

Annual Report and Summary Accounts

2010/11



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Chairman's Foreword



A handwritten signature in black ink, appearing to read 'Alan Baines', written in a cursive style.

Alan Baines
Chairman

As I hoped for in my introduction last year, we were successful in our Foundation Trust application and we intend to use our new freedoms (and responsibilities) to provide you, the people we serve, with a better healthcare service every year.

We are all aware of the financial pressures we face in our economy during the next few years, but at least we now have a clearer idea of our income and cost pressures so we can plan in a sensible manner.

As far as new sources of income are concerned, we are winning new contracts and are being innovative in the way we approach income generation. We are interested in working in new areas but only if we can provide a service which is within our professional capability and that we can do effectively and economically. We will not stray outside our high skills base or do anything we are not well qualified to do.

As far as our cost reduction obligations are concerned, we know what is required of us and we have a well researched and structured programme to deliver cost savings without impacting on the quality or effectiveness of what we do. We will not let that happen.

We have a new Council of Governors who will provide a vital link between the Foundation Trust and the community and they are already settling well into their role. They will, I know, be keeping in regular contact with their constituencies.

There are great challenges ahead. I don't just refer to the economic problems but also to the increasing demand in our society for a number of our services going forward, where we currently have no real visibility or clarity of a more positive and secure income position. But a solution must be found, as there can be no question of us not being able to take care of all those drawn into that increasing demand. It is, sadly, a fact of life and we have to work even harder with all the resources we can find to meet those demands. In this we shall succeed.

Having said that, let me reassure you everyone working in the Foundation Trust is totally committed to providing the best possible care service to every one of our service users and to ensuring that our care is constantly delivered with high standards of quality, dignity, compassion and financial stability.

These high standards are the starting point for all that we do and we will strive each and every year to improve our performance against the standards of performance we have set.

None of this is achievable of course without the skills and dedication of our truly excellent workforce and I thank them all for their hard work and devotion.

Chief Executive's Introduction



A handwritten signature in black ink, appearing to read 'MS', with a long horizontal line extending to the right.

Mike Shewan
Chief Executive

Achieving foundation status was a critical milestone in the continuing development of the Trust. It serves as a 'kite mark' and reflects the excellent progress we've made, as well as securing the future of the organisation. However, it is not an end in itself, rather it provides a springboard for our future success, and the opportunity to realise many of the benefits we articulated in the year leading up to authorisation. It is very important that we do not rest on our laurels, and continue to drive improvement in service provision, whilst seeking out realistic and appropriate opportunities for further business growth.

This annual report reflects ambition which must necessarily take account of the extremely challenging financial and political climate we are currently working in, with an expectation that it will continue for at least another three years or so. Strong and effective leadership is a prerequisite for our continuing success, and we will be focussing heavily on the Trust, recognising that excellent service provision and leadership go hand in hand, and our workforce is our most valuable resource. We must also invest energy and commitment in the more effective engagement of our many stakeholders, internal and external. We have enjoyed positive relationships with our current commissioners, but the advent of Clinical Commissioning must be regarded as both potential opportunity and threat, alongside a likely more competitive market environment. I know we can succeed against this backdrop.

I am very proud to have been part of our collective achievements so far, and I have absolute confidence that we have the right mix of ambition and consolidation reflected in our plans for the foreseeable future.



About Us/Establishment of the Trust

Derbyshire Healthcare NHS Foundation Trust was established on 1 February 2011 when Monitor, the Independent Regulator of NHS Foundation Trusts, under its powers under Section 35 of the National Health Service Act 2006, authorised Derbyshire Mental Health Services NHS Trust to become a Foundation Trust.

What We Do

Derbyshire Healthcare NHS Foundation Trust is the largest provider of mental health and substance misuse services in Derbyshire, primarily serving the people of Derbyshire, which has a population of approximately 1 million.

During 2010, inpatient learning disability services transferred from the responsibility of Derbyshire Mental Health Services NHS Trust to alternative providers in line with the requirements of the NHS campus closure programme. Staff working in learning disability services worked closely with the new providers to ensure there was an appropriate handover of care and individual packages of care secured for service users. The Trust continues to provide specialist community services for people with learning disabilities.

Our Trust focuses on services for those with severe and enduring mental health problems. These supplement other services (such as those provided in primary care) and are themselves complemented by more specialist services, such as secure inpatient services provided from dedicated premises. We provide a wide range of services which reflect the spectrum of care needs of people with mental health problems. This includes services for individuals who need support from community staff, through to inpatients, crisis resolution and more specialised services. Derbyshire Healthcare NHS Foundation Trust works in close collaboration with partnership organisations such as NHS Derby City and NHS Derbyshire County, Derby City Council and Derbyshire County Council, Turning Point, Derby and Nottingham Universities, Derby County and Belper Town Football Clubs, Derbyshire Voice, the mental health charity

MIND and others supporting people with mental health needs. These partnership arrangements enhance and improve services for the Derbyshire locality.

In order for Derbyshire Healthcare NHS Foundation Trust to be even more responsive to the needs of people with mental health problems, the Trust reconfigured services from three to two divisions, which mirror the care pathways for care provided, improving the experience of people who require access to a range of services provided by the Trust. The new divisions are Acute & Community Care Services and Specialist Services.

Foundation Trust Authorisation

Derbyshire Mental Health Services NHS Trust was authorised to become a Foundation Trust on 1 February 2011, changing its name to Derbyshire Healthcare NHS Foundation Trust.

When Parliament created foundation trusts, it provided them with independence from central government and a governance structure which ensured participation from within the local communities the Trust serves.

Monitor, the Foundation Trust Regulatory body, states:

“Every Foundation Trust will have a Board of Governors which is responsible for representing the interests of Foundation Trust members, and partner organisations in the local health economy in the governance of the Foundation Trust.”

NHS Foundation Trusts are required to operate with a number of Governors, either elected or appointed to represent the members who live in the community the foundation trust serves. Therefore NHS Foundation Trust Governors are the direct representatives of local interests within foundation trusts. Their role is to challenge the Board of Directors and collectively hold them to account for the Trust's performance. It is also the Governors' responsibility to represent their members' interests, particularly in relation to the strategic direction of the Trust.

Legislation provides Governors with statutory responsibilities to help deliver these key objectives. The legislation is the National Health Service Act 2006.



Statutory Role of Governors

Governors are either elected to represent the communities they serve and staff working in the Trust, or appointed to represent key organisations with which the Trust has close working relationships. All Governors are bound by the same statutory duties, namely:

- Appointment of Chairman (after initial appointment)
- Removal of Chairman
- Annual appraisal of Chairman of the Board of Directors
- Appointment of Deputy Chairman
- Agree the remuneration and terms and conditions of service for Chairman and Non-Executive Directors
- Appointment, removal and agreement of terms and conditions of service for Non-Executive Directors
- Appraisal of Non-Executive Directors
- Formally approve the appointment of the Chief Executive

Other duties include:

- Receiving the Trust's Annual Accounts
- Contributing to the Trust's forward plan.

Details of Governors

CONSTITUENCY	NAME
PUBLIC	
Amber Valley North	Victoria Yates
Amber Valley South	Dermot Murray
Bolsover	Roger Dubois
Chesterfield North	Alan Smith
Chesterfield South	John Stevenson
Derby City East	Joanne James
Derby City East	David Randle
Derby City West	Moira Kerr
Derby City West	Christine Williamson
Derbyshire Dales	Simon Meredith
Erewash North	Lew Hall
Erewash South	Christopher Williams
North East Derbyshire	Kenneth Stevenson
South Derbyshire	Barry Appleby
High Peak	Louise Glasscoe
Surrounding Areas	Mark Crossley
STAFF	
Staff Medical and Dental	Dr Edward Komocki
Staff Nursing and Allied Professions	Katrina De Burca
Staff Nursing and Allied Professions	Anne Shead
Staff Administration and Allied Support staff	Sue Flynn
APPOINTED	
Derby City Council	Cllr Ruth Skelton
Derby City Primary Care Trust	Angus Maitland
Derbyshire Constabulary	Asst Chief Constable Dee Collins
Derbyshire County Council	Cllr Peter Makin
Derbyshire County Primary Care Trust	Dr Judith Bell
North Derbyshire Voluntary Action	Kathy Kozlowski
University of Derby	Patricia Owen
University of Nottingham	Prof Paul Crawford
Southern Derbyshire Voluntary Sector Mental Health Forum	Wendy Beer

To contact our Governors please email governors@derbyshcft.nhs.uk.

Steps Taken by the Board to Understand the Views of Governors and Members

In the short period since authorisation the prime instance where the Trust Board has sought the views of the Governors is in the production of the Annual Plan 2011/12. Following a presentation to Governors, comments were invited and taken into account in the final draft approved by the Trust Board for submission to Monitor.

Our Governors were also invited to participate in the consultation exercise on the creation of the Quality Account 2010/11.

The Trust Board looks forward to completing a full annual planning cycle in collaboration with Governors, and through them with the membership at large. This will be aided by the formation of a Governors' working group on strategy and finance.



Regulatory Ratings From Monitor

The Trust's risk ratings for 2010/11, based on its assessment submissions and the revised Compliance Framework as at 31 March 2011 are:

- Financial – 4
- Governance – Green.

Consequently, the Trust has started on a quarterly monitoring regime.

Membership of Our Trust

Any individual, aged 16 or over, who lives in an area specified in the Constitution (at Annex 1) may become a member of a public constituency. These areas correspond to electoral areas within Derbyshire and the surrounding areas. Membership is subject to the grounds for exclusion contained at Annex 8 of the Constitution. It is the responsibility of individuals to ensure their eligibility.

An individual who is employed by the Trust under a contract of employment is eligible to become a member of the appropriate class of the Staff Constituency - Medical and Dental, Nursing and Allied Professions, and Administration and Allied Support; unless he or she informs the Trust that he does not wish to do so.

How to Become a Member and Help Shape Our Future Plans

Part of our membership strategy for 2010/11 was to increase the number of members to over 8,000 by the end of the financial year. In February 2011 we launched our 'love your local NHS' membership recruitment campaign, which helped us to achieve this. Throughout the year we also attended a range of events across Derbyshire to raise awareness of our Trust and recruit members from a cross section of communities, ensuring our membership is representative of our local communities.

Where and how to become a member:

- Anyone 16 years and older is eligible to become a member and membership is free
- Get a better understanding of mental health and learning disability issues
- Help reduce stigma and discrimination
- Elect Governors
- Stand for election as a Governor
- Make sure your views and those of your community are heard
- Receive information about the Trust and how we are performing.

If you would like to become a member or would like further information please contact us:

The Membership Office
Derbyshire Healthcare NHS Foundation Trust
Bramble House
Kingsway Site
Derby
DE22 3LZ
Email: membership@derbyshcft.nhs.uk
Free phone: 0800 345 7351



Core Purpose

Throughout the year we have continued to demonstrate our commitment to improving the mental health and wellbeing of the people of Derbyshire and providing them with effective, accessible and modern mental health and learning disability services.

We have summarised our vision, strategic objectives and operating principles using a framework of 1-4-7 which has resonated with our stakeholders, particularly service users, because it references the fact that currently one in four people will experience a mental health problem, and one in seven will require help from specialist services. We therefore have one vision, four strategic objectives and seven operating principles.

Our vision for several years has been “to be the first choice provider of mental health and substance misuse services, and to make a positive contribution to the provision of Learning Disability services”.

Our business is the provision of safe, effective and caring environments in which we can ensure a positive experience for everyone who uses our services. Most of us will not need to use mental health services in our lifetime.

Towards the end of the financial year we were successful in securing tenders to provide universal and targeted children’s services across Southern Derbyshire. With other Specialist Children’s services and drug services now transferred to us under the Transforming Community Services programme, we feel the time is right to review our core purpose and corporate objectives.

We have worked hard over many years to build an excellent record of quality service provision, which gives us a first class foundation upon which to build further success. One of our principal objectives is to ensure that our performance is consistently in the top 25% when compared with other service providers. Whilst we will grow and develop our core services, we will extend our business beyond our traditional geographical boundaries. We will challenge our competitors on both quality of service and value for money and by doing so, maintain our competitive

advantage. We are determined to exceed the expectations of those who need our help, commission our services or live in the communities we serve.

Objectives

In order to achieve our objectives we will set stretching quality performance indicators and enhance our in-house skills to meet business growth opportunities through selective responses to market testing and discussions with existing and prospective commissioners.

As we generate financial surpluses, we will design plans with our commissioners, governors and members which will benefit both our service users and the wider community. We will achieve this by developing and delivering local specialist services, which complement our core competencies and bring us new business opportunities.

In creating our strategy we have developed a clear sense of how our services will evolve and develop to meet the needs of our local people and future service demands. The 1-4-7 framework has provided clarity in ensuring an organisation-wide approach to modernising services and delivering our key strategic objectives. We are determined that even with our diversification into more mainstream children’s services, we will retain our focus and commitment on service modernisation and improving patient experience.



Review of the Year

It has been a busy year within our Trust. Our most important milestone by far was the achievement of Foundation Trust status from February 2011. There were however plenty of other positive things happening across our organisation, and a few of these are detailed below:

April 2010

Our year started with the appointment of two new Non-Executive Directors to strengthen our Trust Board. We welcomed Maura Teager and Anthony Smith to the Trust, as we continued preparations for our Foundation Trust application.

A book launch in April celebrated the publication of two books by members of our staff who are leaders in their respective fields. Sarajane Aris, Head of Clinical Psychology for Adults, co-wrote *Counselling and Helping* (with Richard Velleman, Professor of Mental Health Research at the University of Bath) and Professor Paul Gilbert, Consultant Clinical Psychologist, wrote *Compassion Focused Therapy*.

There was an expansion to our Inpatient Rehabilitation Services, which are designed to help people who may have become 'treatment resistant' by offering help and support to those who have long histories of significant difficulty within mental health services.

In partnership with Derbyshire Adult Community Education Service, we confirmed the launch of a new initiative to improve the wellbeing of people with mental health problems across Amber Valley and Erewash. Midway Day Hospital at Ilkeston launched a programme of hands-on activities – ranging from glass painting to the Chinese meditation Tai Chi – to add a new dimension to people's care.

As well as creating new jobs for the area, our new 10-bedded Enhanced Care Unit opened its doors, as part of a major boost to mental health care in Derbyshire. The Unit offers unprecedented levels of nursing and medical support to those patients identified as being in greatest need.

May 2010

Support for local businesses received a boost when we introduced access to the NHS staff discounts scheme for members of our Trust. This gave over 7,000 members a further incentive to shop locally and support local suppliers.

June 2010

"Breakout", our substance misuse service for teenagers in Derbyshire with drug and alcohol related problems, demonstrated its worth by also helping to shape adult addiction services. In June, we confirmed that trends spotted in teenage drug abuse are now being used to identify both new drugs and emerging trends in adult drug use.

There was much shock and sadness at three unexpected deaths in the village of Holbrook in Derbyshire, one of whom was a Trust service user. For our part, an immediate investigation was undertaken and we worked tirelessly in the weeks that followed with the police, next of kin, HM Coroner, the police complaints watchdog and the media, to balance the needs of the ongoing investigations with the public requirement to know more about the circumstances of the incident. Our investigation findings are now with HM Coroner in support of the inquest, the date for which is awaited.

July 2010

In July we continued our support of Derwent Green Gym - a therapy service to encourage healthy people and healthy places – by donating shrubs to young service users from our Early Interventions Service, who use the allotment as part of their rehabilitation.

After a wide ranging consultation, we launched our first ever Quality Account. This is a yearly report to the public from providers of NHS health care services about the quality of services they provide. This was the first year we were required to produce one and it was very well received by our Commissioners and the Strategic Health Authority.

September 2010

As we continued preparations for our Foundation Trust application status, we commenced the election process for our proposed Council of Governors.

September was the month we celebrated the hard work and efforts of our staff at the Annual Public Meeting, which was combined with our Staff Awards ceremony, to recognise those who work so hard to deliver good quality care for all our service users.

The Early Intervention team in Derbyshire seized the opportunity to demonstrate their commitment to this agenda by hosting the national early intervention meeting, where they showcased their work to the members of this visiting group.

Our Environmental efforts were recognised when we became the first Trust in the East Midlands to be awarded the Carbon Trust Standard. This was in recognition of our efforts in measuring, managing and reducing our Carbon emissions over a three year period. We were only the twelfth Trust in England to be awarded the standard.

October 2010

In October, we encouraged service users and carers to get involved with mental health research in Derby at an event which enabled them to hear about research studies running in Derbyshire, meet with researchers, and discuss how they could get involved with current or future research projects.

In conjunction with the Walking for Health project in Derbyshire, we called on people to put on their walking shoes as part of Derbyshire "Get Moving Week". We encouraged people to become more active and break down the myths and stigma around mental illness.

As part of World Mental Health Day, we organised an event in the city aimed at promoting more open discussion of mental disorders. The day included live entertainment and arts and crafts, with the aim of improving understanding of mental health. It was

organised in partnership with NHS Derby City, NHS Derbyshire County and local community voluntary groups and was a great success.

In partnership with Derbyshire Mental Health Carers Forums, we received the national award for Excellence in Partnership Working by the Care Programme Approach Association (CPAA) in recognition of the CPA Carers Views Survey 2009/10. This survey was a very effective example of partnership working in many ways, as the process included carers and the Trust at all stages.

We received the highest achievable scores for our environmental surroundings in the latest round of the Patient Environment Action Team (PEAT) inspections. Our hospitals were reviewed and received an 'excellent' rating for general environment, food quality and the level of privacy and dignity.

We were successful in securing £5,000 of funding from the Regional Innovation Fund, hosted by NHS East Midlands, for our 'Breath Alcohol Meter for Home Detoxification (Drink Down)' pilot programme which will run for a year with up to 20 service users. The aim of the programme is to encourage service users to take control of their alcohol intake, by allowing them the responsibility of reducing their intake without substitute prescribing.

As we continued preparations for our Foundation Trust application, Non-Executive Director Lesley Thompson was reappointed for a further four years.

November 2010

November is the month of the New York Marathon, and we supported our Consultant Psychiatrist Subodh Dave in his ambitious challenge to raise £5,000 of much needed funds for medical and educational services to help poor, disabled and destitute children in the Gwalior and Chambal region of central India by running this famous race. We are pleased to say Dr Dave did reach his £5,000 target for this very worthy cause.

We supported national Patient Safety Week by ensuring all staff had access to useful information on subjects relevant to patient safety including safeguarding, incident reporting and infection control. There was also a Trust-wide audit of pressure ulcers and inpatient areas and staff were encouraged to take part in online WebEx sessions, which covered a range of patient safety topics.

We hosted our second annual 'human library' event during this month at Derby University, in partnership with Rethink, Enjoying Derby (Derbyshire MIND) and Derby University. The human library is a mobile library set up as a space for dialogue and interaction; the stories come from people rather than books. Visitors to the human library are given the opportunity to speak informally with "people on loan", who will be varied in age, sex and cultural background including those with experience with mental health.

The Older People's Service nursing staff received special 'Dignity Lead' training as part of our campaign to make every member of staff a Dignity Champion. Champions are encouraged to speak up about dignity to improve the way services are organised and delivered. Each team in Older People's Services was assigned a 'Dignity Lead', whose role is to influence and inform the team whilst working with other Champions, service users and carers to identify areas for improvement.

We welcomed our League of Friends volunteers into our Cubley Court wards this month, to provide cream teas for our services users and an afternoon of entertainment.

This month 20 of our young service users were given the opportunity to attend a Derby County v Nottingham Forest reserves football match courtesy of game hosts, Belper Town Football Club. The match was also attended by many of the Derby County first team, including Robbie Savage. We work with Belper Town Football Club to encourage young service users to take an interest in a local sport and work as a team, helping to reinforce the idea that being part of a community can play a major factor in recovery.

The Trust was awarded Level 2 when assessed against the NHS Litigation Authority Risk Management Standards during November. The NHS Litigation Authority handles negligence claims and works to improve risk management practices in the NHS and Trusts are required to make an annual contribution towards the cost of this national scheme. These costs are reduced if we show good systems are in place to manage risk and safety and this is done through achievement of compliance with their Risk Management Standards, which are assessed at three Levels.

December 2010

With a goal, in line with Government targets, to reduce the size of our spending on estates by 20% over the next five years, by December we had already seen savings of almost 2%. Surplus buildings were identified and work with other agencies to try and maximise the utilisation of all local authority property in the most effective way was by now well underway. This project meant surplus properties could now be put up for sale.

In December our Trust hosted a national Care Programme Approach association conference 'CPA and Care Standards', with keynote speakers from the Department of Health and Care Quality Commission. The aim of the conference was to find ways to improve quality in mental health care, to ensure people have a say in the services they receive and look at how to improve health and wellbeing.

We continued our efforts to improve the environmental surroundings by purchasing outdoor furniture made from recycled materials, using recycled aggregate in groundwork projects and reused and recycled materials removed during refurbishments. As well as this, we invested in more efficient vehicles and now only purchase energy efficient appliances and equipment. We also now use hedges rather than fencing to define boundaries and where trees are lost through disease or essential felling, two are planted in their place.

Derby's Powerleague Soccerdome played host to the Winning Mentality Cup. Four mental health football teams from across the county, along with similar teams from neighbouring Nottinghamshire competed in the event, which is part of a county wide initiative delivered by Derby County in the community in partnership with our Trust. The initiative aims to develop the players' confidence and motivation, giving opportunities for friendships and relationships to form and develop social interaction through the use of sport.

This month we confirmed the increase in capacity of our low secure facility from 12 to 20 beds. Curzon ward, at the Kedleston low secure unit, was extensively refurbished, dedicating eight beds to admissions and treatment, whilst the Scarsdale ward remained as a 12 bed facility for continuing care.

January 2011

The New Year brought an OBE for one of our staff. Professor Paul Gilbert is a Consultant Clinical Psychologist at our Trust and a Professor of Clinical Psychology at the University of Derby. Paul's OBE award recognised his services to healthcare.

For the third year running we continued our support for a carers group, organised by staff members, to support carers. "Carer's Evening" aims to give those who care for people with mental health illnesses the support they so often need and is self-funded.

After a gruelling winter of heavy snow and ice, we calculated that our Facilities team spread over 70 tonnes of grit and a further 150 bags of grit were used to replenish grit bins. This helped to maintain supplies at 30 sites around the south of the county, as well as the main inpatient sites across the Kingsway Site and Radbourne Unit. We also aided our NHS colleagues at the Royal Derby Hospital by gritting some of their car parks.

