:-

NHS Sandwell & West Birmingham CCG
NHS Birmingham and Solihull CCG
Health Education England
NHS Walsall CCG
NHS Resolution
University Hospitals Birmingham NHS Foundation Trust
The Royal Wolverhampton NHS Trust
The Dudley Group NHS Foundation Trust
Walsall Healthcare NHS Trust

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 2020-21 were not material to either party.

Note 33 Events after the reporting date

There were no events after the reporting date

Note 34 Better Payment Practice code

	2020/21	2020/21	2019/20	2019/20
Non-NHS Payables	**Number**	**£000**	**Number**	**£000**
Total non-NHS trade invoices paid in the year	102,083	338,765	96,800	237,087
Total non-NHS trade invoices paid within target	67,053	265,280	30,965	102,014
Percentage of non-NHS trade invoices paid within target	65.7%	78.3%	32.0%	43.0%
NHS Payables				
Total NHS trade invoices paid in the year	2,931	42,113	3,022	37,043
Total NHS trade invoices paid within target	1,360	26,347	841	19,246
Percentage of NHS trade invoices paid within target	46.4%	62.6%	27.8%	52.0%

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 35 External financing limit

The trust is given an external financing limit against which it is permitted to underspend

	2020/21	2019/20
	£000	**£000**
Cash flow financing	136,015	54,585
External financing requirement	**136,015**	**54,585**
External financing limit (EFL)	196,858	54,585
Under / (over) spend against EFL	**60,843**	**-**

Note 36 Capital Resource Limit

	2020/21	2019/20
	£000	**£000**
Gross capital expenditure	186,177	83,056
Less: Donated and granted capital additions	(433)	(81)
Charge against Capital Resource Limit	**185,744**	**82,975**
Capital Resource Limit	218,483	98,916
Under / (over) spend against CRL	**32,739**	**15,941**

Note 37 Breakeven duty financial performance

	2020/21
	£000
Adjusted financial performance surplus / (deficit) (control total basis)	383
Breakeven duty financial performance surplus / (deficit)	**383**

Note 38 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
	£000	£000	£000	£000	£000	£000
Breakeven duty in-year financial performance	3,857	(11,933)	24,165	17,835	576	383
Breakeven duty cumulative position	37,769	25,836	50,001	67,836	68,412	68,795
Operating income	443,698	460,197	494,158	655,374	544,033	615,209
Cumulative breakeven position as a percentage of operating income	8.5%	5.6%	10.1%	10.4%	12.6%	11.2%

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 2021, 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 2020 to 2021.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Trust as at 31 March 2021 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 2020 to 2021; 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 2020 to 2021 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, 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 the 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 Improvement, 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 2020 to 2021; 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, 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 2020 to 2021).

- 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 and the Audit and Risk Management Committee, whether they were aware of any instances of non-compliance with laws and regulations; and with those same parties, and internal audit 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, by 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. However, detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as those irregularities that result from 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 expenditure recognition, and the significant accounting estimates related to the valuation of the Trust's property, plant and equipment, and income and expenditure accruals.
- 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 Improvement'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 2021.

We have nothing to report in respect of the above matter except on 1 July 2021 we identified two significant weaknesses in respect of:

- How the Trust plans and manages its resources to ensure it can continue to deliver its services.

  During 2020/21 the Trust did not update its medium term financial plan to reflect changes in revenue and workforce needed to support the delivery of its new hospital, the Midland Metropolitan University Hospital.

  We recommended that the Trust prioritise the development of a revenue affordability and workforce model for its new hospital Midland Metropolitan University Hospital that is aligned with the Trust's wider long term recovery plan.

- How the Trust uses information about its costs and performance to improve the way it manages and delivers its services

  There is the lack of a clear plan and evidence repository which enables the Trust to assess the impact of its response to issues raised by the Care Quality Commission (CQC), underperformance in staff and patient satisfaction surveys, and continuing high mortality rates.

  We recommended that the Trust needs to prioritise the development of its CQC action plan incorporating its response to staff and patient satisfaction surveys and high mortality rates.

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 further significant weaknesses in these arrangements, these will be reported by exception in our Audit Completion Certificate. 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 2021.

Responsibilities of the Accountable Officer

As explained in the Statement of the chief executive's responsibilities as the accountable officer of the Trust, 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 April 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 2021 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.

