

Annual Report and Accounts 2007/2008

**1st August 2007
to
31st March 2008**

Part Year



Hertfordshire Partnership NHS Foundation Trust

Annual Report August 2007- March 2008 Part Year

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Hertfordshire Partnership NHS Foundation Trust

Introduction from Chair and Chief Executive

We became a Foundation Trust on 1 August 2007 and so this report covers the progress made in the first eight months of the Hertfordshire Partnership NHS Foundation Trust.

We have continued to make improvements within service areas, working in partnership with the Primary Care Trusts and local GP practices to deliver Enhanced Primary Care services and responding to a long standing need to provide a 24 hour helpline to support our crisis service

The support we have received from the community and our key partners has enabled us to make the transition from an NHS Trust to an NHS Foundation Trust, and we now want to work closely with them to ensure that all the benefits of that new status are realised. Our Governors are already making new partnerships, and strengthening existing ones and membership continues to grow at a steady rate. This means that the local community, including our service users and carers will have a much stronger voice in the future of mental health and specialist learning disability services in Hertfordshire.

This is the beginning of an exciting future for our services, the staff we employ, and most importantly our service users and carers. We recognise that the involvement of our partners is key and that our future is one we must shape together at the same time as continuing to show improvements in the quality and standards of care we provide.

We want to offer our thanks to all those who have worked so hard with us, our achievements are a reflection of the involvement and commitment shown by service users, carers, the voluntary organisations, GPs and our staff, as well as by our commissioners and those that regulate our services. Thanks go to all of you. We also want to offer special thanks to the board and to our governors for all their work, commitment and support.



Hattie Llewelyn-Davis
Chair



Bill Macintyre
Chief Executive

Hertfordshire Partnership NHS Foundation Trust

DIRECTORS REPORT

Hertfordshire Partnership Foundation Trust obtained its Foundation Trust status on 1st August 2007, under the National Health Service Act 2006 and is regulated by Monitor, the Independent Regulator of Foundation Trusts.

This Directors report therefore covers the eight month period from 1st August 2007 to 31 March 2008.

We provide:

- Child and adolescent mental health services in Hertfordshire
- Specialist health services to people with learning disabilities
- Integrated health and social care to people who need mental health services in Hertfordshire, which has a population of one million

Our strategic objectives are to become the leading provider of Mental Health and Specialist Learning Disability services in the country. We plan to deliver quality services, make good use of resources, be an excellent employer, create a learning organisation, and with others promote mental well-being.

The Trust was very proud to be accepted as the first Mental Health and Specialist Learning Disability Health and Social Care Foundation Trust.

Foundation Trust gives us a number of opportunities to improve the service we give to the community by;

- A stronger involvement with the local communities through membership
- The ability to re-invest finance in local service developments
- Increased stability from longer term contracts with commissioners

Financial statements

The financial statements shown in this report provide a financial profile of the NHS Foundation Trust's operation for the eight month period, 1st August 2007 to 31st March 2008. A separate set of accounts and an annual report has been prepared for the earlier period 1st April 2007 to 31st July 2007, for the NHS Trust.

Further copies of both sets of accounts can be obtained from John Jones, Director of Finance, by telephoning 01727 897265

Financial Outturn

Our financial performance has improved since becoming a Foundation Trust, achieving a surplus of £2,481,000 for the period ending 31 March 2008, which will be available for reinvestment in our services. This outturn also reflects the significant improvement in the Hertfordshire-wide economy and the NHS as a whole.

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Financial risk rating

The Trust has identified the financial risks associated with its operation and has built in contingency plans to deal with these risk should they arise.

Monitor assesses the financial risk of foundation trusts using a financial risk rating whereby 1 is significant financial risk and 5 is the best rating. Each quarter Monitors reviews risk ratings and we would have achieved a financial risk rating of 4, however Monitor restricted it to 3 due to a late adjustment to the quarter 4 financial submission.

Comparative Information

It should be noted that as this is the first period of operation for the Foundation Trust, the accounts shown on pages 1 to 34 with the exception of an opening balance sheet, do not contain prior year comparators.

Accounting policies

Monitor directed that the financial statements of foundation Trusts shall meet the accounting requirements of the 2007/08 NHS Foundation Trust Financial Reporting Manual, which is the basis upon which these financial statements have been compiled.

The accounting policies in the manual follow UK generally accepted accounting practice for companies (UK GAAP) to the extent that they are meaningful and appropriate to NHS Foundation Trusts. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts

Prior period adjustments

There are a small number of differences in accounting policies between NHS Trusts and Foundation Trusts. The opening balance sheet has been restated to reflect the impact of these policies. These are highlighted below with appropriate cross-referencing to the accounts

£324,000 Government Grant reserve has been transferred to creditors: deferred income (note 17 reserves, note 15 creditors)

£424,000 of NHS bad debts are shown gross in note 13 Debtors

Income

Income for the part year amounted to £117,208,000 the majority of which relates to income from activities as illustrated below

Income from activities	£113,031,000
Other operating income	£4,177,000
Total income	£117,208,000

Operating Expenses

Operating expenses amounted to £112,621,000 of which £70,494,000 relates to pay.

Balance Sheet

The balance sheet of the NHS Foundation Trust shows the assets and liabilities of the Trust at 31st March 2008.

An interim valuation was undertaken by the District Valuer as at 31 March 2008 in line with the new accounting policies adopted and their valuations reflected in the financial statements. The Directors are of the opinion that there are no fixed assets where the market value is significantly different from the value included in the financial statements.

Post balance sheet events

The Trust was successful in securing a contract of £7,046,000 to provide Specialist Learning Disability Services in Norfolk from 1st April 2008.

Cash Flow Statement

The cash flow statement of the Trust is shown on page 4, and illustrates the sources and uses of cash generated by the Trust to 31st March 2008. The cash position is relatively strong and in part reflects some delays on the capital programme during the financial period, combined with proactive treasury management.

The Foundation Trust did not utilise its working capital loan facility during the year and does not anticipate doing so in the forthcoming year.

Prudential borrowing regime

Whilst the foundation trust regime enables capital expenditure to be financed through borrowing, the present capital programme is affordable from within internally generated resources and, therefore no loan applications have been submitted.

Statement of total recognised gains and losses

The statement of total recognised gains and losses for the part year represents the income and expenditure surplus before dividends payable, plus the movement on reserves. In particular this takes into account the change in value of fixed assets in the part year, following the interim revaluation of assets undertaken by the District Valuer

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Investments

The Foundation Trust does not have any investments in subsidiaries or joint ventures. However, short term cash surpluses were placed with selected financial institutions to maximise interest received, in line with the approved treasury policy.

Management costs

Management costs, as defined in formula determined by the department of health guidelines, represent 5.2% of trust turnover for the period.

Public Sector Payment Policy

We have a duty to pay our trade creditors in accordance with the “Better Payment Practice Code” formerly known as the Confederation of British Industry (CBI) prompt payment code. This requires payment to be made within 30 days of receipt of goods or valid invoice whichever is the later. The Foundation Trust’s payment policy is consistent with these and its’ measure of compliance is:

	Number	£000's
Total Non NHS bills paid to 31 st March 2008	14,953	£38,293
Total Non NHS bills paid within target	13,711	£35,422
Percentage of bills paid within target	92%	93%
Total NHS bills paid to 31 st March 2008	732	£16,258
Total NHS bills paid within target	624	£15,092
Percentage of bills paid within target	85%	93%

Related parties disclosures

There are related party disclosures which are shown on page 31 of the Accounts

Private patients

In accordance with section 44 of the National Health Service Act 2006 foundation trusts must not exceed a predetermined private patient cap, which is based on the level of private patients income received in 2002/03. The Foundation Trust’s private patients cap is £nil, and in line with this limit no private patients income was generated in the financial period.

External audit

The annual accounts were audited by the Audit Commission who issued an unqualified opinion

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

Political and charitable donations

As an NHS Foundation Trust, no political or charitable donations are made. The Trust continues to benefit from charitable donations received and is grateful for fundraisers and members of the public for this support.

Environmental, Contractual, Social and Community Issues

Environmental awareness is at the heart of the Trust's plans for the future. The Board is fully committed to supporting environmentally sensitive schemes and reducing energy usage to meet Kyoto 2010 requirements.