We continued our important research work into bipolar disorder, with a request for people in Chesterfield suffering with the condition to take part in a study looking at the effectiveness of Psychoeducation groups compared with peer support groups. This is group-based therapy focussed on educating service users to understand and be better able to deal with their illness.

February 2011

The biggest news for our Trust this year came when Monitor (the Foundation Trust regulator) confirmed our application for Foundation Trust status had been approved. From 1 February, we started operating as Derbyshire Healthcare NHS Foundation Trust. This was a major milestone in the history of our organisation, and you can read more about this achievement on pages 7 to 11 of this report.

As with all public sector services, it is essential we are prepared for a major incident, should it occur. This month we held a training session for our staff on emergency planning preparation. This was a proactive exercise to test our emergency plan and improve our preparedness to effectively respond to a major incident. Staff who would be the first point of call in an emergency attended to gain the necessary competencies to confidently control and respond to such a situation.

Recognising Valentine's Day as the most romantic day of the year, we chose this date to launch our revised membership recruitment campaign. We called on the public to 'love your local NHS' and sign up and support us by becoming a member of our Trust. With only 7,282 members at campaign launch and a corporate target to recruit 8,000 members by the end of the financial year, we then had a busy 6 weeks of recruiting ahead.



March 2010

We confirmed we continue to receive consistently good feedback from patients about our top quality food. All food served to both patients and staff on the Kingsway Site is traditionally cooked, using fresh and where possible locally sourced ingredients. This allows us to provide a wider choice, as well as being more cost effective.

With year end approaching, we again renewed our appeal for the public to 'love your local NHS' and sign up as members of our Foundation Trust. With a final push in the last few days, we were successful in our aim and at the close of the campaign, we had achieved 8,020 members of our Trust – an increase of 738 since the campaign was launched.



Our Services - What We Do

Across our business units we provide the following mental health services for the whole of Derbyshire:

- Services for adults of working age (inpatient and community)
- Forensic services (low secure and prison in-reach)
- Perinatal mental health services (inpatient and community)
- Services for Older People (inpatient and community only)
- Memory services.

In addition, we provide the following services for Southern Derbyshire:

- Child and Adolescent community services
- Overview of our main divisional services
- Acute & Community Care Services Division.

The Acute & Community Care Services Division provides a number of services covering Derby city and Derbyshire county areas including:

- Community mental health teams
- Assertive outreach
- Early intervention
- Adult acute inpatient wards
- Psychology
- Mental health liaison
- Crisis resolution home treatment services
- Day hospital
- Acute occupational therapy.

Older People's Services

All Older People's inpatient services in the south are now delivered from purpose-built accommodation providing individual en-suite bedrooms.

- Tissington House – 14 beds for people with dementia
- Cubley Court – 36 beds for people with dementia
- Wards 41 and 45 at the London Road Community Hospital – 32 beds for people with mental ill health.

We also provide services from our Resource Centre for Older People's services in the grounds of Ilkeston Community Hospital which incorporates two Community Mental Health Teams (Amber Valley and Erewash) Day Hospital provision – Midway and outpatient clinic facilities.

We have Community Mental Health teams in the following areas:

- Derby City
- Amber Valley
- South Derbyshire
- North East Derbyshire
- Chesterfield
- Erewash
- North Dales
- South Dales
- High Peak.

We provide day hospital services at Dovedale on the London Road Community Hospital site and day services at Woodside on the Ilkeston Community Hospital site.

These services are delivered within a catchment area covering Derby City & Derbyshire County. Our services range across the whole of the adult care pathway and deliver against national guidance, both within the community and inpatient settings.

Specialist Services incorporating:

- Child and adolescent mental health services, commissioned to cover Derby city and Southern Derbyshire
- Substance misuse services, covering the county
- Eating disorder service, covering the city and county
- Psychological therapies, which cover both the city and the county.

Learning Disability Services

We have continued to work closely with Commissioners, advocacy services and housing services and achieved the closure of Core Houses and the reprovision of services with independent providers as part of the Government Campus Closure plan, in January of this year.

This offers exciting and life changing opportunities for people with a learning disability, and feedback from Commissioners has been very positive regarding how people who have moved have settled.

The Division now has around 120 Learning Disability staff delivering services in community settings.

The last year has seen a sustained effort by all staff to ensure continuing high standards of care and services have been delivered.

The Community Learning Disability teams are based at:

- Derby City
- Alfreton
- Bretby
- Long Eaton
- Wirksworth.

The Assessment and Treatment service serves the city and Southern Derbyshire and is based in Derby city.

The Medical Department also serves the city and Southern Derbyshire and is located in the city.

Use of Our Services by Age Band (2010 to 2011)





Business Environment

Key Commissioners

The key commissioners for the Trust are NHS Derbyshire County, NHS Derby City, Derbyshire Drug and Alcohol Action Team (DAAT) and Derby City Community Safety Partnership (CSP). The commissioning structures in the primary care trusts cover both health and social care and are delivered through a coordinating commissioner arrangement.

However, the way in which our services are commissioned is changing, so that General Practitioners have much greater responsibility for commissioning healthcare on behalf of their local populations. In Derbyshire there will potentially be five Clinical Commissioning Consortiums, and we are beginning to work with each of them to gain a better understanding of their requirements and expectations.

Procurement Arrangements

We have a service level agreement with Derby Hospitals NHS Foundation Trust for supplies and procurement. Their procurement department provides specialised commodity knowledge for goods and services purchased for our Trust. Although, as part of the service level agreement, it is their responsibility to improve purchasing and supply chain activity throughout the Trust, we now have a Procurement Lead who is undertaking a systematic review of all procurement arrangements across the organisation to ensure we receive value for money in all services and goods which we purchase. In addition, we are also a member of the Regional Procurement Steering Group for Mental Health Services Providers, which, amongst other things, evaluates collaborative procurement opportunities across the region.

Business Environment: External Environment

Deprivation and economic factors will undoubtedly impact on the Trust during the coming year. There is already a proven link between deprivation factors and the prevalence of mental ill-health; as long as the economy is in recession, there may be a potential

increase in demand for our services, at a time when PCTs may not have the resources to address gaps in funding and service provision.

In addition, changes to national and local policy may impact on the way our services are commissioned, requiring the Trust to change the focus of how our services are delivered. Population changes may also have a similar effect.

Whilst this will present the Trust with a number of opportunities, particularly around responding to specific local needs, there is also a risk that changes to commissioning arrangements may result in an increased number of services being put out to tender and therefore a number of alternative providers entering the local market. Not only will this reduce our market share, but it could also damage our reputation, as a result of losing local or regional business.

Business Development: Service Developments

During 2010/11 the Trust has continued to respond to the changing requirements and expectations of both patients and commissioners, and has successfully developed and implemented a number of new and innovative services.

In May 2010 we opened a 10-bedded Enhanced Care Ward based at the Radbourne Unit, which is designed to provide an alternative to Psychiatric Intensive Care. People admitted to the Enhanced Care Ward are nursed in the least possible restrictive environment, in accordance with the Mental Health Act Code of Practice, and as such the intensity of care can be adapted in line with clinical need.

In addition, the Trust expanded the Kedleston Low Secure Unit, providing an additional eight beds. These were opened in October 2010 following extensive development work, allowing us to further build on our expertise of delivering forensic mental health services.

Community services have also been strengthened through the creation of a Child and Adolescent Mental Health Service for Children with Learning Disabilities. This service provides a timely and effective service to children and young people up to the age of 19 years with moderate to severe learning disability, who present with behaviours indicative of mental health needs. The team also provides support, advice, training and consultation to professionals from a range of agencies which provide services for children and young people with a learning disability.

Additionally, the Trust has started to develop and expand our community eating disorders service to include full-time psychology input. It is anticipated that the service will continue to expand during the next year to include dedicated dietetic, psychiatric and community support, aligned with services provided by the voluntary and charitable sector.

The Trust has also continued to develop our Substance Misuse Services, building on the strength of our dedicated and highly experienced workforce. During 2010/11 we successfully tendered for the specialist community alcohol misuse service in Derby City, which unlike the previous service also includes a hospital alcohol liaison team, providing support when clients are admitted into Derby Hospitals NHS Foundation Trust due to an alcohol-related incident or illness.

In terms of Learning Disability services, the Campus Closure programme is now complete, and all clients have now been safely transferred to alternative accommodation. We have however continued to develop our community Learning Disability service, and in January 2011 launched our Learning Disability Health Facilitation Service. This team provides support to people with a learning disability, their families and carers, professionals, support staff and social care colleagues to find solutions for barriers to good health and to help people stay healthy.

During 2010/11 we also expanded our service provision into areas outside Derbyshire. In May 2010 we were commissioned to provide a robust psychiatric and psychology service at the Corner House in

Rotherham, a service provided by Turning Point, for clients with challenging behaviour. In addition, we also launched a primary care psychological therapy service within HM Youth Offending Institute Swinfen Hall in Staffordshire. This service provides primary care level counselling and cognitive behavioural support to over 600 inmates, as part of an integrated prison mental health service.

Business Environment: Future Service Development Plans

The Trust will continue to develop and implement new and innovative services in response to changing demands and expectations. Whilst it is unlikely that new money will become available to fund new services, the Trust is confident that the services we develop will offer commissioners viable alternatives to existing provision; therefore offering commissioners invest-to-save opportunities, without compromising clinical quality.

During the next 12 months we are planning to develop and expand a number of community-based services as alternatives to hospital admission, as well as develop a number of specialist inpatient facilities to enable care to be delivered closer to people's homes.

In addition, the Trust is also developing a number of services aimed at providing specialist advice and training to those outside the Trust involved in the care and management of those with mental ill-health.

Business Environment: Future Challenges

Our Trust, like all parts of the NHS and the public sector, faces considerable challenges in the years ahead: a period of significant economic downturn characterised by a drive for increasing productivity and delivering innovation whilst improving service quality. It is also clear that such socio-economic changes will place huge psychological pressures on society, increasing the demand on our services. This will not only present us with a wider social responsibility but also a significant business opportunity supporting the thrust of our ambition. We will build on our track record of successful resource management and improvements in clinical effectiveness and quality to realise this opportunity.

Our vision is to positively respond to the health and wellbeing needs of our service users and local population by providing the highest quality services and promoting individual choice, recovery and independence. Making our vision a reality through strong vibrant engagement with the communities we serve and our wider stakeholders is a key priority for our organisation. Listening to their needs whilst ensuring that their perceptions of our services match the quality, care and dedication of our healthcare professionals is of increasing importance as we understand more fully the implications of the new healthcare reforms and emerging policy on patient experience and choice.

Information Management and Technology

We have an Information Management and Technology (IM&T) Strategy which closely links our IM&T initiatives to clinical need. Key activities completed this year were:

- The Information Management department has implemented a new data warehouse which will support the Connecting For Health pseudonymisation requirement and to continue to ensure patients personal information is protected
- Records Management have implemented a "red bag" system to aid the secure internal transfer of medical records
- The Information Technology department has implemented a new intranet and collaboration system based on SharePoint 2010. This allows the Trust to share knowledge easily across the organisation
- The commencement of a trial using an electronic system to support clinical processes without reliance on paper records
- The availability of WiFi access across 18 sites for both staff and service user/carer use. This is delivered via c115 wireless access points
- Two fixed and seven mobile internet access kiosks to allow patients and carers to access the internet
- The deployment of 690 digital pens to help health workers record information quickly and efficiently
- The Information Governance (IG) return for 2010/11 has rated the Trust as "satisfactory" with a score of 68% compliance. Information Governance is designed to ensure that an organisation operates appropriate policies and procedures to manage the information it holds.
- A single platform to support the delivery of all mental health services care records across the Trust has been achieved as a result of the migration of the Psychotherapy database to our clinical records system, Carenotes. Migration was completed successfully on time and under budget



Patient Experience

The Improving the Patient Experience team consists of the Complaints and Patient Advice and Liaison Service (PALS) team, Releasing Time to Care project team, Care Programme Approach service and Public Health team.

The full integration of the Patient Advice and Liaison Service and Complaints Department has been completed during the year which is in line with the changes within the national complaints regulations.

We have continued to improve our real time patient experience surveying with the introduction of Values Exchange (a web based patient feedback and survey tool).

Service User Involvement

We continue to work with service users and carers and their representatives, in ensuring we are inclusive in our approach to improving services. Through involvement in key groups and committees, engagement, dignity and involvement are developed promoted and monitored on a continuous improvement cycle.

Complaints Handling and Principles for Remedy

Everyone has the right to expect a good service from public bodies and to have things put right if they go wrong. Good complaints handling matters because it is an important way of ensuring customers receive the service they are entitled to expect.

In its handling of complaints, the Trust works to the Ombudsman's Principles of Good Complaints Handling and the Principles of Remedy. Good complaints handling means:

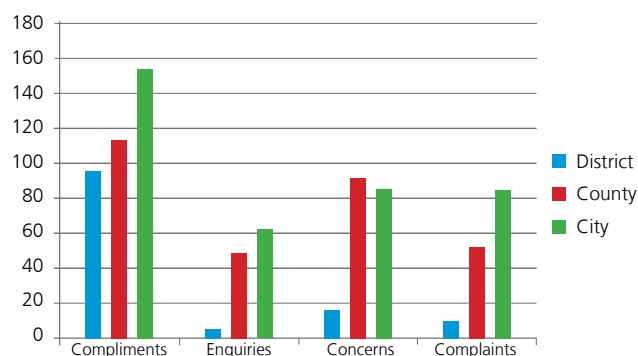
- Getting it right
- Being customer focused
- Being open and accountable
- Acting fairly and proportionately
- Putting things right
- Seeking continuous improvement.

The Principles of Remedy provides guidance on how public bodies should provide remedies in cases where injustice and hardship have arisen from errors and/or poor practice.

Concerns, Complaints, Compliments and Enquiries

Within the department the total number of reported concerns, complaints, compliments and enquiries for the year was 1,008, which is an increase of 100 on the previous year.

Concerns, Complaints, Compliments and Enquiries by Division



Concerns and Complaints

During the year steps have been taken to improve communication between Investigating Officers and complainants. New guidance has been issued instructing Investigating Officers that they have three working days from being allocated the complaint to make personal contact with the complainant. This contact should include a discussion in relation to the timescale of the investigation, which staff should aim to complete within 20 working days.

351 concerns and complaints have been dealt with during the year. Of those, 236 were resolved informally and 115 required a more formal Trust investigation.

Concerns and Complaints by Subject of Complaint

	10/11
Admissions, discharge and transfer arrangements	28
Appointments, delay/cancellation (out-patient)	16
Attitude of staff	59
All aspects of clinical treatment	151
Communication/information to patients (written and oral)	30
Consent to treatment	2
Patients' privacy and dignity	8
Patients' property and expenses	11
Independent sector services commissioned by Trusts	1
Personal records (including medical and/or complaints)	6
Failure to follow agreed procedure	6
Patients' status-discrimination (eg racial - gender - age)	1
Transport (ambulances and other)	1
Policy and commercial decisions of Trusts	6
Hotel services (including food)	2
Other	23
Total	351

Responses Within Target

Of the 115 complaints formally investigated 108 (94%) have been acknowledged within an agreed target.

93 (81%) have been responded to within an agreed target, a further 14 (12%) are ongoing within target. To date, 8 (7%) were completed outside of an agreed target.

Top 5 issues arising from concerns and complaints received:

- Attitude (unprofessionalism)
- Care provided (assessment and care planning)
- Medical (care/treatment inadequate)
- Nursing (gaps in care provision)
- Other.

Actions Taken as a Result of Feedback Received

- Current process and documentation has been reviewed to ensure that the role of the professional contributing to the Capacity Assessment is clarified.
- Workshops have been delivered where clinical staff can explore specific case examples related to Capacity Assessment.
- Staff have been reminded of the Trust Policy and Procedure relating to safeguarding a patient's property through refresher training
- A review of the existing community care pathway and the use of existing medical clinics within Learning Disability Services
- Training sessions with regard to record keeping standards have been provided
- Nursing Midwifery Council record keeping guidance circulated
- Training sessions in regard to Care Planning in relation to Physical Care Needs have been provided
- A care plan specifically for carers in End of Life situation is to be introduced .

Learning the Lessons

Learning has been shared across the Trust following a complaint that a service user had been discriminated against in respect of the administration of a therapeutic intervention.

The learning for staff from this is that they must:

1. Document the discussion they have with a service user regarding any disability they have in the clinical notes
2. Document in the clinical notes the action to be taken in respect of any reasonable adjustments required in order for the service user to be able to effectively participate in the therapeutic intervention.

All staff have also been asked to pause and reflect upon the findings from the Ombudsman Care and Compassion report into 10 investigations into NHS care of older people.

Health Service Ombudsman

During the year the Health Service Ombudsman reviewed five cases. Given the low number of assessments the Trust Board can be assured that complaint investigations are being undertaken to a high standard.

2010/11 Five Assessments Undertaken

Four assessments have been completed - three required no further action, one was referred back to the Trust for a further response, one assessment is currently still being considered.

Compliments Received

During the year 403 compliments have been reported to the department. The Trust encourages staff to report compliments and is considering different ways of highlighting and sharing the learning from the information received.

Thanks have been given for:

- The wonderful care given
- The care and consideration given during my father's stay
- maintaining my husband's dignity
- The input and information provided in relation to an out of area patient on the ward
- For the advice and support provided by staff generally.

Enquiries

A total of 254 general and 'signposting' enquiries have been made during the year to the Improving the Patient Experience department.

Staff provided information on a range of services and contact points including bereavement services, Citizens Advice Bureau, PALS services and other NHS Trusts. Contact has also been made with wards and teams to clarify and confirm issues on behalf of callers.

Outreach Sessions

During the year 103 outreach sessions have been held across the Trust attended by Patient Experience officers alongside ward PALS link workers. Many of the issues raised were in relation to equipment and premises, food quality and choice and clinical treatment. The following are examples of actions taken to remedy the problems raised:

- Towel rail request made
- Patients informed of designated smoking areas
- Repairs reported
- Safety check requested
- Issues regarding patient lockers highlighted to ward manager
- Estates Department contacted regarding television aerial
- Meeting with Catering Manager arranged.



Workforce

In 2010/11 Derbyshire Healthcare NHS Foundation Trust employed approximately 2,116 (1,859 whole time equivalent) members of staff. The Board recognises that we can only achieve our ambition to continually improve the high quality of services we provide through our workforce. Therefore over the past 12 months the organisation has been working to establish the foundations which will ensure that our staff are engaged, developed and supported to shape the high quality services for tomorrow.

Values to Leadership

In January the Trust launched its 'Values to Leadership' strategy across the organisation which is made up of the following three elements.

Tier 1 – Personal Impact - Tailored around the individual leader this element of the framework focuses on behaviour rather than technical competencies. The programme at Tier 1 includes 360 degree assessments and will also include horizon scanning, the political environment and strategic thinking.

Tier 2 – Corporate Behaviour - Focusing on the corporate agenda, this element is delivered through a series of scheduled, themed events over a 12 month period. This programme is targeted at staff on Agenda for Change Pay Band 7 and above with leadership and/or management responsibility.

Tier 3 – Management Development - The third tier of the framework incorporates a series of structured management development workshops. This menu of management development sessions equips our managers with the necessary technical skills to develop people management competencies. Managers will be given a period of 24 months to attend the necessary training as a way of creating a 'kite mark' to assure the Board about the quality of our managers.

It is our ambition that all staff across the Trust will have access to a leadership programme. Leadership programmes for our medical workforce, Pay Bands 5 to 6 and preceptorship level will be shaped and implemented. The Trust is ensuring that it links with relevant organisations, such as the Royal College

of Nursing to assist in the development of those programmes.

During the Autumn of 2010 the Workforce Strategy Group was established. The group is chaired by the Director of Workforce and Organisational Development and has Non-Executive Director attendance. The purpose of the group is to provide assurance to the Board on the delivery of the strategic workforce agenda.

NHS National Staff Survey 2010

The NHS National Staff Survey is conducted every year to obtain a representative view of the experiences of staff who work in the Trust. The survey findings are used to assess and measure the effectiveness of local and national workforce policies, procedures and strategies, and to inform future developments.

The Trust surveyed all members of staff, achieving a response rate of 61%.

As in previous years, the survey findings are structured around the four pledges to staff contained in the NHS Constitution.

Summary of Results

The survey results indicate there has been no real significant change for many of the findings when compared with the previous year. However, in 2010 the Trust did see improvement in five areas:

- Quality of job design
- % of staff receiving Health & Safety training in the last 12 months
- Fairness and effectiveness of incident reporting procedures
- Staff recommendation of the Trust as a place to work or receive treatment
- % of Staff having Equality & Diversity training in the last 12 months.

And deterioration in only two areas:

- % of Staff suffering a work related injury in the last 12 months
- Impact of health and wellbeing on ability to perform work or daily activities.

Overall response rate for annual staff survey

	2009/10		2010/11		Trust Improvement/ Deterioration
	Trust	National Average	Trust	National Average	
Response Rate	60%	55%	61%	55%	+1%

Top 4 ranked scores for our Trust

Top 4 Ranking Scores	2009/10		2010/11		Trust Improvement/ Deterioration
	Trust	National Average	Trust	National Average	
% of staff having equality & Diversity training in the last 12 months	55%	42%	73%	47%	+18%
% of staff experiencing physical violence from staff in the last 12 months	Data not available	Data not available	1%	1%	
% of staff appraised in the last 12 months	84%	75%	89%	82%	+5%
% of staff receiving health & safety training in the last 12 months	85%	75%	90%	80%	+5%

Bottom 4 ranked scores for our Trust

Bottom 4 Ranking Scores	2009/10		2010/11		Trust Improvement/ Deterioration
	Trust	National Average	Trust	National Average	
% of staff receiving job development training- learning or development in the last 12 months	75%	81%	73%	80%	-2%
Impact of health and wellbeing on ability to perform work or daily activities	1.59%	1.62%	1.70%	1.62%	-0.11%
% of staff feeling there are good opportunities to develop their potential at work	36%	48%	34%	45%	-2%
% of staff able to contribute towards improvement at work	62%	68%	60%	67%	-2%

Key Themes

Analysis of the results shows that the Trust has performed particularly well in many areas which involve processes and procedures eg appraisals and incident reporting. However the results also showed there is further improvement required in areas around behaviour, attitude and culture.

Priorities for 2011/12

To address the concerns raised in the annual staff survey, we have created a Staff Engagement subgroup comprising staff, workforce, communications and staff side, also involving the Director of Workforce & OD. This group has identified two main themes to focus on during this year:

- Staff engagement and
- Staff health & wellbeing.

Interventions and milestones will be identified under these two categories with progress also being monitored through the Workforce Strategy Group.

