

Frimley Health



NHS Foundation Trust

# Annual Reports and Accounts



Committed To Excellence

Working Together

Facing The Future



# **Annual Report and Accounts 2015-2016**

**Frimley Health NHS Foundation Trust**

**Presented to Parliament pursuant to schedule 7, paragraph 25 (4) (a)  
of the National Health Service Act 2006**





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## Statement from the Chairman



**Pradip Patel, Chairman**

I am delighted to present our Annual Report for Frimley Health NHS Foundation Trust for the year ended 31 March 2016 – our first full year as an enlarged trust incorporating Frimley Park, Wexham Park and Heatherwood Hospitals. The report highlights some great achievements made by our wonderful colleagues in ensuring the patients we look after get excellent support while under our care.

It has been a remarkable year in which we have maintained outstanding standards of care at Frimley Park Hospital – the first hospital in the NHS to be rated ‘outstanding’ by the Care Quality Commission (CQC) – and overseen an extraordinary turn-around in standards at Wexham Park Hospital. Before the Trust acquired Heatherwood and Wexham Park Hospitals NHS Foundation Trust in October 2014, in the first ever FT to FT acquisition, Wexham Park had been placed in special measures by the CQC.

When inspectors returned in November 2015, they were really pleased to find a complete change in culture and standards in Wexham Park Hospital. So much so, that the Chief Inspector of Hospitals Professor Sir Mike Richards described it as “the most impressive example of improvement that the CQC has observed under its current inspection regime”. The overall rating of the hospital went from the lowest ‘inadequate’ to ‘good’ with emergency services and critical care receiving ‘outstanding’ ratings. We were absolutely delighted to achieve this rating as this is a real triumph for our patients, who can have confidence that they will be provided with the highest standards of care by our great colleagues.

Our aim had been to show a significant improvement, but to achieve such a high rating after such a short time surpassed our expectations. It is testament to the hard work and commitment of all our colleagues at Wexham Park and Heatherwood for making this possible. Special recognition must also go to the colleagues at Frimley Park for sharing their own experiences and supporting their colleagues at Wexham Park.

I would also like to single out the hard work and enthusiasm of our volunteers and other support groups who have willingly given up their time to help and support us. They deserve the highest praise for their efforts and compassion they continue to show our patients.

The fundamental role that our Council of Governors plays is to support the Board as a ‘critical friend’. This past year, 12 new governors have been elected to represent our membership and we are delighted by the enthusiasm they have shown in representing their constituents in their new role.

We still have a long way to go on our journey to achieve our ambition of three outstanding hospitals serving our diverse community. Towards this end, we have some exciting plans to invest in all our hospitals in the coming years.

The challenges for the NHS will only get tougher as demand for services grows in a climate of ever tightening budgets. These challenges provides us with an opportunity to build our organisation, so it truly becomes a great place for our colleagues to work in and a great place for all the care needs for the community we serve.

Finally, I would like to thank our former chairman Sir Mike Aaronson, who retired on 31 March 2016 after 10 years of loyal service to the Trust. It is a privilege and an honour for me to take over from Sir Mike and I am looking forward to building on his legacy by taking Frimley Health to its next level.



**Pradip Patel**  
**Chairman**  
**24 May 2016**

*\*Pradip Patel took over as Chairman of the Trust on 1 April 2016. He replaced Sir Mike Aaronson, who had been Chairman since 1 April 2006.*

*Pradip is an accomplished senior executive with a wealth of experience in complex and regulated organisations. He started his career with Boots as a pharmacist in 1977 and has held senior roles in marketing, property and planning, sales and operations, pharmacy, opticians and hearing care, HR and strategy. He also played a critical role in the merger of Boots and Alliance Unichem to form Alliance Boots and then the merger of Boots Opticians and Dolland and Aitchison.*

*Before he joined Frimley Health, Pradip was a non-executive director at Hillingdon Hospital NHS Foundation Trust in London from 2011, serving as deputy chairman and senior independent directors.*

*He is a fellow of the Chartered Institute of Management, fellow of the School of Pharmacy and member of the Royal Pharmaceutical Society of Great Britain.*

## PERFORMANCE REPORT

### Statement from the Chief Executive



**Sir Andrew Morris, Chief Executive**

I am pleased to present the review of our work for the year ended 31 March 2016, our first full year as Frimley Health NHS Foundation Trust.

When we, as Frimley Park Hospital NHS Foundation Trust, successfully completed the acquisition of Heatherwood and Wexham Park Hospitals NHS Foundation Trust in October 2014 it felt like the end of a monumental task. As a single site trust, Frimley Park had been among the best performing in the country yet meeting the longer term challenges of providing good care to an ageing population would become increasingly difficult without a change of scale. Heatherwood and Wexham Park NHS Foundation Trust on the other hand had been struggling for years with poor finances that had undermined quality of care.

Bringing the two trusts together in the first ever foundation trust to foundation trust acquisition required months of deliberation, negotiation, persuasion and collaboration. Even then it felt like a leap of faith to begin the task of turning around a hospital in special measures while maintaining outstanding performance at Frimley Park.

But we soon began to realise that the hard work had only just begun, with an ambitious integration and transformation programme ahead. As I reported last year, by April 2015 there were the first encouraging signs that things were going in the right direction, but that the acid test would be a Care Quality Commission (CQC) inspection at Wexham Park Hospital in November 2015.

Many of the 55 inspectors who visited Wexham Park over three full days last year had been involved in previous inspections at the hospital. The transformation they witnessed was so stark they could hardly believe that they were visiting the same place. When I had the pleasure of presenting the resulting report to staff in February this year their reaction was one of pride, relief and spontaneous joy. It was evident to me that they cared deeply about providing the best possible care for the Wexham Park community and gave me confidence that they are highly motivated to continue improving. We still have a lot more to do but our ultimate vision of providing three outstanding hospitals now seems within our grasp.

It was also very satisfying to remove the old CQC inspection matrix from the wall of the hospital's main entrance and replace it with a new matrix, coloured with green for 'good' boxes and 'outstanding' stars.

## CQC inspection results at Wexham Park Hospital



Last rated  
1 May 2014

Heatherwood and Wexham Park Hospitals NHS Foundation Trust

Wexham Park Hospital



	Safe	Effective	Caring	Responsive	Well led	Overall
Urgent care centre	Requires improvement	Not rated	Requires improvement	Inadequate	Requires improvement	Requires improvement
Medical care (including older people's care)	Inadequate	Requires improvement	Requires improvement	Inadequate	Requires improvement	Inadequate
Surgery	Inadequate	Good	Requires improvement	Inadequate	Inadequate	Inadequate
Intensive/critical care	Good	Good	Good	Requires improvement	Good	Good
Maternity and gynaecology	Inadequate	Requires improvement	Requires improvement	Requires improvement	Inadequate	Inadequate
Services for children & young people	Good	Good	Good	Good	Good	Good
End of life care	Requires improvement	Good	Good	Requires improvement	Good	Requires improvement
Outpatients	Requires improvement	Not rated	Good	Inadequate	Requires improvement	Requires improvement

May 2014



Last rated  
2 February 2016

Frimley Health NHS Foundation Trust

Wexham Park Hospital



	Safe	Effective	Caring	Responsive	Well led	Overall
Medical care (including older people's care)	Good	Good	Good	Good	Good	Good
Urgent and emergency services (A&E)	Good	Good	Good	Outstanding	Outstanding	Outstanding
Surgery	Good	Good	Good	Good	Outstanding	Good
Intensive/critical care	Good	Good	Outstanding	Good	Outstanding	Outstanding
Maternity and gynaecology	Good	Good	Good	Good	Good	Good
Services for children & young people	Good	Good	Good	Good	Good	Good
End of life care	Good	Good	Good	Good	Good	Good
Outpatients	Good	Not rated	Good	Good	Good	Good

February 2016

While the CQC inspection result was an annual highlight for me, there is much else besides of which we can be proud. Our achievements in terms of quality and safety are covered in detail in the Quality Report which is presented as part of this Annual Report. We have also seen a number of other key developments, for example:

- Launch of an ambulatory emergency care unit at Frimley Park to assess, treat and discharge patients on the same day.
- Expanding cardiology services at Wexham Park Hospital which will lead to provision of a 24/7 heart attack centre during 2016-17.
- Extending the palliative care service at Frimley Park to six days a week.
- Opening of a new purpose designed gastrointestinal unit at Heatherwood Hospital.
- Our first Carers' Awareness Day and other developments that support better collaboration with carers in looking after our patients.
- Expansion of our vascular services.
- Success in the Patient Experience National Awards.
- Accreditation for the Baby Friendly Initiative by our maternity and neonatal service
- A new assessment area for gynaecology patients for ambulatory patients at Wexham Park

More detail about these recent developments can also be found in the Quality Report. The Quality Report and the rest of this Performance Report section contain more detail about our performance as a trust. Meeting the four-hour arrival to treatment, admission or discharge for 95% of emergency department patients has proved a challenge for the whole of the NHS. In spite of the pressures our performance for this standard dipped was met in seven months of the year. Even in the last quarter it was among the upper quartile of best performers nationally.

*Patients seen, treated, admitted or discharged within four hours for 2015-16 (shown in bold where 95% target was met)\**

Month of 2015-2016	Apr 2015	May 2015	Jun 2015	Jul 2015	Aug 2015	Sep 2015	Oct 2015	Nov 2015	Dec 2015	Jan 2016	Feb 2016	Mar 2016
% within four hours	<b>95.40</b>	<b>96.59</b>	<b>96.87</b>	<b>96.48</b>	<b>95.53</b>	93.52	94.68	<b>95.83</b>	<b>95.89</b>	92.07	92.06	90.18

February 2016 also marked 20 years since the Ministry of Defence Hospital Unit – now renamed as Defence Medical Group (South East) – first came to Frimley Park Hospital. One of the defining characteristics of Frimley Park has been the military personnel working side by side with our NHS staff caring for our patients. It is something we and the community are very proud of. We share many common values and we learn from each other about best practice in delivering excellent care. We feel privileged to host them and long may our partnership continue.

With performance and quality moving in the right direction it is ever more vital that we ensure that the finances that underpin our integration and transformation are brought under control. Reducing the deficit will not be easy and we have set ourselves a number of challenging cost improvement plans. Probably the toughest of these will be keeping our reliance on agency staffing under control. A national shortage of skilled clinicians has made this a common issue among provider trusts and there is heightened competition to fill vacancies. We will continue to focus on recruitment and retention, using our growing reputation and greater opportunities afforded by being a larger trust to our advantage in encourage more professionals to choose Frimley Health as their employer.

We have been able to draw on best practice from across the enlarged trust to ensure processes and performance are enhanced. The trust values, first developed by Frimley Park staff and recently updated, have helped to underpin our culture and unite staff in a common purpose.

\*Details with regards to auditors PwC's findings into these data and the Trust's subsequent actions can be found on pages 74 and 78 of the Annual Governance Statement section of this Annual Report and in the accompanying Quality Report.

## Overview of performance

### The Trust, its purpose and activities

Frimley Health NHS Foundation Trust, formerly known as Frimley Park Hospital NHS Foundation Trust, is a statutory body which acquired Heatherwood and Wexham Park Hospitals NHS Foundation Trust on 1 October 2014.



**Frimley Park Hospital**



**Wexham Park Hospital**



**Heatherwood Hospital**

Services are delivered from three main hospital sites: Frimley Park Hospital near Camberley, Heatherwood Hospital in Ascot, and Wexham Park Hospital in Slough. Additionally, the Trust delivers outpatient and diagnostic services from Aldershot, Farnham, Fleet, Windsor, Maidenhead, Chalfont St Peter and Bracknell, bringing a range of services closer to these communities.

With over 8,400 employees across its three principal sites, Frimley Health NHS Foundation Trust provides NHS hospital services for 900,000 people in Berkshire, Hampshire, Surrey and South Buckinghamshire. As well as delivering a full range of district general hospital services to its population, the Trust provides specialist acute consultant delivered services across a wider catchment in the following areas:

- Primary percutaneous coronary intervention (PPCI: heart attack treatment)
- Vascular
- Stroke
- Spinal
- Cystic fibrosis
- Plastic surgery

Frimley Park Hospital, built in 1974 to serve a much smaller population than its current catchment, was the first acute trust in the south of England to achieve foundation status in April 2005. Since then, its performance has ranked among the best in the country.

Wexham Park Hospital opened as a general hospital in 1965. Heatherwood Hospital began in the 1920s as a tuberculosis and orthopaedic hospital for children before it was managed by the newly formed NHS in 1948.



Frimley Health NHS Foundation Trust has ten operational directorates in the following areas:

- Emergency Department
- General Surgery and Urology
- Maternity and Gynaecology
- Medicine
- Orthopaedics and Plastics
- Pathology
- Paediatrics
- Radiology
- Specialist Surgery
- Theatres, Critical Care and Anaesthetics

### Frimley Health strategic themes and objectives

	Strategic Themes	Strategic Objectives
Facing The Future	Pursuing the highest level of quality, patient experience and clinical outcomes	We will deliver the highest standards of care nationally, through the sharing of leading practice across all of our services and activities. We will, maximise sub-specialisation and consultant delivered services to consistently deliver the best possible clinical outcomes for our patients.
	Developing leading edge services	We will continue to develop our hyperacute services offering the best possible clinical outcomes for patients. The high-level skills that we will develop and attract through these leading-edge services will support and enhance clinical outcomes for patients across our service portfolio.
Working Together	Transforming our Business	We will continue to develop and enhance our estate and IT infrastructure with a focus on driving service efficiency, financial and organisational sustainability. We will have a coherent mix of specialties and diagnostics, to enhance clinical efficiency and further improve the quality of services for patients.
Committed To Excellence	Developing our staff and our culture	We will deliver excellence through continual improvement and development. We will build upon and continue to embed our values. We will reduce staff turnover and minimise the use of agency and locum staff. We will give all staff the opportunity to further develop.
	Breaking through traditional healthcare boundaries	We will work collaboratively with our partners to develop a joint vision supporting the delivery of high-quality local healthcare services. We will maintain a balanced portfolio of services to ensure clinical and financial sustainability.

### Perspective on performance

The Trust is focused on delivering clinical excellence for patients by sharing leading practice across all sites to consistently achieve the highest standards of care nationally, using leading edge diagnostics and techniques to provide first rate consultant led services for patients.