The Trust's action plan includes

- reducing electricity usage by informing and creating awareness of sensible use of electricity,
- promoting energy champions and identify suitable energy management courses to assist key staff,
- supporting green transport issues
- continuing with successful paper and ink cartridge recycling schemes
- identifying new initiatives in recycling and energy saving

Our staff are supported in projects for improving the environment in which they work for their own and service users benefit. Opportunities to bid for funding and competitions are regularly featured in our monthly staff emag.

Good Corporate Citizen Assessment Tool

This voluntary self-assessment model is designed to help facilitate discussion, generate ideas, promote learning and motivate. It can be used to engage with both employees and the local community and Trust's Environment Group largely bases our activities on the document

Medirest (a commercial company) provide for all soft Facilities services which includes catering, cleaning, pest control and window cleaning this contract runs until 2012 and our clinical waste is contracted to SPCL and is collected from each site

For Estates maintenance we have an SLA with E/N Herts Acute Trust for our properties in the East of the county and for those in the West of the county we have an SLA with West Herts Acute Trust but these services are in the process of being tendered from April 08 and commercial companies will bid for one service across the county.

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Hertfordshire Partnership NHS Foundation Trust's transport services provide a courier and staff transport service under contract across the county for HPFT, West Herts Acute Trust and West Herts PCT. The second stage of the transport re-design has seen behind the scenes system changes and the re-writing of programmes one of these changes will allow the Trust to monitor, check and record the monthly taxi usage and then re-charge back to relevant users. Trial of the changes and testing of 5 PDA's will take place before full implementation.

Emergency Planning

All services within the Trust have Major Incident Plans that link to the Trust main plan. The Trust Emergency Planning liaison Officer sits on the Hertfordshire Health Resilience group which consists of all Trusts, Emergency Services and the County Council within Hertfordshire

Performance

The Trust is currently one of the highest performing organisations in the East of England for meeting and improving its performance for the quality of its services and the use of its resources. In 2007/08 the Trust moved from a rating of "fair" to "excellent" for the quality of services and improved its "fair" status to "good" for the use of its resources.

The trust's Direct Payments annual target in the FT contract for 2007/08 is 80; there were 94 service users receiving Direct Payments at the end of Feb, and 95 by the end of March. There continue to be improvements in the up take of Direct Payments, especially by younger adults and the Direct Payment / Individual Budgets process will continue to be high profile.

The Trust is at risk from a number of areas which do not directly relate to its finances. The commissioners have expressed their intention to market test our services where appropriate and this may lead to services that the Trust currently hold being transferred to other providers such as the third sector.

How the Trust performs in terms of its targets is a high priority. It is imperative that the Trust maintains, and improves, its performance against its national, contractual and local targets. Failure to do so would give the perception of a Trust not performing to expected levels and thus could have a detrimental effect on tender applications and/or commissioner perception.

NHS Litigation Authority Mental Health and Learning Disability Risk Management Standards

HPFT is one of a very small number of Mental Health Trusts which has achieved Level 2 of the national Risk Management Standards.

In November 2007, the Trust volunteered to be assessed against Level 2 of the Pilot NHTSA Mental Health and Learning Disability Risk Management Standards. These Standards were created by the NHS Litigation Authority by merging the previous Clinical Negligence Scheme for Trusts (CNST) & Risk Pooling Scheme for Trusts (RPST) Standards.

The Pilot Assessment facilitated a greater understanding of the new standards and provided the Trust with the Assessors view of our position against each standard in preparation for full implementation of the standards in the following months and the 'real' assessment at Level 2 in November 2008.

Awards

Hertfordshire Partnership Foundation Trust has excelled in a number of areas this year collecting awards and recognition in the following areas;

- The Innovations East Award for a "High Quality Entry" for the Moving Forward Toolkit. The Toolkit folder, which is owned by the service user, includes a practical self assessment, and draft plan, both created by the service user to identifying three priorities which the service user can take to his or her team for discussion.
- Nurse of the Year Award. Herbie Yeoh of the Intensive Support Team (North and East) was nominated by service users, carers and the voluntary sector to receive this award in November this year.
- Project Manager of the Year. Organised by the Health Estates and Facilities Management Association (HEFMA), Les Hills was a runner up, achieving a Merit award in recognition of his achievements and the professional skills he has demonstrated on three major projects for HPFT.
- Prison Service Award. The Trust's In-reach Mental Health Team at Her Majesty's Prison The Mount, near Bovingdon, won an award for establishing a fully integrated service

Equality and Diversity

In 2007/08 the trust doubled the number of Community Development Workers that help people from other ethnic cultures to access and use the services we provide. Currently the trust has 10 workers across the county working with local communities.

The Trust also introduced the Single Equalities Scheme (SES). The SES combines the existing equality schemes for race, disability and gender, as well as including guidance on age, religion/beliefs, sexual orientation and

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human rights. The scheme has been developed in order to make staff, services users, carers and the general public clearly identify what our local priorities are re: equality and diversity. This includes guidance on the relationships between diversity and mental health as well as a detailed action plan showing how the Trust will develop year on year.

Positive Practice

The Trust has had flexible working policies for some time and when the maternity benefits changed the Trust made sure that our staff received the appropriate payments and time off on maternity leave. The right for carers to ask to work flexibly is also part of new legislation and as the Trust has always offered this right to our staff no further changes were necessary.

The latest staff survey confirms that opportunities for flexible working are highly valued by Trust staff

The Trust was awarded the Age Positive Symbol in August 2005 and was the first Trust in Hertfordshire to receive the award. The award was reissued to us in August 2007 for our continued demonstration of age positive practice.

Communications

Throughout the year we used all our usual channels of communication with staff – email distribution list for all staff, targeted emails for selected staff groups, managers and team leaders, monthly senior staff briefings, emag, screensavers and development sessions. February 2008 saw the launch of the new staff intranet developed with staff feedback to incorporate an improved search engine. The senior staff briefings are led by the chief executive, supported by Executive Directors, and provide staff with information about key issues relevant to them and their work to be cascaded through local team meetings. A written monthly brief is also supplied and we would hope the different methods of communication ensure all staff are aware what is happening within the Trust and have the opportunity to contribute and feedback.

Trade Union Staff Side

The Trust managers, staff, adult care services (Herts County Council) and trade union colleagues fully participate in partnership working. Partnership working has benefited our staff through the working groups where partnership working is clearly demonstrated. Each month a Service Issues Group meeting takes place to discuss ideas and the ways forward for managers/staff to make changes. Those formal changes would then be presented to the Change Management group for decisions and implementation. Formal consultation and negotiation takes place through our joint consultation and negotiation committee.

Consultations with staff

As a Trust we regularly consult with staff regarding the direction of the trust as well as about specific service changes an example is the Trust consulted with approximately 400 staff from November 2007 to January 2008 throughout Hertfordshire regarding the Community Mental Health Redesign covering Enhanced Primary Mental Health Services, Community Mental Health Recovery Services, Community Home Support Teams, Assertive Outreach Services, Rehabilitation and Recovery Services, Crisis Assessment and Treatment and Mental health Liaison Services and Day Services this consultation encompassed issues relating to the workforce and estates

Forward Look

The outlook for 2008/09 and is healthy as the Hertfordshire-wide health economy and the NHS overall is committed to producing further financial surpluses. The Foundation Trust has been successful in winning a tender to supply Specialist Learning Disability services in Norfolk, from 1st April 2008 and will seek to take advantage of the new foundation trust freedoms available in order to benefit the delivery of our services across Hertfordshire

The Foundation Trust will be completing major capital developments on the Harperbury site, for the provision of Psychiatric Intensive Care Services and a Low Secure Unit.

We are also planning to have in place in 2008/9 a new Department of Health driven initiative staff rostering system which will assist the Trust to be more effective in managing the rotas and usage of bank and agency staff. It will make the booking and tracking of leave much easier for line managers. The management tool from this project will enable transparency and visibility across the Trust; improved sickness visibility to help and support staff; electronic working time regulations compliance; improved data protection and security access enabled will be benefits to the Trust and service users. We have awarded a new contract to a private sector provider, for the maintenance of our buildings and plant.