Staff Engagement

One of the Trust's primary considerations and high priorities is to improve staff engagement. Research shows that staff engagement has a real impact on morale, productivity, organisational performance and ultimately the patient/service user experience.

Staff engagement covers partnership, involvement and more, to encompass the organisation's culture, including how staff feel about their job, the organisation and its values. Our staff engagement group values the feedback given by staff through the staff survey, and we utilise the information provided for implementing improvements for staff across the Trust.

To support this, the Trust has established a Staff Engagement Group to drive improvements in the NHS Staff Survey results which will be monitored within a performance management framework.

The group has identified a range of short to long term interventions which will form the basis of a project plan to be implemented over the next 12 months. This will be monitored through the Trust Workforce Strategy Group.

Some of the key interventions identified so far include:

- Staff survey engagement events
- Quality showcases/Quality circles
- Staff forums
- Improving visibility of senior management
- Developing engagement champions
- Sharing and shaping best practice.

The Staff Engagement Group will:

- Consider the implementation of these throughout the Trust
- Consider strategies to address any deficiencies identified
- Ensure these strategies are urgently addressed in the operational setting
- Consider clear outcomes and measurement options to identify improvements.

Health and Wellbeing

Organisations which prioritise staff health and wellbeing, perform better, improve quality of care, and deliver better outcomes for patients and service users. They also have higher levels of staff retention and lower rates of sickness absence (NHS Health and Wellbeing Final Report 2009 – the Boorman Review).

To progress this as a priority, the Trust has established a Health & Wellbeing Group. The membership of this group is very diverse and includes healthcare professionals, HR professionals and is chaired by the Trust staffside secretary. The group will focus its work programme on interventions which support the health and wellbeing of all staff, concentrating its efforts on health promotion and ill-health prevention.

The Trust is looking at how it can place a greater emphasis on ill-health prevention and health promotion, in addition to health surveillance. This will include exploring the use of 'fast tracking'

our workforce into existing NHS services such as musculoskeletal physiotherapy, stress counselling and smoking cessation.

A Work Related Stress sub-group has also been formed and their work is ongoing, to support managers and staff and provide a framework to reduce the levels of work related stress.

To support and underpin the work of both the Workforce and Organisational Development Team and the Health and Wellbeing Group, a new and dedicated post of Staff Liaison Manager has been developed. The aim of this post is to provide welfare/wellbeing advice and support to staff. The post includes the responsibility to support staff who have been absent from work long term due to a medical condition and help them in their return to work. The role also includes providing advice to individuals on their work life balance in conjunction with health and wellbeing.

Employee Relations/Partnership Working

The Trust continues to promote good employee relations, and maintains a constructive and purposeful relationship with recognised Trade Unions and Professional Organisations.

The Joint Negotiating and Consultative Committee (JNCC) is a forum for information sharing, discussion of Trust matters, consultation and negotiation. It also provides a real opportunity to enhance partnership working by enabling the participation, involvement and engagement of Trade Union and Professional Organisation representatives in decision-making that affects the business of the Trust.

The JNCC enables the Trust to inform and consult staff side representatives on such things as:

- The Trust's economic/financial situation
- Matters of common interest such as:
 - Communication and engagement
 - Training and development of managers, staff and staff side representatives
 - Health and wellbeing
 - Staff satisfaction

- Organisational and transformational change
- Health & Safety at work
- Quality
- Education and training
- Local terms and conditions of service
- HR policies and procedures
- Business transfers or acquisitions.

Education

The Learning and Development Service is responsible for the provision of high quality learning and development opportunities which support the delivery of quality services. Working collaboratively, we support all staff to develop the essential skills, knowledge and attributes to improve the experience of service users and carers.

Our main aim is to ensure the Trust, working with partners, stakeholders and related sectors, develops and equips its staff with the skills they need to:

- Facilitate evidence based practice
- Undertake their working role effectively and safely
- Provide continuing professional/personal development
- Support workforce development, new ways of working and service modernisation.

The key areas of responsibility across the Trust include training needs analysis, educational commissioning, delivery of essential and core learning, induction and mandatory training, workforce development, continuing professional development, lifelong learning, promoting skills escalator, appraisal/personal development, Knowledge Skills Framework, supporting pre/post registration programmes and standards, NVQs, leadership and management development and Library & Information Service.

Compulsory training is an annual training programme for all Trust employees to work safely and effectively in accordance legislation, organisational guidance and NHSLA standards. Over the last 12 months there have been developments with regard to the delivery and content, including e-learning and block training.

Following the move of the Library & Knowledge service to the Ashbourne Centre in June 2010, these services have been enhanced over the last 12 months to include additional electronic resources. This includes an extension of the e-learning suite, which is accommodated within the facility. The range of electronic journals and books have also been extended, which are accessible by staff from their own desktops, enabling them to readily keep abreast of changes in practice, ensuring their skills and knowledge are up to date.

Inclusion

The Trust is committed to providing equality of opportunity and eliminating discrimination in service delivery, employment and when engaging with staff, our local community, service users, carers and the general public.

The Trust takes its obligations under Equality Legislation very seriously and aims to provide fair and equitable treatment to, and value diversity in, its staff, patients and visitors. In doing so it aims to ensure its actions and working practices comply with both the spirit and intention of the Human Rights Act (1998) and the Equality Act (2010) which consolidates existing equality legislation relating to the protected characteristics of age, disability, gender reassignment, marriage & civil partnerships, pregnancy & maternity, race, religion or belief, sex and sexual orientation.

The promotion of inclusion and equality, and achieving the elimination of unlawful discrimination within the Trust is a key strategic priority for the organisation. This will be achieved by ensuring this philosophy of equality runs through all aspects of policymaking, service provision and employment and forms part of the day to day operation of the Trust. Over the last 12 months the Trust has set up a high profile Inclusion and Equalities Strategy Committee, which consists of a wide base of stakeholders (including staff, patients, carers, partners and members of diverse communities and their representatives). An away day was held in May 2010 to plan the work of the newly formed

committee and a work plan setting out key priorities for the year ahead. In all, over 200 individuals were involved. We have also reviewed and designed a user-friendly Equality Impact Analysis toolkit in partnership with local interests. The intention is to analyse all our policies and procedures, including new service pathways. Equality and Diversity training is mandatory for all staff.

Annual Awards

The Trust's annual awards recognise the excellent contribution made by teams and individuals in bringing about service improvements. The awards were announced and presented at the Annual Public Meeting, held at Derbyshire County Cricket Club in September 2010.

This year there were six categories for the Team of the Year Award, with one overall winner. This was won by the Amber Valley & Erewash Older People's Community Mental Health Teams.

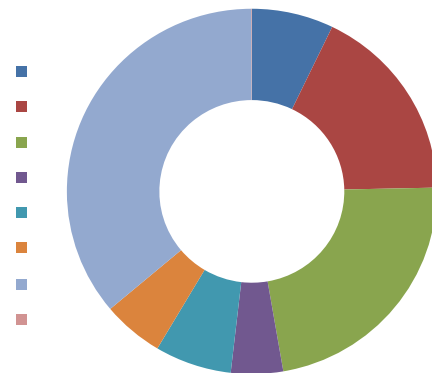
The Innovation Award, introduced last year to give staff a platform to showcase their innovative ideas to deliver continuous improvements in service quality, was won by Martin Smith for his innovative partnership working in Information Technology.

The Employee of the Year Awards recognise the exceptional dedication, commitment and drive shown by individuals. These were awarded to Victoria Talman, Healthcare Assistant (Diamond Award), Gill Baker, Senior Nurse in Learning Disabilities (Inspirational Leader Award), and Darrell Evans, Community Development Officer (Reducing Stigma Award).

The Chief Executive's Award was this year won by Clare Grainger, Head of Performance.

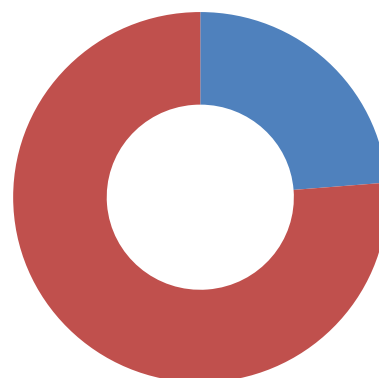
Workforce Profile (Full Time Equivalent)

Staff Group	Head count	FTE	Workforce % FTE
Add Prof Scientific & Technic	149	132.91	7.16%
Additional Clinical Services	372	325.25	17.51%
Administrative & Clerical	480	419.80	22.60%
Allied Health Professionals	103	84.53	4.55%
Estates & Ancillary	160	124.53	6.71%
Medical & Dental	106	99.24	5.34%
Nursing & Midwifery Registered	739	669.90	36.08%
Students	1	1.00	0.05%
Total	2,110	1,857.16	100%



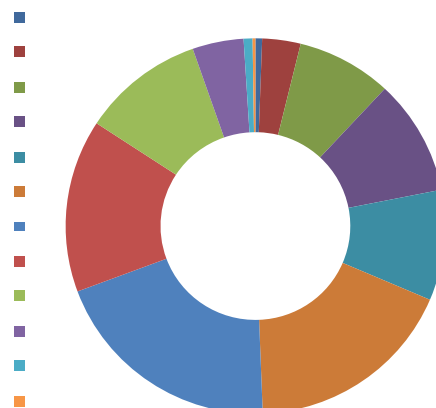
Gender Profile

Staff Group	Male Headcount	Male %	Female Headcount	Female %
Add Prof Scientific & Technic	38	25.50%	111	74.50%
Additional Clinical Services	93	25.00%	279	75.00%
Administrative & Clerical	70	14.58%	410	85.42%
Allied Health Professionals	7	6.80%	96	93.20%
Estates & Ancillary	56	35.00%	104	65.00%
Medical & Dental	59	55.66%	47	44.34%
Nursing & Midwifery Registered	177	23.95%	562	76.05%
Students	1	100.00%	0	0.00%
Total	501	23.74%	1,609	76.26%



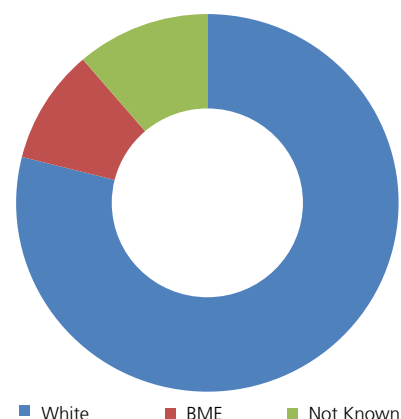
Age Profile

Age	Headcount	Headcount %
16-20	12	0.57%
21-25	69	3.27%
26-30	171	8.10%
31-35	210	9.95%
36-40	201	9.53%
41-45	379	17.96%
46-50	421	19.95%
51-55	314	14.88%
56-60	220	10.43%
61-65	92	4.36%
66-70	16	0.76%
71 & Above	5	0.24%
Total	2,110	100%



Workforce Diversity

Staff Group	BME Headcount	BME %	White Headcount	White %	Not Known Headcount	
Add Prof Scientific & Technic	15	10.07%	127	85.23%	7	4.70%
Additional Clinical Services	44	11.83%	280	75.27%	48	12.90%
Administrative & Clerical	23	4.79%	435	90.63%	22	4.58%
Allied Health Professionals	2	1.94%	91	88.35%	10	9.71%
Estates & Ancillary	19	11.88%	110	68.75%	31	19.38%
Medical & Dental	35	33.02%	44	41.51%	27	25.47%
Nursing & Midwifery Registered	68	9.20%	578	78.21%	93	12.58%
Students	1	100.00%	0	0.00%		0.00%
Grand Total	207	9.81%	1,665	78.91%	238	11.28%



Recruitment by Ethnicity	Applied (4,193)		Shortlisted (1,143)		Appointed (220)	
	No.	%	No.	%	No.	%
WHITE - British	2,588	61.72%	801	70.08%	168	76.36%
WHITE - Irish	48	1.14%	18	1.57%	2	0.91%
WHITE - Any other white background	211	5.03%	34	2.97%	7	3.18%
ASIAN or ASIAN BRITISH - Indian	401	9.56%	62	5.42%	9	4.09%
ASIAN or ASIAN BRITISH - Pakistani	142	3.39%	21	1.84%	4	1.82%
ASIAN or ASIAN BRITISH - Bangladeshi	20	0.48%	6	0.52%	1	0.45%
ASIAN or ASIAN BRITISH - Any other Asian background	67	1.60%	13	1.14%	4	1.82%
MIXED - White & Black Caribbean	31	0.74%	11	0.96%	2	0.91%
MIXED - White & Black African	6	0.14%	2	0.17%	0	0.00%
MIXED - White & Asian	16	0.38%	2	0.17%	2	0.91%
MIXED - any other mixed background	15	0.36%	5	0.44%	1	0.45%
BLACK or BLACK BRITISH - Caribbean	81	1.93%	29	2.54%	3	1.36%
BLACK or BLACK BRITISH - African	421	10.04%	102	8.92%	8	3.64%
BLACK or BLACK BRITISH - Any other black background	28	0.67%	8	0.70%	3	1.36%
OTHER ETHNIC GROUP - Chinese	20	0.48%	2	0.17%	0	0.00%
OTHER ETHNIC GROUP - Any other ethnic group	47	1.12%	10	0.87%	1	0.45%
Undisclosed	51	1.22%	17	1.49%	5	2.27%

Recruitment Summary by Ethnicity	Applied %	Shortlisted %	Appointed %
WHITE	67.90%	74.63%	80.45%
Ethnic Minority Background	30.88%	23.88%	17.27%
Not Disclosed	1.22%	1.49%	2.27%

Applicants by Disability	Applied (4,193)		Shortlisted (1,143)		Appointed (220)	
	No.	%	No.	%	No.	%
Disabled	213	5.08%	79	6.91%	5	2.27%
Not Disabled	3,926	93.63%	1,052	92.04%	210	95.45%
Not Disclosed	54	1.29%	12	1.05%	5	2.27%

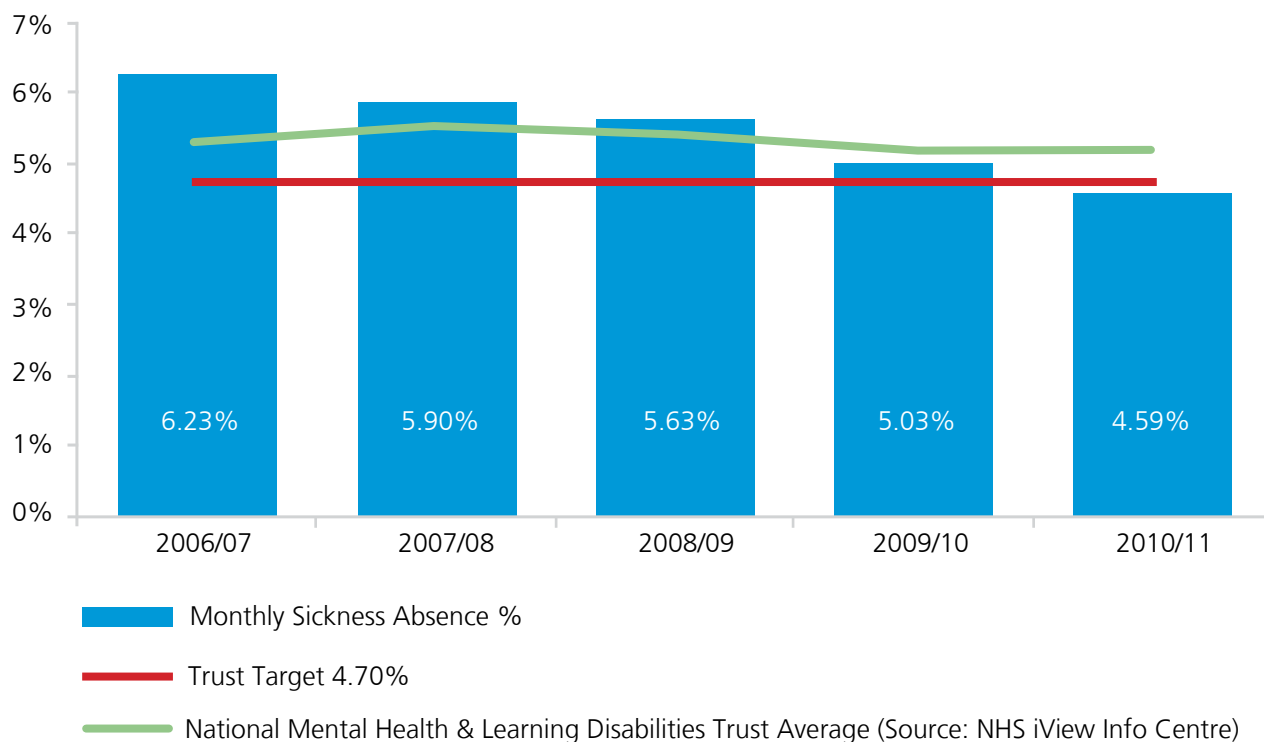
Applicants by Gender	Applied (4,193)		Shortlisted (1,143)		Appointed (220)	
	No.	%	No.	%	No.	%
Male	1,182	28.19%	299	26.16%	58	26.36%
Female	3,006	71.69%	842	73.67%	161	73.18%
Undisclosed	5	0.12%	2	0.17%	1	0.45%

Applicants by Age Group	Applied (4,193)		Shortlisted (1,143)		Appointed (220)	
	No.	%	No.	%	No.	%
Age Under 20	121	2.89%	8	0.70%	2	0.91%
Age 20-24	876	20.89%	157	13.74%	33	15.00%
Age 25-29	824	19.65%	204	17.85%	38	17.27%
Age 30-34	572	13.64%	149	13.04%	24	10.91%
Age 35-39	554	13.21%	186	16.27%	38	17.27%
Age 40-44	453	10.80%	148	12.95%	37	16.82%
Age 45-49	353	8.42%	119	10.41%	20	9.09%
Age 50-54	288	6.87%	110	9.62%	15	6.82%
Age 55-59	126	3.01%	55	4.81%	11	5.00%
Age 60-64	18	0.43%	6	0.52%	2	0.91%
Age 65-69	5	0.12%	1	0.09%	0	0.00%
Age 70+	2	0.05%	0	0.00%	0	0.00%
Undisclosed	1	0.02%	0	0.00%	0	0.00%

Applicants by Sexual Orientation	Applied (4,193)		Shortlisted (1,143)		Appointed (220)	
	No.	%	No.	%	No.	%
Lesbian	17	0.41%	7	0.61%	0	0.00%
Gay	33	0.79%	9	0.79%	1	0.46%
Bisexual	24	0.57%	2	0.17%	0	0.00%
Heterosexual	3,766	89.82%	1,034	90.46%	200	91.32%
Undisclosed	353	8.42%	91	7.96%	19	8.68%

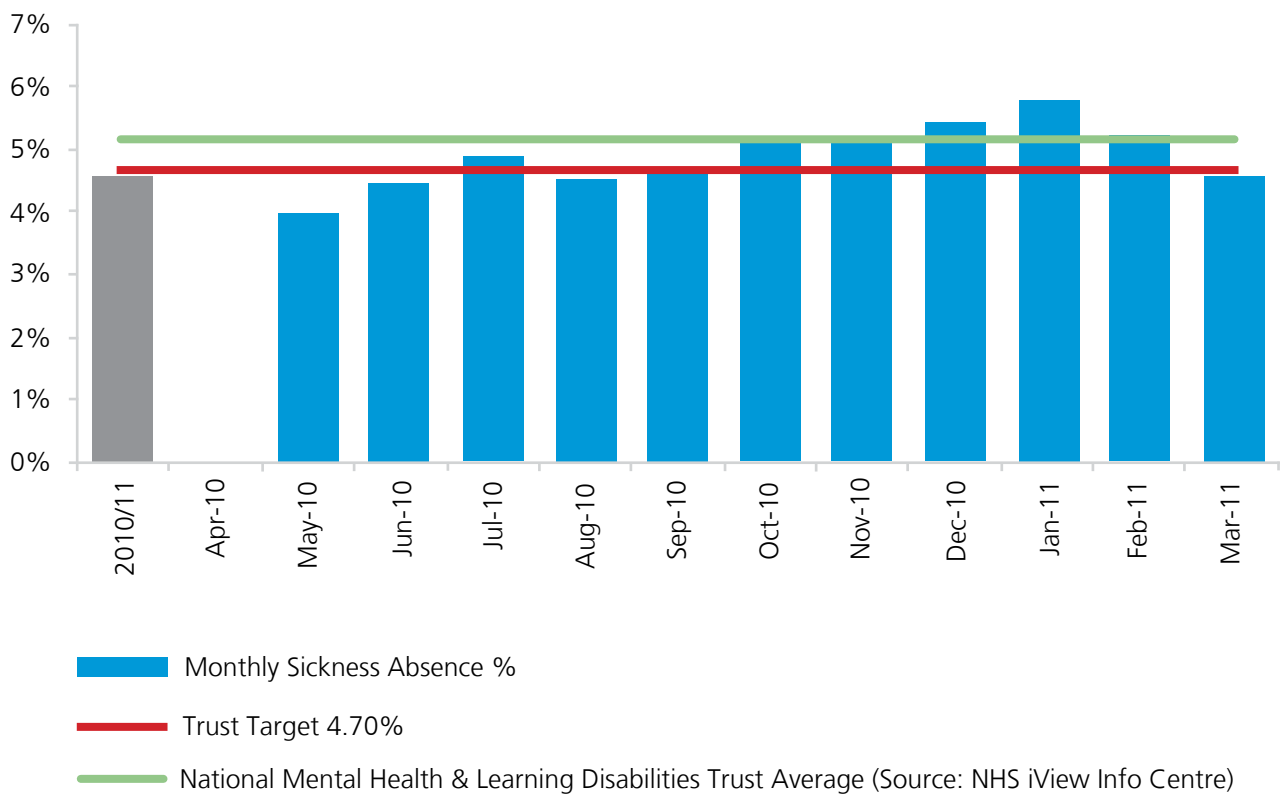
Applicants by Religious Belief	Applied (4,193)		Shortlisted (1,143)		Appointed (220)	
	No.	%	No.	%	No.	%
Atheism	460	10.97%	121	10.59%	24	10.91%
Buddhism	21	0.50%	4	0.35%	2	0.91%
Christianity	2,379	56.74%	691	60.45%	118	53.64%
Hinduism	152	3.63%	21	1.84%	1	0.45%
Islam	218	5.20%	32	2.80%	7	3.18%
Jainism	1	0.02%	1	0.09%	0	0.00%
Judaism	6	0.14%	1	0.09%	1	0.45%
Sikhism	140	3.34%	26	2.27%	9	4.09%
Other	398	9.49%	114	9.97%	26	11.82%
Undisclosed	418	9.97%	132	11.55%	32	14.55%

Annual Sickness Absence % - last 5 years



Annual sickness absence rates have continually reduced during the previous 5 years in the Trust. In 2006/07 the annual sickness rate was 6.23%, in 2007/08 5.90%, in 2008/09 5.63% and in 2009/10 5.03%. In 2010/11 the annual sickness absence rate has continued to reduce at 4.59% achieving the Trust target of 4.70%.