While the Trust already has several specialist acute services, it continues to look to develop high quality new ones. The Trust continues to work in and with its communities to deliver quality care in a local setting and will face the future with a continued drive for efficiency and improved service delivery.

## Activity data and review

During our first full year as Frimley Health elective or planned activity was similar to previous levels whereas there was a further rise in emergency (non-elective) activity, reflecting a longer term trend.

GP referrals increased overall by 4% and we saw nearly 900,000 patients in outpatient clinics across all our sites. The increase in referrals was most notable from Chiltern CCG (14% increase) and Slough CCG (8% increase) which may indicate renewed confidence in the quality of services at Wexham Park among patients and GPs in those localities. The Trust also carried out nearly 100,000 operations last year, most of which were carried out as day cases. There were also more than 10,000 births across the Trust. Unfortunately waiting lists increased during 2015-16 such that by the end of March 2016 there were more than 20,000 patients waiting to be seen in clinic and just over 9,000 patients waiting for an operation.

A total of 236,139 patients attended one of our two emergency departments, which represents a 3% increase on the previous year. There were fractionally more people attending at Wexham Park (119,128) than at Frimley Park (117,011). Nearly 100,000 patients were admitted to the Trust as emergencies with almost exactly the same number of admissions at each hospital.

### Outpatient activity

1 April 2015 – 31 March 2016	Frimley Park Hospital	Wexham Park and Heatherwood Hospitals	Frimley Health NHS FT
New attendances	163,219	114,414	277,633
Follow-up attendances	334,004	272,876	606,880
<b>Total</b>	<b>497,223</b>	<b>387,290</b>	<b>884,513</b>

### Elective activity

1 April 2015 – 31 March 2016	Frimley Park Hospital	Wexham Park and Heatherwood Hospitals	Frimley Health NHS FT
Day cases	45,912	34,203	80,115
Overnight	8,222	7,432	15,654
Births	5,607	4,415	10,022
<b>Total</b>	<b>59,741</b>	<b>46,050</b>	<b>105,791</b>

### Non-elective activity

1 April 2015 – 31 March 2016	Frimley Park Hospital	Wexham Park and Heatherwood Hospitals	Frimley Health NHS FT
Emergency Dept attendances	117,011	119,128	236,139
Non-elective admissions	48,043	47,511	95,554

### Patients on waiting lists at 31 March 2016

	Frimley Park Hospital	Wexham Park and Heatherwood Hospitals	Frimley Health NHS FT
Outpatients	11,552	8,694	20,246
Inpatients	5,576	3,469	9,045
<b>Total</b>	<b>17,128</b>	<b>12,163</b>	<b>29,291</b>

## Trust future priorities for service development

### Wexham Park



#### Hyper-acute

- **Cardiology**  
pPCI (heart attack centre) and complex cardiology on-site
- **Vascular**  
Repatriation from Oxford

#### Acute

- 7-day consultant delivered service
- Stroke rehab and early supported discharge
- New emergency department and assessment areas
- Frail elderly service
- High dependency care
- Improve/extend paediatric high dependency unit

#### Cancer

- On site radiotherapy (LINAC)
- Tertiary centre treatment pathways

#### Elective

- Secure additional elective activity
- New ophthalmology service
- New maternity unit

#### Integrated care

- New Vision of Care
- Patient information sharing

### Heatherwood



#### Rebuild as a new elective centre with

- **Six theatres**
- **48 beds**
- **16 day case beds**

To include:

- Orthopaedics
- General Surgery
- Urology
- Gynaecology
- Radiology: X-ray, CT & MRI
- Outpatient department, including children's clinic
- Pre-operative assessment
- Therapies
- Private patients suite
- Administration
- Training and meeting facilities

### Frimley Park



#### Hyper-acute

##### Stroke

- Further develop hyper-acute stroke unit

##### Vascular

- Repatriation from Oxford

##### Renal

- On-site dialysis (seven-day service)

#### Acute

- 7-day consultant delivered service
- Frail elderly service
- Improved paediatric assessment unit

#### Cancer

- Increase range of chemotherapy
- New breast care unit

#### Elective

- Lithotripsy
- Increase private patient income

### Enabling work

1. Increase acute medical beds at Frimley Park and Wexham Park
2. Invest in additional car parking at Frimley Park and Wexham Park
3. Backlog maintenance at Wexham Park
4. IT infrastructure at all three sites
5. Transformation

## Key issues and risks

The Trust has an ambitious transformation plan following the acquisition to create a sustainable future for healthcare services, particularly in Berkshire and South Buckinghamshire. A priority will be to reduce our deficit at Wexham and Heatherwood while maintaining a small surplus at Frimley Park. The Trust has a period of financial support during this turnaround after which its services are expected to be financially self-sufficient.

While the Trust is on course to reach financial stability, it faces a challenge to significantly reduce spending on agency staff to cover vacancies. A national shortage of nursing staff has created a competitive recruitment environment and the Trust has invested in a number of initiatives to improve recruitment. Much of this is based on the turnaround in reputation at Wexham Park Hospital, where most of the Trust's vacancies are based.

Managing demand in acute and emergency services has made achieving key targets for A&E waiting times increasingly difficult. This pattern is replicated across the country. The Trust achieved the target of 95% of patients being seen within four hours of attending A&E in the first three quarters of the year, but failed to achieve this in the last quarter of the year. However the Trust's final quarter score was still in the upper quartile of acute trusts nationally. The Trust is playing a key role in projects with commissioners to remodel care so that some of our most vulnerable patients can be managed in community settings. The Frimley Health catchment area has also been identified as one of 44 'footprints' for the Sustainability and Transformation Plan.

Another risk to the achievement of the Trust's objectives that has emerged during the year is the Government's dispute with junior doctors over a new work contract. The Trust has managed patient safety over periods of industrial action by redeploying staff and postponing a number of non-urgent planned procedures and outpatient appointments. While this has avoided any major impacts on services, the cumulative effect has put further pressure on waiting times. Recent discussions between the British Medical Association and the Government have been productive and we are hopeful that an end to the dispute is in sight.

## Going concern

After making enquiries, the directors have a reasonable expectation that Frimley Health NHS FT 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.

## Performance analysis

The Trust performed very well during the year, especially against the key national targets – infection control, A&E waits, referral to treatment (RTT) waits and cancer. During the first three quarters of the year (April to December 2015) the Trust achieved each target every quarter. In quarter 4 (January to March 2016) the Trust achieved every target except the four-hour target for A&E. However, when compared with other hospitals in England, Frimley Park and Wexham Park still did exceptionally well during the winter period and our performance against the A&E target was among the best in the country\*.

The Trust has also developed a set of further key performance indicators to measure its performance and benchmark against similar trusts. Performance reports using these indicators, along with national measures such as the Monitor performance indicators, are reviewed internally throughout the year and presented for scrutiny to each monthly Board meeting. The performance reports are also published on our website as part of the public Board papers.

### Monitor key performance indicators:

	Target	Q1	Q2	Q3	Q4
A&E clinical quality – total time in A&E under four hours*	95%	96.30%	95.19%	95.46%	91.40%
Referral to treatment time: % waiting less than 18 weeks	92%	94.8%	93.2%	92.7%	92.4%
<b>Cancer:</b>					
<b>62-day waits</b>					
For first treatment all cancers**	85%	89.9%	88.2%	88.5%	88.3%
For all cancers screening**	90%	97%	100%	98.4%	91.8%
<b>Cancer: 31-day wait</b>					
For second or subsequent treatment surgery	94%	99%	100%	99.1%	98.6%
For second or subsequent treatment drug treatments	98%	100%	100%	100%	100%
From diagnosis to first treatment	96%	99.2%	99.3%	99.6%	99.1%
<b>Cancer: two-week</b>					
All cancers	93%	99.9%	94.6%	95.8%	95.2%
Breast symptoms	93%	97.2%	94.4%	96.2%	97.3%

\*Details with regards to auditors PwC's findings into these data and the Trust's subsequent actions can be found on pages 74 and 78 of the Annual Governance Statement section of this Annual Report and in the accompanying Quality Report.

## Financial review

The Trust has recorded a surplus of £1m for 2015-16 against a deficit plan of £12m (in 2014-2015 the deficit was £2.5m). Income and expenditure both increased on the previous year and against plan across all sites, reflecting a continuing rise in patient activity, not all of which had been planned either by the Trust or by local commissioners.

The numbers shown in the table below include amounts in respect of financial support related to the integration following acquisition for in year operating costs of £19.2m (planned) and £10m (additional in year support from Department of Health in relation to the acquisition). The numbers below also show equivalent income and costs relating to the integration of services and functions of £12.8m.

Operating income and expenditure	2015-16 (£m)	2014-15* (£m)	Increase (%)
Income	624.2	596.4	4.7
Expenditure	613.3	609.1	0.9

\*During 2014-15 the former Frimley Park Hospital NHS FT and Heatherwood and Wexham Park NHS FT combined mid-year. So for comparison with 2015-16, the figure shown is based on a full year's income and expenditure for all hospital sites.

The Trust invested £7.6m on the Frimley Park site and £12.3m across the Wexham Park and Heatherwood hospitals sites in infrastructure and equipment during 2015-16: the figures were £13.7m and £17.7m respectively for 2014-15. This was funded internally for the Frimley Park Hospital site investments and through draw down of central funds from the Department of Health for the Wexham Park and Heatherwood sites. Significant in-year programmes included spends of:

- £1.2m for a new CT scanner at Heatherwood Hospital
- £1m to improve car parking for patients and staff at Wexham Park Hospital
- £1.1m to repair roof structure at Wexham Park
- £2.1m for additional patient car parking at Frimley Park
- £3m invested in medical equipment across all sites
- £1.8m investment in IT infrastructure

Together with the usual infrastructure upgrades and equipment replacement programmes, we have continued to invest in top end technology while maintaining our general infrastructure.

The Trust's cash holding increased by £13m on the previous year to £72m at 31 March 2016 (31 March 2015: £59m).

## Likely future developments

A number of key service developments are planned for the coming year and beyond, including:

- Start of £10m refurbishment project for maternity services at Wexham Park.
- Start building a new £50m emergency department (ED) with assessment wards at Wexham Park.
- Begin design development of a new three storey building on the Frimley Park site to provide new MRI imaging, breast clinic and extra bed capacity.
- Provide new CT scanner at Wexham Park to increase capacity and resilience for the CT imaging service.
- Start building a new paediatric assessment area at Frimley Park and provide new area for teenagers so that assessments can take place on the ward rather than in ED.
- Complete design of a new hospital at Heatherwood and submit a planning application to redevelop the site.
- Complete work on £1m high dependency unit in paediatrics at Wexham Park.
- Develop ophthalmology services at Wexham Park and Heatherwood.

## Fundraising

This year the Trust has merged the two predecessor charities to create Frimley Health Charity. The charity was promoted across our local communities, and included the launch of a new website.

The successful Breast Care Appeal for Frimley Park Hospital continued and was nearing its goal of raising £750,000 from the community by October 2016. The Trust will match this to deliver a £1.5 million dedicated breast care centre.

The charity also agreed its first major campaign for the Wexham Park Hospital site. Funds will be raised for additional equipment for a refurbished children's high dependency unit.

The charity once again hosted a range of events which were well supported by the local community. These included Run Wexham, Run Frimley and Ride Frimley (cycle event). The engagement of our volunteers in fundraising remains a key factor in our success and is much appreciated.

## Environmental impact

### Sustainability report

#### Introduction

As an NHS organisation and spender of public funds, we have an obligation to work in a way that has a positive effect on the communities we serve. Sustainability means spending public money well, making smart and efficient use of natural resources and building healthy, resilient communities. By making the most of social, environmental and economic assets we can improve health both in the immediate and long term even in the context of rising cost of natural resources.



## Governance / leadership

Governance plays a central role to the effectiveness of sustainability initiatives by keeping strategies on track and ensuring accountability is clear. The Trust's board-level sustainability lead is Janet King, Director of HR and Corporate Services.

This has been the first full year as Frimley Health NHS Foundation Trust and goals were set to gather sustainability information in line with the Sustainable Development Unit's (SDU) Sustainable Development Strategy for the NHS, Public Health and Social Care System (2014 – 2020) strategy. A sustainability diagnostic has been completed and will be used to help shape Frimley Health's first sustainable development management plan (SDMP). The Good Corporate Citizen (GCC) self-assessment tool will be used to score the Trust on its commitment to corporate social responsibility.

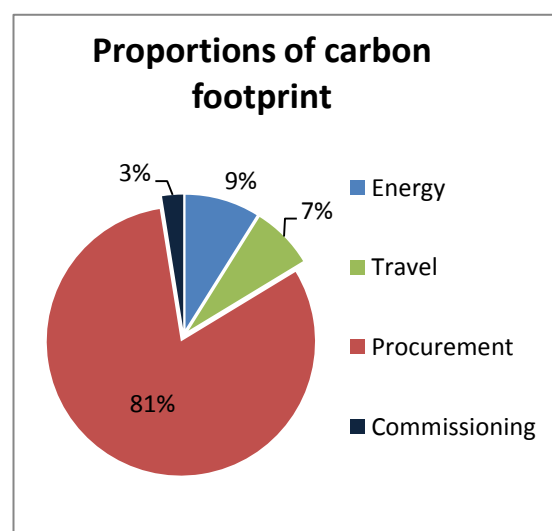
## Engagement

Operation TLC, an award winning behaviour change programme was successfully implemented at Frimley Park Hospital and is now being implemented at Wexham Park Hospital. As part of Operation TLC, we asked wards to turn down lights and reduce noise from 10pm to help improve patient care and reduce the Trust's environmental impact. The programme has seen lights switched off, on average, two hours earlier.



## Resource impact (direct)

Direct greenhouse gas (GHG) emissions are emissions from sources that are owned or controlled by the organisation. Indirect GHG emissions are emissions that are a consequence of the activities of the Trust but that occur at sources owned or controlled by other entities. The NHS has a target to reduce its 2013 emissions by 28% and the Trust will aim to help meet these by setting new targets as part of the new SDMP by August 2016.