Background Information

The Hertfordshire Partnership NHS Foundation Trust was founded under the National Health Service Act 2006 and was established on 1 August 2007.

We provide a range of mental health and specialist learning disability services across Hertfordshire, consisting of both health and social care services delivered on behalf of Hertfordshire County Council. We were successful in a bid to take on the management of specialist learning disability forensic services in Norfolk and the services will transfer to us on 1 April 2008.

Accounting policies for pensions and other retirement benefits are set out in note 1.14 to the accounts and details of senior employees' remuneration can be found in page 17 of the remuneration report.

The Audit Commission are our external auditors, approved by the Board of Governors at their inaugural meeting on 2 August until the end of the 2008/09 audit

External Auditors

Following establishment as a Foundation Trust, the Board of Governors confirmed the existing auditors, the Audit Commission as external auditors to the end of the 2008/09 audit.

The Audit Commission may, from time to time, be asked to carry out non-audit work. The cost of these other services, where undertaken, would be shown separately in the accounts. It is important to ensure that any additional services provided by the external auditors do not impact on their ability to be independent of management and that conflicts with objectivity do not arise.

A protocol has been developed to establish how additional services may be requested and the work carried out without conflict to the external auditors' independence and objectivity.

The annual accounts were audited by the Audit Commission who issued an unqualified opinion. Fees totalling £102,000 as shown in note 5.1 of the accounts were paid to the Auditor, £88,000 for this statutory audit work and £14,000 for other work.

Operating and financial review

Introduction

The Trust reviewed its corporate strategy to ensure it reflects our vision within the context of a changing health and social care environment. Our corporate strategy is as follows:

Our vision: working in partnership we will provide first class services to the local and wider community.

Our purpose: we will provide excellent integrated health and social care services for people with mental health problems and people with learning disabilities, enabling them to make a positive difference to their lives.

Our values: we will treat service users, carers and staff as we ourselves would want to be treated.

Underpinning the above are our key principles, which are that we will

Work continuously to improve the quality and safety of our services and enhance our Service Users' experience

Strive to ensure that the business makes the most effective use of all resources available

Use information to help us measure and improve our productivity and performance in all areas of our business

Treat every Service User, Carer and member of Staff with dignity and respect in accordance with equality and diversity best practice

Engage with and involve Service Users, Carers and other key partners in the development, delivery and improvement of our services

Involve, support and value our staff to enable them to fulfil their potential and provide the most effective and efficient care

Play an active role with key agencies within Hertfordshire to promote the health and well being of the population.

Key Aims for 2007/08

Service Users and Carers

Continue to enhance the service user experience, ensuring that key issues arising from the Service User Survey are addressed.

Implement the Trust Involvement Strategy to ensure that service users, carers and key partners are involved in the development and review of our services.

Effective User of Resources

Meet all our financial duties, including the achievement of cost improvement programmes.

Quality and Safety of Services

Ensure that the actions for achieving and maintaining Foundation Trust status remain on track and we meet all key requirements.

Work with commissioners to develop primary mental health care services in line with our strategic business plan.

Information and Performance

Meet all targets associated with the Annual Health Check and those within our contracts with commissioners.

Implement the use of Outcome Measures as a routine measurement of the effectiveness of care or treatment for service users across the organisation

Implement a document management system to support the sharing of information more widely across the Trust.

Staff

Deliver on key areas around staff and workforce development, including annual appraisals, implementing a leadership programme and to develop management and professional leadership at all levels within the Trust.

Improve Board effectiveness by implementing a Board Development Plan.

Patient/Service User Care and Stakeholder Relations

The Trust has developed a number of initiatives to allow service users to increasingly participate in the decision making and running of trust services. The Trust currently holds bi-monthly service users council meetings the forum is made up of people with personal experience of receiving the Trust's mental health services and is consulted on key items of business in order to improve services .The Council's terms of reference allow for members to set half of the agenda and raise items of importance with the Trust. Key areas of involvement have been the use of patient/service user identification, the mental health services redesign and the implementation of the mental health act. Representatives from service user organisations in the community, such as Mind and Viewpoint are co-opted onto the Council, who provide a link to the Board of Governors.

A Carer Council was established in November 2007. This forum is made up of carers of people receiving mental health services and aims to expand its membership to include carers of people with learning disabilities. It has met 3 times and has been consulted on the Trust's Carer Strategy, the Involvement Strategy and areas such as carer respite and carers assessments. A Carer Council member is also a Governor and further work will be undertaken to strengthen working relations between these groups.

The Trust has also initiated a Service User Experience Committee as part of its governance process and revised the Involvement Strategy and will implement a number of new initiatives to gather views from those who use our services.

Compliments and Complaints

The Trust appreciates the ability to improve services further by information gained through the receipt of compliments and complaints. We encourage service users, carers or visitors to tell us what we do well and could do better. We log and share information gained through compliments. We investigate complaints with a view of giving a fair, open and honest response but also to learn within the Trust what/how we need to do things better. From August 2007 until March 2008 we received 258 compliments across our services.

From August 2007 until March 2008 we received 78 complaints across our services.

We deal with Complaints in line with the NHS Complaints procedure. Within this procedure, we are required to respond to complaints with a 25 day deadline. During this period we responded within the time to 75% of the complaints received. During the next year we aim to improve this to at least 90%.

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Patient Advice and Liaison Service (PALS)

Some people want advice, assistance with where to turn or have a concern that they do not want to raise as a formal complaint with the Trust. These calls or contacts would be considered and categorised under PALS.

During the period August 07 – March 08, we had 34 contacts via PALS.

The PALS service is about to embark on a re-launch to improving peoples knowledge and use of the service.

The telephone line will be answered Mon-Fri 9am until 4.30 pm

Freedom of Information Requests

1 August 2007 to 31 March 2008

The Freedom of Information Act 2000 (FOI) is a key piece of government legislation which aims to break down the traditional culture of secrecy and give people the right to know!

Requests for Information

Between August 2007 and March 2008 we received 43 requests for information. The outcome of these requests is tabled below:

The information was released	37
The information was not held by the Trust	2
The request was transferred to another organisation	0
An exemption applied to all or part of the information requested	7

The Act gives the public the right to be told whether a piece of information exists and if so, the right to receive it if requested (information may be withheld if an exemption applies).

Reporting of Personal Data related Incidents

The Trust has had no Serious Untoward Incidents involving data, classified incidents in terms of severity on a scale of 0-5 in terms of either/both risk to reputation and risk to individuals.

Public Interest Disclosures

Model Employer - Our Staff

Change management processes have been followed for restructuring to meet the demands of a business focused Foundation Trust. The Trust has managed to avoid any redundancies as a direct outcome of any restructuring. Successful transfers of staff and services from other Trusts and private organisations took place during the past year including North Essex Mental Health NHS Trust and Shaw Homes

The high profile to enable infection control to be addressed appropriately has challenged many Trusts. In Hertfordshire Partnership Foundation NHS Trust infection control has now been included as a key criteria in all Trust job descriptions.

The Trust saw the introduction of a Cadets scheme in September 2007. This is a scheme designed to give young people (aged between 16 –19) the opportunity to gain experience and qualifications in healthcare, and acts as an access route for applying to university to undertake study in order to become a qualified professional.

Cadets on the scheme will access placements in different areas of the Trust, while also studying for NVQ's through West Herts College.

The School Ambassador Scheme for has several Trust staff who fully participate in the learning events to encourage school leavers to join the NHS.

The Trust introduced a Rotation Scheme following the successful recruitment of newly qualified nurses in both mental health and learning disability services. The scheme will last for one year and the nurses have a permanent contact with the Trust which consists of three four-month placements in different clinical areas. Each nurse will receive a comprehensive package of support during their foundation gateway/preceptorship managed by the Placement Support Nurses.

Positive Practice

The Trust has had flexible working policies for some time and when the maternity benefits changed the Trust made sure that our staff received the appropriate payments and time off on maternity leave. The right for carers to ask to work flexibly is also part of new legislation and as the Trust has always offered this right to our staff no further changes were necessary.

The latest staff survey confirms that opportunities for flexible working are highly valued by Trust staff

The Trust was awarded the Age Positive Symbol in August 2005 and was the first Trust in Hertfordshire to receive the award. The award was reissued to us in August 2007 for our continued demonstration of age positive practice.