Monthly Sickness Absence % - April 2010 to March 2011







Corporate Social Responsibility

Corporate Social Responsibility is an important role for any organisation. Our Trust champions and supports the ethos of being a Good Corporate Citizen.

In practical terms this means we undertake that our day to day activities will sit comfortably within the communities we serve and only have positive impacts within those communities.

The way we employ staff, construct buildings, purchase goods and engage with people and organisations to remove health inequalities are all part of our commitment to responsible and sustainable development. A good example of this is our work to reduce our carbon footprint. You can read more about it on page 47 of this report.

The Trust has six key areas of activity:

- Community engagement
- Procurement
- Facilities management
- Transport
- Employment and skills
- New buildings.

Reducing the stigma surrounding mental health is a key objective for our organisation. The work we undertake across the community helps to support this.

We are taking the message out to communities that mental health illness is far more common than most people realise, with one in four people experiencing some form of mental health illness in their lifetime.

We have ongoing partnerships with many well known local organisations and employers who have recognised their own need to become better informed and in turn become better corporate citizens' themselves such as:

- Derby County Football Club
- Belper Town Football Club
- Derby University
- Rethink / Derbyshire Mind
- Changing Minds Group
- Butterfly Project
- Derbyshire Link
- Making Space

- Southern Derbyshire Voluntary Action Forum
- North Derbyshire Voluntary Action
- Farming Life Centre.

We take every opportunity to meet with people either at events or within their own communities. Some of the events we have been involved in this year were:

Belper Town Football Club

The Trust donated the 1 in 4 trophy to the club for Player of the Season. Players warmed up in Trust T-shirts supporting mental health at each match in the 2010/11 season. The club sponsored 20 tickets for service users to attend a football match in December. The Trust also attended a football match to undertake membership recruitment.

Living Library Event

In Partnership with Rethink, Derbyshire Mind and Derby University, this event was held in November at Derby University. 35 voluntary and statutory organisations had stands and 19 "living books" who told their stories were available. We also used this opportunity to promote mental health awareness and the Time to Change campaign.

Gypsy & Traveller History Month

The Trust attended this event in Derby, raising mental health awareness.

Merrill College / Shelton Striders 10k Run Against Stigma

The Trust sponsored 500 T-shirts for runners who took part in the 10k run. Each runner received a T-shirt at the end of the race, promoting the Trust and Get Moving Week, which is the Time to Change get moving anti-stigma promotion.

World Mental Health Day

World Mental Health Day was celebrated in the Market Place at Derby city centre. The Trust partnered with other groups, including Mental Health Action Group, Derbyshire Police, City and County Councils, Derby University, Rethink and many others to have a day filled with entertainment and information stalls for the general public.

County and Village Shows

The Trust attended a large number of shows to deliver mental health awareness and undertake membership recruitment. The shows attended include:

- Chaddesden Big One
- Derbyshire County Show
- Bakewell show
- Ashbourne Show
- Derby Pride event
- Stapleford Show
- Big Health Day
- P3 It's a knockout day
- International Women's Day
- Various carers' events
- Sikh Festival
- Autism and Asperger's Events
- YMCA open day
- EMAS networking event.

Derby College

The Trust attended various college events throughout the year at venues across Derby to promote mental health awareness and membership recruitment.

Stakeholder Links and Future Partnership Working

We continue to reach out to new groups and communities and look at ways of raising mental health awareness. Some of the areas where we have developed new links include:

- Derby Bosnia Herzegovina Community Association
- Red Cross
- Derby Refugee committee
- Derbyshire Women's Institute
- Hadhari Project
- Derby Depression Club.





Trust Estates & Facilities Department

The Estates & Facilities department provides a diverse range of services across the Trust. These services provide support to the clinical teams to enable the Trust to deliver the best possible care.

In the last two years we have reduced the amount of properties by over 10%, and have plans in place to deliver the remaining 10% in the next three years.

Environmental Management

The Trust has been awarded the "Carbon Trust Standard" in recognition of its work in reducing the Trust's Carbon Footprint year on year. We were the first NHS Trust in the East Midlands, and only the 12th in the country to do so.

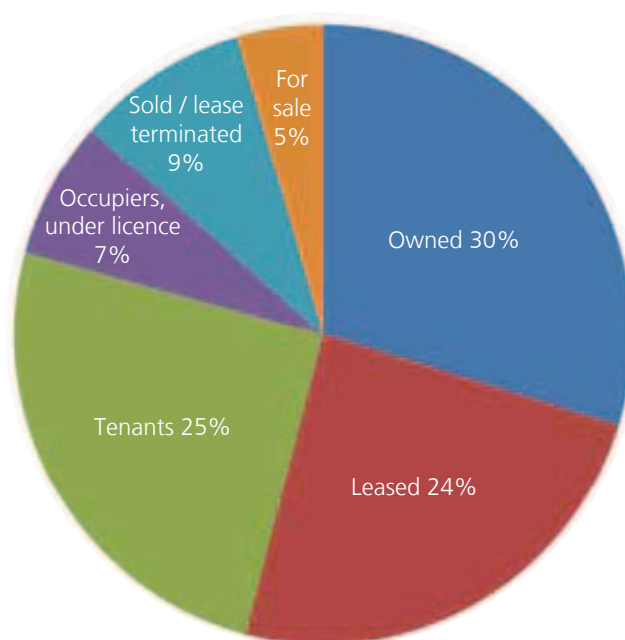
The Trust reduced its carbon emissions throughout 2010/11 by investing in a number of new Building Management Systems to ensure each building has a controlled heating system. Investments were made in LED lighting to reduce the amount of electricity used and also increase the quality of light in our buildings.

In addition to this, members of staff were encouraged to turn off lights when leaving a room, make sure radiators and heaters were set to the correct temperatures and to turn off monitors when closing down computers, all adding to our carbon reduction.

We are working on the introduction of PhotoVoltaic (solar) panels to generate electricity, and the use of different types of high efficiency lighting.

We currently operate out of a range of buildings and the occupation arrangements are also varied:

- Owned
- Leased
- Tenants, (mainly County PCT & DCC)
- Rooms (wide range of landlords, and arrangements)
- Occupiers, under licence, (Children's Services)
- Sold/lease terminated
- For sale.



PEAT – (Patient Environmental Action Teams)

The PEAT scores for 2010/11 have not yet been released so may be subject to change. Indications are the Trust scores are the best we have ever had. We have achieved 'Excellent' in all but one of the nine areas, which was rated as 'Good' (Hartington Unit Environment).

Capital Projects

The Trust has completed capital developments which have created the Enhanced Care Ward at the Radbourne Unit, and upgraded one of the Kedleston Wards, both of these projects have improved the quality of the environment for the patients in those areas. Currently a major refurbishment is underway at Temple House, and this project will upgrade a building, which is in an excellent location for our clients, and create a high-quality environment for patients and staff. The creation of generic consulting space will improve the utilisation of space and occupation rates, as well as allowing for better integration of services. The project at Bankgate in Swadlincote has upgraded and improved the layout of the building to allow better utilisation of space, and the increased available space has allowed us to move the team from Bretby into the building.

Security Management

Security Management was embedded within the Trust during the year 2006/07 in line with Secretary of State directions. Acts of anti-social behaviour and criminal activity disrupt services and impact on the ability of the Trust to use its resources for their intended cause. The Security Management Committee was formed as the senior crime management group across all services county-wide and to implement crime reduction methodology to achieve its strategic aim of providing a safe and secure care environment, so the highest possible levels of clinical care can be delivered.

We have seen a fall of 61.5% in reported crime since the introduction of Security Management within the Trust during 2006/07:

Reports of assaults on staff have decreased for the third consecutive year. 254 physical assaults were reported by staff during 2009/10, a reduction of 31% on the previous year. This is the result of the introduction of a number of processes to protect staff.

The Trust developed a robust reporting procedure which allows for assaults on staff to be reviewed on a case by case basis, to ensure appropriate action is taken against an assailant. This process was presented to a regional meeting of Local Security Management Specialists as best practice. Efforts will continue in 2010/11 to protect the Trust's most valued resource, its staff.

	05/06	06/07	07/08	08/09	09/10	10/11
Physical assault	344	583	523	334	271	178





Our performance Against Key Targets

Care Quality Commission

The Care Quality Commission (CQC) no longer assess the Trust's performance as part of the annual health check. Instead from April 2010, Derbyshire Healthcare NHS Foundation Trust is required to register with the CQC. We have been successfully registered and our current registration status is "registered without conditions" as of 31 March 2011.

The CQC has not taken any enforcement action against Derbyshire Healthcare NHS Foundation Trust during 2010/11. Towards the end of March 2011 the Trust received a planned review of one location by the CQC, the outcome of which is not yet known.

Quality

The Trust published its Quality Strategy in May 2009. Since then the journey to embed quality as the organising principle has travelled from implementation to embedding quality across all levels of the organisation. The first year of implementation resulted in significant improvements for patients and carers. Significant achievements in 2010/11 were:

- Meeting all of our Commissioning for Quality and Innovation (CQUIN) goals in 2010/11. These are agreed with commissioners locally as part of the mental health contract and aim to link contract value to improvements in the quality of services provided to patients. The CQUIN goals are set over the three domains of quality: safety, effectiveness and patient experience and reflect innovation. The goals aim to:
 - Improve the outcomes for patients using our services
 - Encourage a staff culture of continuous improvement
 - Embed quality and innovation from Board to front line services
 - Reward ambition to make things better
- The Trust published its first Quality Account in June 2010 and received positive feedback on both the content and layout of the account
- The Trust has completed an ambitious and robust

programme of successful quality visits. These visits aim to close the gap between 'Board and Ward'. Quality visits are an excellent opportunity for staff and senior managers to interact. The Quality Team is made up of two to four representatives from Trust Board Executive and Non-Executive members, commissioners of mental health services, clinicians and lead professionals. Those teams who achieved a gold award were shortlisted for the Team of the Year Awards, with overall category winners being identified.

- The Trust has recognised the dedication and commitment of staff in bringing about quality improvements and rewarded them in the annual awards
- The Trust has continued to build on engaging staff and patients in the quality journey.

Use of Resources

The Auditors Local Evaluation (ALE) scores are the result of work completed throughout the year by the local External Auditor. The assessment looks at a number of components called key lines of enquiry (KLOE) which together result in the overall assessment of how effectively a Trust manages its financial resources. The assessment is based on five components which are each awarded a score. From this an overall score for use of resources is calculated.

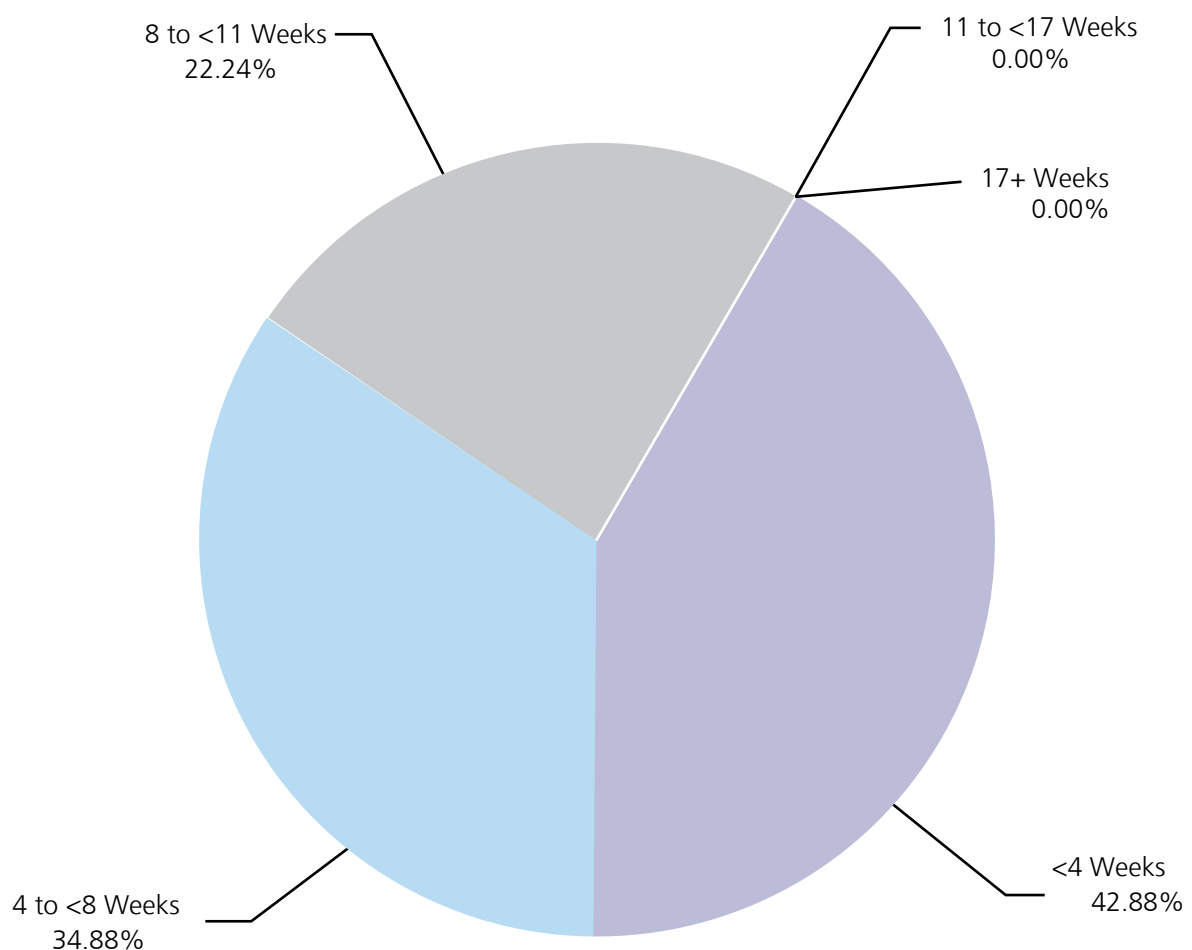
Component	Results 2006/07	Results 2007/08	Results 2008/09	Results 2009/10
Financial reporting	2	2	3	3
Financial management	3	3	3	3
Financial standing	3	3	4	4
Internal control	3	3	3	3
Value for money	3	3	4	4
Overall score	Good	Good	Excellent	Excellent

GP Referrals to Outpatient Clinics

The chart below shows the number of service users who were referred to Consultant Outpatient clinics by their own GP and consequently seen by our services between 1 April 2010 and 31 March 2011.

Direct GP to Outpatient referrals are monitored nationally and service users should receive their first appointment within 11 weeks. Each person referred to our service by their GP has been seen within 11 weeks.

GP Referrals Seen (Waiting Times) 2010/11







Quality Governance

Effectiveness

The Effectiveness team coordinates and provides support in the following areas:

- Research
- NICE Guidelines
- Clinical Audit
- Mental Health Act
- Dual Diagnosis
- Clinical Risk.

The team facilitate and enable the organisation to address a wide range of issues related to clinical quality and effectiveness including:

- Contribution to Integrated Governance Strategy and Trust Quality Strategy
- The review and monitoring of the implementation of NICE Guidelines
- Promoting and ensuring the good governance of research undertaken in our services or by Trust staff
- Ensuring the research and clinical audit programmes are driven by the need to give assurance to our Board of Directors on how, as a Trust, we are meeting our corporate objectives
- Promotion of changes in practice from clinical audit and research
- Promoting continuous improvement through research enquiry, bids, participation and the implementation of findings
- Administration of the Mental Health Act in line with statute
- Development of revised requirements resulting from changes to legislation regarding mental health law
- Promoting awareness and creating a culture that reminds all staff to place the service user and most effective practice at the heart of service delivery.

Clinical Audit

A review of the clinical audit function of the Trust was undertaken by East Midlands NHS Internal Audit Services and the Trust was rated as having 'significant assurance'.

The clinical audit Framework has been implemented and all projects on the programme have been completed. Actions implemented as a result of these audits include:

- better liaison with clinical staff to improve primary diagnosis via clinical coding
- improved prescribers awareness and processes required for the management of patients prescribed drugs for dementia
- production of up-to-date patient information leaflet advising DVLA requirements for people with mental health issues
- care plan for all patients on antibiotics, relating to the infection
- revised supervision policy
- production and dissemination of 'Hot Topics' quarterly newsletters focusing on key issues relating to the Care Programme Approach, records, and risk
- revised strategy of awareness raising amongst staff of key national initiatives eg NHS Constitution
- review of the protocol for service users who require enhanced levels of observation
- new substance misuse testing policy redefining numbers and types of drug tests required prior to and during prescribing
- use of more detailed osteoporosis risk assessment tool.

Research

During 2010/11, the Trust was involved in conducting 68 clinical research studies (an increase of 40% from 2009/10) and 425 participants (staff and patients) were recruited. This represents an increase of four times the number recruited in 2009/10. Since April 2010, 16 research studies have been completed, these include:

- Analysis of the therapeutic benefits of horticulture in occupational therapy
- Winning Mentality – Derby County in the community project: A qualitative investigation
- What helps young people who have had psychosis to sustain employment?
- Compassionate Mind Training: An evaluation of people with eating disorders
- An exploration of competitiveness and caring in a depressed population
- Evaluation of Help is at Hand: A resource for people bereaved by suicide and other sudden, traumatic death.

Mental Health Act

The Mental Health Act Office support clinicians in the application and use of the Mental Health Act. Work has expanded to cover the Mental Capacity Act and Deprivation of Liberty safeguards. The office has been supporting clinicians in their application of Community Treatment Orders (CTOs). The office liaises with the Care Quality Commission (CQC) to facilitate visits to clinical areas and coordinate any action necessary following feedback from the CQC. The Trust continues to receive positive feedback from the CQC.

NICE Guidelines

The National Institute for Clinical Excellence (NICE) is an independent organisation responsible for providing national guidance on clinically effective treatments and care. It produces guidance for health care professionals, patients and carers to help them make decisions about treatment and healthcare. NICE Guidance is issued in electronic and hard copy and can be found on the NICE website www.nice.org.uk.

Clinical Guidelines

These provide appropriate treatment and care guidelines regarding specific diseases and conditions. Healthcare organisations should ensure they take into account NICE clinical guidelines when planning and delivering care.

The Trust would consider the following NICE guidelines as the main guidelines relevant to the services we provide:

Reference number	ICE Guidelines	Level of Compliance
CG 38	Bi-polar disorder	Partial
CG 42	Dementia	Partial
CG 31	Obsessive compulsive disorder	Partial
CG 26	Post-traumatic stress disorder	Partial
CG 82	Schizophrenia	Partial
CG 25	Violence	Full
CG 23	Depression	Partial
CG 16	Self-harm	Full
CG 113	Anxiety	Partial
CG51	Drug misuse: Psychosocial interventions	Partial
CG52	Drug misuse: opioid detoxification	Partial
CG 77	Antisocial personality disorders	Partial
CG 78	Borderline personality disorders	Partial

Care Programme Approach

The Care Programme Approach sets care standards for the way we provide mental health services, focusing on assessment, care planning, co-ordination of care, review, and the involvement of service users and carers.

This year we have:

- Continued to monitor and audit care standards
- Conducted a review of CPA and care standards, with the aim of identifying how to simplify the process and focus on the core principles of working with service users and carers in planning care for people with and without mental health needs
- Developed a new Care Plan folder which has been designed in consultation with service users, carers and staff. The folder will help keep information about care in one place and contains a section for important contact information
- Continued to provide important updates on a range of information and topics such as finance and Derbyshire Carer Breaks Scheme.

Releasing Time to Care – Productive Care Pathway

Staff have been working together in teams to implement changes which will improve:

- Patient safety and reliability of care
- Efficiency of care
- Patient experience
- Staff wellbeing.

The leadership work in progress has enabled participating teams to examine everything they do, challenge current ways of working and ensure that systems and processes for delivering care to patients are improving whilst minimising waste and inefficiency.

Some examples of changes made as a result of the programme include:

- Increased time spent directly with patients and families
- Improvements in flow of information
- Handover improvements

- Introduction of new roles to improve patient experience of services
- Introduction of staff rota changes to meet demand
- Reduction in duplication of work
- Management of stock control
- Improved reporting of compliments.

There are currently 21 teams taking part in the Productive Care Pathway leading the way for local change.

Corporate Risk & Assurance

Significant progress has been made with regard to corporate risk and risk management across the Trust over the last 12 months. Specific areas of achievement have been:

- The Trust gained compliance with the NHS Litigation Authorities Risk Management Standards for Mental Health and Learning Disability Trusts at Level 2 in June 2010. All Trusts must be assessed against the Standards and compliance assures the Board of Directors that we have comprehensive risk management processes embedded across the organisation. To date, only 19 other MH&LD Trusts across the country have gained Level 2
- The Board Assurance Framework has been further developed during the year. As a result, clinical audits and research projects are now embedded in the framework, providing levels of assurance against risks to the Trust Strategic Objectives or identifying gaps, dependent on the audit findings. The Internal Audit programme is also now fully aligned to the Board Assurance Framework.
- The roll out of electronic reporting of incidents using DATIX Web took off in 2010/11 with an expectation that all incidents will be reported online by the autumn of 2011. The Trust reports around 6,000 incidents per year and the project is showing that being able to report these electronically speeds up communication, enabling staff and managers to act more quickly, as well as reducing costs associated with the old paper based system.

Central Alert System (CAS)

The Trust has a robust system in place for the management of safety alerts. This has been evidenced through assessment by Internal Audit. The Trust assesses the relevance of each alert which it receives through the CAS system and decides on the appropriate distribution and action required to implement the specified actions to maintain the safety of our service users, staff and the public. Throughout the year, the Patient Safety Manager produces a monthly report to the Trust Risk Management Committee on activity relating to safety alerts.

The Trust has reported no breaches to its reporting deadlines throughout the year. The Trust has no outstanding alerts issued from the CAS system.