2015-16 carbon emissions (tCO <sub>2</sub> e)			
HM Treasury	Scope		tCO <sub>2</sub> e
	Scope 1	Gas, oil, Trust owned vehicles and anaesthetic gases	14,229
	Scope 2	Imported steam and electricity	7,617
	Scope 3	Procurement, travel, waste, water and energy well to tank and transmission	153,120
Total Frimley Health emissions (tCO <sub>2</sub> e)			174,966

Note 1: Procurement figures are modelled on non-pay spend.

Note 2: Figures exclude FPH oil and ambulance road miles.

A full report of Frimley Health's carbon emissions will be available on the Trust website from July 2016.



### Travel and transport

The Trust has site specific active travel plans that promote sustainable modes of transport for staff, patients and visitors to their sites. This year has seen many initiatives, some of which include installing two electrical charging points, ordering two electrical pool vehicles, a new bike shelter and a car share promotion day that encouraged 40 new staff members to sign up at Wexham Park Hospital. In tandem with this, the Trust is mindful of the extreme pressure that is placed on individuals accessing our hospital and on surrounding roads if car parking is inadequate. For this reason the Trust has invested in extra parking for staff and the public as a direct response to growing demand.

### Procurement

The procurement of goods and services represents 72% of the NHS, public health and social care carbon footprint. Frimley Health emissions have been identified under scope 3 HM Treasury emissions on page 20. The Trust has used the SDU model to calculate its procurement emissions and will engage with the procurement team in 2016-17 to understand how the procuring for carbon reduction framework (P4CR) could be adopted.

### Healthy resilient communities

Through the SDMP diagnostic process, the Trust has identified a number of opportunities that will be developed as part of the new SDMP, which includes aligning objectives with community engagement, health promotion and equality and diversity work and ensuring the risk register and adaptation plans assess the risks that climate change/sustainability issues present to Frimley Health.

### Sustainable models of care

Quality services and systems include sustainability as a fundamental principle, meaning minimising environmental impacts, enhancing health and building resilience with individuals and their communities. Operation TLC was well informed by patient experience feedback and Friends and Family Test results, with more effort being assigned to improving the patient experience and using data to implement change.

## **Social, community and human rights issues**

A full environmental impact assessment is included in the Sustainability report on pages 19-21. The Trust is keen to engage with the local community and does this in several ways. Our membership events are open to all and offer the local community the chance to get involved, and also to find out more about how we work through newsletters, events and public engagement work. Where appropriate our policies have an equality impact assessment to gauge its effect on service users and staff. We also work in partnership with other parts of the NHS and local organisations on community-wide health issues. All staff are subject to training in relation to adult and child safeguarding at a level appropriate to their role. We remain aware of changes to legislation in relation to human right issues, such as the Modern Slavery Act, and consider our responsibilities connected to legislation in matter such as safeguarding and procurement.

## Research and development

Participation in clinical research demonstrates Frimley Health NHS Foundation Trust's commitment to the quality of care we offer and to making our contribution to wider health improvement.

In total 798 patients who were receiving health services provided by Frimley Health NHS FT between 1 April 2015 and 31 March 2016 were recruited to participate in research that had been approved by an ethics committee.

During the year our work programme focused on encouraging staff and patients to participate in research and in growing a culture of research on all our sites, ensuring that Frimley Health is at the forefront of research developments.

The Trust was involved in conducting 237 clinical research studies in 21 medical specialties. These included anaesthetics, dermatology, care of the elderly, cancer, diabetes, cardiology, emergency medicine, vascular, gastroenterology, hepatology, stroke, nursing, paediatrics, neurology, obstetrics and gynaecology, ophthalmology, orthopaedics, pathology, urology, respiratory medicine and ear, nose and throat.

## Significant events post 1 April 2016

There have been no significant events since 1 April 2016 affecting the Trust's strategy and key objectives.

## Overseas operations

The Trust did not have any overseas operations during the financial year

A handwritten signature in blue ink that reads "Andrew Morris". The signature is written in a cursive style with a large 'A' and 'M'.

**Sir Andrew Morris**  
**Chief Executive**  
**24 May 2016**

# ACCOUNTABILITY REPORT

## Directors' Report

The directors are responsible for preparing the Annual Report and Accounts and consider the Annual Report and Accounts taken as a whole are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the Frimley Health NHS Foundation Trust's performance, business model and strategy.

### Our Board of Directors

Biographies for individuals who served as directors on the Board at any time during the year ended 31 March 2016 are detailed below. As can be seen from the directors' biographies and from the Trust's compliance with the requirements of the Monitor NHS Foundation Trust Code of Governance (updated in July 2014), the Board of Directors has an appropriate composition and balance of skills and depth of experience to lead the Trust.

#### Non-executive directors

##### **Sir Mike Aaronson CBE**



Chairman

Appointed to the Trust as Chairman of the Board of Directors and Council of Governors in April 2006

End of tenure: 31 March 2016.

Mike's earlier career was half in HM Diplomatic Service and half at Save the Children, where he was overseas director and subsequently, from 1995-2005, its Chief Executive. From 2001-2008 he was Chairman of the Centre for Humanitarian Dialogue, a Geneva based private foundation working in conflict mediation, and from 2001-2007 a governor of the Westminster Foundation for Democracy. Since 2006 he has been a non-executive director of Oxford Policy Management Limited, a development consultancy providing policy advice in low and middle-income countries. At the end of March 2012 he stood down after five years as a civil service commissioner. He is an honorary fellow of Nuffield College, Oxford, and from 2008-2011 was a visiting professor in the politics department at the University of Surrey, where in May 2011 he became a professorial research fellow and executive director of the Centre for International Intervention. He has worked both with NATO and the UK Ministry of Defence on civil and military collaboration in conflict situations. In June 2006 Mike was knighted for services to children.



**Mark Escolme BA Hons**

Independent non-executive director; Deputy Chairman (from 1 April 2013)

Appointed April 2009

End of tenure: 31 March 2017

Mark has over 25 years of experience of working in large branded consumer companies in the UK, US, Australia and New Zealand. He has been involved in setting up businesses in emerging markets such as Russia, China, India and Africa, developing high profile brands within household and food categories. He has managed joint ventures and NGO and government partnerships. Working at board level, Mark chaired the SC Johnson East Africa board and currently sits as a non-executive director on the Standard Brands board. Most recently Mark built GÜ into a multinational brand leader in chilled foods. He is also a trustee for UK charity Gumboots Foundation, which raises money for social uplift initiatives in Southern Africa. Over the past 15 years Mark has had significant M&A experience in the UK and many international markets across multiple private, private equity-backed and public manufacturing businesses in executive and non-executive director roles. This includes Dow products (the Mr Muscle brand) in the UK and Bayer Pest Control (Baygon and Autan brands) in Africa.



**Andrew Prince BSc, FCMA**

Independent non-executive director, Senior Independent Director

Appointed April 2006

End of tenure: 31 March 2017<sup>1</sup>

Andrew is a specialist in large-scale organisational change, programme management and service integration in healthcare. As Development Director for Serco Health he is active within many parts of the NHS and in healthcare organisations overseas, particularly in Australia and the Middle East. He is responsible for the design of integrated non-clinical services for an advanced acute hospital in Perth, Western Australia, and for the Care Co-ordination solution now deployed at Suffolk Community Services in the UK. As Head of Strategy Consulting and Financial Services, Andrew led the HR strategy and merger of Arthur Young and Ernst & Whinney in 1990s. Andrew was elected as a governor of Frimley Park Hospital NHS Foundation Trust from April 2005 and retired as a governor on his successful appointment as a non-executive director of the Trust from April 2006.

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<sup>1</sup>Due to the impending retirement of the Chairman the Non-Executive Performance and Remuneration Committee highlighted the need for continuity of leadership of the Board of Directors and Council of Governors. It therefore agreed to recommend an extension of one year to the Senior Independent Directors' term in office to the Council of Governors: this was approved to 31 March 2017.



**Rob Pike ACIB**

Independent non-executive director

Appointed April 2011

End of tenure 31 March 2017<sup>2</sup>

Rob retired in 2009 after a 40 year career in financial services which culminated in a role as Director of Operations for Europe and Middle East for the Royal Bank of Scotland Group. He was previously Director of Operations in the UK where he had responsibility for more than 5,000 employees, running a network of operations centres. He was a senior executive at NatWest at the time of its acquisition by the Royal Bank of Scotland and subsequently led the successful integration of the two networks of operations centres. He was directly responsible for managing the IT and transformation integration activity of those operations and was heavily involved in the post-acquisition HR and systems integration. Having successfully undertaken several senior customer facing roles he was invited to join the board of the Customer Contact Association (CCA) in 2004. He chaired its Industry Council from 2006-2008 and was Chair of the CCA Standards Council until earlier this year.



**David Clayton-Smith BA Hons, C dipAF**

Independent non-executive director

Appointed 1 April 2013

End of tenure: 31 March 2019 ( resigned as of 31 March 2016)

David is Chairman of the Kent, Surrey & Sussex Academic Health Sciences Network and was previously the Chair of NHS Surrey for three years from 2010. He was also the Chair of NHS Sussex between 2012 and 2013. David is a board member and treasurer of Fairtrade International. David is director and co-founder of Andrum Consulting which specialises in supporting entrepreneurial businesses. David has held board level positions in major blue-chip businesses, most recently as Commercial Director of Halfords Ltd and Marketing Director for Boots the Chemist Ltd. This included a number of merger and acquisition transactions such as the sale of Do It All Ltd to Focus Ltd and the sale of the Halfords garage business to Centrica Plc. David has held non-executive director roles in a number of different market sectors.

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<sup>2</sup> In September 2013, following a recommendation from the Non-Executive Performance and Remuneration Committee, the Council of Governors approved the extension of Rob Pike's term in office by three years to 31 March 2017.



**Mike O'Donovan**

Independent non-executive director

Appointed 14 October 2014

End of tenure: 31 March 2017

Mike spent 30 years in the consumer healthcare industry holding managing director positions in the UK and overseas as well as global corporate roles. In 2002 he left industry to become chief executive of the Multiple Sclerosis Society, a position he held until 2006. Since then he has held several non-executive director and trustee positions including co-chair of National Voices, the leading patient service user advocacy group, member of the management board of the European Medicines Agency and chair of Central London Community Healthcare NHS Trust. In October 2012 he was appointed Chairman of Heatherwood and Wexham Park Hospitals NHS Foundation Trust and played a key role in its successful acquisition by neighbouring Frimley Park Hospital NHS Foundation Trust to form Frimley Health NHS Foundation Trust. He brings his experience and detailed understanding of the acquired organisation to the Trust Board.



**Thoreya Swage** MA(Oxon), MBBS(Lond)

Independent non-executive director

Appointed 1 June 2015

End of tenure: 31 March 2018

Thoreya has several years' experience in the NHS both as a clinician in psychiatry and a senior manager in various NHS purchasing organisations covering the acute sector as well as primary care development. Her latest NHS post was executive director of a health authority with a remit to develop primary care services including GP commissioning and GP fundholding.

Since 1997 Thoreya has run a successful management consultancy business during which time she has developed particular expertise in the field of service reviews and redesign, strategic development, clinical governance, commissioning and procurement with the NHS and independent sector, and education and training. During 2006-07 she was Deputy Medical Director at the Commercial Directorate at the Department of Health with the responsibility to set up the clinical governance processes for the National Independent Sector Treatment Programme. She teaches at King's College, London and has researched and written a number of published articles.

Thoreya is a non-executive director at Barts Health NHS Trust and an associate at the Oxford Health Experiences Institute.



**Dawn Kenson** BSc Hons, ACII, Dip PFS  
Independent non-executive director  
Appointed 1 June 2015  
End of tenure: 31 March 2018

Dawn spent over 20 years in financial advisory services predominantly with The Woolwich and then, following its takeover, with Barclays Bank.

She was Managing Director of Woolwich Independent Financial Advisory Services before becoming Director of Independent Financial Advice Operations for Barclays where she had responsibility for the bank's combined regulated advisory forces.

She left Barclays in 2005 to concentrate on non-executive work in, and supporting, the public sector and currently holds positions with the Chartered Institute of Public Finance and Accountancy, the Northern Ireland Office and Trinity House and was a non-executive director at Croydon Care Solutions until November 2015.

#### Executive Directors



**Sir Andrew Morris** OBE, MHSM, Dip HSM, CBE  
Chief Executive  
Appointed 1989

Andrew has over 40 years of experience in NHS management and has held a range of senior NHS appointments. He became unit administrator of Hereford Hospitals and a board member of Herefordshire Health Authority in 1984. He was appointed General Manager of Frimley Park Hospital in 1989 and became Chief Executive in 1991. He managed the establishment of the Ministry of Defence Hospital Unit in 1996 and undertook one of the first successful NHS management franchise arrangements at Ashford and St Peter's Hospitals NHS Trust in 2003, which lifted its performance from zero to two stars. He successfully led Frimley Park's application to become a foundation trust in 2005. Andrew is a member of the Institute of Health Service Management. Andrew was named as one of the top 10 NHS provider chief executives in a panel convened by the Health Service Journal in March 2014.



**Martin Sykes** BSc, PhD, CPFA

Director of Finance / Deputy Chief Executive  
Appointed 2004

Martin has been Director of Finance at the Trust since July 2004 and Deputy Chief Executive since April 2007. He joined the NHS in 1995 with the Northern and Yorkshire Health Authority, having previously been employed by the University of Newcastle upon Tyne. Martin also has responsibility for contracting and information, procurement, and business development functions within the Trust and, as the Senior Information Risk Officer (SIRO), leads on information governance matters on behalf of the Board.



**Janet King** MA Law, FIPD, CPP

Director of HR and Corporate Services  
Appointed 1991

Starting her career in the civil service, Janet joined Frimley Park Hospital in 1987 working for West Surrey and North East Hants Health Authority as personnel manager. She became a director of Frimley Park Hospital NHS Trust in 1991. Her portfolio includes human resources management, all non-clinical support services, estate and capital planning, company secretary, media and communications. She is project director for a number of large capital projects at Frimley and also chairs the Trust's Fundraising Committee. Janet sits on a number of national committees and is a lay panel member for employment tribunals.