Support for Staff

The Trust has a Service Level Agreement with West Herts Hospitals Trust for our Occupational Health Service.

The Trust has renewed the Counselling Service and Harassment Adviser Service agreement for staff for the 7th year.

Continuing professional development

During 2007-8, there has been an extensive programme of CPD available to all staff groups. This has included specialist sessions for specific groups such as psychology and in turn many staff have benefited from internal expertise. For example there is a skills escalator approach with CBT, starting

Library success story- supporting development

The Trust's Library & Information Service achieved Grade 1 accreditation based on the *Helicon* guidelines in March 2007. *Helicon* was devised in order to assess all healthcare libraries in the UK against a list of quality standards. The three assessors spent a day in the library examining services and met the Chief Executive, a number of library users and other stakeholders to obtain their views. In their report the assessors commented favourably on the composition and support of the Library Users' Group, and remarked on the Library's significant potential contribution to the Trust's Workforce and Organisational Development strategy

Accreditation is valid for 3 years, at which time another assessment will take place. During this period, Library staff will work at implementing the report's recommendations. These include developing links between the Library Strategy and that of IM&T and R&D, and improving the Library presence on the Trust's Internet and Intranet.

As the only specialist library in mental health and learning disability in Hertfordshire and Bedfordshire the Library holds an unrivalled collection of material that is now supplemented by full-text electronic journals, books and databases provided by the National Library

Trust-wide Learning and Development

During 2007/08, there have been a number of significant developments relating to learning and development in the Trust. Achievement of Foundation Trust status has required that all learning and development opportunities offered to staff meet with the Trust's Business Plan and Objectives. A particular emphasis has been made on ensuring that each member of staff has a Personal Development Plan which highlights all their training needs and that priority must be given to attendance on all the mandatory health, safety, security and practice/service delivery training requirements.

A further emphasis during the year, has been on developing the skills of front-line staff in order to improve the individual service user experiences with the Trust. A programme of workshops has been commissioned and devised

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based on the feedback the Trust received from the 2006 and 2007 Service User Surveys. The workshops have been running since January 2008 and there has been excellent feedback from participants who have attended so far.

Another notable development during the year was the decision by the Trust make the NVQ Centre a substantive service. The Centre was founded in 2002 using SHA funding and has gone from strength to strength every year. It now provides guidance, support, assessment and accredited qualifications for approximately 120 new and existing candidates every year and achievement rates are high. The Trust is now able to access some supplementary funding from the national Train to Gain Scheme. In addition, the Trust provides a range of other learning opportunities for its non-professionally registered staff.

Another new development during the year has been the introduction of a successful programme of Human Resources Learning Events provided by members of the HR/Workforce Team. These workshops are designed to provide managers with updates on key HR issues including recruitment, disciplinary procedures, healthy workforce, harassment, performance and change management.

As well as these new developments, throughout the year the Trust continued to provide its wide-range of learning and development programmes including mandatory training, first and second level management development programmes, equality and diversity workshops, Pre- Retirement and Performance and KSF Development Review.

In November 2007, the Trust held its fourth Presentation of Awards Ceremony and the Trust Chair, Hattie Llewelyn-Davies and Chief Executive, Bill Macintyre, presented certificates to successful candidates in NVQ in Health and Social Care and Business Administration, NVQ Assessor and Verifier Awards, Mental Health and Learning Disabilities Certificates and management development programmes. A splendid lunch was provided and candidates were able to meet up with old friends from their various courses.

New and Improved Services

Enhanced Primary Care

The Trust is currently working in partnership with local Practice Based Commissioning groups to establish teams to deliver an enhanced service for talking and other therapies within primary care.

Mental Health Services for Older People

In October the Trust took responsibility for providing assessment and treatment services for older people living in the Cheshunt and Waltham Cross area. The Trust has refurbished a building in Hertford to accommodate the inpatient service for this community and has recruited additional community staff to serve this population.

24hr Helpline

Aligned to the Trust's Crisis service, we have developed an out of hours helpline to offer phone advice and support from mental health professionals to our service users and their carers. This is in response to a longstanding need to make our expertise more accessible to those who require it.

The Intensive Support Team (IST)

The service works with existing services to ensure that adults with learning disabilities are treated where possible within their own environment. The team will provide Intensive Support in the community to adults with a learning disability who are presenting with challenging behaviour and/or mental health problems. It is the intention of the service to provide time limited intensive support and expertise through focused pieces of work to meet the service users' needs. The service is delivered flexibly and offers support outside of normal working hours in a variety of community settings across Hertfordshire.

The Community Health Team (Learning Disabilities)

The service promotes the inclusion of adults with learning disabilities within the local community. It supports and complements existing services to ensure that individuals are treated in their own environment, ensuring fair access to primary, secondary and tertiary health care services in line with national policy and guidance.

Little Plumstead Specialist Learning Disabilities

The Trust was invited to tender to provide specialist learning disability services in Norfolk because we currently provide very similar services to the residents of Hertfordshire.

The bid was successful following a robust tendering exercise and evaluation process against a strict criteria put in place by the PCT. We are pleased to be able to secure the long-term future of these services and we look forward to developing services on the current site to provide a better environment with enhanced security for people with learning disabilities.

Communicating with the wider Community

Personality Disorder Month

During November, eight learning and development events were held themed around personality disorder. The pinnacle of all the events was a conference which attracted over 120 delegates.

The majority of the events were funded via a bid to the Hertfordshire brokerage fund, which HPFT were successful in gaining in partnership with Turning Point. The fund enables opportunities for staff, service users and carers across the statutory and non statutory sector, with a particular emphasis on the private, voluntary and independent sector.

The events provided an excellent opportunity for staff from different organisations to learn together and share experiences, which was particularly helpful ahead of the development of the new community based personality disorder service.

Recovery conference

In September HPFT and the University of Hertfordshire jointly co-hosted an international Recovery Conference at the Fielder Centre. Speakers attended from as far as Australia, USA, Stockholm and Italy. There were also a number of local presentations and the two days provided an excellent opportunity for spearheading some local debate around moving the recovery agenda forward. Helen Glover, International Consultant with lived experience, stayed in Hertfordshire for two weeks and hundreds of trust staff benefited from the learning experiences provided

Public interest disclosures

The NHS Foundation Trust has adopted an Anti-fraud and Corruption policy and a Standards of Business Conduct policy, both of which are accessible via the website.

Statement of going concern

The accounts have been prepared on the basis the Hertfordshire Partnership NHS Foundation Trust is a going concern. This means that the Foundation Trust's assets and liabilities reflect the ongoing nature of its activities.

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 continue to adopt the going concern basis in preparing the accounts.

Board of Governors

The Board of Governors includes 20 Public Governors elected by the members of the Foundation Trust. It also has five Staff Governors elected by Trust staff. They are joined by thirteen nominated representatives from our partner organisations.

The Board of Governors and the Board of Directors have begun to develop a strong working relationship, both Boards are chaired by Hattie Llewelyn-Davies (Trust Chair) and have two joint meetings annually. The Chair and the Company Secretary act as the main link between the two Boards. The work of the two Boards is shared through joint meetings, briefings and reports. There is an open invitation to the Directors to attend the Board of Governors meetings and reports from Directors and Governors are shared.

The Board of Governors to date has dealt with a range of issues under current legislation (e.g. appointment of Non-executive Directors and their remuneration, and appointment of the Auditors). Support for the Trust in its strategic direction is now coming to the fore and the Board of Governors is looking to review the Membership Strategy and develop communications with members through the quarterly newsletter.