Serious Untoward Incident Review Group

The Serious Untoward Incident Group meets on a weekly basis to review major and catastrophic graded incidents which have occurred in the Trust. The group ensure all immediate actions are taken to maximise the safety of patients and others and lessons are learned to prevent a recurrence of the incident. This year the group has implemented a system whereby a team of investigators have designated time to undertake investigations into SUIs.

The team is selected to ensure there is adequate representation from speciality areas and provide maximum objectivity in the process of the investigation. The Trust has an agreement with the other five mental health trusts in the region to provide external investigators where this is indicated. The group has been ensuring the principles of the 'Being Open' policy are implemented by proactively engaging with relatives of service users involved in SUIs in formulating the Terms of Reference for the investigation.

The group also ensures that one member of staff is allocated the responsibility of being the point of contact with the family to offer support and feed back the findings from the investigation.

Personal Data Related Incidents

There were two data related incidents relating to two separate individuals during 2010/11.

Emergency Planning

This year we have participated in a number of regional and national events to ensure we can work collaboratively with our partners to respond effectively to emergencies which impact on public sector services.

As well as participating in multi-agency events to ensure each organisation learned more about what is expected of them, the Trust also conducted Exercise Chase Farm, a table top exercise for first On-Call Managers to test our Emergency Plan and improve our preparedness to effectively respond to a major incident.

The Emergency Planning Department worked throughout 2010/11 to implement the Trust's first Business Continuity Management System which conforms to British Standard 25999. This will continue into 2011/12 to ensure all services identified as critical to the Trust function have business continuity plans in place and these are tested.

Seasonal Flu (including H1N1 – 'Swine Flu')

We implemented our communication plan at the end of September 2010. This was made up of:

- All staff email messages provided by the Communications & Engagement team informing staff of the benefits of being vaccinated, priority and at risk groups and details of vaccination clinics
- Communication cascades sent to each Division
- Updates to "Connect" (our internal website for staff) homepage
- Poster and leaflet campaign.

This resulted in:

- The provision of 25 vaccination clinics around the County.
- The sourcing of the vaccine and consumables required to vaccinate all staff and patients despite national demand.
- 392 staff receiving the seasonal flu vaccine that was inclusive of the H1N1 strand during the 2010/11.
- Maintenance of systems to obtain real time data on staff absence, right down to individual department level so the situation could be continually monitored.

Infection Prevention & Control

We continue to ensure our facilities are clean and maintained to a high standard. Results have shown that we have been highly successful at providing clean and safe environments for our patients and staff.

Preventing the spread of infection is a key priority for us, and ensuring that our healthcare facilities are clean and maintained to a high standard is a vital part of healthcare provision. A rigorous programme of inspection throughout the year demonstrates that we exceed the national threshold for cleaning performance scores which is set at 92%.

There have been a number of improvements in recent years, with substantial upgrades of wards and community bases. As we review services to determine how best to care for patients, we put infection control standards at the heart of any changes.

We pride ourselves on ensuring that clinical and key support staff receive high quality training on matters of infection prevention and control on a regular basis.

Our senior nursing staff are a visible presence on our wards, supported by Specialist Infection Control staff to ensure that standards are maintained, and any episodes of infection are treated correctly and in a dignified manner.

In accordance with national guidance for Mental Health Trusts, we undertake a programme of MRSA screening to help minimise risk of infection.

We work closely across the health community to ensure continuity of approach for infection prevention and control - ensuring shared learning and development of best practice of the highest standards.

Safeguarding

Derbyshire Healthcare NHS Foundation Trust has remained an active partner in Safeguarding Vulnerable Adults and Children developments in Derby and Derbyshire. The Trust has membership of all four local Safeguarding Boards. In March 2011 the Trust made a full declaration in accordance with the NHS Executive 'Markers of Good Practice' standards and the Care Quality standards in the protection of vulnerable adults and children.

The Trust's Safeguarding Committee has a core membership of advisors, leads, designated and named professionals in monitoring and leading a quality assurance programme across the spectrum of services including Derby City Children's Services. The committee has accountability for overseeing actions required as a result of Serious Case Reviews and Untoward Incidents. Recent Ofsted/Care Quality Commission inspections for Derby Adult Safeguarding Board and Derbyshire Safeguarding Children's Board were measured as "adequate".

The multi-agency training strategy has recently been reviewed to strengthen the understanding and required interventions in protecting vulnerable adults and children. Work has been commissioned to target areas of 'Think Family' assessment, child sexual exploitation, and domestic violence and abuse.

Health & Safety

The organisation demonstrates compliance with the Health & Safety at Work Act 1974, together with the Regulatory Reform (Fire Safety) Order 2005, which provides a suitable and sufficient risk management plan for staff, patients and the public accessing the Trust and its services.

Compliance for training up to March 2011 is as follows:

Fire training	80%
Responsible person training	80%
Moving & handling training	95%

The compliance level for Falls Prevention Training is 80%. This training is targeted to older adult inpatient services, with a significant reduction in the number of falls from 956 in 2008/09 to 441 in 2010/11.

All Health & Safety policies and procedures have been reviewed. A programme for revision is planned for 2011/12.

The Trust continues to work hard to enhance the patient experience and comply with a range of key standards.





Finance Director's Report

Finance Director's Report

During the year ending 31 March 2011, the Trust generated income of £106.5 million from the provision of services, principally to the people of Derbyshire. Of that total, £100 million was generated from NHS healthcare.

In addition to healthcare income, the Trust generated other operating income of £6.5 million. This income related to research and development, education and training and non-healthcare provided services.

Two sets of part-year accounts were prepared for the financial year 2010/11

Ten months: 01/04/10 to 31/01/11 as Derbyshire Mental Health Services NHS Trust

Two months: 01/02/11 to 31/03/11 as Derbyshire Healthcare NHS Foundation Trust

- Both sets of accounts were submitted, on time, on 21 April 2011 (this deadline being two days earlier than for the single set of accounts compiled for financial year 2009/10)

Headlines:

	10 mths £k	2 mths £k	For info 12 mths £k
Accounting surplus (deficit) for period	(1,926)	96	(1,829)

- The 12 month figure is illustrated here to provide assurance that the two sets of draft accounts, when combined, equate to the same overall position as reported to Monitor in the cumulative Quarter 4 return.
- There are three key technical adjustments which can be applied to the reported position above to determine the "underlying surplus" position.

	10 mths £k	2 mths £k	For info 12 mths £k
IFRIC 12	(192)	(56)	(248)
Impairment	2,499	35	
Pensions provision adjustment	633		633
Net underlying surplus	1,014	75	1,089

2010/11 was a successful year for the Trust. After technical adjustments, we made a surplus of £1.1m, in line with our plan for the year. This was due to increased efficiency and activity across the Trust.

For clarity, the comments on page 64 relate to the full 12 months to allow readers to get a more straightforward understanding of the financial performance.

Our full year results:

Full Year	£m's
Income	106.5
Expenditure	(100.2)
Operating Surplus	6.3
Depreciation	(2.9)
Net Interest	(1.2)
Other (Dividends & impairments)	(4.0)
Reported Deficit	(1.8)
Less technical items	
Asset Impairments ¹ (& IFRIC)	2.3
Pension provision adjustment ²	0.6
Underlying surplus after technical adjustments	£1.1m

Value for Money and Improved Efficiency

The Trust has reported an underlying surplus of £1.1 million after delivering a £3.8 million cost improvement programme. A proportion of the schemes were non-recurrent, ie delivered savings for the current year only. However it was still the most successful year for overall cost improvement delivery and this would not have been achieved without the hard work and commitment of all the Trust's staff who contributed.

These results were achieved whilst meeting the NHS financial duties in the ten month period, a risk rating of 3 in the two month FT period and a good performance with respect to operational targets.

Trading Environment and Financial Risks

The main influence on the level of trading during the year has been maintaining delivery of activity levels, as agreed with commissioners, in conjunction with achieving the planned efficiency programme.

A key consideration was ensuring the availability of sufficient cash resources during the financial year to allow for funding of the capital programme. This fulfils a key part of the Trust's financial strategy, which is to fund the capital programme from internally generated resources.

The overriding priority, however, was to ensure that the financial position remains secure, so as to provide a sustainable future.

For 2011/12 the Board plans to maintain the level of surplus achieved during 2009/10. Due to reductions in the level of national funding available for commissioners and the requirement to fund pay and other cost pressures, this will require a cost improvement programme of 5.7%.

¹ This is the reduction in the value of the Trust's assets as reflected on the Statement of Financial position(Balance Sheet)

² This refers to non-cash and non-recurrent increase to a pension provision for longstanding early and ill health retirements. It occurred in the NHS accounting period where it is allowed

The Trust has concluded contracts with commissioners for the forthcoming financial year before the end of March, which has allowed a greater degree of certainty in the planning process.

Principal Risks for 2011/12 are:

- delivery of activity levels to volumes agreed.
- achievement of planned efficiencies and maintain quality services
- management of residual costs of services transferring and also those which commissioners no longer wish to purchase.

The Trust has developed robust plans and strategies to manage these risks but the year ahead, along with the NHS in general, is one of the most challenging it has faced in recent times.

Changes to Accounting Policies

The Trust did not make any significant changes to its accounting policies during the year or to both sets of accounts with IFRS³ standards. There is no significant difference between the value of land in the Statement of Financial Position and the market value of land.

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

During the year the Trust has complied with the cost allocation and charging requirements set out in the MH Treasury and Office of Public Sector Information Guidance.

External Audit Services

The Trust incurred £103k in audit services fees in relation to the statutory audit for the year to 31 March 2011.

Better Payments Practice Code

The Better Payment Practice Code requires the payment of undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later for 95% of all invoices received by the Trust. The Trust has a policy of paying suppliers within 30 days of receipt of a valid invoice and for the 10 month period, has paid (by number) 96% of non-NHS invoices and 82% of NHS invoices within this target; for the two month period the figures were 90% by number and 91% by value.

The Trust is a signatory to the Prompt Payments Code, a key initiative designed to encourage and promote best practice between organisations and their suppliers. Organisations which sign up for the code commit to paying their suppliers within clearly defined terms, and commit also to ensuring there is a proper process for dealing with any invoices that are in dispute.

Liquidity and Capital Plans

Cash was well managed throughout the year. The Trust's liquidity position has allowed it to fund its entire £3.4m planned capital programme for 2010/11 through internally generated resources, without recourse to external borrowing. The Trust has a number of developments planned over the 2011/12 year, to be funded exclusively by internally generated resources, including:

- Continuing enhancements to the current service areas
- Further rationalisation of the Trust estate
- Upgrades to IM&T systems.

A significant transaction, as in the previous year, has been the incorporation of an exceptional item into the accounts associated with the writing down of land and buildings (called impairment), principally, following a number of properties being declared surplus and written down to market value. The value of land and buildings has been reduced by £2.5 million. This has resulted in a technical deficit for the year of £1.8 million. As this is a non-cash transaction,

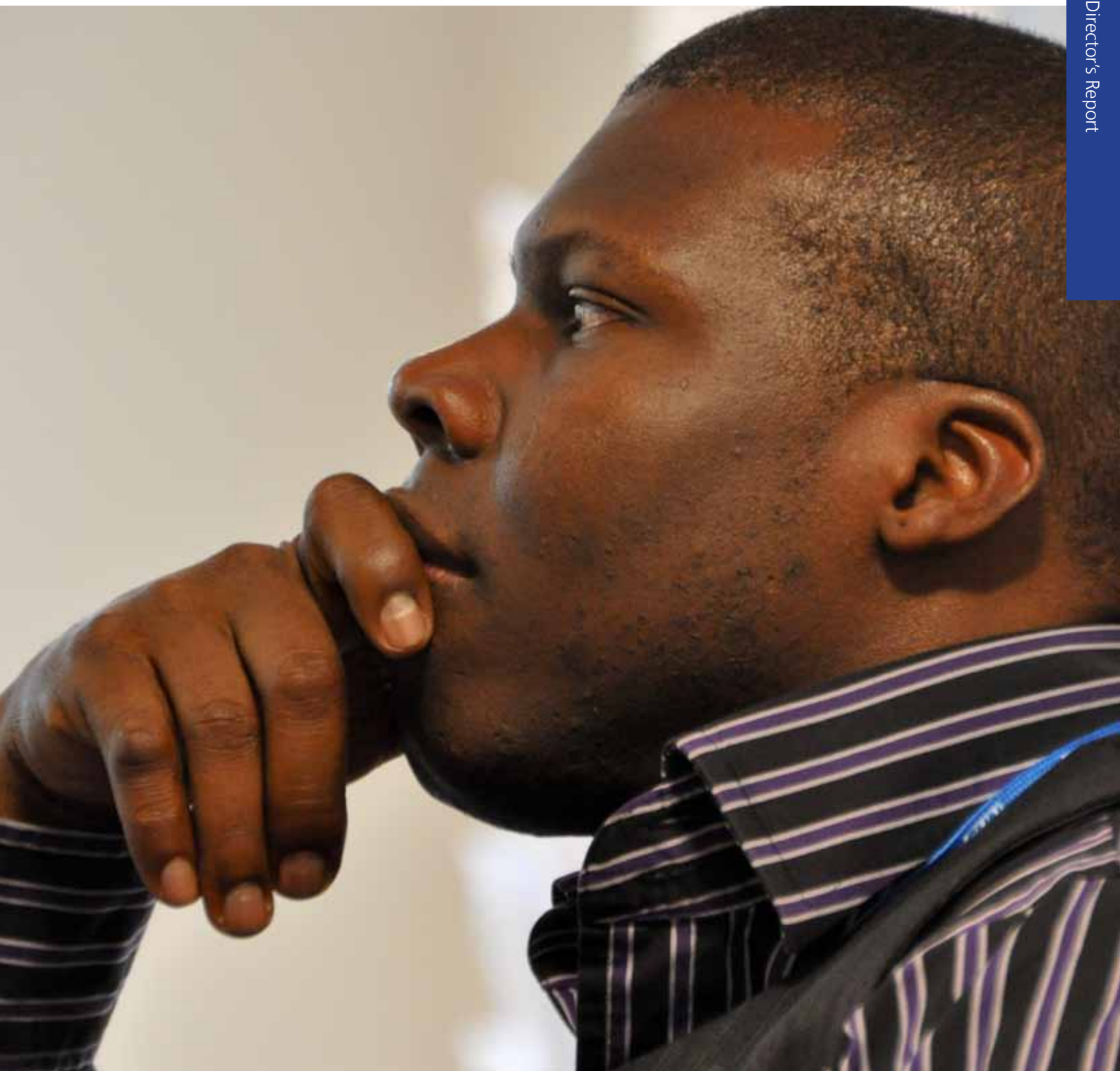
³ International financial reporting standards.

it has no bearing on the Trust's financial viability. The Department of Health and Monitor exclude exceptional items from consideration of the Trust's performance.

Our policy is to maintain our asset base by committing capital expenditure on existing assets at a level broadly consistent with their rate of depreciation. In the short to medium term, the Trust is planning to make further investments to fund the Estate Strategy. The Strategy will both rationalise the estate and develop the ability to deliver services in high quality accommodation in the most appropriate locations.

Forward Look

Looking forward, 2011/12 and beyond are challenging in the economic climate for public services. Whilst the overall NHS budget has been protected, provider organisations have to meet all cost pressures by saving money within existing resources. With a reduction in the income uplift, significant cost improvements are planned and need to be delivered. The Trust will continue to develop its medium-term financial strategy as a Foundation Trust and the Board is determined to maintain the quality of services and look for new opportunities for service development.



Trust Board

A Foundation Trust Board is responsible for ensuring the delivery of high quality health care. In order to ensure this, there is a requirement to make best use of financial resources and deliver the services people need, to standards of safety and quality which are agreed nationally.

Our Trust Board meets on a monthly basis to discuss the business of our organisation. This is a public meeting, and anyone is welcome to attend and hear about the latest developments and performance news from our Trust. To find out the location and venue of Trust Board meetings, please visit our website (www.derbyshirehealthcareft.nhs.uk or contact Trust Headquarters on 01332 623700). During 2010/11 our Trust Board comprised the following members:

Name	Role
Alan Baines	Chairman
Graham Foster	Non-Executive Director
Mick Martin	Non-Executive Director
Lesley Thompson	Non-Executive Director
Maura Teager	Non-Executive Director
Anthony Smith	Non-Executive Director
Mike Shewan	Chief Executive
Kathryn Blackshaw	Executive Director of Business Strategy/ Deputy Chief Executive
Paul Lumsdon	Executive Director of Nursing and Quality
Ifti Majid	Executive Director of Operations, Performance and IM&T
John Sykes	Executive Medical Director
Tim Woods	Executive Director of Finance

Also in regular attendance:

Name	Role
Graham Gillham	Director of Corporate and Legal Affairs
Helen Issitt	Director of Workforce and Organisational Development

The Trust Board should ensure that good business practice is followed, the organisation is stable enough to respond to the unexpected without jeopardising services and confident enough to introduce changes where services need to be improved.

Therefore the Trust Board carries the final overall corporate accountability for its strategies, policies and actions, as set out in the Codes of Conduct and Accountability issued by the Secretary of State. In order to discharge its responsibilities, the Trust Board has established a number of Committees of the Board as described on pages 69 and 70.

Non-Executive Directors – Composition

Alan Baines, Chairman
Appointed 1 Oct 2008 to 30 Sept 2012

Mick Martin, Non-Executive Director
Appointed 1 Feb 2009 to 31 Jan 2013
also Deputy Chairman and Senior Independent Director from 1 Sept 2010

Graham Foster, Non-Executive Director
Appointed 1 Feb 2009 to 31 Jan 2013

Lesley Thompson, Non-Executive Director
Re-appointed 1 Nov 2010 to 31 Oct 2014

Maura Teager, Non-Executive Director
Appointed 1 Apr 2010 to 31 Mar 2014

Anthony Smith, Non-Executive Director
Appointed 1 Apr 2010 to 31 Mar 2014

- Note: The appointments of the Chairman and Non-Executive Directors (as above) as initial Directors of the Foundation Trust were approved by the Council of Governors on 9 February 2011. The terms of the appointment and removal of Chairman and Non-Executive Directors are contained in the Constitution (Section 21)
- All appointees are considered by the Board to be independent (as defined in the Code of Governance).

Meetings of Council of Governors and Board of Directors

The Council of Governors met formally soon after authorisation in February 2011. 22 governors attended (out of a total of 29) and will meet on at least four occasions each year.

The Board of Directors held 12 regular meetings in public; nine as an NHS Trust and two after authorisation as a Foundation Trust.

	Possible Attendances	Actual
Alan Baines, Chairman	12	10
Kathryn Blackshaw, Deputy Chief Executive/ Executive Director of Business Strategy	12	11
Graham Foster, Non-Executive Director	12	12
Paul Lumsdon, Executive Director of Nursing and Quality	12	11
Ifti Majid, Executive Director of Operations, Performance and IM&T	12	11
Mick Martin, Deputy Chairman/ Senior Independent Director	12	9
Mike Shewan, Chief Executive	12	11
Anthony Smith, Non-Executive Director	12	12
John Sykes, Executive Medical Director	12	11
Maura Teager, Non-Executive Director	12	12
Lesley Thompson, Non-Executive Director	12	8
Tim Woods, Executive Director of Finance	12	11

Also in regular attendance:

	Possible Attendances	Actual
Graham Gillham, Director of Corporate and Legal Affairs	12	11
Helen Issitt, Director of Workforce and Organisational Development	12	8

Board Balance and Completeness

The Trust Board has been complete in its current composition since April 2010 upon the appointment of two Non-Executive Directors. The process for each of these appointments was purposely tailored to meet the skills requirement of the Board in, respectively, clinical expertise and human resources.

In its forward plan submission the Board states it is satisfied that all Directors are appropriately qualified to discharge their functions effectively, including ensuring management capacity and capability.

Audit Committee Membership

The Audit Committee reports to the Trust Board on an annual basis on its work in support of the Statement of Internal Control, specifically commenting on the fitness for purpose of the Assurance Framework, the completeness and embeddedness of risk management in the organisation, the integration of governance arrangements and the appropriateness of the self-assessment against the Care Quality Commission Standards.

Our Audit Committee comprises:

- Graham Foster – Non Executive Director – Chairman of Committee
- Lesley Thompson – Non Executive Director
- Anthony Smith – Non Executive Director

Audit Committee attendance during the year was as follows:

	Possible	Actual
Graham Foster	7	7
Lesley Thompson	7	6
Anthony Smith	7	6

Remuneration and Terms of Service Committee

The Remuneration and Terms of Service Committee advises the Trust Board about appropriate remuneration and terms of service for the Chief Executive and other Directors.

Membership of the Remuneration Committee comprises the Chairman and all Non-Executive Directors (except the Chairman of the Audit Committee) as follows:

- Alan Baines – Chairman
- Lesley Thompson – Non Executive Director
- Mick Martin – Non Executive Director
- Maura Teager – Non Executive Director
- Anthony Smith – Non Executive Director

The Committee met once during the year, attended by the Chairman, Anthony Smith, Maura Teager and Lesley Thompson.

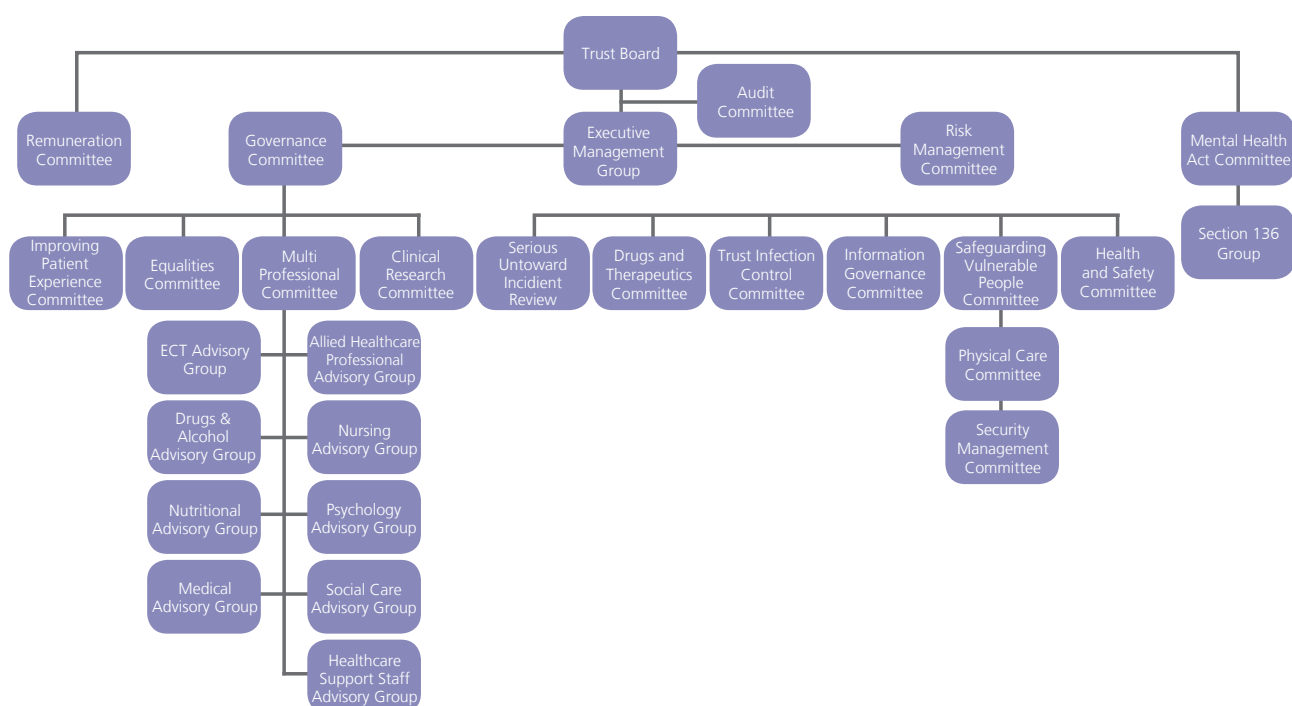
Mental Health Act Committee

The Mental Health Act Committee receives information on, and reviews if necessary, the number of patients detained under each of the Sections of the Mental Health Act for the previous quarter. A key role is to consider matters of good practice in accordance with the requirements of the Code of Practice and the Mental Health Act (1983 & 2007).