**Nicola Ranger** RGN, BSc (Hons), MA Law and Medical Ethics

Director of Nursing, Quality and Patient Services  
Appointed 2 January 2013

Nicola joined the Trust from University College London Hospitals where she was Deputy Chief Nurse. She specialised in intensive care nursing and spent four years working in critical care units in New York and Washington DC. Nicola has held a number of senior nursing positions including nurse consultant for critical care and head of nursing for both surgery and medicine. Her key areas of responsibility are professional lead for nursing, midwifery and therapies, maintaining clinical standards, patient safety, governance and patient involvement.





**Helen Coe** MBE, MBA, RGN

Director of Operations, Frimley Park Hospital

Appointed 5 July 2013

Helen has significant NHS expertise gained during 30 years' experience in a number of senior clinical and managerial roles. She has a strong operational background, has held several senior nursing positions across specialties in both surgery and medicine and has been awarded an MBE for her outstanding contribution to nursing and quality. Helen is passionate about ensuring patients receive the highest quality services and that their experience at Frimley Park Hospital is first class. Helen has also worked at the Department of Health as part of the Cabinet Office team assessing public organisations for the Charter Mark Award. Prior to taking up the position of Director of Operations, Helen was the Associate Director for Urgent Care Services focusing on delivering the Trust's hyper-acute strategy in cardiology and stroke. She has been responsible for leading innovation and change and led the Trust's successful transformation project reducing patients' length of stay at Frimley Park.



**Dr Timothy Ho** MB, BS, PhD, DIC, FRCP

Medical Director

Appointed 2 December 2013

Tim graduated in medicine from St. George's, University of London, and went on to undertake specialist training in respiratory and intensive care medicine in London. He carried out a period of basic science research in molecular microbiology at Imperial College, culminating in the award of a PhD. He has been a consultant chest physician at Frimley Park Hospital since 2004. During this time, he has developed a number of key services including a regional diagnostic service for lung cancer (EBUS), the medical acute dependency unit and a large obstructive sleep apnoea service. Most recently he has served as the clinical director for medicine and care of the elderly and as the centre director for the Frimley Park adult cystic fibrosis service. He is the professional lead for the doctors and is responsible for the Trust's quality and clinical governance framework.



**Lisa Glynn**

Director of Operations, Heatherwood and Wexham Park

Appointed 1 October 2014

Lisa joined the NHS in 1994, after a period of time working in the private health sector, and has held a number of senior operational roles in the acute sector since that time, including Director of Operations at the Royal Berkshire NHS Foundation Trust. Lisa joined Heatherwood and Wexham Park Hospital NHS Foundation Trust in February 2013 as Chief Operating Officer from Royal Berkshire NHS Foundation Trust where she was the Director of Operations for Urgent Care. She was appointed to her current role when Frimley Health came into being on 1 October 2014.

## **Changes to the Board of Directors**

The executive and non-executive directors comprised:

- Eight non-executive directors (including the Chairman)
- Seven executive directors (including the Chief Executive)

### **Non-Executive Directors**

Sir Mike Aaronson was originally appointed in April 2006 as the Chairman of the Board of Directors and Council of Governors for the Trust. The Non-Executive Performance and Remuneration Committee recommended an extension of one year to his term in office to the Council of Governors which was unanimously approved to 31 March 2016.

Andrew Prince was appointed in April 2006 as a non-executive director. An extension of one year to his term in office was unanimously approved by the Council of Governors in 2015 to 31 March 2017.

Mark Escolme was appointed to the Board in April 2009 as a non-executive director. His term of office was further extended by the Council of Governors in 2015 until 31 March 2017.

David Clayton-Smith retired as from 31 March 2016 to take up a chairman's position at another foundation trust hospital.

As at 31 March 2016, the Trust had seven voting executive directors and eight voting non-executive directors. The Trust appointed two non-executive directors Dr Thoreya Swage and Dawn Kenson in 2015-16 following the departure of Stephen Crouch and Tina Oakley. This met the requirement that trust boards must have a majority of non-executive directors in terms of voting directors on the Board. Until those new appointments were made, in the event the Board needed to vote, the Board met the requirement by taking a collective decision to agree that two executive directors would become non-voting directors.

\*Pradip Patel was appointed Chairman of the Trust with effect from 1 April 2016. His details appear within his introduction to this report on page 8.

## Board of Directors' register of interests

The register of interests for the executive and non-executive directors that served as members of the Board during the year ended 31 March 2016 is detailed below:

	Name	Declared interests
Non-executive directors	Sir Mike Aaronson	<ul style="list-style-type: none"> <li>• Oxford Policy Management Ltd (non-executive director)</li> <li>• Hibou Limited (director and company secretary - vehicle for occasional consultancy work – non-NHS related)</li> <li>• University of Surrey Politics Department (Professorial Research Fellow and Director of the Centre for International Intervention)</li> <li>• Chair of Frimley Health Charity</li> </ul>
	Mark Escolme	<ul style="list-style-type: none"> <li>• Standard Brands Ltd, director</li> <li>• Gumboots (UK Charity), trustee</li> <li>• Bromsgrove School Foundation, trustee</li> <li>• Escolme Ltd, director</li> <li>• Oppo Brothers, non-executive director</li> <li>• Mallow and Marsh, non-executive director</li> </ul>
	Andrew Prince	Director, Serco Health Consulting, an operational unit of Serco Limited which provides non-clinical services and non-acute clinical services to the NHS and to healthcare organisations worldwide
	Rob Pike	<ul style="list-style-type: none"> <li>• Customer Contact Association (CCA), director</li> <li>• Rob Pike Associates Ltd, director</li> </ul>
	Thoreya Swage	<ul style="list-style-type: none"> <li>• Thoreya Swage Limited – director</li> <li>• Barts Health NHS Trust – non-executive director</li> <li>• Clinical Panel Ltd – advisory member</li> </ul>
	Dawn Kenson	<ul style="list-style-type: none"> <li>• CIPFA Business Ltd – non-executive director</li> <li>• CIPFA provides training/qualifications in public financial management to the NHS</li> </ul>
	David Clayton-Smith	<ul style="list-style-type: none"> <li>• Chair of Kent Surrey &amp; Sussex Academic Health Science Network</li> <li>• Chair of Thames Valley Housing Association</li> <li>• Chair of Surrey Priorities Committee (a health advisory group)</li> <li>• Andrum Consulting - director</li> <li>• Advisor to the Board of Fairtrade International</li> <li>• Chair East Sussex Healthcare NHS Trust</li> </ul>
	Mike O'Donovan	MS Society member and volunteer
Executive directors	Sir Andrew Morris	None
	Martin Sykes	None
	Janet King	None – lay panel member on employment tribunals
	Nicola Ranger	None
	Helen Coe	None
	Dr. Timothy Ho	None
	Lisa Glynn	None

## **Register of governors' interests**

A register of governors' interests is maintained by the Trust. A copy of the latest version submitted to the Council of Governors is available on the Trust's website [via <https://www.fhft.nhs.uk/about-us/council-of-governors>] or it may be inspected during normal office hours at the Chief Executive's office.

## Other disclosures by directors

So far as each of the directors is aware, there is no relevant audit information of which the NHS foundation trust's auditor is unaware. Each director has taken all the steps they ought to in their role in order to make themselves aware of any relevant audit information and to establish that Frimley Health NHS FT's auditor is aware of that information.

The directors are satisfied that under the requirement of Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) the income from the provision of goods and services for the purpose of the health service in England by Frimley Health NHS FT is greater than its income from the provision of goods and services for any other purposes.

Frimley Health NHS Foundation Trust has complied with the cost allocation and charging guidance issued by HM Treasury.

None of the Board of Directors has made any political donation during the course of the year.

### Board members' attendance record for Board of Director meetings and board-level committees for the year ended 31 March 2016

	Name	Position	Board of Directors meeting in private	Board of Directors meeting in public	Audit Committee	Nominations Committee	Performance and Remuneration Committee	Total
Non-executive directors	Sir Mike Aaronson	Chairman	11/13	7/10	n/a	1/1	3/4	22/28
	Mark Escolme	Independent non-executive director (Deputy Chairman)	12/13	8/10	6/6	n/a	n/a	26/29
	Andrew Prince	Independent non-executive director; Senior Independent Director	13/13	10/10	3/6	1/1	4/4	21/24
	Rob Pike	Independent non-executive director	13/13	10/10	6/6	n/a	n/a	29/29
	Thoreya Swage	Independent non-executive director	9/10	7/8	n/a	0/1	2/2	18/21
	Dawn Kenson	Independent non-executive director	9/10	7/8	3/4	n/a	n/a	19/22
	David Clayton-Smith	Independent non-executive director	10/13	8/10	n/a	0/1	2/4	20/28
	Mike O'Donovan	Independent non-executive director	11/13	9/10	5/6	n/a	n/a	25/29
Executive directors	Sir Andrew Morris	Chief Executive	11/13	9/10	2/6	0/1	3/4	25/34
	Martin Sykes	Director of Finance and Strategy (Deputy Chief Executive)	12/13	9/10	4/6	n/a	n/a	25/29
	Janet King	Director of HR and Corporate Services	11/13	8/10	n/a	1/1	n/a	20/24
	Nicola Ranger	Director of Nursing and Quality	12/13	10/10	n/a	n/a	n/a	22/23
	Helen Coe	Director of Operations, FPH	11/13	10/10	3/6	n/a	n/a	24/29
	Dr. Timothy Ho	Medical Director	11/13	8/10	n/a	n/a	n/a	19/23
	Lisa Glynn	Director of Operations, H&WPH	11/13	9/10	3/6	n/a	n/a	23/29
<b>Total:</b>			166/188	129/146	35/53	3/6	14/18	

## Enhanced quality governance reporting

Arrangements for governing service quality are outlined in the Annual Governance Statement (starting on page 68) and the Quality Report, which is presented as part of this Annual Report.

### Monitor regulatory ratings

The Trust is regulated by Monitor, to whom it submits its annual plan. On the basis of the information contained in the annual plan and in-year submissions, Monitor will assess and assign a risk rating for the Trust.

The year-end surplus was larger than had been planned. This was mainly the result of managing increased activity over the year more effectively and to additional deficit support funding. The final Quarter had a risk rating of '4' which is above the revised plan target.

Foundation trusts are allocated a 'governance rating', which is awarded by Monitor after using performance against national targets as a proxy for good Board governance. Target performance is summarised in the quality report section of this document. The Trust was awarded a 'green' governance rating in each quarter of 2015-16.

### **Frimley Health NHS Foundation Trust regulatory rating 2015-16 (Monitor)**

	Annual Plan 2015-16 <sup>1</sup>	First quarter Q1	Q2	Q3	Q4
<b>Financial Sustainability risk rating<sup>2</sup></b>	3	3	3	4	4
<b>Governance risk rating<sup>3</sup></b>	Green	Green	Green	Green	Green

The Trust's regulatory ratings throughout the previous year were as follows (as Frimley Park Hospital NHS Foundation Trust for Q1 and Q2, as Frimley Health NHS FT for Q3 and Q4):

	Annual Plan 2014-15 <sup>1</sup>	First quarter Q1	Q2	Q3	Q4
<b>Financial risk rating<sup>2</sup></b>	4	4	4	4	4
<b>Governance risk rating<sup>3</sup></b>	Green	Green	Green	Green	Green

<sup>1</sup> Annual plan review and in-year reporting and monitoring

Monitor uses the information provided in the annual plan primarily to assess the risk that an NHS foundation trust may breach its licence in relation to finance and governance and assigns risk ratings. Every quarter, NHS foundation trust boards are required to submit details of performance in the most recent quarter and year-to-date against their annual plan, and self-certify that all healthcare targets and indicators have been met. Each trust is assigned an overall financial and governance risk rating for the quarter based on the declarations they make to Monitor.

<sup>2</sup> Financial risk rating (FRR) / Continuity of Service (COS) rating

Risk ratings are assigned using a scorecard which compares key financial metrics consistently across all foundation trusts. The risk rating reflects the likelihood of a financial breach of an NHS foundation trust's provider licence. The highest rating under the COS rating is four.

<sup>3</sup> Governance risk rating

Monitor rates governance risk using a graduated system of green, amber-green, amber-red and red, where green indicates low risk and red indicates high risk.

There were no formal interventions by the regulator during the year 2015-16.

There were no material inconsistencies between the Trust's assessment of key risks and either subsequent Monitor ratings or Care Quality Commissions assessments.

The Trust Annual Governance Statement on page 69 details how the Trust has reviewed and assessed the effectiveness of the Trust's systems of internal control.

## Remuneration Report

### Annual statement on remuneration

The Performance and Remuneration Committee (PRC), which I chair, comprises three non-executive directors of the Trust. It is a subcommittee of the Trust Board and operates under terms of reference set by the Board. Part of the PRC remit is to determine appropriate remuneration for executive board directors and also the framework of pay for the next level of clinical and executive leadership.

In the period before the acquisition of Heatherwood and Wexham Park NHS Foundation Trust, the PRC considered the salary arrangements which would be appropriate post-acquisition, as from 1 October 2014. We needed to take into account that the senior leadership of the new organisation would be responsible for a much more complex trust, with approximately twice as many staff treating double the number of patients on three rather than one major site. The executive team would be responsible for transforming large parts of the new trust: to make it financially viable while also delivering ever higher quality care for patients.

The PRC took external advice from Hay Group on prevailing level of remuneration in comparable NHS trusts and foundation trusts. Hay also advised on role composition for executive directors and the relative complexity of Board level roles.

Taking this advice into account, as well as the proposed new executive director roles and the complexity of the role in the context of required organisational transformation, we determined the level of salary appropriate for each executive director role. For four roles, including that of chief executive, the salary determination is in excess of £142,500. This level of remuneration was approved by all non-executive directors of the Trust and was applied with effect from 1 October 2014. It has been held at this level through to the end of this reporting period, 31 March 2016.

I am confident that the process undertaken by the PRC in determining the remuneration of all executive directors of the Trust was robust, well-informed and all decisions were carefully considered to be in the best interests of the trust.