There were three Board of Governors meetings held in 2007/08. Each Governor's attendance is shown in the constituency list below:

BOARD OF GOVERNORS

Constituency of Hertfordshire

		Attendance	Appointment
Pamela Acheson	Public	0/3	1 Aug 07 for 3 years
John Addison	Public	2/3	1 Aug 07 for 3 years
Richard Adkin	Public	2/3	1 Aug 07 for 3 years
Julie Attree	Appointed	3/3	1 Aug 07 for 3 years
Linda Chatfield	Appointed	3/3	1 Aug 07 for 3 years
Pat Cherry	Appointed	1/1	22 Oct 07 for 3 years
Dennis Edwards	Appointed	2/3	1 Aug 07 for 3 years
Alan Franey	Public	2/3	1 Aug 07 for 2 years
Sheena Garbutt	Public	3/3	1 Aug 07 for 3 years
Ray Gibbins	Public	3/3	1 Aug 07 for 3 years
Pam Handley	Appointed	2/3	1 Aug 07 for 3 years
Dave Hewitt	Appointed	1/1	25 Oct 07 for 3 years
Catherine Hislop	Public	1/3	1 Aug 07 for 3 years
Dorothy Hone	Appointed	3/3	1 Aug 07 for 3 years
Steve Iwasyk	Staff	3/3	1 Aug 07 for 3 years
Carol Jeavons	Public	3/3	1 Aug 07 for 2 years
Jan Jones	Appointed	2/3	1 Aug 07 (resigned Feb 08)
Hazel Jones	Appointed	2/3	1 Aug 07 for 3 years
Steve Kingsbury	Staff	1/3	1 Aug 07 for 2 years

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Anne McPherson	Appointed	2/3	1 Aug 07 for 3 years
Paul Mosley	Public	2/3	1 Aug 07 for 3 years
Irma Mullins	Staff	3/3	1 Aug 07 for 2 years
Mike Paul	Appointed	1/3	1 Aug 07 for 3 years
Mary Porter	Public	3/3	1 Aug 07 for 2 years
Chris Reynolds	Public	3/3	1 Aug 07 for 3 years
Manjit Rostom	Appointed	3/3	1 Aug 07 for 3 years
Christina Richards	Public	2/3	1 Aug 07 for 2 years
Selina Sibanda	Staff	3/3	1 Aug 07 for 3 years
Andrew Smith	Public	1/3	1 Aug 07 for 2 years
Angela Smith	Public	1/3	1 Aug 07 for 2 years
Anne-Marie Smith	Public	2/3	1 Aug 07 for 2 years
Lynne Strong	Public	2/3	1 Aug 07 for 3 years
Sue Theobald	Public	0/3	1 Aug 07 for 2 years
Glyn Trollope	Public	3/3	1 Aug 07 for 2 years
Hazel Ward	Public	2/3	1 Aug 07 for 2 years
Andrew Wellings	Staff	1/3	1 Aug 07 for 2 years
Stephen Wright	Public	1/3	1 Aug 07 for 3 years

The Board of Governors considered the strategic development of the Trust through its work in three sub-groups. The progress to date of the groups is highlighted below:

The **Quality Group** is looking at the effectiveness of services and what evidence exists to ensure that therapeutic treatment and environment is offered to people across all care groups. They have also been responsible for commenting on the Annual Health Check on behalf of the Board of Governors.

The **Specific Services** Group have developed an understanding of the services and have been particularly keen to focus on the outcomes of the recent CAMHS restructuring and the transition from children's to adult services, provision of services for children and adolescents with learning difficulties and arrangements for the crisis dementia service.

The **Communications Group** is putting in place processes to inform service users, the membership and the wider public about the Trust. The Group have recently set up an Editorial Board to support and develop the publication of the members' newsletter.

The reports from the groups are shared with the Board of Directors and will be included in the work plan for the Trust over the coming year.

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Register of interests

The register of Governors' interest is available from the Company Secretary, at Hertfordshire Partnership NHS Foundation Trust, 99 Waverley Road, St Albans, Hertfordshire AL3 5TL. Tel: 01727 897 642.

There are no company directorships held by Governors where companies are likely to do business or are seeking to do business with the Trust.

Expenses

Governors may claim expenses at public transport rate of 23p per mile for travel and other reasonable expenses incurred on Trust business. They are not otherwise remunerated.

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Board of Directors

The Trust is managed by full-time Executive and part-time Non-Executive Directors. Together they make up the Trust's Board of Directors. In attendance at board meetings is a representative from Hertfordshire County Council supporting partnership arrangements.

When the Trust became a NHS Foundation Trust on 1 August 2007, the following Non-Executive Directors transferred directly to the Board of Directors, their appointments were for either the unexpired term of office or 12 months, which ever was the longer:

- Hattie Llewelyn-Davies
 - Yasmin Batliwala
 - Bill Brown
 - Carol Kennedy Filer
 - Cedric Frederick
 - Ruth Sawtell
 - Colin Sheppard (Co-opted from May 2007)

Appointments for the Non-executive Directors were then formally approved by the Board of Governors at their meeting on 2 August 2007 following a report from the Board of Governors Appointments and Remuneration Committee: as follows:

Chair
Hattie Llewelyn-Davies August 2010

Non-Executive Directors	
Cedric Frederic and Yasmin Batliwala	1 August 2009
Ruth Sawtell and Colin Sheppard	1 August 2010
Carol Kennedy Filer and Bill Brown	1 August 2011

The removal of a Non-Executive Director requires the approval of three-quarters of the members of the Board of Governors. The period of notice for Non-executives is one month.

Our Executive Directors are appointed through open competition in accordance with the Trust's recruitment and selection policies and procedures. The period of notice for Executives is six months. The Board of Directors is responsible for all operational issues, the management of which is delegated to the Trust's operational staff in accordance with its Standing Orders and Standing Financial Instructions. It also, with input from the Board of Governors, sets the strategic direction of the Trust.

The effectiveness of the Board committees (Audit, Finance and Investment, Remuneration and Nomination and Integrated Governance) is considered on an ongoing basis via the regular reports presented to the Board of Directors at their monthly meetings. Each Committee and the Board of Directors will be apprised annually.

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

There were six Board of Directors meetings between 1 August 2007 and 31 March 2008. This includes the Annual General Meeting. The individual attendance of each Board member is indicated in brackets.

Anne Markwick, Executive Director of Operations

(5 out of a possible 6)

- Responsible for the strategic direction and operational management of the services for users of the Trust including both health and social care within Mental Health Services for working age adults, Mental Health Services for Older People, Child and Adolescent Mental Health Services, Drug and Alcohol Services, Specialist Learning Disability Services and Forensic Services.
- Works closely with users and carers to engage them in the process and with the Assistant Director of Mental Health and Learning Disabilities within the County Council to ensure that both the social care and health aspects of our services are fully addressed.
- Is the Board lead for Mental Health Act legislation, Protection of Vulnerable Adults and the management of violence and aggression

Barbara Buckley, Practice Governance and Clinical Care/Medical Director

(6 out of a possible 6)

- Provides advice and guidance on professional issues including medicines management, medical staff and revalidation, as well as training of future doctors.
- Oversees clinical risk in the organisation and leads on the accessibility of clinically effective care within available resources across the organisation

Bill Brown, Non Executive Director

(6 out of a possible 6)

- Appointed to the Board in July 2007 and his current term of office expires in August 2011. He is Chair of the Trust's Audit Committee.
- Has a law degree and is a chartered accountant.
- Retired as a partner in PricewaterhouseCoopers in June 2004 after a long career with the firm where he specialised in audit, financial due diligence, and corporate governance.
- Currently a non-executive director of Business Link for London and of AbilityNet and was previously a non-executive director of Chase Farm Hospitals NHS Trust.
- Is a panel member of the Disciplinary Tribunal of the Accountancy Investigation and Discipline Board.
- Is now in business as a consultant in financial accounting and corporate governance matters.

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Bill Macintyre, Chief Executive

(5 out of a possible 6)

- Is accountable for the overall clinical and financial management performance of the Trust. Accountable means accountable to the Secretary of State and the Trust Board through the Chair.
- Was a national management trainee in the 1970s. In the 1970s he undertook a series of posts in London Hospitals before moving to Hertfordshire in the early 1980s.
- Has been CEO of three NHS Trusts since 1992.
- Undertook a Master's degree at the University of West London, which included preparing a dissertation on the attitudes of doctors to budget holding.
- In 1993 and 1996, under the sponsorship of the European Economic Community, spent two weeks visiting polyclinics and hospitals in Russia with the objective of twinning Russian units with counterparts in Western Europe.
- Obtained a PhD in Health Systems and Sciences in 1996

Carol Kennedy Filer, Non Executive Director

(6 out of a possible 6)

- Appointed to the Board in July 2007 and current term of office expires in August 2011.
- In 2002 started a management consultancy specialising in the strategic marketing for the healthcare industry, particularly supporting manufacturers of critical care disposables and equipment. With expertise across a number of hospital sectors, and a Masters Degree in Business, this new venture built upon over 13 years working within one of the largest British medical companies within Smiths Group plc, latterly as Strategic Marketing Director.
- Has also had a number of years working within the voluntary sector, particularly as past secretaries of the Dacorum Macmillan Cancer Research Committee and Chartered Institute of Marketing – Medical Group. In addition, has worked alongside the Association of Anaesthetists to raise its profile with the public and had a short secondment to the Department of Health in 1997.