Non-Executive Directors who have served on the Mental Health Act Committee over the last year are:

- Maura Teager (current Chairman)
- Lesley Thompson (former Chairman)
- Graham Foster
- Mick Martin

Trust Governance Structure



Chairman's Commitments

No significant additions to the Chairman's commitments outside the Trust were made during the year.

Remuneration Committee of the Council of Governors

The Remuneration Committee was formed in March 2011 to make recommendations to the Council of Governors concerning the remuneration of the Chairman and Non-Executive Directors.

Members of this Committee are: Lew Hall, Wendy Beer, Dr Edward Komocki, Victoria Yates and Barry Appleby.

Nominations Committee

The Council of Governors established the Nominations Committee (for Chairman and Non-Executive Director appointments) at its second meeting following authorisation (April 2011).

Members of this Committee are: Mark Crossley, Joanne James, Moira Kerr, Roger Dubois (Public Governors) and Judith Bell and Kathy Kozlowski (Appointed Governors).

There are currently no board vacancies and the Committee is undergoing induction before selecting a Committee Chairman.

Executive Directors

Name	Position	Personal experience & overview	Qualifications & memberships
Mike Shewan	Chief Executive Officer 2000 - present	<p>Mike qualified as RMN in 1979 with development to Director of Nursing in 1992. Following the formation of NHS Trusts, Mike moved into General Management, occupying Executive Board positions from 1993 – 2000 when he became Chief Executive of Southern Derbyshire Mental Health Services NHS Trust. Two subsequent mergers led to the Derbyshire wide configuration, which has now become the Foundation Trust.</p> <p>Mike is accountable for the delivery of all of the Trust’s statutory duties and responsibilities, the development of the organisation and its people.</p>	<p>RMN CPN Cert Health Ed DMS</p>
Kathryn Blackshaw	Deputy Chief Executive/ Executive Director of Business Strategy Jan 2009 - present	<p>Kathryn has worked within the NHS for over 20 years with significant experience in strategic planning, primary and secondary care commissioning and working with the independent and third sectors. She has also spent two years working at the Department of Health on developing national policy for children’s services and has a financial background. Kathryn has a strong track record of performance and delivery and prior to joining the Trust successfully led the World Class Commissioning programme for Derby City PCT, she has also completed the EM SHA aspiring Chief Executive programme. Kathryn was the Project Director for achieving Foundation Trust status and is Lead Director for new business development, customer relationship management, internal and external communications, contracting and procurement.</p>	<p>AAT DMS</p>

Executive Directors

Name	Position	Personal experience & overview	Qualifications & memberships
Paul Lumsdon	Director of Nursing and Quality Mar 2008 - present	<p>Paul has worked within the NHS for 27 years. He is very proud of the nurse training he received in Macclesfield.</p> <p>Since qualifying, Paul has gained clinical experience in a broad range of mental health services including Child and Adolescent Services, Adults of Working Age and Older Peoples Services working in areas such as Cheshire, Derbyshire, South Wales and Dorset. Paul has gained management experience in various settings within primary care, community care, and district general as well as mental health services. Prior to joining the Trust, Paul previously worked as Nurse Executive for 10 years.</p>	<p>RMN RGN MBA</p>
Ifti Majid	Executive Director of Operations, Performance and IM&T Jan 2008 – present (Substantive since Sept 2008)	<p>Ifti qualified as a RMN in 1988 having trained at St Georges Hospital in London. He has held a range of clinical posts in Adult Mental Health Services, both in Acute Inpatient and Community settings. Ifti moved into an Operational management post in 1998 in Nottinghamshire and moved to Derbyshire pre-merger in 1999. Ifti undertook Post Graduate Management Studies at Sheffield Hallam University with a particular interest in business process redesign.</p> <p>In his current role Ifti is responsible for the operational delivery of the Trust's Efficiency Strategy and is the Lead Director for Information Technology, Information Management, Patient Records and Performance.</p>	<p>RMN Dip Mgt</p>

Executive Directors

Name	Position	Personal experience & overview	Qualifications & memberships
John Sykes	Executive Medical Director Apr 2002 - Present	John qualified at Sheffield University Medical School in 1981, became a Member of the Royal College of Psychiatrists in 1985 and was elected a Fellow in 2009. From 1986 onwards he was Lecturer in Psychiatry at Sheffield University where his areas of special interest included the Psychological Effects of Spinal Cord Injury, Cognitive Psychotherapy and Systems of Psychiatric Classification. He was appointed Consultant in Old Age Psychiatry in 1989. He was Chair of the Medical Staff Committee of North Derbyshire's Community Health Care Services NHS Trust before becoming Medical Director of that Trust in 1999. He was joint Medical Director of Derbyshire Healthcare from 2002 until becoming the single Medical Director in June 2006. He achieved a British Association of Medical Managers (BAMM) Fellow Award in 2008 on the Association's 'Fit to Lead' programme.	MBChB MRC Psych Fellow of BAMM
Tim Woods	Executive Director of Finance Mar 2009 - Present	Tim is a qualified accountant having considerable experience in the NHS working at the forefront of the financial changes from the beginnings of NHS Trusts and the internal market and, more recently, the introduction of payments by results, alongside the development of Foundation Trusts. His previous post was as Director of Finance and Information at Birmingham Women's NHSFT which gained FT status in February 2008. Prior to his time in Birmingham, Tim was the Director of Finance for Nottingham City Hospital and subsequently Nottingham University Hospitals where he gained considerable experience in organisational change and service transformation.	BA Hons CIPFA

Executive Directors

Name	Position	Personal experience & overview	Qualifications & memberships
Alan Baines	Chairman Oct 2008 - present	<p>Alan is a Chartered Accountant and has spent his career advising business owners and management teams in many market sectors on how to develop and grow valuable businesses. He has many years experience in mentoring businesses on strategy, marketing, good management principles, leadership, financial growth and creating value.</p> <p>Alan is a Trustee of a National Charity dealing with issues of disfigurement. Since 1976 he has acted as a Senior Partner in a number of global advisory firms and now works with a number of companies as an Independent Adviser.</p> <p>Board Responsibilities: Trust Board, Council of Governors, Mental Health Act Committee.</p>	Fellow of the Institute of Chartered Accountants in England & Wales, FCA
Graham Foster	Non-Executive Director Feb 2009 - present	<p>Graham is a Chartered Tax Adviser and South Derbyshire Magistrate. Having trained as an Inspector with the Inland Revenue in London, he worked in tax consultancy and audit for Price Waterhouse in Nottingham and Leicester before moving into industry in 1991. After working at Boots and Vision Express, he helped to form the tax and accounting functions of Capital One in Europe, before retiring after heading the US Corporation's worldwide tax affairs, advising in a wide range of mergers and acquisitions and on many complex public and private funding structures in the UK, Europe and the US.</p> <p>Board responsibilities: Chair of Audit Committee & Member of Mental Health Act Committee.</p>	Associate, Chartered Institute of Taxation, CTA

Executive Directors

Name	Position	Personal experience & overview	Qualifications & memberships
Mick Martin	Non-Executive Director Feb 2009 - present	<p>Mick is the Director of Quality Service Integrity for Royal Mail and is part of the Commercial Executive team, managing a £7bn pa revenue pipeline. Mick has been a change agent within Royal Mail, transforming its Customer Services operation - drastically reducing cost and improving services. In a 20 year career, Mick has worked in a multitude of senior command roles - covering Sales, Marketing and Business Development. Strategy development, plan execution and performance management are the three key capabilities Mick brings to the Trust Board. Mick has several small and medium enterprise interests outside of Royal Mail.</p> <p>Board Responsibilities: Deputy Chairman, Senior Independent Director and Quality Champion.</p>	BA Hons
Maura Teager	Non-Executive Director Apr 2010 - present	<p>Maura worked in the NHS for 38 years up to her retirement in July 2009. She has significant experience in community and secondary care settings and gained her experience as a qualified nurse and midwife across Derbyshire. She has also worked nationally and internationally as a lead surveyor and board member on the Trent Accreditation Scheme which has supported community hospitals in the UK and private hospitals in Hong Kong in improving quality and safety against agreed standards. Maura has worked as Executive Nurse in Southern Derbyshire Community Health Services and a Primary Care Trust and has held the Lead Executive role in quality, patient safety, patient experience and safeguarding. Maura was also the Vice Chair of the Derby City Safeguarding Children's Board and has worked closely with key multi-agency partners including the voluntary sector. Her current role as an Independent Consultant provides her with a range of opportunities to undertake interim project work across the health and social care networks.</p> <p>Board Responsibilities: Risk & Governance Committees and the Mental Health Act Committee.</p>	RGN RM (lapsed) DMS

Executive Directors

Name	Position	Personal experience & overview	Qualifications & memberships
Lesley Thompson	Non-Executive Director Nov 2006 - present	Lesley was appointed as a Non Executive Director in November 2006. Lesley, a Chartered Marketer, is a Director of her own consultancy working with not for profit organisations. In addition to this Lesley is a Specialist Lecturer for Sheffield Hallam University and delivers on strategy development and managing people for the MSc in Charity Resource Management. Lesley's key areas of expertise lie in strategic business and marketing planning, capacity building and performance development and management. Board responsibilities: Member of Audit Committee.	Chartered Institute of Marketing PGDip Marketing
Anthony Smith	Non-Executive Director Apr 2010 - present	Anthony has over 20 years experience in senior people management roles within the public sector and he was Head of Human Resources (HR) with Derbyshire Police from its inception as a new unitary authority in 1995, through to 2005. During that time, his responsibilities included strategic HR planning, developing and leading a new Occupational Health, Corporate Risk Management and Health and Safety function and the integration of HR. He also worked from 2005 to 2008 as a member of the Chief Officer Team and Director of HR for Nottinghamshire Police and led on the development of a new People Strategy and integration of Learning & Development, Occupational Health and Personnel, contributing to much improved performance during a period of intense scrutiny by Her Majesty's Inspectorate of Constabularies. Anthony has also undertaken senior HR roles with Nottingham City NHS Trust and British Coal during periods of significant organisational and cultural change. Board Responsibility: Member of Audit Committee.	Chartered Institute of Personnel and Development (CIPD) Masters Degree in Employment Relations and Law

Performance Evaluation of the Board

With regard to the strategic objectives of the Trust, the Chairman undertakes periodic appraisal of each Non-Executive Director, whilst the performance review of individual members of the executive is carried out by the Chief Executive.

As a newly authorised Foundation Trust, the Trust will further develop appraisal systems, in conjunction with the Nominations Committee.

The Audit Committee undertakes an annual effectiveness and impact review, with reference for the Audit Committee handbook. The Committee submits to the Board an annual report on its activities.

Declaration of Interests

It is a requirement that the Chairman, board members and board-level Directors who have regularly attended the Trust Board during 2010/11, and current members, should declare any conflict of interest that arises in the course of conducting NHS business.

The Chairman and board members should declare any business interest, position of authority in a charity or voluntary body in the field of health and social care, and any connection with a voluntary or other body contracting for NHS services. These should be formally recorded in the minutes of the Board, and entered into a register, which is available to the public. Directorships and other significant interests held by NHS Board Members should be declared on appointment, kept up to date and set out in the Annual Report.

The Register of Interests is subject to annual review, and will be published with the Annual Accounts 2010/11.

Board Codes of Conduct and Accountability and Nolan Principles

When reviewing their disclosures, each Board Member has personally reaffirmed in writing their agreement to comply with the NHS Codes of Conduct and Accountability, and the Seven Principles of Public Life (Nolan), and state whether there is any relevant audit information of which the Trust's Auditors are unaware.

The Legal Issues

The disclosure and statements referenced within this report are subject to the NHS Code of Conduct and Accountability which is binding upon Board Directors.

Interests as at 30 June 2011 are hereby disclosed as follows and the current register can be obtained from the Director of Corporate & Legal Affairs:

NAME	INTEREST DISCLOSED (if any)	TYPE
Alan Baines	Director - European Capital Solutions Ltd	(a)
	Director - Dovedale Capital Growth Ltd	(a)
	Director - Sir Alex Ferguson Testimonial Year Ltd	(a)
	Non-Executive Director - Critical Pharmaceuticals Ltd	(a)
	Non-Executive Director – Treadcheck Ltd	(a)
	Trustee of Changing Faces Charity	(d)
	Chairman of Audit Committee, Changing Faces Charity (from Jan 2011)	(d)
Kathryn Blackshaw	Partner is CEO of NHS Derby City	(e)
Graham Foster	Nil	
Paul Lumsdon	Member - Mental Health and Learning Disability Nurse Directors and Leads Forum and Steering Group	(e)
	Visiting Fellow of University of Derby	(e)
Ifti Majid	Nil	
Mick Martin	Director of Quality Service Integrity, Royal Mail - From Nov 2010.	(a)
Mike Shewan	Nil	
Anthony Smith	Nil	
John Sykes	Nil	
Maura Teager	Director - Limited Company "Maura Teager Consultancy Services Ltd".	(a)
	Derbys, Rutland and Leicestershire Air Ambulance (DRLAA) - volunteer capacity only.	(d)
	Non-Executive Director on the shadow board of the Family Nurse Partnership (managed within Derby City PCT provider services).	(e)
Lesley Thompson	Director – Beyond Coaching and Consulting Ltd	(a)
	Director – Beyond Coaching and Consulting Ltd	(b)
	Director – Beyond Coaching and Consulting Ltd	(c)
	Associate Consultant – Penna PLC	(e)
	Associate Consultant – RSM Tenon Consulting	(e)
Tim Woods	Non-Executive Board member of NHS Elect. - From 6/10/2010	(a)

Also in regular attendance:

NAME	INTEREST DISCLOSED (if any)	TYPE
Graham Gillham	Nil	
Helen Issitt	Nil	

(a) Directorships, including Non-Executive Directorships held in private companies or PLCs (with the exception of those dormant companies).

(b) Ownership or part ownership of private companies, businesses or consultancies likely or possibly seeking to do business with the NHS.

(c) Majority or controlling share holdings in organisations likely or possibly seeking to do business with the NHS.

(d) A position of authority in a charity or voluntary organisation in the field of health and social care.

(e) Any connection with a voluntary or other organisation contracting for NHS services.



Accounts for Derbyshire Mental Health Services NHS Trust

Statement of Chief Accounting Officers Responsibilities

The Secretary of State has directed that the Chief Executive should be the Accountable Officer to the Trust. The relevant responsibilities of Accountable Officers are set out in the Accountable Officers Memorandum issued by the Department of Health. 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
- annual statutory accounts are prepared in a format directed by the Secretary of State with the approval of the Treasury to give a true and fair view of the state of affairs as at the end of the financial year and the income and expenditure, recognised gains and losses and cash flows for the year.

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



Signed.....

Chief Executive Officer

Date.....3-6-2011.....

(on behalf of the Board)

Statement on Internal Control 2010/11

Derbyshire Mental Health Services NHS Trust

Statement on Internal Control

1 April 2010 to 31 January 2011

1. Scope of Responsibility

The Board is accountable for internal control. As Accountable Officer, and Chief Executive Officer of this Board, I have responsibility for maintaining a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives. I also have responsibility for safeguarding the public funds and the organisation's assets for which I am personally responsible as set out in the Accountable Officer Memorandum.

Myself, and the Trust participate in partnership processes to ensure that personal and joint accountability issues are dealt with effectively. As Accountable Officer and Chief Executive I have regular supervision meetings with the Chief Executive of NHS East Midlands and the Trust Chairman. In addition, the Derby City and Derbyshire partnership forums are well established and include representation from other NHS Trusts, Primary Care Trusts and Local Authorities.

2. 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 organisation's policies, aims and objectives,
- Evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in Derbyshire Mental Health Services NHS Trust until 31 January 2011, and up to the date of approval of the Annual Report and Accounts.

3. Capacity to Handle Risk

The Trust successfully integrates clinical and corporate risk management processes, which the Executive Director of Nursing and Governance Leads on behalf of the Trust Board.

- There is a Board endorsed Integrated Governance Strategy which defines the organisational structures in place for the management and ownership of risk, including the responsibilities of Executive Directors for implementing the strategy. This is supported by a Risk Assessment Procedure.
- There is an appropriate committee structure in place to ensure risk is managed effectively throughout the organisation and embedded in all Trust processes.
- The Risk Management Committee is the principal committee concerned with the management of risk. The Audit Committee is responsible for ensuring appropriate assurances are sought for key controls which manage strategic organisation risks
- To enable staff to fulfil their responsibilities defined within the Integrated Governance Strategy, the Trust provides risk management training, defined within the Induction and Compulsory Training Schedule. This training is supported by procedural guidance and direction from specialist risk management staff.

4. The Risk and Control Framework

The system of internal control is based on a framework of risk management processes for identifying and evaluating risk and determining effectiveness of risk controls and assurances received on these controls. The processes, which are embedded in the activities of the organisation, are defined within the Integrated Governance Strategy and its supporting policies and procedures.

Key elements of the risk and control framework include:

- Risk identification – proactively via risk assessments, project plans and reactively via incident, complaints and claims analysis, internal and external inspection and audit reports
- Risk evaluation - using a single risk matrix to determine impact and likelihood of risk realisation and grading of risk by colour
- Risk control and treatment – responsibility and authority for determining effectiveness of controls, development of risk treatment plans, including assigning appropriate resources is dependent upon the risk grade
- Risk Register – incorporating requirements of the Assurance Framework including mapping of each risk recorded to a strategic objective
- Incident investigation – robust systems for reporting and investigating incidents to identify areas for organisational learning and good practice
- Public stakeholders are involved in the management of risks which may impact on them via the Trust commitment to the Strategic Commissioning Group and regular briefings with the Overview and Scrutiny Committees
- Communication – the use of a ‘Blue Light’ system to rapidly communicate information on significant risks that required immediate action to be taken and a ‘Learning the Lessons’ newsletter to communicate good practice and actions that have been taken throughout the organisation.

Identified major risks, in year, as at 31 Jan 2011:

- Efficiency drive has a negative impact on service quality
- Incomplete evidence of compliance with Trust Policies and Procedures that impact on the patient experience
- Loss of reputation as a consequence of negative report within the public domain
- Risk that transformational projects are not delivered to the agreed plan
- Loss of existing business to competitors due to change in commissioner priorities

All major risks are mitigated through the Board Assurance process.

The key elements of the way in which public stakeholders are involved in managing risks which impact on them include:

- Quality Assurance Groups (a joint Trust and Commissioning group)
- Consultation for the Quality Account involving key stakeholders
- Impact assessments for the Transformational Change Programme including a requirement for consultation with key stakeholders
- Research and Audit Programmes aligned to the Board Assurance Framework

The Board has in place an Assurance Framework that:

- Covers all of the Trust’s main activities
- Details Board’s strategic objectives
- Identifies the risks to achieving the strategic objectives
- Identifies and examines the system of internal control to manage the risks
- Identifies and examines the review and assurance mechanisms which relate to the effectiveness of the system of internal control
- Record actions agreed or taken to address the gaps in control and assurance
- Is reviewed monthly by the Executive Director with overall responsibility for the management of the risk, and reported to the Audit Committee and Trust Board thrice yearly.

The Framework has identified gaps in control in the following areas:

- Implementation of a Relationship Development Strategy

Limited assurance has been received in:

- Technical Security

Of the 12 actions identified as a result of the 1011/DMH/01/C Technical Security audit, 11 have been completed. The outstanding action - lack of network intrusion system - will be completed with the introduction of the new data centre.

Internal Audit have supported the Trust in its

response to audit recommendations, undertaking prompt follow-up work demonstrating to the Audit Committee that action was being taken in response to recommendations.

A regular programme of Internal Audit reviews of information governance areas has been undertaken, including information security and compliance to the Information Governance Toolkit.

The Trust has in place the following arrangements to manage Information Governance risks:

- A Senior Information Risk Owner at Board Level
- Annually completed Information Governance Toolkit, with reported outcomes to the Audit Committee and Trust Board
- Risks related to Information Governance reviewed by the Executive Director Lead and the Information Governance Committee
- Two Serious Untoward Incidents were externally reported with respect to personal data security: theft of casenotes from a staff car; and loss by Royal Mail of four referrals to a practice counsellor. Both were investigated following Trust procedures and action taken to prevent recurrence.

Equality Impact Assessments (EIAs) are integrated into Trust core business and have been completed for all corporate policies & procedures.

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

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 undertaken risk assessments and Carbon Reduction Delivery Plans are in place in

accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projects, to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

The Trust achieved full registration with the Care Quality Commission from 1 April 2010.

5. Review of effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed in a number of ways. The Head of Internal Audit provides me with an opinion on the overall arrangements for gaining assurance through the Assurance Framework and on the controls reviewed as part of the internal audit work. Executive managers within the organisation who have responsibility for the development and maintenance of the system of internal control provide me with assurance.

The Assurance Framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed. My review is also informed by:

- Registration with the Care Quality Commission from 1 April 2010 – without conditions
- Trust Performance Rating from the Health Care Commission
- NHS Litigation Authority Risk Management Standards compliance with Level 2 Standards, achieved in June 2010
- Internal Audit reports received during year following on from the Internal Audit and External Audit Plans agreed by the Trusts Audit Committee
- Clinical Audits.