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

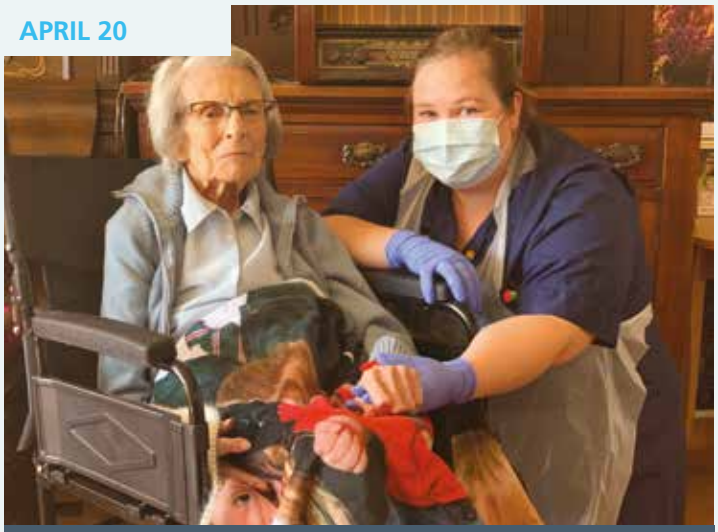
Mark Stocks, Key Audit Partner

for and on behalf of Grant Thornton UK LLP, Local Auditor

Birmingham
1 July 2021

Our year in pictures

APRIL 20

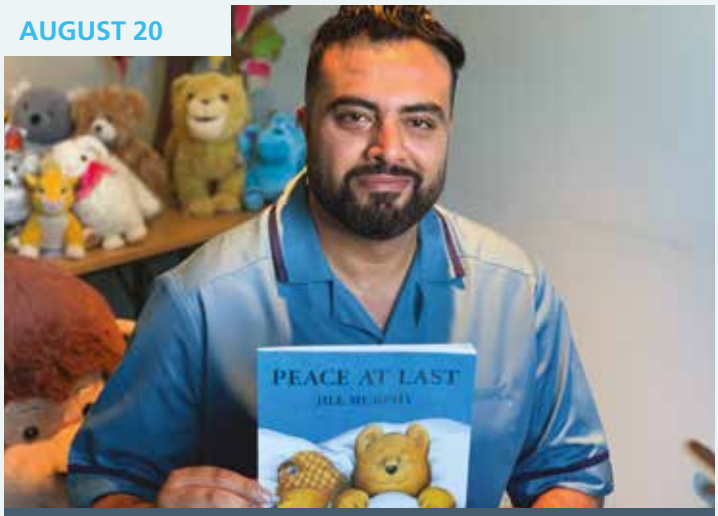


Connie Titchen's battle against COVID-19 enthralled the world this month as the 106 year old was able to go home.

MAY 20

Dr Derek Connolly consults a patient using virtual meeting software Visionable, which was brought in to replace face-to-face meetings under COVID-19.

AUGUST 20



COVID-19 was also about supporting the community, with Sandwell School Nurses recording a series of story time videos for young children. (Faisal Khan pictured)

SEPTEMBER 20

Mental and physical health has been a big concern for the Trust, with Dr Nick Makwana's monthly #Dance4Wellbeing routines helping raise spirits.

DECEMBER 20

Making the difference has many forms: City ED colleagues helped transform Christmas for five families in need with donations.

JANUARY 21

2021 began with a note of hope as our vaccination hubs began to distribute jabs to the first age brackets.

JUNE 20

Becoming a Queen's Nurse is one of the most prestigious accolades anyone can receive in nursing - and this coveted title was bestowed upon Susan Knight, Practice Education Lead.

JULY 20

On the NHS's 72nd birthday we lit up our main sites in blue to say thank you to our local communities and businesses who have provided invaluable support to our Trust.

OCTOBER 20

Some very small, very green fingers helping to plant Sandwell Day Nursery's new mini-allotment outside Hallam Restaurant.

NOVEMBER 20

The Trust's environmental focus was recognised in the Modeshift National Sustainable Travel Awards. (Pictured: Fran Silcocks, Sustainability Officer.)

FEBRUARY 21

Members of the British Army swooped in to our hospitals to join the frontline in the fight against COVID-19 and providing invaluable assistance.

MARCH 21

The Alcohol Care Team celebrating their 'highly commended' commendation while watching the HSJ Awards virtually.

Further Information

For more information, please visit the Trust's website at www.swbh.nhs.uk If you are unable to find the information you need on the website, then 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.

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/find-us/)**. To contact us by telephone, please call 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. 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. Patients and visitors attending Sandwell Hospital are also 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 (+ £5 refundable deposit)
7 days	£18.50 (+ £5 refundable deposit)
3 months	£43 (+ £5 refundable deposit

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.

Security

Security officers are on duty at City and Sandwell Hospitals 24 hours per day, 365 days per year. Intercoms are linked directly to Security from entry/exit barriers and the pay on foot machines. All car parks at City and Sandwell Hospitals are illuminated at night, monitored by CCTV and patrolled regularly by security officers.

Local Resolution (formerly known as PALS)

By contacting Local Resolution you can talk to someone who is not involved in your care. You can ask questions, get advice or give your opinions. Providing on-the-spot help and support with the power to negotiate solutions or speedy resolutions of problems, Local Resolution can also act as a gateway to independent advice and aims to;

- Be identifiable and accessible;
- Provide help and support with the power to negotiate solutions to problems;
- Act as a gateway to independent advice;
- Provide accurate information to patients, carer(s) and families;
- Provide advice and support to you, your family and carer(s).
- Listen to and act on your concerns, suggestions or comments.
- Help to resolve your concerns by liaising with the ward or department involved on your behalf.
- Pass on positive feedback to the relevant members of staff working in that area.

At Purple Points across our sites you can ensure inpatients and their loved ones can speak to someone who can help them resolve a concern whilst they are still in our care. Patients and/or their relatives can use phones at our Purple Points, located outside inpatient wards, to call our advisors between 9am and 9pm every day. They will contact staff on the ward in question, who will aim to resolve the concern so that we can make a difference at the time, rather than when they have gone home. The patient and/or relative will be kept up-to-date, ensuring they are happy with the outcome. Alternatively, they can call the team to compliment individual staff, teams or services. If English isn't the first language, we use a telephone interpreting service to make sure this is resolved at the time.

The phone line is also available in foreign languages. Patients or their loved ones can also call 0121 507 4999 direct from their own phone.

To make an official complaint, you can send it in writing to: The Complaints Department, Sandwell and West Birmingham NHS Trust, City Hospital, Dudley Road, Birmingham, B18 7QH.

You can also email swbh.complaints@nhs.net, or contact us by phone on 0121 507 5836 (10am-4pm, Monday - Friday). Please leave a message if the line is engaged or if you are calling outside office hours.

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
B66 1JE
Tel: 0121 612 3444

Rowley Regis Hospital
Moor Lane
Rowley Regis
West Midlands
B65 8DA
Tel: 0121 507 6300

www.swbh.nhs.uk

NHS
Sandwell and West Birmingham
NHS Trust