Cedric Frederick, Non-Executive Director

(4 out of a possible 6)

- Re-appointed to the Board in December 2004 and current term of office expires in August 2009.
- Is CEO of Adepta a not-for-profit provider of high quality care and support services to people with learning disabilities, autism and/or mental health problems. Adepta supports over 700 people and employs 1000 staff. He has over 15 years' non-executive experience in the NHS, Housing Associations and the wider charitable sector.
- Is a commercial business leader and social entrepreneur, with a track record in and comprehensive understanding of the charity and public sector environment and trends. Having worked his way up through the local authority sectors, where he became known for his ability to turn

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around underperforming units and drive through large-scale change, he moved to lead a 'black-led' Housing Association where he helped influence government BME housing policies.

- Since 1996 he has been the CEO of Adepta, which he has taken through a full scale re-branding exercise, three mergers and increased its annual turnover from £2m in 1996 to over £28m in 2006.

Colin Sheppard, Non-Executive Director

(5 out of a possible 6)

- Appointed in January 2008 having originally been co-opted to the Board of Directors in May 2007. Current term of office expires in August 2010.
- Is the Senior Independent Director and Chair of the Finance and Investment Committee.
- Is a Chartered surveyor and spent his 32 year executive career with substantial property organisations; in particular, 25 years with MEPC Plc - then the second largest UK property company and a FTSE 100 company.
- Over the past decade, has widened his corporate, Non-Executive Director and property experience and expertise including Board level roles with Arlington Securities, Chesterton, Barnardos, Centrepoint, Family Mosaic Housing Group and National Counties Building Society. He also offers consultancy advice to several property owning bodies as well as running his own portfolio

Geraldine O'Sullivan, Practice Governance and Clinical Care/Medical Director

(5 out of a possible 6)

- Provides advice and guidance on professional issues including medicines management, medical staff and revalidation, as well as training of future doctors.
- Oversees clinical risk in the organisation and leads on the accessibility of clinically effective care within available resources across the organisation.
- Takes an overview of issues around quality of clinical care
- Caldicott Guardian for Trust

Hattie Llewelyn-Davies, Chair

(6 out of a possible 6)

- Re-appointed in 2004 as the Chair of Hertfordshire Partnership NHS Trust having previously chaired one of the five predecessor organisations that formed HPT and current term of office expires in August 2010.
- Background is in social housing and the voluntary sector and has successfully run own business for the past 15 years providing services on governance, mergers and regulation matters.
- Has a number of other Non-Executive roles including chairing a commercial audit firm, Vice-Chair of a building society and a Governor of Peabody Trust.
- Has an OBE for services to homeless people.

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Jim Andrews, Director of Workforce and Organisational Development

(6 out of a possible 6)

- Is responsible for planning, securing and developing the future workforce of the organisation.
- Also responsible for organisational development, which includes learning, education and a particular focus on leadership development.
- Lead for Human Resource management, including medical staffing

John Jones, Executive Director of Finance

(5 out of a possible 6)

- Responsible for ensuring that the Trust meets all its financial targets and makes best use of its funding.
- Responsible for the informatics service within the trust.
- Leads on ensuring that the Trust will be able to continue to provide services in the event of a major incident within Hertfordshire.

Ruth Sawtell, Non-Executive Director

(5 out of possible 6)

- Re-appointed to the Board in December 2004 and current term of office expires in August 2010.
- Has a BSc (Hons) in geography. Her career has spanned senior level experience in banking and social housing.
- Is a Non-Executive Director of Metropolitan Housing Partnership, Chair of Hernet, a primary care research network based at the University of Hertfordshire, and a Trustee of Education Services, an educational charity.

Tom Cahill, Deputy Chief Executive

(5 out of a possible 6)

- Alongside the role of Deputy Chief Executive, has responsibility for developing the Trust strategy and leading on Trust performance.
- Is also Executive lead/Board representative for Nursing, Social Care, Allied Health Professions and Psychology.
- Other responsibilities include:
 - Risk management
 - Marketing and New Business development
 - Equality and Diversity

Yasmin Batliwala, Non-Executive Director

(5 out of a possible 6)

- Re-appointed to the Board in 2001 and current term of office expires in August 2009.
- Has a Masters Degree in Psychology and has worked for the Audit Commission and North Thames Regional Health Authority.
- Is a Mental Health Review Tribunal member and has an extensive understanding of mental health issues.
- Is a member of the Hertfordshire Policy Authority, holding the Criminal Justice portfolio. She Chairs the Watford Crime and Disorder Reduction Partnership and has been a Magistrate for the past 17 years.

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- Is Chair of the Westminster Drug Project, which provides services for hard to reach drug users.
- Chair of Francis Bacon Maths and Computing College

Charitable funds

The Foundation Trust Board also acts as Trustees for charitable funds. The Annual Accounts and Report for these charitable funds for the full financial year 2007/08 have been produced separately.

Committees

Audit Committee

The Audit Committee provides assurance to the Board. It oversees the probity and internal financial control of the Trust, working closely with external and internal auditors. Key activities include reviewing governance, risk management and assurance functions. It also approves the External Audit plan, the Internal Audit plan, Counter Fraud plan, accounting policies and reviews draft Annual Accounts before submission to the Board of Directors.

During the year the committee completed a self assessment exercise to evaluate its effectiveness, reviewed and updated its terms of reference and conducted private discussions with both sets of auditors.

Anybody concerned about a matter of corporate governance or probity can contact any member of the Audit Committee in confidence

There were 4 meetings of the committee during the financial period and members' attendance is shown below

Audit Committee Members	Attended
• Bill Brown (Chair), Non-Executive Director	(4 of 4)
• Yasmin Batliwala, Non-Executive Director	(2 of 4)
• Ruth Sawtell, Non-Executive Director	(4 of 4)
• Cedric Frederick, Non-Executive Director (to Nov 2007)	(1 of 1)

In attendance

• John Jones, Executive Director of Finance	(4 of 4)
• Tom Cahill, Deputy Chief Executive	(3 of 4)
• Bill Macintyre, Chief Executive	(1 of 4)

The Director of Finance and appropriate internal and external audit representatives normally attend meetings. Other Executive Directors are invited to attend when the Committee is discussing areas of risk or operation that are their responsibility. The Chief Executive is invited to attend at least annually to discuss with the Committee the process for assurance that supports the Statement on Internal Control.

During the period August to March there was a change of Non-Executive Directors' membership on the Integrated Governance and Audit Committees and the inclusion of a service user representative on the Integrated Governance Committee

Integrated Governance Committee

The key role and function of the IGC is to lead on the development and monitoring of quality and risk systems within the Trust to ensure that quality, patient safety and risk management are key components of all activities of the Trust. The Committee ensures that appropriate risk management processes are in place to assure the Board that action is taken to identify and manage risks within the Trust. It is also responsible for the development of systems and processes to ensure that the Trust implements and monitors compliance with the Department of Health Standards for Better Health. The Committee makes sure that treatments and services provided are appropriate, reflect best practice, represent best value for money and are responsive to service user needs and that the views and experiences of service users and carers are reflected in service delivery

There were 3 meetings of the committee during the financial period and members attendance is shown below:

Integrated Governance Committee Members	Attended
• Bill Brown, Non-Executive Director	(3 of 3)
• Cedric Frederick, Non-Executive Director	(1 of 2)
• Carol Kennedy Filer, Non-Executive Director	(2 of 2)
• Jim Andrews, Executive Director of Workforce & Organisational Development	(3 of 3)
• Bill Macintyre, Chief Executive (Chair)	(3 of 3)
• Tom Cahill, Deputy Chief Executive	(3 of 3)
• Anne Markwick, Executive Director of Operations	(2 of 3)
• John Jones, Executive Director of Finance	(1 of 3)
• Geraldine O'Sullivan, Executive Director of Practice Governance & Clinical Care/Medical Director	(2 of 3)
• Ruth Sawtell, Non-Executive Director	(2 of 2)
• Yasmin Batliwala, Non-Executive Director	(1 of 2)
• Barbara Buckley, Executive Director of Practice Governance & Clinical Care/Medical Director	(2 of 3)

In attendance at the meeting will be the Company Secretary, Chair of Medical Staff Committee, Other nominated Director and Service User Representation

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Finance and Investment Committee

The Finance and Investment committee provides assurance to the Board, that Board members have an adequate understanding of key financial issues. In particular it reviews investment decisions and policy, financial plans and reports and approves the development of financial reporting, strategy and financial policies, consistent with the foundation trust regime.