No significant internal control issues have been identified.

The processes applied in reviewing and maintaining the effectiveness of internal control are described above. In summary:

The Trust Board:

- Is responsible for approving and monitoring the systems in place to ensure there are proper and independent assurances given on the soundness and effectiveness of internal control.

The Audit Committee:

- Is responsible for independently overseeing the effectiveness of the Trust's systems for internal control and for reviewing the structures and processes for identifying and managing key risks
- Is responsible for reviewing the establishment and maintenance of effective systems of internal control
- Is responsible for reviewing the adequacy of all risk and control-related statements prior to endorsement by the Board
- In discharging its responsibilities takes independent advice from the Trust's internal auditor and Audit Commission.

Internal Audit:

- East Midlands NHS Internal Audit Services provide the Trust with an independent and objective opinion on the effectiveness of the systems in place for risk management, control and governance.

Internal Auditors

Tim Thomas Head of Internal Audit:

Kevin Watkins Chief Internal Auditor

External Audit:

- The Audit Commission provide the Trust with external audit services which include the review of the annual accounts and a review of the value for money achieved by the Trust.

External Auditors

John Cornett District Auditor

Trudy Enticott Audit Manager

With the exception of the internal control issues that I have outlined in this statement, my review confirms that Derbyshire Mental Health Services NHS Trust has a generally sound system of internal controls that supports the achievement of its policies, aims and objectives and that those control issues have been or are being addressed.

Signed -----
Chief Executive Officer

Date 3-6-2011-----
(on behalf of the Board)

Statement of Directors Responsibilities in Respect of the Accounts

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

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

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

Each Trust Director confirms that as far as they are aware there is no relevant audit information which the NHS body's auditors are unaware of and they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the NHS body's auditors are aware of that information.

By order of the Board

Independent Auditor's Report to the Governors of Derbyshire Healthcare NHS Foundation Trust in Respect of Derbyshire Mental Health Services NHS Trust

I have examined the summary financial statement for the period ended 31 January 2011 the Statement of Comprehensive Income, Statement of Finance Position, Statement Cash Flows and Statement of Changes in Taxpayers Equity.

This report is made solely to the Board of Governors of Derbyshire Healthcare NHS Foundation Trust in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 45 of the Statement of Responsibilities of Auditors and Audited Bodies published by the Audit Commission in March 2010.

Respective Responsibilities of Directors and Auditor

The Directors are responsible for preparing the Annual Report.

My responsibility is to report to you my opinion on the consistency of the summary financial statement within the Annual Report with the statutory financial statements.

I also read the other information contained in the Annual Report and consider the implications for my report if I become aware of any misstatements or material inconsistencies with the summary financial statement.

I conducted my work in accordance with Bulletin 2008/03 "The auditor's statement on the summary financial statement in the United Kingdom" issued by the Auditing Practices Board. My report on the statutory financial statements describes the basis of my opinion on those financial statements.

Opinion

In my opinion the summary financial statement is consistent with the statutory financial statements of the Derbyshire Mental Health Services NHS Trust for the period ended 31 January 2011.

John Cornett

Officer of the Audit Commission

Rivermead House, 7 Lewis Court, Grove Park,
Enderby, Leicestershire, LE19 1SU

6 June 2011

⁴ List the contents of the summary financial statement.

Derbyshire Mental Health Services NHS Trust - Annual Accounts 2010/11

Statement of Comprehensive Income for the Period Ended - 31 January 2011*(NB 2010/11 figures are for period 01/04/10 to 31/01/11)*

	2010/11 £000	2009/10 £000
Revenue		
Revenue from patient care activities	83,907	97,917
Other operating revenue	4,679	5,698
Operating expenses	(88,194)	(108,706)
Operating surplus/(deficit)	392	(5,091)
Finance costs:		
Investment revenue	15	19
Other gains and losses	0	0
Finance costs	(1,397)	(1,233)
Surplus/(deficit) for the financial period	(990)	(6,305)
Public dividend capital dividends payable	(938)	(1,331)
Retained surplus/(deficit) for the period	(1,928)	(7,636)
Other comprehensive income		
Impairments and reversals	(194)	(5,181)
Gains on revaluations	132	6,569
Receipt of donated/government granted assets	95	0
Net gain/(loss) on other reserves (e.g. defined benefit pension scheme)	0	0
Net gains/(losses) on available for sale financial assets	0	0
Reclassification adjustments:		
- Transfers from donated and government grant reserves	0	(1)
- On disposal of available for sale financial assets	0	0
Total comprehensive income for the year	(1,895)	(6,249)
Statement of comprehensive income for the period ended 31 January 2011		
Retained surplus/(deficit) for the period	(1,928)	
IFRIC 12 adjustment	(192)	
Impairments	2,499	
Increase in pensions provision	633	
Reported NHS financial performance position Adjusted retained surplus/(deficit)	1,012	

A Trust's Reported NHS financial performance position is derived from its Retained surplus/(Deficit), but adjusted for the following:

a) Impairments to Fixed Assets 2009/10 was the final year for organisations to revalue their assets to a Modern Equivalent Asset (MEA) basis of valuation. An impairment charge is not considered part of the organisation's operating position.


b) The revenue cost of bringing PFI assets onto the balance sheet (due to the introduction of International Financial Reporting Standards (IFRS) accounting in 2009/10) - NHS Trusts' financial performance measurement needs to be aligned with the guidance issued by HM Treasury measuring Departmental expenditure. Therefore, the incremental revenue expenditure resulting from the application of IFRS to PFI, which has no cash impact and is not chargeable for overall budgeting purposes, should be reported as technical. This additional cost is not considered part of the organisation's operating position.

Derbyshire Mental Health Services NHS Trust - Annual Accounts 2010/11

Statement of Financial Position as at 31 January 2011

	31 January 2011 £000	31 March 2010 £000
Non-current assets		
Property, plant and equipment	68,756	73,025
Intangible assets	718	418
Other financial assets	0	0
Trade and other receivables	522	269
Total non-current assets	69,996	73,712
Current assets		
Inventories	174	178
Trade and other receivables	2,057	2,491
Other financial assets	0	0
Other current assets	0	0
Cash and cash equivalents	6,290	3,800
	8,521	6,469
Non-current assets held for sale	1,245	0
Total current assets	9,766	6,469
Total assets	79,762	80,181
Current liabilities		
Trade and other payables	(9,515)	(8,397)
Other liabilities	0	0
Borrowings	(642)	(625)
Other financial liabilities	0	0
Provisions	(716)	(432)
Net current assets/(liabilities)	(1,107)	(2,985)
Total assets less current liabilities	68,889	70,727
Non-current liabilities		
Borrowings	(31,191)	(31,726)
Trade and other payables	0	0
Other financial liabilities	0	0
Provisions	(2,146)	(1,554)
Other liabilities	0	0
Total assets employed	35,552	37,447
Financed by taxpayers' equity:		
Public dividend capital	16,448	16,448
Retained earnings	(4,649)	(4,073)
Revaluation reserve	14,948	16,362
Donated asset reserve	125	30
Other reserves	8,680	8,680
Total taxpayers' equity	35,552	37,447

The financial statements on pages 6 to 42 were approved by the Board on 06 June 2011 and signed on its behalf by:

Signed:  (Chief Executive)

Date: 3-6-2011

For the period ended 31 January 2011

	Public dividend capital (PDC)	Retained earnings	Revaluation reserve	Donated asset reserve	Government grant reserve	Other reserves	Total
	£000	£000	£000	£000	£000	£000	£000
Changes in taxpayers' equity for 2010/11							
Balance at 1 April 2010	16,448	(4,073)	16,362	30	0	8,680	37,447
Total comprehensive income for the period	0	0	0	0	0	0	0
Retained surplus/(deficit) for the period	0	(1,928)	0	0	0	0	(1,928)
Transfers between reserves	0	1,352	(1,352)	0	0	0	0
Impairments and reversals	0	0	(194)	0	0	0	(194)
Net gain on revaluation of property, plant, equipment	0	0	132	0	0	0	132
Net gain on revaluation of intangible assets	0	0	0	0	0	0	0
Net gain on revaluation of financial assets	0	0	0	0	0	0	0
Receipt of donated/government granted assets	0	0	0	95	0	0	95
Net gain/loss on other reserves (defined benefit pension scheme)	0	0	0	0	0	0	0
Movements in other reserves	0	0	0	0	0	0	0
Reclassification adjustments:	0	0	0	0	0	0	0
- transfers from donated asset/government grant reserve	0	0	0	0	0	0	0
- on disposal of available for sale financial assets	0	0	0	0	0	0	0
Reserves eliminated on dissolution	0	0	0	0	0	0	0
Originating capital for trust establishment in period	0	0	0	0	0	0	0
New PDC received	0	0	0	0	0	0	0
PDC repaid in period	0	0	0	0	0	0	0
PDC written off	0	0	0	0	0	0	0
Other movements in PDC in period	0	0	0	0	0	0	0
Balance at 31 January 2011	16,448	(4,649)	14,948	125	0	8,680	35,552

Derbyshire Mental Health Services NHS Trust - Annual Accounts 2010/11
Statement of Cash Flows for the Period Ended 31 January 2011

	2010/11 £000	2009/10 £000
Cash flows from operating activities		
Operating surplus/(deficit)	392	(5,091)
Depreciation and amortisation	2,431	3,130
Impairments and reversals	2,499	8,768
Net foreign exchange gains/(losses)	0	0
Transfer from donated asset reserve	0	(1)
Transfer from Government grant reserve	0	0
Interest paid	(1,341)	(1,082)
Dividends paid	(553)	(1,331)
(Increase)/decrease in inventories	4	(1)
(Increase)/decrease in trade and other receivables	181	(485)
(Increase)/decrease in other current assets	0	0
Increase/(decrease) in trade and other payables	934	3,827
Increase/(decrease) in other current liabilities	0	(3)
Increase/(decrease) in provisions	844	(165)
Net cash inflow/(outflow) from operating activities	5,391	7,566
Cash flows from investing activities		
Interest received	15	19
(Payments) for property, plant and equipment	(2,645)	(5,527)
Proceeds from disposal of plant, property and equipment	248	0
(Payments) for intangible assets	0	0
Proceeds from disposal of intangible assets	0	0
(Payments) for investments with DH	0	0
(Payments) for other investments	0	0
Proceeds from disposal of investments with DH	0	0
Proceeds from disposal of other financial assets	0	0
Revenue rental income	0	0
Net cash inflow/(outflow) from investing activities	(2,382)	(5,508)
Net cash inflow/(outflow) before financing	3,009	2,058

Cash flows from financing activities		
Public dividend capital received	0	0
Public dividend capital repaid		0
Loans received from the DH	0	0
Other loans received	0	0
Loans repaid to the DH	0	0
Other loans repaid	0	0
Other capital receipts	0	0
Capital element of finance leases and PFI	(519)	(499)
Net cash inflow/(outflow) from financing	(519)	(499)
Net increase/(decrease) in cash and cash equivalents	2,490	1,559
Cash (and) cash equivalents (and bank overdrafts) at the beginning of the financial year	3,800	2,241
Effect of exchange rate changes on the balance of cash held in foreign currencies	0	0
Cash (and) cash equivalents (and bank overdrafts) at the end of the financial period	6,290	3,800

Remuneration Report 2010/11 – 1 April 2010 to 31 January 2011

The remuneration of Board Directors is covered by the Remuneration and Terms of Service Committee which must meet at least once per year to consider the remuneration of Board Directors. The Committee is a Sub-Committee of the full Board and comprises the Chairman and Non-Executives. The Chief Executive attends to advise and confirm his agreement to the approach taken to the remuneration of the Executive Directors.

In 2006/07 the Remuneration Committee agreed a policy of bringing all Directors (including the Director of HR) and the Chief Executive onto an Agenda for Change Pay Banding. Three local pay scales (Executive 1, 2 and 3) were created and each Director was assimilated to a scale using the Agenda for Change job evaluation scheme.

Since then, work has been undertaken to produce a revised contract of employment using the national Very Senior Managers contract as a model. The contract has provision for individual performance review to form a part, but there is currently no policy to incorporate PRP payments in the contract.

Contracts for all Directors are permanent, and there is no proposal in the Trust's Remuneration Policy to issue short term or rolling contracts. The Trust has a Contractual Notice Policy which covers all staff. The notice period for Directors and the Chief Executive is recommended as six months.

Any early termination of an Executive Director's contract would be considered by the Committee. A Compromise Agreement is equally likely to be issued where the termination of a contract is negotiated and mutually agreed to come to an end. Additionally, the Strategic Health Authority has to be involved in decisions when a severance is occurring.

Salaries and Allowances

Title	Name	2010/11 (10 months to 31 Jan 2011)			2009/10		
		Salary (based on bands of £5000)	Other Remuneration (bands of £5000)	* Benefits in kind (rounded to the nearest £00)	Salary (based on bands of £5000)	Other Remuneration (bands of £5000)	* Benefits in kind (rounded to the nearest £00)
		£000	£000	£00	£000	£000	£00
Chief Executive	Mike Shewan	125-130	0	34	150-155	0	41
Executive Director of Finance	Tim Woods	90-95	0	0	110-115	0	0
Executive Medical Director	John Sykes	75-80	70-75	34	60-65	120-125	41
Executive Director of Nursing and Quality	Paul Lumsdon	80-85	0	34	95-100	0	41
Executive Director of Business Strategy	Kathryn Blackshaw	80-85	0	34	95-100	0	41
Executive Director of Operations, Performance and IM&T	Ifti Majid	75-80	0	34	85-90	0	41
Director of Workforce & OD	Helen Issitt ²	45-50	0	20	0	0	0
Director of Corporate and Legal Affairs	Graham Gillham	55-60	0	34	60-65	0	41
Chair	Alan Baines	15-20	0	0	20-25	0	0
Non-Executive Director	Lesley Thompson	5-10	0	0	5-10	0	0
Non-Executive Director	Graham Foster	5-10	0	0	5-10	0	0
Non-Executive Director	Michael Martin	5-10	0	0	5-10	0	0
Non-Executive Director	Anthony Smith ³	5-10	0	0	0	0	0
Non-Executive Director	Maura Teager ⁴	5-10	0	0	0	0	0
Non-Executive Director	Alan Barclay ⁵	0	0	0	5-10	0	0
Non-Executive Director	Carole Appleby ⁶	0	0	0	0-5	0	0

* Benefits in kind relate to lease cars provided for Senior Managers

Pension Benefits - 1 April 2010 to 31 January 2011

Title	Name	Real increase in pension at normal retirement age (bands of £2,500)	Real increase in pension lump sum at normal retirement age (bands of £2,500)	Total accrued pension at normal retirement age at 31 March 2011 (bands of £5,000)	Lump sum at normal retirement age related to accrued pension at 31 March 2011 (bands of £5,000)	Cash Equivalent Transfer Value at 31 Jan 2011	Cash Equivalent Transfer Value at 31 March 2011	Real Increase in Cash Equivalent Transfer Value	Employers Contribution to Stakeholder pension (to nearest £00)
		£000	£000	£000	£000	£'000	£000	£000	£00
Chief Executive	Mike Shewan	0	0	75-80	225-230	1,455	1,584	-129	-904
Executive Director of Finance	Tim Woods	0-2.5	2.5-5	40-45	125-230	741	797	-55	-387
Executive Medical Director	John Sykes	2.5-5	7.5-10	65-70	195-200	1,190	1,257	-67	-468
Executive Director of Nursing and Quality	Paul Lumsdon	2.5-5	7.5-10	35-40	110-115	647	668	-20	-146
Executive Director of Business Strategy	Kathryn Blackshaw	0-2.5	5-7.5	25-30	85-90	358	390	-32	-225
Executive Director of Operations Performance and IM&T	Ifti Majid	0-2.5	5-7.5	25-30	85-90	415	445	-30	-212
Director of Workforce & OD	Helen Issitt	0-2.5	0-2.5	5-10	20-25	96	101	-5	-35
Director of Corporate and Legal Affairs	Graham Gillham	2.5-5	7.5-10	30-35	90-95	718	696	22	158

Notes to Remuneration Report

1. Base salary band information provided for 2010/11 is a pro-rata amount for the 10 months as an NHS Trust from the beginning of the year (April) up to and including January 2011
2. Joined the Trust in post on 01/08/2010
3. Joined the Trust in post on 01/04/2010
4. Joined the Trust in post on 01/04/2010
5. Left the Trust on 08/12/2009
6. Left the Trust on 17/11/2009

Signed

Date

Summary Financial Statements

The Trust's full Annual Accounts are available on request from:

Communications Department
Derbyshire Healthcare NHS Foundation Trust
Trust Headquarters
Bramble House
Kingsway Site
Derby
DE22 3LZ



Accounts for Derbyshire Healthcare NHS Foundation Trust

(1 February 2011 to 31 March 2011)

These accounts for the above period have been prepared by Derbyshire Healthcare NHS Foundation Trust in accordance with paragraph 25 of Schedule 25 of Schedule 7 to the NHA Act 2006, in the form which Monitor (the Independent Regulator of NHS Foundation Trusts) has directed.

Statement of Chief Accounting Officers Responsibilities as the Accounting Officer

The National Health Service Act ("2006 Act") states that the Chief Executive is the Accounting Officer of the Foundation Trust. The relevant responsibilities of the Accounting Officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts are set out in the Accounting Officers' Memorandum issued by the Independent Regulator of NHS Foundation Trusts (Monitor).

Under the 2006 Act, Monitor has directed Derbyshire Healthcare NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Trust: its income and expenditure, total recognised gains and losses, and the cash flows for the financial year (in this case February to March 2011).

In preparing the accounts the Accounting Officer is required to comply with the requirements of the NHS Foundation Trust Reporting Manual and in particular to:

- Observe the Accounts Direction issued by Monitor, including the relevant accounting and disclosure requirements, and apply suitable policies on a consistent basis
- Make judgements and estimates on a reasonable basis
- State whether applicable accounting standards as set in the NHS Foundation Trust Reporting Manual have been followed, and disclose and explain any material departure in the financial statements
- Prepare the financial statements on a going concern basis.

The Accounting Officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Foundation Trust and to enable him to ensure that the accounts comply with requirements outlined in the above mentioned Act. The Accounting Officer is also responsible for safeguarding the assets

of the Trust and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The accounts are prepared by the Directors of the Trust and reviewed by the Audit Committee. The Board of Directors adopts the accounts following recommendation by the Audit Committee.

After making enquiries, the Directors have a reasonable expectation that the Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they have adopted the going concern basis in preparing the accounts.

In addition, the Directors state that as far as they are aware there is no relevant audit material of the which the Trust's auditor is unaware and that individually each Director has taken steps that they ought to have, making themselves aware of any audit information and to establish that this has been brought to the attention of the Trust's auditor.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in Monitor's NHS Foundation Trust Accounting Officer's Memorandum.



Signed.....
Chief Executive Officer

Date...3-6-2011.....

(on behalf of the Board)

Derbyshire Healthcare NHS Foundation Trust
Statement on Internal Control
1 Feb 2011 to 31 March 2011

The system of internal control has been in place in Derbyshire Healthcare NHS Foundation Trust between 1 February 2011 and 31 March 2011, and up to the date of approval of the Annual Report and Accounts.

1. Scope of Responsibility

The Board is accountable for internal control. As Accountable Officer, and Chief Executive Officer of this Board, I have responsibility for maintaining a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives. I also have responsibility for safeguarding the public funds and the organisation's assets for which I am personally responsible as set out in the Accountable Officer Memorandum.

Myself, and the Trust participate in partnership processes to ensure that personal and joint accountability issues are dealt with effectively. As Accountable Officer and Chief Executive I have regular supervision meetings with the Chief Executive of NHS East Midlands and the Trust Chairman. In addition, the Derby City and Derbyshire partnership forums are well established and include representation from other NHS Trusts, Primary Care Trusts and Local Authorities.

2. 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 organisation's policies, aims and objectives,
- Evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

3. Capacity to Handle Risk

The Trust successfully integrates clinical and corporate risk management processes, which the Executive Director of Nursing and Governance leads on behalf of the Trust Board.

- There is a Board endorsed Integrated Governance Strategy which defines the organisational structures in place for the management and ownership of risk, including the responsibilities of Executive Directors for implementing the strategy. This is supported by a Risk Assessment Procedure.
- There is an appropriate committee structure in place to ensure risk is managed effectively throughout the organisation and embedded in all Trust processes.
- The Risk Management Committee is the principal committee concerned with the management of risk. The Audit Committee is responsible for ensuring appropriate assurances are sought for key controls which manage strategic organisation risks
- To enable staff to fulfil their responsibilities defined within the Integrated Governance Strategy, the Trust provides risk management training, defined within the Induction and Compulsory Training Schedule. This training is supported by procedural guidance and direction from specialist risk management staff.

4. The Risk and Control Framework

The system of internal control is based on a framework of risk management processes for identifying and evaluating risk and determining effectiveness of risk controls and assurances received on these controls. The processes, which are embedded in the activities of the organisation, are defined within the Integrated Governance Strategy and its supporting policies and procedures.

Key elements of the risk and control framework include:

- Risk identification – proactively via risk assessments, project plans and reactively via incident, complaints and claims analysis, internal and external inspection and audit reports
- Risk evaluation - using a single risk matrix to determine impact and likelihood of risk realisation and grading of risk by colour
- Risk control and treatment – responsibility and authority for determining effectiveness of controls, development of risk treatment plans, including assigning appropriate resources is dependent upon the risk grade
- Risk Register – incorporating requirements of the Assurance Framework including mapping of each risk recorded to a strategic objective
- Incident investigation – robust systems for reporting and investigating incidents to identify areas for organisational learning and good practice
- Public stakeholders who are involved in the management of risks which may impact on them via the Trust commitment to the Strategic Commissioning Group and regular briefings with the Overview and Scrutiny Committees
- Communication – the use of a ‘Blue Light’ system to rapidly communicate information on significant risks that required immediate action to be taken and a ‘Learning the Lessons’ newsletter to communicate good practice and actions that have been taken throughout the organisation.

Identified major risks, in year, as at 31 March 2011:

- Incomplete evidence of compliance with Trust Policies and Procedures that impact on the patient experience
- Risk that transformational projects are not delivered to the agreed plan
- Difficulty in recruitment of junior doctors
- Loss of reputation as a consequence of negative report within the public domain
- Loss of existing business to competitors due to change in commissioner priorities

All major risks are mitigated through the Board Assurance process.