**Andrew Prince**  
**Chair, Performance and Remuneration Committee**  
**24 May 2016**

## Senior managers remuneration policy

### Salary entitlements of senior managers 2015-16 (information subject to audit)

		Salary and fees (bands of £5000) £000	Taxable benefits nearest £100	Annual performance related bonus (bands of £5000) (£,000)	Long-term performance related bonus (bands of £5000) (£,000)	<sup>1</sup> Pension related benefits (bands of £2,500) (£,000)	<sup>2</sup> Total remuneration (bands of £5,000) (£,000)	Expenses (£)
<b>EXECUTIVE DIRECTORS</b>								
<b>Sir Andrew Morris</b>	Chief Executive	220 - 225	0	0	0	0**	220 – 225	<b>2,305.70</b>
<b>Martin Sykes</b>	Director of Finance	155 – 160	0	0	0	55 – 57.5	215 – 220	<b>1,026.02</b>
<b>Janet King</b>	Director of HR Corporate Services	150 – 155	0	0	0	110 -112.5	260 – 265	<b>2,293.50</b>
<b>Nicola Ranger</b>	Director of Nursing and Quality	140 – 145	0	0	0	102.5 -105	240 – 245	<b>2,225.90</b>
<b>Helen Coe</b>	Director of Operations - FPH	125 – 130	0	0	0	67.5 - 70	190 – 195	<b>1,855.15</b>
<b>Tim Ho</b>	Medical Director	220 – 225*	0	0	0	75 – 77.5	300 – 305*	<b>370.40</b>
<b>Lisa Glynn</b>	Director of Operations – WP&HH	125 – 130	0	0	0	0**	125 – 130	<b>690.60</b>
<b>NON-EXECUTIVE DIRECTORS</b>								
<b>Sir Michael Aaronson</b>	Chair	60 - 65	0	0	0	0	60 – 65	1,257.73
<b>Andrew Prince</b>	Non-executive	15 - 20	0	0	0	0	15 – 20	0
<b>Mark Escolme</b>	Non-executive	15 - 20	0	0	0	0	15 – 20	492.05
<b>Thoreya Swage (started 1 June 2015)</b>	Non-executive	10 – 15	0	0	0	0	10 – 15	363.35
<b>Dawn Kenson (started 1 June 2015)</b>	Non-executive	10 - 15	0	0	0	0	10 – 15	0
<b>Rob Pike</b>	Non-executive	15 - 20	0	0	0	0	15 – 20	543.36
<b>David Clayton-Smith (left 31 March 2016)</b>	Non-executive	15 - 20	0	0	0	0	15 – 20	286.17
<b>Michael O'Donovan</b>	Non-executive	15 - 20	0	0	0	0	15 – 20	170.24

\* This figure represents total remuneration from the Trust. £75,000 of this relates to the Medical Director's clinical role

\*\* Lisa Glynn opted out of the pension scheme with effect 1 April 2015, Sir Andrew Morris opted out of the pension scheme with effect 1 April 2012

- 1 This represents 20 times the year on year increase in pension plus the cash lump sum payable to the director should they have become entitled to it at 31 March 2016. The calculation complies with Monitor's reporting requirement and is not cash remuneration
- 2 Total remuneration in this column includes non-salary benefits relating to pension entitlements.

There was no increase in salary in 2015-16 for senior managers since salaries were set at the start of the acquisition in October 2014. It was also determined that there would be no bonus scheme in operation for senior managers during 2015-16 (see page 38). The total cost saving from the removal of the former Heatherwood and Wexham Park NHS FT board equates to £1.1m.



Salary entitlements of senior managers 2014-15 (information subject to audit)

The following table was first published in the Frimley Health NHS Foundation Trust's Annual Report and Accounts 2014-15 and is used here for comparative purposes.

		Salary and fees (bands of £5000) £000	Taxable benefits nearest £100	Annual performance related bonus (bands of £5000) (£,000)	Long-term performance related bonus (bands of £5000) (£,000)	Pension related benefits (bands of £2,500) (£,000)	Total remuneration (bands of £5,000) (£,000)	Expenses (£)
<b>EXECUTIVE DIRECTORS</b>								
<b>Sir Andrew Morris</b>	Chief Executive	200 - 205	0	15 - 20	0	0	220 - 225	<b>2,159.20</b>
<b>Martin Sykes</b>	Director of Finance	145 - 150	0	10 - 15	0	90 – 92.5	245 – 250	<b>1,207.05</b>
<b>Janet King</b>	Director of HR Corporate Services	135- 140	0	10- 15	0	100–102.5	250 – 255	<b>1,801.65</b>
<b>Nicola Ranger</b>	Director of Nursing and Quality	125 - 130	0	10 -15	0	85 – 87.5	220 – 225	<b>1,209.45</b>
<b>Helen Coe</b>	Director of Operations - FPH	115 - 120	0	10 - 15	0	60 – 62.5	190 – 195	<b>954.30</b>
<b>Tim Ho</b>	Medical Director	210 - 215	0	0 - 5	0	45 – 47.5	260 – 265	-
<b>Lisa Glynn</b>	Director of Operations – H&WPH	60 – 65*	0	0	0	0	60 - 65	<b>695.21</b>
<b>NON-EXECUTIVE DIRECTORS</b>								
<b>Sir Michael Aaronson</b>	Chair	50-55	0	0	0	0	50-55	1,169.40
<b>Andrew Prince</b>	Non-executive	10-15	0	0	0	0	10-15	-
<b>Mark Escolme</b>	Non-executive	10-15	0	0	0	0	10-15	205.80
<b>Stephen Crouch</b>	Non-executive	10-15	0	0	0	0	10-15	417.00
<b>Tina Oakley</b>	Non-executive	10-15	0	0	0	0	10-15	-
<b>Rob Pike</b>	Non-executive	10-15	0	0	0	0	10-15	-
<b>David Clayton-Smith</b>	Non-executive	10-15	0	0	0	0	10-15	1,133.85
<b>Michael O'Donovan</b>	Non-executive	5 - 10	0	0	0	0	5-10	

\*Lisa Glynn joined the Trust on 1 October 2015

*Pension benefits of senior managers 2015-16 (information subject to audit)*

Name	Title	Real increase in pension and related lump sum at age 60 (bands of £2,500)	Total accrued pension and related lump sum at age 60 at 31 March 2015 (bands of £5,000)	Cash equivalent transfer value at 31 March 2016	Cash equivalent transfer value at 31 March 2015	Real increase in cash equivalent transfer value
		£,000	£,000	£,000	£,000	£,000
Martin Sykes	Director of Finance	12.5 – 15	165 – 170	752	676	68
Janet King	Director of HR and Corporate Service	22.5 – 25	215 – 220	1,104	965	127
Nicola Ranger	Director of Nursing	15 – 17.5	145 – 150	643	549	87
Helen Coe	Director of Operations FPH	15 - 17.5	200 – 205	924	837	77
Tim Ho	Medical Director	10 – 12.5	205 - 210	865	789	67
Lisa Glynn	Director of Operations WP&HH	n/a	n/a	n/a	457	0

Lisa Glynn opted out of the pension scheme with effect 1 April 2015, the Chief Executive opted out of the pension scheme with effect 1 April 2012

Non-executive directors are not listed because they do not receive pensionable remuneration.

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures, and the other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries

On 16 March 2016, the Chancellor of the Exchequer announced a change in the Superannuation Contributions Adjusted for Past Experience (SCAPE) discount rate from 3.0% to 2.8%. This rate affects the calculation of CETV figures in this report. Due to the lead time required to perform calculations and prepare annual reports, the CETV figures quoted in this report for members of the NHS Pension scheme are based on the previous discount rate and have not been recalculated.

Real increase in CETV - This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation and uses common market valuation factors for the start and end of the period.

The remuneration of senior managers was formally reviewed independently by Hay Group before the acquisition in 2014. They benchmarked remuneration for public sector roles, with a focus on value for money while retaining a high performing Board. The Trust doubled in scale – both in terms of patient activity and employee numbers – across a much wider geographical area. In addition, the acquisition resulted in the board of the former Heatherwood and Wexham Park NHS FT being dissolved, reducing the number of senior managers in the Board across the organisations by half and making a considerable cost saving. The Trust took the decision to discontinue performance related bonuses for executive directors subsequent to October 2014.

There were no service contract obligations affecting senior manager contracts. The Trust does not have a specific policy regarding payment for loss of office for senior managers. Should circumstances require, the Trust will arrange payment on an individual basis with a view to best practice and other relevant policies.

## Annual report on remuneration

The narrative elements of the Remuneration Report are not subject to audit. The salary and pension information contained on pages 36 and 38 has been audited along with details on the median salary as a ratio of the highest paid director's remuneration on page 42. The Remuneration Report includes details of the remuneration paid to the Chairman and directors of the Trust (the 'senior managers'<sup>3</sup> who influence the decisions of the Trust as a whole).

There are two committees within the Trust's governance arrangements with responsibility for remuneration of the Board of Directors:

- Non-Executive Remuneration Committee, or NERC (a committee of the Council of Governors)
- Performance and Remuneration Committee, or PRC (a committee of the Board of Directors)

It has been the policy of the finance department to ensure that all off payroll engagements are identified. A sample check has been conducted to ensure that for any engagements that tax arrangements are sufficient by contacting the employee directly by email or phone conversation.

### Performance and Remuneration Committee (PRC)

Acts on behalf of the Board of Directors to:

- make decisions upon the performance and remuneration and terms of service for the chief executive and other executive directors. This includes all aspects of salary, termination, and other major contractual terms.
- recommend and monitor the level and structure of remuneration for senior management.
- operate in accordance with the principles outlined in 'The NHS Foundation Trust Code of Governance' produced by Monitor.

Committee member	Attendance
Andrew Prince (chair)	4 out of 4
Sir Mike Aaronson	3 out of 4
David Clayton-Smith	2 out of 4
Thoreya Swage (from 1 June 2015)	2 out of 2
Sir Andrew Morris	3 out of 4

The Chief Executive attends meetings of the PRC by invitation, but will not attend during any discussions on matters where there may be a conflict of interest. Other directors may attend by invitation on a similar basis. The company secretary will assist in preparing agendas, papers and minutes for the PRC.

<sup>3</sup> "those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS Foundation Trust"

## Expenses

Information on the expenses claimed by directors is included in the table *Salary entitlements of senior managers 2015-16* on page 36. In the year ended 31 March 2016, 10 governors claimed a total of £1,355.30 in expenses.

### Executive directors' remuneration 2015-16

In 2014, the Chairman and Chief Executive engaged the services of the Hay Group to assist with the organisational design of the enlarged Trust, with respect to the acquisition of Heatherwood and Wexham Park Hospitals NHS Foundation Trust. The report was presented to the PRC in April 2014. An increase in the base salary in light of the enlarged organisation was agreed at the PRC meeting in August 2014.

Recruitment to the second and third tiers of senior management commenced from October 2014 and continued throughout 2015. Consequently it was not felt necessary to review salary levels for senior management in 2015-16.

Full details of the salaries and pension entitlements of the executive and non-executive directors of the Trust are detailed in the remuneration report which has been audited. Details of the Trust's staff costs are set out in note 4 of the notes to the accounts.

### Non-Executive Remuneration Committee (NERC)

The NERC is a committee of governors. Its purpose is to:

- Satisfy itself that proper procedures are in place for the appraisal of non-executive directors (including the chairman) in accordance with Monitor's NHS Foundation Trust Code of Governance and current best practice.
- Participate in the recruitment of non-executive directors (including the Chairman) with the Board of Directors' Nominations Committee.
- Recommend to the Council of Governors:
  - i) the appointment of the chairman and non-executive directors.
  - ii) the terms of appointment and appropriate remuneration of the chairman and non-executive directors.

In addition, the NERC leads and reports on an annual assessment of the Board by all members of the Council of Governors (CoG). This is carried out by questionnaire, the results of which are reviewed by the CoG and the Board and an annual meeting with the non-executive directors at which it examines how individually and collectively the non-executive directors conduct their business and fulfil their role.

Robert Bown, elected as a Trust governor on 1 April 2014 for the Surrey Heath & Runnymede constituency, was elected as Lead Governor with effect from 1 November 2015 and the Chair of the NERC. Nicola Dodsworth, the previous Lead Governor, stood down as a governor on 31 October 2015.

The NERC comprised:

- Five other public governors
- One staff governor
- One stakeholder governor

In March 2015, the membership was expanded to capture balanced representation from local constituencies previously served by Heatherwood and Wexham Park Hospitals NHS Foundation Trust. In summary, four governors were added to the membership of which three were public governors and one was a staff governor.

The Chairman, Senior Independent Director, Chief Executive, Director of HR and Corporate Services and other advisors may be invited to attend all or part of the NERC meeting.

In the year ended 31 March 2016, the NERC met five times.

Constituency	Governor Name	Total
Public: Hart	Nicola Dodsworth (stood down as Lead Governor 31 October 2015)	3/3
Public: Surrey Heath & Runnymede	Robert Bown (elected as Lead Governor 1 November 2015)	3/3
Public: Surrey Heath & Runnymede	Peter Fraser-Dunnett	0/5
Public: Surrey Heath & Runnymede	Mary Probert	1/5
Public: Surrey Heath	Anusha Everson	1/5
Public: Bracknell Forest & Wokingham	John Lindsay	4/5
Public: Bracknell Forest & Wokingham	Richard Lloyd	1/5
Public: Guildford	John Ferns	0/5
Public: Rushmoor	Michele White	4/5
Public: Rushmoor	Ian Wilder	1/5
Public: Waverley	Michael Maher	4/5
Public: Waverley	John Pownall	0/5
Public: Slough	Graham Leaver	0/5
Public: Chiltern, South Bucks & Wycombe	Paul Henry	0/5
Public: Windsor and Maidenhead	Rod Broad	4/5
Public: Windsor and Maidenhead	Fiona Dent	0/5
Stakeholder: Hampshire County Council	John Wall	4/5
Staff: Frimley Park	Udesh Naidoo	2/5
Staff: Heatherwood and Wexham Park	Bob Soin	3/5
<b>Total:</b>		

During 2015-16, the NERC were responsible for the recruitment of two non-executive directors and the new chairman of the Trust.

### Non-executive directors' remuneration 2015-16

In 2014 Hay Group were commissioned to examine the roles of the Chairman and the non-executive directors at Frimley Health, involving a study of benchmarking information for the sector and from the wider market, factoring in the experience of non-executive roles and remuneration in the public and private sectors. The review acknowledged the multi-site operations and increased time commitments. An increase to the fees payable to the chairman and non-executive directors was approved by the Council of Governors in May 2014, effective from February 2015. The same rates were held from 2015-2016.