All members of the Board of Directors are members of the Finance and Investment Committee.

There were 2 meetings of the committee during the financial period and members' attendance is shown below

Finance and Investment Committee Members	Attended
• Hattie Llewelyn-Davies (Chair)	(2 of 2)
• Ruth Sawtell, Non-Executive Director	(1 of 2)
• Yasmin Batliwala, Non-Executive Director	(2 of 2)
• Cedric Frederick , Non-Executive Director	(1 of 2)
• Bill Brown, Non-Executive Director	(2 of 2)
• Carol Kennedy-Filer, Non-Executive Director	(2 of 2)
• Colin Sheppard, Non-Executive Director	(1 of 2)
• John Jones, Executive Director of Finance	(2 of 2)
• Bill Macintyre, Chief Executive	(1 of 2)
• Tom Cahill, Deputy Chief Executive	(2 of 2)
• Anne Markwick	(2 of 2)
• Geraldine O'Sullivan, Executive Director of Practice Governance & Clinical Care/Medical Director	(2 of 2)
• Jim Andrews, Executive Director of Workforce & Organisational Development	(1 of 2)
• Barbara Buckley, Executive Director of Practice Governance & Clinical Care/Medical Director	(1 of 2)

In attendance

• Barbara Suggitt, Company Secretary	(1 of 2)
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Membership

In line with our membership strategy, public membership numbers grew to 5,100 during the year.

To be eligible for membership people must either be employed by the Trust and:

- have a permanent contract;
- a short term contract of 12 months or more;
- although not directly employed by the trust, have been employed in excess of 12 months by another organisation that is providing core services to the trust;
- seconded to the trust to provide core services;

or

- live within the County of Hertfordshire.

We will be extending eligibility to other areas of England and Wales during the coming year in recognition of the fact that from 1 April 2008 we will be providing services in Norfolk. In addition we have had representation from carers and others who have close connections with the Trust but who are not resident within the Hertfordshire constituency.

Anyone over the age of 14 is eligible to become a member.

Members can contact Governors and Trust representatives through the Governors and Members offices. This information is published in the quarterly members' newsletter Foundation Matters and on the website.

Staff membership at the end of the year breaks down as follows:

Adult Mental Health Services	1199
Older People Mental Health Services	484
Specialist Learning Disability Services	548
Child and Adolescent Mental Health Services	186
Corporate and Support Services	214

Growing our membership

Growing and engaging a diverse and representative membership which reflects the local population continues to be a focus for the Trust.

Members receive quarterly editions of Foundation Matters, the members' newsletter, and will receive a copy of an annual review of the work of the Trust. The Trust's website continues to be a focus for all members.

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Membership levels are increased through regular recruitment drives, through the local press, Foundation Matters and direct mailings – as well as public health events.

Whilst the ethnic membership is proportionate to census data a drive to ensure that this remains the case is planned alongside our plan to increase the membership overall to 10,000 by the end of the year. Monitoring of membership activity will take place regularly and emerging themes will be presented to the Board of Governors and Directors.

Governors are now beginning to review the membership strategy with a view to increasing their involvement in linking to members and taking a greater part in the recruitment of new members. They are also involved in working with the Trust to implement a wider Involvement Strategy as part of the Trusts strategic direction.

Remuneration and Nomination Report

The Nominations and Remuneration Committee reviews and makes recommendations to the board on the composition, skill mix and succession planning of the Executive Directors of the Trust.

Membership 2007/08

Chairman:

Hattie Llewelyn-Davies

Non-Executive Directors

Yasmin Batliwala

Bill Brown

Cedric Frederick

Carol Kennedy Filer

Ruth Sawtell

Colin Sheppard

In attendance

William Macintyre, Chief Executive

Jim Andrews, Director of Workforce and Organisational Development

Barbara Suggitt, Company Secretary

The Trust has a pay framework for the remuneration of senior managers which relates to the standing financial instructions which state that the committee will make such recommendations to the board on the remuneration and terms of service of Executive Directors (and other senior employees) to ensure they are fairly rewarded for their individual contribution to the Trust – having proper regard to the Trust's financial circumstances and performance and to the provision of any national arrangements for such staff, where appropriate.

Executive Directors of the Trust have defined annual objectives agreed with the Chief Executive. A report on their performance is received by the Committee annually. The performance of Directors is linked to pay through a performance bonus scheme.

Executive Directors are appointed through open competition in accordance with the Trust's recruitment and selection policies and procedures and NHS guidance, including the requirement for external assessors. All Executive directors covered by this report hold appointments which are permanent.

Non-executive Directors are appointed by the Appointments and Remuneration Committee, a sub-group of the Board of Governors. The committee is supported by appropriate advice from the Director of Workforce and Organisational Development. If appropriate, the nomination process may also include the services of another external agency and such other independent expert as may be considered necessary.

No significant awards were made to past senior managers during 2007/08.

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The salary and allowances of senior managers are included in note 5.3 page 17 in the annual accounts.

The Nominations and Remuneration Committee met twice during the year. Members' attendance is in brackets:

Hattie Llewelyn-Davies (2 of a possible 2)
Yasmin Batliwala (2 of a possible 2)
Bill Brown (2 of a possible 2)
Cedric Frederick (1 of a possible 2)
Carol Kennedy Filer (2 of a possible 2)
Ruth Sawtell (2 of a possible 2)
Colin Sheppard (1 of a possible 2)

See Annual Accounts page 17 for details covering senior manager's salary and benefits

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 Independent Regulator of NHS foundation Trusts, Monitor, directs that these accounts give a true and fair view of the state of affairs of the NHS foundation trust and of the income and expenditure of the NHS foundation trust for that period. In preparing the accounts, the directors are required to:

- apply on a consistent basis accounting policies as set out in the NHS foundation trust Financial Reporting Manual.
- make judgements and estimates which are reasonable and prudent
- state whether applicable accounting standards, as set out in the NHS foundation trust Financial Reporting Manual 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 NHS foundation trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of Monitor. They are also responsible for the safeguarding of assets of the NHS foundation 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 that they have complied with the above requirements in preparing the accounts

STATEMENT ON INTERNAL CONTROL August 07 - March 08

Scope of responsibility

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

The Board has agreed an Annual Delivery Agreement with the East of England Strategic Health Authority, and Service Level Agreements with our main partner organisations, the Hertfordshire PCTs and Hertfordshire County Council, which are subject to regular performance review throughout the year.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Hertfordshire Partnership NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in Hertfordshire Partnership NHS Foundation Trust for the period ended 31 March 2008 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

- Leadership for Risk Management Processes**

As Chief Executive, I am ultimately accountable for assuring the Board of the quality of the service provided by the Trust. This is achieved operationally through the delegation of the responsibility of executive lead for Risk Management (except for clinical and financial risk) to the Deputy Chief Executive, who also works with the officers responsible for ensuring, through the Risk Management framework, that all Risk Management policies and procedures are in place and are competently used.

The Trust's Risk Management Strategy was updated and approved by the Risk Management and Patient Safety Group and subsequently the Trust Board. The Risk Management Strategy, which is promoted throughout the

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Trust, clearly defines levels of responsibility for Risk Management across the organisation and summarises the extensive tools and training available.