The key elements of the way in which public stakeholders are involved in managing risks which impact on them include:

- Quality Assurance Groups (a joint Trust and Commissioning group)
- Consultation for the Quality Account involving key stakeholders
- Impact assessments for the Transformational Change Programme including a requirement for consultation with key stakeholders
- Research and Audit Programmes aligned to the Board Assurance Framework.

The Board has in place an Assurance Framework that:

- Covers all of the Trust’s main activities
- Details Board’s strategic objectives
- Identifies the risks to achieving the strategic objectives
- Identifies and examines the system of internal control to manage the risks
- Identifies and examines the review and assurance mechanisms which relate to the effectiveness of the system of internal control
- Record actions agreed or taken to address the gaps in control and assurance
- Is reviewed monthly by the Executive Director with overall responsibility for the management of the risk, and reported to the Audit Committee and Trust Board thrice yearly.

The Framework has identified gaps in control in the following areas:

- Implementation of a Relationship Development Strategy
- Limited assurance has been received in
- No reports identifying limited assurance have been received by the Trust between 1 Feb and 31 March 2011.

Internal Audit has supported the Trust in its response to audit recommendations, undertaking prompt follow-up work demonstrating to the Audit Committee that action was being taken in response to recommendations.

A regular programme of Internal Audit reviews of information governance areas has been undertaken, including information security and compliance to the Information Governance Toolkit.

The Trust has in place the following arrangements to management Information Governance risks:

- A Senior Information Risk Owner at Board Level
- Annually completed Information Governance Toolkit, with reported outcomes to the Audit Committee and Trust Board
- Risks related to Information Governance reviewed by the Executive Director Lead and the Information Governance Committee
- A record of no Serious Untoward Incidents in respect of data security.

Equality Impact Assessments (EIAs) are integrated into Trust core business and have been completed for all corporate policies & procedures.

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

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 undertaken risk assessments and Carbon Reduction Delivery Plans are in place in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projects, to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

The Trust has achieved full registration with the Care Quality Commission from 1 April 2010.

5. Annual Quality Account

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 to prepare Quality Accounts for each financial year. Monitor has issued guidance to NHS Foundation Trust Boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual.

The requirement to publish an Annual Quality Account was agreed by the Trust Board in the Integrated Governance Strategy 2009 – 2012. To ensure a balanced view of what information people wanted to hear more about, the Trust undertook a wide ranging consultation: speaking to individuals and representative groups; holding consultation events and asking staff. The results informed Part 3 of the Account. Controls to ensure the accuracy of data included: participation in national clinical audits; NHS number and GP code validity and achievement of the Information Governance Toolkit.

Priorities detailed in the Account are monitored by the Trust Quality Governance Committee. These priorities include review of policies, systems and processes, and people and skills.

6. Review of Economy, Efficiency and Effectiveness of the Use of Resources

Trust Board carries the final overall corporate accountability for its strategies, policies and actions as set out in the Codes of Conduct and Accountability issued by the Secretary of State.

Internal Audit Services provide the Trust with an independent and objective opinion on the effectiveness of the systems in place for risk management, control and governance.

In October 2010, the Trust received the assessment by the Care Quality Commission as 'excellent' for the use of resources, and 'good' for quality of service, in the annual performance ratings for 2009/10. In June 2010 the Trust achieved NHSLA Level 2 of the Risk Management Standards for 2010/11, and is continuing to improve its clinical and corporate governance arrangements in working toward achieving Level 3 in 2012.

7. Review of effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed in a number of ways. The Head of Internal Audit provides me with an opinion on the overall arrangements for gaining assurance through the Assurance Framework and on the controls reviewed as part of the internal audit work. Executive Managers within the organisation who have responsibility for the development and maintenance of the system of internal control, provide me with assurance.

The Assurance Framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed. My review is also informed by:

- Registration with the Care Quality Commission from 1 April 2010 – without conditions
- Trust Performance Rating from the Health Care Commission
- NHS Litigation Authority Risk Management Standards compliance with Level 2 Standards, achieved in June 2010.

- Internal Audit reports received during year following on from the Internal Audit and External Audit Plans agreed by the Trusts Audit Committee
- Clinical Audits.

No significant internal control issues have been identified.

The processes applied in reviewing and maintaining the effectiveness of internal control are described above. In summary:

The Trust Board:

- Is responsible for approving and monitoring the systems in place to ensure there are proper and independent assurances given on the soundness and effectiveness of internal control.

The Audit Committee:

- Is responsible for independently overseeing the effectiveness of the Trust's systems for internal control and for reviewing the structures and processes for identifying and managing key risks
- Is responsible for reviewing the establishment and maintenance of effective systems of internal control
- Is responsible for reviewing the adequacy of all risk- and control-related statements prior to endorsement by the Board
- In discharging its responsibilities takes independent advice from the Trust's internal auditor and Audit Commission.

Internal Audit:

- East Midlands NHS Internal Audit Services provide the Trust with an independent and objective opinion on the effectiveness of the systems in place for risk management, control and governance.

Internal Auditors

Tim Thomas Head of Internal Audit

Hafiz Arif Chief Internal Auditor

External Audit:

- The Audit Commission provide the Trust with external audit services which include the review of the annual accounts and a review of the value for money achieved by the Trust.

External Auditors

John Cornett District Auditor

Trudy Enticott Audit Manager

With the exception of the internal control issues that I have outlined in this statement, my review confirms that Derbyshire Healthcare NHS Foundation Trust has a generally sound system of internal controls that supports the achievement of its policies, aims and objectives and that those control issues have been or are being addressed.

Signed  _____
Chief Executive Officer

Date 3-6-2011 _____
(on behalf of the Board)

Independent Auditor's Statement to the Board

Opinion on the Summary Financial Statements

I have examined the summary financial statement for the two month accounting period ended 31 March 2011 which comprises the Statement of Comprehensive Income, Statement of Finance Position, Statement Cash Flows and Statement of Changes in Taxpayers Equity.

This report is made solely to the Board of Governors of Derbyshire Healthcare NHS Foundation Trust in accordance with paragraph 24(5) of Schedule 7 of the National Health Service Act 2006. My audit work has been undertaken so that I might state to the Board of Governors those matters I am required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Foundation Trust as a body, for my audit work, for this report or for the opinions I have formed.

Respective Responsibilities of Directors and Auditor

The Directors are responsible for preparing the Annual Report.

My responsibility is to report to you my opinion on the consistency of the summary financial statement within the Annual Report with the statutory financial statements.

I also read the other information contained in the Annual Report and consider the implications for my report if I become aware of any misstatements or material inconsistencies with the summary financial statement.

I conducted my work in accordance with Bulletin 2008/03 "The auditor's statement on the summary financial statement in the United Kingdom" issued by the Auditing Practices Board. My report on the statutory financial statements describes the basis of my opinion on those financial statements.

Opinion

In my opinion the summary financial statement is consistent with the statutory financial statements of the Derbyshire Healthcare NHS Foundation Trust for the two month period accounting period ended 31 March 2011.

John Cornett

Officer of the Audit Commission

Rivermead House
7 Lewis Court
Grove Park
Enderby
Leicestershire
LE19 1SU

3 June 2011

Independent Auditor's Report to the Board of Governors of Derbyshire Healthcare NHS Foundation Trust

I have audited the financial statements of Derbyshire Healthcare NHS Foundation Trust for the two month accounting period ended 31 March 2011 under the National Health Service Act 2006. The financial statements comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Taxpayers' Equity, the Statement of Cash Flows and the related notes. These financial statements have been prepared under the accounting policies set out in the Statement of Accounting Policies.

I have also audited the information in the Remuneration Report that is subject to audit, being:

- the table of salaries and allowances of senior managers [and related narrative notes] and
- the table of pension benefits of senior managers [and related narrative notes]

This report is made solely to the Board of Governors of Derbyshire Healthcare NHS Foundation Trust in accordance with paragraph 24(5) of Schedule 7 of the National Health Service Act 2006. My audit work has been undertaken so that I might state to the Board of Governors those matters I am required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Foundation Trust as a body, for my audit work, for this report or for the opinions I have formed.

Respective Responsibilities of the Accounting Officer and Auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

My responsibility is to audit the financial statements in accordance with applicable law, the Audit Code for NHS Foundation Trusts and International Standards on Auditing (UK and Ireland). Those standards require me to comply with the Auditing Practice's Board's Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trust; and the overall presentation of the financial statements. I read all the information in the Annual Report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

Opinion on Financial Statements

In my opinion the financial statements:

- give a true and fair view of the state of affairs of Derbyshire Healthcare NHS Foundation Trust's affairs as at 31 March 2011 and of its income and expenditure for the accounting period then ended
- have been properly prepared in accordance with the accounting policies directed by Monitor as being relevant to NHS Foundation Trusts.

Opinion on Other Matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the accounting policies directed by Monitor as being relevant to NHS Foundation Trusts; and
- the information given in the Annual Report for the accounting period for which the financial statements are prepared is consistent with the financial statements.

Matters on Which I Report by Exception

I have nothing to report in respect of the Statement on Internal Control which I report to you if, in my opinion the Statement on Internal Control does not reflect compliance with Monitor's requirements.

Certificate

I certify that I have completed the audit of the accounts of Derbyshire Healthcare NHS Foundation Trust in accordance with the requirements of the National Health Service Act 2006 and the Audit Code for NHS Foundation Trusts issued by Monitor.

John Cornett
Officer of the Audit Commission

Rivermead House
7 Lewis Court
Grove Park
Enderby
Leicestershire
LE19 1SU

Derbyshire Healthcare NHS Foundation Trust - Annual Accounts 2010/11

Statement of Comprehensive Income for the Period Ended - 31 March 2011

(NB 2010/11 figures are for period 01/02/11 to 31/03/11)

	2010/11 £000
Operating Income from continuing operations	18,253
Operating Expenses of continuing operations	(17,762)
OPERATING SURPLUS / (DEFICIT)	491
FINANCE COSTS	
Finance income	4
Finance expense - financial liabilities	(299)
Finance expense - unwinding of discount on provisions	0
PDC Dividends payable	(109)
NET FINANCE COSTS	(404)
SURPLUS/(DEFICIT) FOR THE YEAR	87
Surplus/(deficit) of discontinued operations and then gain/(loss) on disposal of discontinued operations	0
SURPLUS/(DEFICIT) FOR THE YEAR	87
Other comprehensive income	0
TOTAL COMPREHENSIVE INCOME / (EXPENSE) FOR THE PERIOD	87
Prior period adjustments	0
TOTAL COMPREHENSIVE INCOME / (EXPENSE) FOR THE YEAR	87
Note: Allocation of Profits/(Losses) for the period:	
(a) Surplus/(Deficit) for the period attributable to:	
(i) minority interest, and	0
(ii) owners of the parent.	87
TOTAL	87
(b) Total comprehensive income/ (expense) for the period attributable to:	
(i) minority interest, and	0
(ii) owners of the parent.	87
TOTAL	87
All operations are continuing.	

Derbyshire Healthcare NHS Foundation Trust - Annual Accounts 2010/11


Statement of Financial Position as at 31 March 2011

	31 March 2011	31 January 2011
	£000	£000
Non-current assets		
Intangible assets	702	718
Property, plant and equipment	69,006	68,756
Investment Property	0	0
Investments in associates (and joined controlled operations)		
Other Investments	0	0
Trade and other receivables	570	522
Other financial assets	0	0
Tax receivable	0	0
Other assets	0	0
Total non-current assets	70,278	69,996
Current assets		
Inventories	176	174
Trade and other receivables	2,861	2,057
Other financial assets	0	0
Tax receivable	0	0
Non-current assets for sale and assets in disposal groups	1,245	1,245
Cash and cash equivalents	4,944	6,290
Total current assets	9,226	9,766
Current liabilities		
Trade and other payables	(7,431)	(6,894)
Borrowings	(645)	(642)
Other financial liabilities	0	0
Provisions	(651)	(716)
Tax payable	(1,503)	(1,509)
Other liabilities	(935)	(1,112)
Liabilities in disposal groups	0	0
Total current liabilities	(11,165)	(10,873)
Total assets less current liabilities	68,339	68,889
Non-current liabilities		
Trade and other payables	0	0
Borrowings	(31,088)	(31,191)
Other financial liabilities	0	0
Provisions	(2,105)	(2,146)
Tax payable	0	0
Other liabilities	0	0
Total non-current liabilities	(33,193)	(33,337)
Total assets employed	35,146	35,552

Financed by (taxpayers' equity)

Minority Interest	0
Public Dividend Capital	15,953
Revaluation reserve	14,819
Donated asset reserve	125
Available for sale investments reserve	0
Other reserves	8,680
Merger reserve	0
Income and expenditure reserve	(4, 431)
Total taxpayers' equity	35,146

The financial statements on pages 1 to 4 were approved by the Board on 06 June 2011 and signed on its behalf by:


Signed:
(Chief Executive)

Date: 3-6-2011

Derbyshire Healthcare NHS Foundation Trust - Annual Accounts 2010/11

Statement of Changes in Taxpayers' Equity for the Period Ended 31 March 2011

	Total	Minority interest	Public dividend capital (PDC)	Revaluation reserve	Donated asset reserve	Available for Sale Investment Reserve	Other reserves	Merger Reserve	Income and Expenditure Reserve
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Taxpayers' Equity at 1 April 2010 - as previously stated	0	0	0	0	0	0	0	0	0
Prior period adjustment	0	0	0	0	0	0	0	0	0
Taxpayers' Equity at 1 April 2010 - restated	0	0	0	0	0	0	0	0	0
At start of period for new FTs	35,554	0	16,448	14,948	125	0	8,680	0	(4,647)
Surplus/(deficit) for the year	87	0	0	0	0	0	0	0	87
Impairments	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Receipt of donated assets	0	0	0	0	0	0	0	0	0
Asset disposals	0	0	0	(129)	0	0	0	0	129
Share of comprehensive income from associates and joint ventures	0	0	0	0	0	0	0	0	0
Movements arising from classifying non current assets as Assets Held for sale	0	0	0	0	0	0	0	0	0
Fair Value gains/(losses) on Available-for-sale financial investments	0	0	0	0	0	0	0	0	0
Recycling gains/(losses) on Available-for-sale financial investments	0	0	0	0	0	0	0	0	0
Other recognised gains and losses	0	0	0	0	0	0	0	0	0
Actuarial gains/(losses) on defined benefit pension schemes	0	0	0	0	0	0	0	0	0
Public Dividend Capital received	0	0	0	0	0	0	0	0	0
Public Dividend Capital repaid	(495)	0	(495)	0	0	0	0	0	0
Public Dividend Capital written off	0	0	0	0	0	0	0	0	0
Other reserve movements	0	0	0	0	0	0	0	0	0
Taxpayers' Equity at 31 March 2011	35,146	0	15,953	14,819	125	0	8,680	0	(4,431)

Derbyshire Healthcare NHS Foundation Trust - Annual Accounts 2010/11

Statement of Cash Flows for the Period Ended 31 March 2011

	2010/11
	£000
Cash flows from operating activities	
Operating surplus/(deficit) from continuing operations	491
Operating surplus/(deficit) of discontinued operations	0
Operating surplus / (deficit)	491
Non cash income and expense	
Depreciation and amortisation	461
Impairments	35
Reversals of Impairments	0
Transfer from donated asset reserve	0
Amortisation of Government grants	0
Amortisation of PFI credit	0
(Increase)/decrease in trade and other receivables	(856)
(Increase)/decrease in other current assets	0
(Increase)/decrease in inventories	(2)
Increase/(decrease) in trade and other payables	762
Increase/(decrease) in other current liabilities	0
Increase/(decrease) in provisions	(106)
Tax (paid)/received	0
Movements in operating cash flow of discontinued operations	0
Other movements in operating cash flows	0

NET CASH GENERATED (USED IN) OPERATIONS	785
Cash flows from investing activities	
Interest received	4
Purchase of financial assets	0
Sales of financial assets	0
Purchase of intangible assets	(232)
Sales of intangible assets	0
Purchase of Property, Plant and Equipment	(762)
Sales of Property, Plant and Equipment	247
Cash flows attributable to investing activities of discontinued operatio	0
Cash from acquisitions of business units and subsidiaries	0
Cash from disposals of business units and subsidiaries	0
Net cash generated (used in) investing activities	(743)
Cash flows from financing activities	
Public dividend capital received	0
Public dividend capital repaid	(495)
Loans received	0
Loans repaid	0
Capital element of finance lease rental payments	0
Capital element of Private Finance Initiative Obligations	(100)
Interest paid	(37)
Interest element of finance lease	0
Interest element of Private Finance Initiative Obligations	(262)
PDC Dividend paid	(494)
Cash flows attributable to financings activities of discontinued operat	0
Cash flows from (used in) other financing activities	0
Net Cash generated from (used in) financing activities	(1388)
Net increase/(decrease) in cash and cash equivalents	(1346)
Cash and Cash equivalents at 1 April	0
Cash and Cash equivalents at start of period for new FTs	6290
Cash and Cash equivalents at 31 March	4944

Remuneration Report 2010/11 – 2 months from 1 February to 31 March 2011

The remuneration of Board Directors is covered by the Remuneration and Terms of Service Committee which must meet at least once per year to consider the remuneration of Board Directors. The Committee is a Sub-Committee of the full Board and comprises the Chairman and Non-Executives. The Chief Executive attends to advise and confirm his agreement to the approach taken to the remuneration of the Executive Directors.

In 2006/07 the Remuneration Committee agreed a policy of bringing all Directors (including the Director of HR) and the Chief Executive onto an Agenda for Change Pay Banding. Three local pay scales (Executive 1, 2 and 3) were created and each Director was assimilated to a scale using the Agenda for Change job evaluation scheme.

Since then, work has been undertaken to produce a revised contract of employment using the national Very Senior Managers contract as a model. The contract has provision for individual performance review to form a part, but there is currently no policy to incorporate PRP payments in the contract.

Contracts for all Directors are permanent, and there is no proposal in the Trust's Remuneration Policy to issue short term or rolling contracts. The Trust has a Contractual Notice Policy which covers all staff. The notice period for Directors and the Chief Executive is recommended as six months.

Any early termination of an Executive Director's contract would be considered by the Committee. A Compromise Agreement is equally likely to be issued where the termination of a contract is negotiated and mutually agreed to come to an end. Additionally, the Strategic Health Authority has to be involved in decisions when a severance is occurring.

Accounting policies for pensions and other retirement benefits are set out in Note 10 to the accounts and details of senior employees' remuneration can be found on the following page of the remuneration report.

Salaries and Allowances

Title	Name	2010/11 (1 February to 31 March 2011)			2009/10		
		Salary (based on bands of £5000)	Other Remuneration (bands of £5000)	* Benefits in kind (rounded to the nearest £00)	Salary (based on bands of £5000)	Other Remuneration (bands of £5000)	* Benefits in kind (rounded to the nearest £00)
		£000	£000	£00	£000	£000	£00
Chief Executive	Mike Shewan	25-30	0	7	150-155	0	41
Executive Director of Finance	Tim Woods	15-20	0	0	110-115	0	0
Executive Medical Director	John Sykes	15-20	10-15	7	60-65	120-125	41
Executive Director of Nursing and Quality	Paul Lumsdon	15-20	0	7	95-100	0	41
Executive Director of Business Strategy	Kathryn Blackshaw	15-20	0	7	95-100	0	41
Executive Director of Operations, Performance and IM&T	Ifti Majid	15-20	0	7	85-90	0	41
Director of Workforce & OD	Helen Issitt ²	15-20	0	7	0	0	0
Director of Corporate and Legal Affairs	Graham Gillham	10-15	0	7	60-65	0	41
Chair	Alan Baines	0-5	0	0	20-25	0	0
Non-Executive Director	Lesley Thompson	0-5	0	0	5-10	0	0
Non-Executive Director	Graham Foster	0-5	0	0	5-10	0	0
Non-Executive Director	Michael Martin	0-5	0	0	5-10	0	0
Non-Executive Director	Anthony Smith ³	0-5	0	0	0	0	0
Non-Executive Director	Maura Teager ⁴	0-5	0	0	0	0	0
Non-Executive Director	Alan Barclay ⁵	0	0	0	5-10	0	0
Non-Executive Director	Carole Appleby ⁶	0	0	0	0-5	0	0

* Benefits in kind relate to lease cars provided for Senior Managers

Pension Benefits - 1 February to 31 March 2011

Title	Name	Real increase in pension at normal retirement age (bands of £2,500)	Real increase in pension lump sum at normal retirement age (bands of £2,500)	Total accrued pension at normal retirement age at 31 March 2011 (bands of £5,000)	Lump sum at normal retirement age related to accrued pension at 31 March 2011 (bands of £5,000)	Cash Equivalent Transfer Value at 31 March 2011	Cash Equivalent Transfer Value at 31 Jan 2011	Real Increase in Cash Equivalent Transfer Value	Employers Contribution to Stakeholder pension (to nearest £00)
		£000	£000	£000	£000	£'000	£000	£000	£00
Chief Executive	Mike Shewan	0	0	75-80	225-230	1,438	1,455	-17	-119
Executive Director of Finance	Tim Woods	0-2.5	0-2.5	40-45	125-130	737	741	-5	-33
Executive Medical Director	John Sykes	0-2.5	0-2.5	65-70	195-200	1,180	1,190	-10	-72
Executive Director of Nursing and Quality	Paul Lumsdon	0-2.5	0-2.5	35-40	110-115	649	647	1	8
Executive Director of Business Strategy	Kathryn Blackshaw	0-2.5	0-2.5	25-30	85-90	361	358	3	21
Executive Director of Operations, Performance and IM&T	Ifti Majid	0-2.5	0-2.5	25-30	85-90	412	415	-2	-16
Director of Workforce and OD	Helen Issitt	0-2.5	0-2.5	5-10	20-25	98	96	1	12
Director of Corporate and Legal Affairs	Graham Gillham	0-2.5	0-2.5	30-35	90-95	718	718	0	0

Notes to Remuneration Report

1. Base salary band information provided for 2010/11 is a pro-rata amount for the two months as an NHS Foundation Trust from February 2011 up to and including March 2011
2. Joined the Trust in post on 01/08/2010
3. Joined the Trust in post on 01/04/2010
4. Joined the Trust in post on 01/04/2010
5. Left the Trust on 08/12/2009
6. Left the Trust on 17/11/2009

Signed

Date

Summary Financial Statements

The Trust's full Annual Accounts are available on request from:

Communications Department
Derbyshire Healthcare NHS Foundation Trust
Trust Headquarters
Bramble House
Kingsway Site
Derby
DE22 3LZ

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