## Median salary / highest paid director (information subject to audit)

The HM Treasury Financial Reporting Manual 2011-2012 (FReM) introduced the requirement to disclose the median remuneration of all staff employed by the reporting entity and the ratio between this figure and the mid-point of the banded remuneration of the highest paid director. The calculation is based on full time equivalent staff of the reporting entity at the reporting period end date on an annualised basis.

The following data represent the ratio of median annual salary to the highest paid director's remuneration.

	31 March 2016	31 March 2015
<b>Highest paid director's remuneration</b>	<b>£222,500</b>	<b>£222,500</b>
<b>Median salary:</b>		
<b>Annualised WTE basis</b>	<b>£23,120</b>	<b>£22,636</b>
<b>Represented as a ratio</b>	<b>9.6</b>	<b>9.8</b>

Explanatory note for above:

- The median pay calculation is based on the payments made to staff in post on 31 March 2016.
- The reported salary used to estimate the median pay is the gross cost to the Trust, less employer's pension and employer's Social Security costs.
- The reported annual salary for each whole time equivalent has been calculated using the appropriate spine point on the contractual pay scale or actual annual salary as at 31 March 2016 where no pay scale is used.
- Payments made in March 2016 to staff who were part-time were pro-rated to a whole time equivalent salary.
- The highest paid director is excluded from the median pay calculation.
- The highest paid director's remuneration is based on their total remuneration which includes all salaries and allowances (including fees), bonus payments and other remuneration.
- The salary of the highest paid director has been taken as the midpoint of their £5,000 total remuneration banding.
- The Trust performs all of its services in house, with the exception of laundry, on the Frimley Park Hospital site. This may contribute to a higher ratio than in other organisations where significant support services are outsourced and therefore the median salary may be higher.



**Sir Andrew Morris**  
**Chief Executive**  
**24 May 2016**



**Andrew Prince**  
**Chairman of the PRC and Senior Non-executive Director**  
**24 May 2016**

## Staff report

The Trust's most valuable asset is its staff. Recruiting and retaining good staff remains a strategic focus and will be central to continually improving quality of care and reducing agency costs.

We are focusing on recruitment and retention to reduce the Trust's costly reliance on locum and agency staff. During the first three calendar months of 2016 there are signs that this work is having an impact as the number of average nurse leavers reduced by a third. The Trust continued to recruit in Europe and the Philippines owing to difficulties in recruiting in the UK.

### Statistics of substantive staff

Key performance indicator	Total number (March 2016)	Percentage	Total number (March 2015)	Percentage
<b>Total number of employees</b>	<b>8,819</b>		<b>8,531</b>	
Male	1,887	21.4%	1,835	21.5%
Female	6,932	78.6%	6,738	78.5%
<b>Directors</b>	<b>7</b>		<b>7</b>	
Male	3	43%	3	43%
Female	4	57%	4	57%
<b>Other senior managers</b>	<b>31</b>		<b>30</b>	
Male	9	29%	11	37%
Female	22	71%	19	64%

Key performance indicator	Total number (March 2016)	Percentage	Total number (March 2015)	Percentage
Staff in post – full-time equivalent (FTE)	7,597.1		7,475.38	
Staff in post - headcount	8,819		8,531	
Sickness absence rate		2.97%		3.19%
Vacancy rate		11.74%		10%
Turnover rate		14.21%		14.87%
Appraisal rate		77%		86%

### Average number of employees (whole time equivalent)

Employee group	Total	Permanent
Medical and dental	892	886
Administration and estates	1,565	1,565
Healthcare assistants and other support staff	1,486	1,481
Nursing, midwifery and health visiting staff	2,222	2,210
Scientific, therapeutic and technical staff	890	886
Agency and contract staff	440	0
Bank staff	482	0
<b>Total average numbers</b>	<b>7,977</b>	<b>7,028</b>

## Staff engagement

As a major employer, Frimley Health (the Trust) is committed to the principles of partnership working and staff engagement. The Trust strongly believes that involving its staff in decision making processes draws upon their knowledge and experience from their work environment to generate ideas that will help develop and modernise NHS services.

The Trust has a range of standing and project groups and committees that seek to involve staff in making decisions about future developments. For example, the Trust has a Staff Council which meets regularly. It provides an effective method of regular consultation between managers and staff representatives and is intended to form the basis of a constructive and co-operative approach towards achieving corporate goals. The Staff Council also reviews and approves staff bids for funds from the Improving Working Lives lottery fund. This fund uses the proceeds of a monthly staff lottery to pay for a range of items to improve the working environment, from a new kettle for a staff rest room to funding for a new cycle pathway for staff.

The Trust also has other consultative bodies to discuss specific areas of joint interest with staff representatives such as the local communications networks, the Health and Safety Committee, and the Equality and Diversity Steering Group.

Mechanisms in place to monitor and learn from staff feedback include:

- Business planning within directorates, involving managers and staff
- The clinical governance infrastructure, which enables multidisciplinary discussion of clinical issues and service improvement
- The Listening into Action programme which involved a pulse check survey and several staff conversations about barriers to achieving Trust priorities and ways of engaging staff at the front-line
- Regular face-to-face update briefings from the Chief Executive, executive director question and answer sessions and team briefings through which key points are cascaded to teams and departments, with the opportunity for staff to ask questions and raise concerns
- A fortnightly newsletter to which all staff are encouraged to contribute
- Well-used intranets, which include departmental mini-sites and a live news feed incorporating a comments section allowing staff to feedback on items of staff news
- Staff following the Trust on its official Facebook and Twitter sites and contributing to exchanges as appropriate
- The annual NHS Staff Survey and action planning and the staff Friends and Family Test
- Investors in People reviews
- Annual appraisal for all staff
- Staff Friends and Family Test



## National Staff Survey

The survey is carried out across the NHS on behalf of the Care Quality Commission. Staff in NHS trusts were questioned anonymously from October to December 2015 and the results published in February 2016. The results were broken down into 33 key findings that were benchmarked as either in the best 20% nationally, better than average, average, worse than average or in the worst 20%.

### Results for Frimley Health

This was the first NHS Staff Survey for Frimley Health as an enlarge trust. Although Frimley Park had acquired Wexham Park and Heatherwood hospitals by the time of the 2014 survey, it was undertaken on pre-acquisition boundaries. Therefore it is not possible to compare 2015 findings with 2014 and they are therefore not included in the tables below. Frimley Health staff rated the hospital as among the best in the country for recommending their hospitals as a place to work or have treatment and on senior management communication with staff. They also gave the hospitals one of the best scores in the country for the fairness of its systems for staff reporting incidents, feeling secure to raise concerns about unsafe clinical practice, and the degree to which patient feedback is used to improve patient experience.

The 33 key findings of the Trust's 2015 Staff Survey results compared to other acute hospitals are summarised as follows:

- 12 were in the best 20%
- Nine were better than average
- Three were average
- Five were worse than average
- Four were in the worst 20%

The response rate was 35% for the 2015 survey, which was below the national average

### Top four ranking scores

	2015	
	Frimley Health	National average
Quality of appraisals	3.39	3.05
Effective use of patient/service user feedback	3.92	3.70
% of staff reporting good communication between senior management and staff	42%	32%
Fairness and effectiveness of procedures for reporting errors, near misses and incidents	3.86	3.70

### Bottom four ranking scores

	2015	
	Frimley Health	National average
% of staff appraised in last 12 months	77%	86%
% of staff experiencing discrimination at work in the last 12 months	14%	10%
Quality of non-mandatory training, learning and development	3.97	4.03
% of staff experiencing physical violence from staff in the last 12 months	4%	2%

## Future priorities and targets

The results of the staff surveys will be used to help develop a rolling action plan for Frimley Health. It will include the following:

- To continue to reduce the number of staff who are working extra hours
- To maintain and increase the number of staff appraised
- To continue to review and address the incidence of work-related stress
- To tackle issues causing harassment and bullying and discrimination at work
- To improve perceptions around incident reporting to ensure that people feel safe to raise concerns.

## Staff absence rate

The absence rate for Frimley Health for 2015-16 was 2.97%, which compares well against other large acute trusts in the NHS. Although national end of year figures are not yet available, the national absence rate for large acute trusts in October 2015 was 4.45% (the Frimley Health result for that particular month was 3.28%). The Trust runs a number of initiatives to help reduce absence rate.

## Equality and diversity

Frimley Health has this year published annual employment and service information, thereby demonstrating compliance with the Public Sector Equality Duty. Reports regarding equality and diversity can be found on the Trust's website. Frimley Health is progressing with the development of unified equality objectives and governance arrangements.

### Disabled staff

Frimley Health was assessed in May 2014 as compliant with its commitments as a 'Positive About Disabled People' symbol user, which includes the following:

- Interviewing disabled applicants who meet the minimum job criteria
- Consulting annually with individual disabled staff through the appraisal process about how they can develop and how the Trust can support them
- Making every effort to redeploy staff who become disabled
- Raising awareness of disability among staff
- Monitoring and communicating annually achievements in relation to the commitments.

In the year to 31 March 2016, Frimley Health received 714 applications for jobs from disabled applicants. Of these, 166 disabled applicants were shortlisted and 13 disabled interviewees were appointed.

To encourage disabled applicants to apply for jobs, Frimley Health will continue to take positive action to target disabled applicants through Job Centre Plus and other bodies who support placements for disabled staff in the workplace.

The Trust is committed to retaining any existing employees who become disabled during their employment if possible. The occupational health team advises managers on reasonable adjustments to enable individuals to remain in their roles. Adjustments may include changing working times or patterns, provision of equipment or support. If reasonable adjustments are not possible within the individual's existing role, the Trust reviews opportunities for redeployment into alternative roles.

## Medical staff

The number of medical staff since 1 April 2015 throughout the year is shown in the table below

	Medical staffing: whole time equivalent posts	Medical staffing: headcount
April 2015	982	1,042
May 2015	974	1,036
Jun 2015	975	1,034
Jul 2015	1,001	1,056
Aug 2015	993	1,080
Sep 2015	1,015	1,072
Oct 2015	1,018	1,076
Nov 2015	1,012	1,067
Dec 2015	1,013	1,064
Jan 2016	1,007	1,059
Feb 2016	1,017	1,069
Mar 2016	1,011	1,063

## Health and safety performance

Key developments during the year included:

- Occupational health services at Wexham Park Hospital – which had been contracted out before the acquisition by Frimley Park Hospital NHS FT – were brought back in house in June 2015. This was followed by an independent health and safety review across the three main Trust sites.
- A number of urgent fire safety improvements were made at Wexham Park, for example to improve escape routes from the tower block.
- A security strategy was developed in July 2015 to ensure a consistent approach across all sites and work is continuing to address the issues raised.
- The annual flu vaccination programme for staff was successful, especially at Frimley Park where take up of the vaccine was among the best trusts in the region.

- A paperless system for staff health records was introduced at Frimley Park and will be extended soon to Wexham Park.
- A new smoke-free site policy was introduced in line with NICE guidance. It includes better information for smokers who wish to quit and improved signage.
- In line with the Trust's commitment to encourage good health and wellbeing for staff, a new self-assessment form was introduced as part of the annual appraisal. A review of staff health and wellbeing at the start of 2016 ensured the trust complies well with the Public Health England 'Workplace Wellbeing Charter'.

## **Volunteering**

Volunteering across the Trust is undertaken in a range of wards, units and departments. Our database has more than 400 volunteers with some committing to regular sessions and others providing ad-hoc support when required.

During this year a number of changes have been implemented around volunteering activity within the Trust. A voluntary services manager was appointed for Frimley Health with the role concentrating solely on volunteer recruitment, retention and management.

A new volunteering policy was produced to give guidance on the role of volunteers within the Trust. Every potential volunteer now attends a volunteer information session where information is given on what volunteers can expect from the Trust and what the Trust expects from volunteers. Every potential volunteer will be interviewed by someone from the Voluntary Services Team and a member of staff from the ward or unit that they will be assigned to. Each person will attend a two day Trust induction course.

A newsletter for volunteers was launched. Each newsletter includes a feature on an individual volunteer and there is a section on volunteering across the UK.

Two 'thank you' events were held with more than 80 volunteers at each. Each event allowed staff to talk with volunteers and to thank them personally.

We have also expanded our work with corporate volunteers to develop public and patient spaces such as gardens and courtyards above and beyond what we are able to deliver alone.

## **Expenditure on consultancy and exit packages**

Between 1 April 2015 and 31 March 2016 the Trust spent £7.52m on consultancy costs. For exit packages, see section 4.2 of the Trust's Annual Accounts 2015-16.

## Off payroll engagements

The Trust's policy on temporary staffing ensures that there are adequate procedures for all off-payroll engagements and that appropriate checks are followed to provide assurance that tax and National Insurance obligations are sufficient. The policy follows guidance from the Department of Health, 'Implementing the Recommendations of the HMT review of tax arrangements'.

For all off-payroll engagements as of 31 March 2016 for more than £220 per day and that last for longer than six months

Number of existing engagements as of 31 March 2016	2015-16 number of engagements
<b>Of which:</b>	9
Number that have existed for less than one year at the time of reporting	2
Number that have existed for between one and two years at the time of reporting	4
Number that have existed for between two and three years at the time of reporting	2
Number that have existed for between three and four years at the time of reporting	1
Number that have existed for four or more years at the time of reporting	0
<b>Confirmation:</b>	
All existing off-payroll engagements, outlined above, have at some point been subject to a risk based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where necessary, that assurance has been sought.	

New off-payroll engagements, or those that reached six months in duration, between 1 April 2015 and 31 March 2016, for more than £220 per day and that last for longer than six months

	2015-16 number of engagements
Number of new engagements, or those that reached six months in duration between 01 April 2015 and 31 March 2016	4
Number of the above which include contractual clauses giving the Trust the right to request assurance in relation to income tax and national insurance obligations	3
Number for whom assurance has been requested	1
<b>Of which:</b>	
Number for whom assurance has been received	1
Number for whom assurance has not been received	0
Number that have been terminated as a result of assurance not being received	0

Off-payroll engagements of Board members, and/or, senior officials with significant financial responsibility, between 1 April 2015 and 31 March 2016

	2015-16 number of engagements
Number of off-payroll engagements of Board Members, and/or senior officials with significant financial responsibility, during the financial year	0
Number of individuals that have been deemed 'Board Members and/or senior officials with significant financial responsibility' during the financial year. The figure should include both off-payroll and on-payroll engagements	7

## Code of Governance

Frimley Health NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a comply or explain basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012.