The risk management process within the trust is underpinned by a robust Risk Management Policy. This policy describes the procedure for assessing, prioritising and managing all types of risk within the organisation. The Trust Risk Register forms an integral part of the risk process and represents a process for grading and managing (or minimising) the organisations key operational and business risks. The highest level risks are reviewed regularly by the Trust Board.

- Training in the management of risk**

Training in the use of the Risk Management Policy and Procedure is cascaded to all staff via the Senior Managers, Professional Leads and Team Leaders and progress is monitored through the usual supervision /performance management process. Training in Clinical Risk Management is also provided to all staff who work directly with service users, as they must be competent at recognising and managing the risks which our service users present to themselves and to others.

- Learning from good practice**

Sharing and learning from 'good practice' and 'adverse events' across the Trust, is key to the principles of Practice Governance, and is achieved through the extensive Practice Governance Framework.

- Standards for Better Health (SfBH)**

The Trust has a robust process in place for monitoring SfBH. These systems and procedures were reviewed by Internal Audit in March 2008 and the outcome reported that there is 'substantial assurance' that risks material to the achievement of the organisation's objectives for this area are adequately managed and controlled.

An end of year self assessment has also been completed, and the trust has declared compliance with all standards except 13a for which there was insufficient assurance for part of the year

- External measurement**

External measurement of the Trusts Risk Management systems indicates a sound base. For example, the Trust achieved Level 2 of the Clinical Negligence Scheme for Trusts (CNST) Mental Health and Learning Disability Standards and an Internal Audit of Risk Management concluded that the Trust's Control Framework provided 'substantial assurance' that risks are adequately managed and controlled.

The risk and control framework

The Risk Management Strategy is a substantial document detailing the way Risks are identified, assessed and managed in the Trust & contains the following key elements:

- Definition of the Risks and Risk Management**

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- The Strategic Objectives and Plans for Risk Management
- Responsibilities for Risk Management
- The Assurance & Risk Management Structure throughout the Trust
- The Risk Management Tools available
- The Risk Management Training and other resources available

The Executive Directors with specific responsibility for risk management are:

- **The Deputy Chief Executive** is the executive lead for Risk Management and Health and Safety.
- **The Medical Director** has lead responsibility for Practice Governance including Clinical Risk Management.
- **The Executive Director of Finance** is responsible for the management of financial risk and has a management role for facilities and operationally manages the health and safety personnel.
- **The Executive Director of Operations** is responsible for the operational management of risk within operational services.

Regular discussions take place at board meetings concerning the Trust's appetite for risk, determining the strategic parameters within which decisions involving various types of risk, can then be made on a sound consistent basis.

Effective Information Governance processes and procedures are in place for all information used for operational and financial reporting purposes. A Trust wide 'portable devices' audit was undertaken in Jan 08 resulting in an Action Plan which includes the preliminary work to enable the future use of DH recommended encryption software. This also links with the longer term Information Governance Action Plan resulting from regular self assessment against the Information Governance Standards.

It is important to note that there have been no 'personal data related' Serious Untoward Incidents reported during the period.

Trust staff operate within a framework of policies and procedures designed to ensure that the service users receive care in a physical and clinical environment in which risk levels are controlled and reduced to a minimum.

These policies are all introduced to staff on induction and as part of the Risk Management Training Prospectus (some of which is mandatory). Policy and Procedure documents are readily available in each site and via the Trust Intranet. Key policies which assist in the identification and assessment of specific risks are a particular focus of mandatory training and managers are involved in co-ordinating and managing their effectiveness day-to-day.

For example, there are policies for:

- Risk Management
- Care Records of Service Users
- Consent to Examination and Treatment
- Learning from Adverse Events
- Complaints
- Clinical Risk Assessment and Management of Individual Service Users

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- Supportive Observation of Service Users at Risk
- Prevention and Management of Violence
- Integrated Programme Approach and Care Management (CPA)
- Do the Right Thing (whistle blowing)
- Health & Safety (including Coshh)
- Infection Control

The Learning from Adverse Events Policy and Procedure has established the use of the Root Cause Analysis method of investigation for serious incidents.

This highlights the root causes of risk in our systems, and turns this into learning and improvements in services, leading to safer clinical services.

Internal and External Stakeholders are informed and involved in the activities of the Trust in a variety of ways. Service User Representatives hold membership on various committees and groups. Responsibility for ensuring relevant stakeholders involvement in Risk Management issues is indicated in the relevant policies and procedures. The SHA and Joint Commissioning Partnership Board are informed if any risks are identified which seriously threaten the achievement of the Trusts objectives or which cannot be adequately managed.

The Trust has had an Assurance Framework, in place throughout the period August 07 to March 08, which identifies risks that may threaten the achievement of the Trust's strategic objectives and details how they will be controlled and minimised. The framework provides a process of assurance for the Board that appropriate controls are in place. The framework has been regularly reviewed and updated by the Board and was last subject to an Internal Audit review in March 2008 when the overall conclusion was "Taking account of the issues identified in paragraphs 1.4 to 1.6 below, in our opinion the control framework for the area under review, as currently laid down and operated, provides **adequate assurance** that risks material to the achievement of the organisation's objectives for this area are adequately managed and controlled".

In drawing up this Statement I have considered the effectiveness of the Assurance Framework and the Trust Risk Register in controlling and minimising strategic and operational risks respectively. At this time, at the end of the financial year 2007-2008, there are no outstanding gaps in control or assurance identified within the Assurance Framework for 2007-08 to be reported.

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

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

As Chief Executive I have responsibility to the Board for the economy, efficiency and effectiveness of the use of resources. This is achieved operationally through good governance and systems of internal control designed to ensure that resources are applied efficiently and effectively.

The effective and efficient use of resources are governed by the following key policies

- Standing Orders
- Standing Financial Instructions
- Scheme of Delegation
- Anti-fraud and corruption

The Trust Board places reliance on the Audit Committee, to ensure appropriate and sound governance arrangements are in place to deliver the efficient and effective use of resources.

The Audit Committee agrees an annual work programme for the Trust's Internal Auditors and reviews progress on implementation of recommendations following audit and other assurance reports and reviews.

Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within the NHS foundation trust who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the board, the audit committee and the Integrated Governance Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The process for maintaining and reviewing the effectiveness for the system of internal control is monitored by the following:

- **The Trust Board** – The Board places reliance upon both the Audit Committee and the Integrated Governance Committee in respect to the soundness of the system of internal control, receiving regular reports from both Committees.
- **The Integrated Governance Committee** - The Integrated Governance Committee is responsible for ensuring that the Trust fulfils its governance and associated risk management duties. Regular reports are made to the Board on the management of the most serious risks on the Trust Risk Register and all aspects of risk management and the Assurance Framework.

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- **The Audit Committee** – The Audit Committees primary role is to independently oversee the governance and assurance process on behalf of the organisation and to report to the Trust Board on the soundness and effectiveness of the systems in place for risk management and internal control. In order to provide this assurance to the Board, both Internal and External Audit undertake objective reviews of Trust systems
- **Internal Audit** review the system of internal control during the course of the financial year and report accordingly to the Audit Committee.

Conclusion

There are no significant internal control issues that have been identified.



William Macintyre
Chief Executive
12th June 2008

NHS Direct

Telephone: 0845 4647

POhWER ICAS

Telephone: 0845 456 1082

Independent Complaints Advocacy Service for Hertfordshire and Bedfordshire

PALS

Patient Advice and Liaison Service

Telephone: 01727 897629

Feedback

Your views and comments on our annual report are important to us. If you have any comments please contact us at Trust Head Office, 99 Waverley Road, St Albans, Hertfordshire AL3 5TL

Telephone: 01727 897273

Fax: 01727 857900

Email: Comments@hertspartsft.nhs.uk

EQUALITY, DIVERSITY AND RESPECT

Hertfordshire Partnership NHS Foundation Trust is committed to providing an environment where all staff, service users and carers enjoy equality of opportunity.

The Trust works to eliminate all forms of discrimination and recognise that this requires, not only a commitment to remove discrimination, but also action through positive policies to redress inequalities.

Providing equality of opportunity means understanding and appreciating the diversity of our staff, service users & carers and ensuring a supportive environment free from harassment.

Because of this Hertfordshire Partnership Trust actively encourages its staff to challenge discrimination and promote equality of opportunity for all.