### Membership of Board committees

	<b>Audit Committee</b>	<b>Nominations Committee</b>	<b>Performance and Remuneration Committee</b>
<b>Chairperson of committee:</b>	<b>Rob Pike</b>	<b>Sir Mike Aaronson</b>	<b>Andrew Prince</b>
<b>Non-executive director members:</b>	<b>Mike O'Donovan</b> <b>Mark Escolme</b> <b>Dawn Kenson</b> (from June 2015)	<b>David Clayton-Smith</b> <b>Thoreya Swage</b> (from June 2015) <b>Andrew Prince</b>	<b>Sir Mike Aaronson</b> <b>David Clayton-Smith</b> <b>Thoreya Swage</b> (from June 2015)
<b>Executive directors in attendance:</b>	<b>Sir Andrew Morris</b> <b>Martin Sykes</b> <b>Helen Coe</b> <b>Lisa Glynn</b>	<b>Sir Andrew Morris</b> <b>Janet King</b>	<b>Sir Andrew Morris</b>
<b>Total number of executive and non-executive directors</b> (including Chairman)	<b>8</b> (4 non-executive directors; 4 executive directors)	<b>6</b> (4 non-executive directors; 2 executive directors)	<b>5</b> (4 non-executive directors; 1 executive director)

### Council of Governors

The Trust has a Council of Governors which comprises elected and appointed governors of the Trust.

The Board of Directors reports to the Council of Governors on the performance of the Trust and its progress against agreed strategic and corporate objectives, and consults on its future direction. Governors report matters of concern raised at their local health event constituency meetings to their counterparts and to the directors. Members of the public are given the opportunity to ask questions addressed to the governors, directors or any other staff members in attendance at the local health events or Council of Governor meetings.

All Board Members (executive directors and non-executive directors) are asked to attend the Council of Governors' meetings in order to gain an understanding of the views of the Trust's governors and members. Furthermore, others may attend for the purpose of providing assurance or to report on progress of any key matters of interest.

Governors are encouraged to canvass opinions and concerns of the members they represent at a series of well-attended public constituency meetings (promoted as 'health events'), particularly on the Trust's plans, priorities and strategies. They may also canvass opinion at other Trust events, both formal and informal, and via their own initiatives and networks. Members' views are fed back to the

Board at Board of Directors/Council of Governors workshop events (known as BODCOGs), at other meetings with other meetings with directors, or directly via the Chief Executive's office if appropriate.

Additionally, the BODCOG workshops serve to develop the relationship between the groups and brief/update the governors on key issues, developments or other matters requiring the attention of the Council of Governors. This informal setting allows governors to discuss and challenge performance and the priorities for the organisation. The workshops include reference to the key risks the Trust faces and an explanation as to how they are being managed. The establishment of the BODCOGs led to a decrease in the number of Council of Governors' meetings to a minimum of two meetings per year as outlined in the Trust's Constitution.

The Board of Directors receive feedback on the views of governors by:

- Attending the Council of Governors meetings;
- An executive and non-executive director attending each of the local health event meetings;
- The Board of Directors meeting informally with the Council of Governors at private workshops, which encourage more interaction and feedback between executive and non-executive directors and governors;
- The Chairman and Chief Executive hosting 'drop-in' sessions for governors in the months where there are no formal meetings or workshops scheduled.

#### Role of the governors

The Council of Governors' role is to influence the strategic direction of the Trust so that it takes account of the needs and views of the members, local community and key stakeholders, to hold the Board to account on the performance of the Trust, to help develop a representative, diverse and well-involved membership, and to help make a noticeable improvement to patient experience. It meets bi-monthly at BODCOG workshops and committees to discuss business. The Council of Governors also meets to carry out other statutory and formal duties, including the appointment of the Chairman and non-executive directors of the Trust and the appointment of the external auditor.

In the event of a dispute or disagreement between the Council of Governors and Board of Directors, in the first instance the Chairman would endeavour to resolve this. Should a resolution not be reached, the Chairman may ask the company secretary, Senior Independent Director and/or the deputy chairman to review the matter further. If a final decision is not reached, the matter would be referred back to the Chairman for a final decision.

If a dispute arose regarding the interpretation of the standing orders and the procedure to be followed at meetings of the Council of Governors, the Trust and the parties to the dispute would use all reasonable endeavours to resolve the dispute as quickly as possible.

If a dispute arose which involves the Chairman, the dispute would be referred to the Senior Independent Director who would use all reasonable efforts to mediate a settlement to the dispute.



In addition to their duty to 'hold the non-executive directors, individually and collectively, to account for the performance of the Board of Directors', the Council of Governors is responsible for:

- appointing or removing the Chairman and the other non-executive directors
- approving an appointment (by the non-executive directors) of the Chief Executive
- deciding on the remuneration and allowances, and the other terms and conditions of office, of the Chairman and the other non-executive directors
- appointing or removing the Trust's auditor
- appointing or removing any auditor appointed to review and publish a report on any other aspect of the Trust's affairs
- approving significant transactions
- Approving any changes to the Trust's Constitution.

To allow the governors to exercise their statutory duties, the Board of Directors is responsible, among other things, for ensuring the Council of Governors:

- receives the Annual Report and Accounts
- is consulted on the content of the Quality Accounts
- is presented with other management reports detailing Trust performance in all areas: clinical, operational and financial performance
- is able to provide its views to the Board of Directors when the Board of Directors is preparing the document containing information about the Trust's forward planning
- is able to engage with each governor's specific member constituents or, in the case of an appointed governor, to do so with members of the representing organisation.

For a schedule of types of decisions reserved for each of the boards and those that are delegated to the executive management of the Board of Directors, refer to the Frimley Health NHS FT Constitution on the Trust website [www.fhft.nhs.uk](http://www.fhft.nhs.uk) (under 'About us' – 'Publications').

### Membership of the Council of Governors

In 2015-16 the membership of the Council of Governors comprised 44 governors:

- 44 governors<sup>4</sup> served as members of the Council of Governors;
- Following a set of elections in 2015, there have been 37 members of the Council of Governors from 1 November 2015
- Eight further non-executive directors and seven executive directors (including the Chief Executive) also attended the Council of Governors meetings by invitation.

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<sup>4</sup> Seven of whom reached the end of their term in office in accordance with the revised Constitution notwithstanding their terms of appointment;

## Lead Governor

The publicly-elected governors select one public governor from their group to be the Lead Governor of the Council of Governors. The Lead Governor coordinates any communication that might, in extreme circumstances, be necessary between Monitor (the independent regulator) and the other governors and acts as a main point of contact for the Chairman and the Senior Independent Director. From 1 April 2015 through to 31 September 2015, the Lead Governor was Nicola Dodsworth, public governor for Hart. From October 2015 Robert Bown, public governor for Surrey Heath & Runnymede, replaced Nicola as Lead Governor.

## Composition of the Council of Governors

As required under the NHS Act 2006, the majority of the Trust's governors are publicly elected. Public governors nominate themselves for election within their local constituencies which are based on local authority boundaries. As at 31 March 2016, there were 27 elected public governors including one governor who lived outside of Frimley Health's catchment area (Patient, Carer or service User: Outer Catchment Area) who was re-elected as a Rest of England governor (Outer Catchment Area)).

Staff governors are elected by way of self-nomination and constituency voting. As at 31 March 2016, there were four staff governors.

Stakeholder governors are appointed by partnership or stakeholder organisations. As at 31 March 2016, there were six stakeholder governors in post.

The number of governor positions within the various constituencies for Frimley Health NHS Foundation Trust as at 31 March 2016 is detailed below.

Constituency	Number of governors
Bracknell Forest and Wokingham	4
Chiltern, South Buckinghamshire and Wycombe	2
Hart & East Hampshire	3
Outer Catchment Area (Rest of England)	1
Rushmoor	3
Slough	5
Surrey Heath & Runnymede	3
Guildford, Waverley & Woking	2
Windsor and Maidenhead	4
Adult Safeguarding	1
Medicine, Elderly Care, Pharmacy and A&E	1
Resuscitation	1
Surgery and Surgical Services	1
Hampshire County Council	1
Ministry of Defence	1
Surrey County Council	1
Buckinghamshire County Council	1
Jointly appointed by Slough Borough Council and Windsor & Maidenhead BC	1
Jointly appointed by Bracknell Forest Council and Wokingham Borough Council	1

## 'Phase two' governor elections

Throughout September and October 2015, Frimley Health NHS FT held elections for 12 public governors in five constituencies (Rushmoor; Surrey Heath and Runnymede; Hart and East Hampshire; Guildford, Waverley and Woking; and Bracknell Forest and Wokingham) in accordance with its Constitution. These elections marked 'Phase two' of the overall approach to reshaping the composition of the Council of Governors following the acquisition.

Nominations for elections opened between 13 August 2015 and 11 September 2015. Elections ran from 5 to 28 October 2015 and results were declared the following day.

As a result of the elections, the overall number of public governors for Rushmoor, Surrey Heath & Runnymede, Hart & East Hampshire, Guildford, Waverley & Woking, and Bracknell Forest & Wokingham reduced from 19 to 12.

The 'Phase two' governors commenced their terms of office on 1 November 2015 and have been elected for the period shown in the table below.

From November 2015 onwards, the size of the Council of Governors remains at 37. The allocation of governor seats is now proportionate to the population of each individual constituency.

### Frimley Health's elected public governors as at 31 March 2016

Constituency	Governor	Date elected <sup>5</sup>	End of tenure	Term of office
Bracknell Forest and Wokingham	Rachel Addicott	29 Oct 15	31 Oct 16	1st
Bracknell Forest and Wokingham	Jan Burnett	1 Jan 15	31 Oct 16	1st
Bracknell Forest and Wokingham	Richard Lloyd	1 Jan 15	31 Oct 17	1st
Bracknell Forest and Wokingham	Victoria Browne	1 Jan 15	31 Oct 17	1st
Chiltern, South Buckinghamshire & Wycombe	John Ager	1 Jan 15	31 Oct 16	1st
Chiltern, South Buckinghamshire & Wycombe	Paul Henry	1 Jan 15	31 Oct 17	1st
Guildford, Waverley & Woking	Michael Maher	1 Apr 13	31 Oct 18	2nd
Guildford, Waverley & Woking	Sylvia Thompson	29 Oct 15	31 Oct 17	1st
Hart & East Hampshire	Denis Gotel	29 Oct 15	31 Oct 18	1st
Hart & East Hampshire	Jill Walker	29 Oct 15	31 Oct 18	1st
Hart & East Hampshire	Bill Shambrook	29 Oct 15	31 Oct 17	1st
Outer Catchment Area (Rest of England)	Chris Waller	1 Apr 14	31 Oct 17	3rd
Rushmoor	Kevin Watts	29 Oct 15	31 Oct 18	1st
Rushmoor	Ian Wilder	29 Oct 15	31 Oct 17	1st
Rushmoor	Michele White	1 Apr 14	31 Oct 18	2nd
Slough	Margaret Woodley	1 Jan 15	31 Oct 17	1st
Slough	Julia Long	1 Jan 15	31 Oct 17	1st
Slough	Sharon O'Reilly	1 Jan 15	31 Oct 17	1st
Slough	Tamoor Ali	1 Jan 15	31 Oct 16	1st
Slough	Graham Leaver	1 Jan 15	31 Oct 16	1st
Surrey Heath & Runnymede	Peter Fraser-Dunnet	29 Oct 15	31 Oct 17	1st
Surrey Heath & Runnymede	Mary Probert	1 Apr 14	31 Oct 18	2nd
Surrey Heath & Runnymede	Robert Bown	1 Apr 11	31 Oct 18	3rd
Windsor and Maidenhead	Karen Saunders	1 Jan 15	31 Oct 17	1st
Windsor and Maidenhead	Fiona Dent	1 Jan 15	31 Oct 17	1st
Windsor and Maidenhead	Tony Monk	1 Jan 15	31 Oct 16	1st
Windsor and Maidenhead	Rod Broad	1 Jan 15	31 Oct 16	1st

In total there are 27 public governors including one governor from the Rest of England category (Outer Catchment Area). These 27 governors are elected across nine constituencies.

<sup>5</sup> Where a governor has been re-elected, this column will show the date of the original appointment.

Frimley Health's elected staff governors as at 31 March 2016

Constituency	Governor name	Date elected <sup>5</sup>	End of tenure	Term of office
Frimley Park	Udesh Naidoo	1 Apr 14	31 Oct 17	1st
Frimley Park	Mel Martin (previously Fish)	1 Jan 15	31 Oct 17	1st
Heatherwood and Wexham Park	Bob Soin	1 Jan 15	31 Oct 17	1st
Heatherwood and Wexham Park	Alex Saunders	1 Jan 15	31 Oct 17	1st

Stakeholder governors appointed as at 31 March 2016

Constituency	Governor name	Date appointed	Term of office	Changes to term in office (in response to constitutional changes post-acquisition)
Stakeholder: Hampshire County Council	John Wall	10 Dec 09	2nd	In accordance with the Frimley Health Constitution, the initially appointed governors from Hampshire County Council, the Ministry of Defence and Surrey County Council will continue until their term in office ceases
Stakeholder: Ministry of Defence	Stuart Millar	18 Aug 15	1st	
Stakeholder: Surrey County Council	Chris Pitt	1 Apr 05	3rd	
Stakeholder: Buckinghamshire County Council	Trevor Egleton	1 Jan 15	1st	
Stakeholder: Jointly appointed by Slough Borough Council and Windsor and Maidenhead Borough Council	Zaffar Ajaib	19 May 15	1st	
Stakeholder: Jointly appointed by Bracknell Forest Council and Wokingham Borough Council	Sarah Peacey	27 May 15	1st	

## Attendance at Council of Governors' meetings

Individual attendance at the Council of Governors' meetings, which are held in public, and the Board of Directors/Council of Governors workshops by governors and the executive and non-executive directors is detailed in the table below. Of the three meetings held in 2015-16, one was an extraordinary meeting convened to approve the appointment of the new Chairman.

### Governors' attendance at the Council of Governors' meetings in the year ended 31 March 2016\*

Constituency	Governor	Total
Public: Bracknell Forest and Wokingham	Rachel Addicott	1/1
Public: Bracknell Forest and Wokingham	Jan Burnett	3/3
Public: Bracknell Forest and Wokingham	Richard Lloyd	1/3
Public: Bracknell Forest and Wokingham	Victoria Browne	3/3
Public: Chiltern, South Buckinghamshire & Wycombe	John Ager	3/3
Public: Bracknell Forest and Wokingham	John Lindsay	2/3
Public: Chiltern, South Buckinghamshire & Wycombe	Paul Henry	3/3
Public: Guildford, Waverley & Woking	Michael Maher	2/3
Public: Guildford	John Ferns	2/3
Public: Guildford, Waverley & Woking	Sylvia Thompson	0/1
Public: Hart & East Hampshire	Denis Gotel	1/1
Public: Hart (Lead Governor to Sept 2015)	Nicola Dodsworth	1/2
Public: Hart & East Hampshire	Jill Walker	1/1
Public: Hart	Mel Williams	2/2
Public: Hart	Ted Sherwell	2/2
Public: Hart & East Hampshire	Bill Shambrook	0/1
Public: Outer Catchment Area (Rest of England)	Chris Waller	2/3
Public: Rushmoor	Kevin Watts	1/1
Public: Rushmoor	Patricia Crowley	2/2
Public: Rushmoor	Ian Wilder	0/1
Public: Rushmoor	Joan Gittins	1/2
Public: Rushmoor	Henry Wood	2/2
Public: Rushmoor	Michele White	3/3
Public: Rushmoor	Paul Turrell	2/2
Public: Slough	Margaret Woodley	3/3
Public: Slough	Julia Long	3/3
Public: Slough	Sharon O'Reilly	2/3
Public: Slough	Tamoor Ali	3/3
Public: Slough	Graham Leaver	3/3
Public: Surrey Heath & Runnymede	Peter Fraser-Dunnet	2/3
Public: Surrey Heath & Runnymede	Mary Probert	3/3
Public: Surrey Heath & Runnymede (Lead Governor from Oct 2015)	Robert Bown	3/3
Public: Surrey Heath	Carole Farrelly	2/2
Public: Surrey Heath	Anusha Everson	1/2
Public: Surrey Heath	Keith Dingle	2/2
Public: Waverley	John Pownall	2/2
Public: Windsor and Maidenhead	Rod Broad	3/3
Public: Windsor and Maidenhead	Karen Saunders	2/3
Public: Windsor and Maidenhead	Fiona Dent	1/3
Public: Windsor and Maidenhead	Tony Monk	1/3
Stakeholder: Surrey County Council	Chris Pitt	2/3
Stakeholder: Ministry of Defence	Stuart Millar	2/3
Stakeholder: Hampshire County Council	John Wall	0/3
Stakeholder: Buckinghamshire County Council	Trevor Egleton	2/3
Stakeholder: Jointly appointed by Slough Borough Council and Windsor and Maidenhead Borough Council	Zaffar Ajaib	2/3
Stakeholder: Jointly appointed by Bracknell Forest Council and Wokingham Borough Council	Sarah Peacey	2/2
Staff: Frimley Park: Medicine, Elderly Care, Pharmacy and Accident & Emergency	Udesh Naidoo	2/3
Staff: Frimley Park: Adult Safeguarding	Mel Martin (previously Fish)	1/3
Staff: Heatherwood and Wexham Park: Surgical	Bob Soin	2/3
Staff: Heatherwood and Wexham Park: Resuscitation	Alex Saunders	2/3

*Attendance by executive and non-executive directors at the Council of Governors meetings for the year*

Name	Position	Total
<b>Sir Mike Aaronson</b>	Chairman <b>Chair of Council of Governors</b>	3/3
<b>Mark Escolme</b>	Independent non-executive director; Deputy Chairman	1/3
<b>Andrew Prince</b>	Independent non-executive director; Senior Independent Director	2/3
<b>Rob Pike</b>	Independent non-executive director	2/3
<b>Dawn Kenson</b> (from June 2015)	Independent non-executive director	1/3
<b>Thoreya Swage</b> (from June 2015)	Independent non-executive director	1/3
<b>David Clayton-Smith</b>	Independent non-executive director	0/3
<b>Mike O'Donovan</b>	Independent non-executive director	2/3
<b>Sir Andrew Morris</b>	Chief Executive	3/3
<b>Martin Sykes</b>	Director of Finance and Strategy; Deputy Chief Executive	3/3
<b>Janet King</b>	Director of HR and Corporate Services	2/3
<b>Nicola Ranger</b>	Director of Nursing and Quality	3/3
<b>Helen Coe</b>	Director of Operations, Frimley Park Hospital	2/3
<b>Dr Timothy Ho</b>	Medical Director	2/3
<b>Lisa Glynn</b>	Director of Operations, Heatherwood and Wexham Park Hospitals	0/3

## Training

New governors receive induction training from the chairman and company secretariat on joining the Trust. Additional training opportunities arise from NHS Providers and other network providers such as GovernWell, and we encourage our governors to make full use of them.

The Council of Governors regularly received updates from the Board of Directors on the strategy and performance of the organisation.

## Non-Executive Remuneration Committee

The role of this committee is described in the Remuneration Report below.

## Nominations Committee: appointment and re-election

### Role of the Nominations Committee

The Nominations Committee is responsible for identifying and nominating members of the Board for approval by the Council of Governors, and advising upon and overseeing their contractual arrangements, working closely with the Trust's Performance and Remuneration Committee. This is broken down further and involves:

- liaison with the Trust's Performance and Remuneration Committee to identify skills gaps on the Board of Directors;
- recommending job descriptions and person specifications for vacancies on the Board of Directors;
- recommending arrangements for the recruitment and selection of executive directors<sup>6</sup>;
- liaison with the Non-Executive Performance and Remuneration Committee concerning the Chairman and non-executive director appointments and terms of office<sup>7</sup>;
- agreeing any appointment panels<sup>8</sup> for director vacancies.

The executive and non-executive directors are responsible for assessing the size, structure and skill requirements of the Board of Directors and for considering any changes or new appointments as necessary. If a need is identified, the Nominations Committee<sup>9</sup> will produce a job description and person specification, decide if external recruitment consultants are required to assist in the process and if so instruct the selected agency, shortlist and interview the candidates. If the vacancy is for a non-executive director, the Nominations Committee is extraordinarily enlarged to include some of the governors serving on the Non-Executive Performance and Remuneration Committee in the process. At the conclusion of the selection process, the Non-Executive Performance and Remuneration Committee then recommends the selected candidate to the Council of Governors for appointment.

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<sup>6</sup> To avoid conflict in interest, the Chief Executive or other executive directors are asked to leave the meeting where matters of discussion relate to them.

<sup>7</sup> To avoid conflict in interest, the Chairman or other non-executive directors are asked to leave the meeting where matters of discussion relate directly to them (for instance in relation to their term in office).

<sup>8</sup> To include governors in the case of the recruitment of the Chairman and non-executive directors.

<sup>9</sup> The Nominations Committee comprises: the Chairman, two further non-executive directors, the Chief Executive and the Director of HR and Corporate Services.

Non-executive directors are appointed for a three-year term in office. A non-executive director can be re-elected for a second three-year term in office on an uncontested basis, subject to the recommendation of the Chairman on behalf of the Nominations Committee and the Board, followed by the approval of the Council of Governors. A non-executive director's term in office can be extended beyond the second term on an annual case-by-case basis by the Council of Governors, subject to a formal recommendation from the Chairman, satisfactory performance and the needs of the Board, without having to go through an open process. The removal of the Chairman or non-executive director requires the approval of three-quarters of the members of the Council of Governors.

The Chairman, other non-executive directors, and the Chief Executive<sup>10</sup> are responsible for the appointment of executive directors. The Chairman and the other non-executive directors are responsible for the appointment and removal of the Chief Executive, whose appointment requires the approval of the Council of Governors.

#### **Main activities of the Nominations Committee during the year ended 31 March 2016**

During 2015-16 this committee was involved in the process of appointing two non-executive directors and a new Trust Chairman.

The new Chairman Pradip Patel was formally appointed on 8 December 2015 and took up his position on 1 April 2016. Outside of his role at Frimley Health NHS Foundation Trust the new Chairman does not have any other significant commitments.

#### **Performance evaluation of the Board, its committees and directors, including the Chairman**

These functions are carried out by the Performance and Remuneration Committee (PRC) and the Non-Executive Remuneration Committee (NERC). The roles of these committees are fully detailed in the Remuneration Report earlier in this Annual Report.

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<sup>10</sup> Except in the case of the appointment of a new Chief Executive



## Audit Committee

### Role of the Audit Committee

The Audit Committee is responsible to the Board of Directors for reviewing the adequacy of the governance, risk management and internal control processes within the Trust. In carrying out this work, the Audit Committee primarily utilises the work of internal and external audit. The Audit Committee also obtains assurance from the views of other external agencies about the Trust's procedures, such as from the Care Quality Commission. More specifically, the Audit Committee:

- reviews and discusses the Annual Report and Accounts with the external auditor before the Board of Directors approves and signs off the financial statements.
- ensures there is an effective internal audit function established by management that meets the mandatory NHS internal audit standards, produced by the Department of Health, and reviews the work and findings of the internal auditor.
- agrees the schedule of internal audit reviews, receives the relevant reports and follows up on issues raised. The Audit Committee also follows up on any issues relating to process identified at the Clinical Governance Committee and/or Quality Committees<sup>11</sup>.
- receives and monitors policies and procedures associated with countering fraud and corruption. An independent local counter fraud service is provided by RSM who produce a bi-monthly counter fraud progress report.
- reviews arrangements by which staff may raise confidential concerns about possible improprieties in matters of financial reporting and control, clinical quality, patient safety and other matters.
- provides an annual overview of the Trust's systems for ensuring compliance with CQC standards.

### Membership

In order to maintain independent channels of communication, the members of the Audit Committee meet in private twice a year with the internal and external auditors (both individually and collectively). This provides the internal and external auditors with an opportunity to raise any issues which may arise without the presence of management.

### External auditor – PricewaterhouseCoopers LLP

The Council of Governors together with the Audit Committee agree the criteria for appointing, re-appointing and removing external auditors.

PricewaterhouseCoopers have been the Trust's external auditors over a 10 year period.

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<sup>11</sup> During 2015, there were two Quality Committees – one for the Frimley Park Hospital site; one for the Heatherwood and Wexham Park Hospitals' sites – to ensure continuity in concentrated focus on matters relevant to each site. These were merged into one committee from January 2016.

## Internal auditor

During the year ended 31 March 2016, the Trust's internal audit function was carried out by TIAA Ltd, an independent business assurance provider delivering services to public and private sectors.

## Auditor independence and non-audit services

As a minimum, the Audit Committee reviews and monitors the external auditor's independence and objectivity. The Audit Committee has a policy by which non-audit services and fees provided by the external auditor are approved. In addition to undertaking the external audit of financial statements and assurance work on the Quality Report, the Trust engaged PricewaterhouseCoopers LLP to provide the following additional services during the financial year:

- Provision of services to assist the Trust in its preparation for a CQC inspection in July 2015
- Analysis of the VAT impact of the procurement of agency staff

PricewaterhouseCoopers LLP is also the external auditor of Frimley Park Hospital Charitable Funds of which the Trust Board of Directors is the corporate trustee. The fees in respect of this engagement in 2014-15 were £10,000 (excluding VAT).

The Chair of the Audit Committee confirms the independence of the external auditors to the Council of Governors at its meeting where the Annual Report and Accounts were presented and also reports any exceptional issues to the governors during the course of the year.

## Main activities of the Audit Committee during the year ended 31 March 2016

The Audit Committee met on six occasions during the year ended 31 March 2016. At its meeting in May 2015, the Audit Committee received the annual audit report from PricewaterhouseCoopers LLP and recommended the Annual Report and Accounts, Quality Report and the Annual Governance Statement for 2014-15 to the Board of Directors for final approval. Later in the year, the Audit Committee reviewed and recommended the Charitable Funds Annual Report and Accounts 2014-2015 for approval to the Board of Directors.

During the course of the year the Audit Committee received a number of audit reports from the internal auditors, TIAA. These ranged from financial control audits, (financial ledger, accounts payable, cash management and payroll), to audits on aspects directly relating to patient care (falls, clinical documentation, safeguarding of children, clinical governance and World Health Organisation checklist). Some other audits included integration funding, medical staff sickness and use of temporary medical staff.

Following the year end, the Audit Committee considered the draft Annual Report and Accounts 2015-2016 and received the ISA 260 Report from PricewaterhouseCoopers LLP.

During the year the Audit Committee considered the following risks identified by external audit:

- Risk of management override of controls
- Risk of fraud in revenue recognition
- Risk of fraud in expenditure recognition
- Property plant and equipment valuation
- Accuracy and completeness of financial systems integration

During 2015-2016, in addition to the executive and non-executive directors, the Trust's internal and external auditors attended Audit Committee meetings. Additionally, other relevant managers and senior managers from the Trust (including the Deputy Director of Nursing and Quality and the Director of Human Resources and Corporate Services) attended meetings to provide a deeper level of insight into certain key issues and development within their respective areas of expertise.

#### Policies on fraud and corruption

The Trust has a suite of policies available to all staff on the intranet. The Trust commissions RSM to provide regular fraud awareness training and staff communication tools and support investigation and policy reviews.

## Our members

During the year the Trust continued to develop its community engagement strategy to promote good relationships, communication, and collaboration with the wider community. It focused on engaging people through foundation trust membership, fundraising, and volunteering.

Membership comprises individuals who satisfy at least one of the following:

- Any resident of England over the age of 16, living either in one of our constituencies within our core catchment or from the 'Rest of England' constituency
- Staff: any member of staff who has a permanent contract of employment, or has worked at the Trust for 12 months or worked on a series of short-term contracts amounting to more than 12 months.

Members are represented on the Council of Governors by representatives from the public, patients and carers, staff and other stakeholder groups. Public and staff governors are elected from the Trust's membership, which means that the members will have the opportunity to significantly influence the enlarged organisation's future strategy. Moreover, in this way the Trust is directly accountable to its local community. The Trust is constantly exploring with the governors the potential for wider stakeholder engagement, through the Community Engagement Group.

### Major targets and actions to develop membership

The Trust's aim was to continue to recruit a membership representative of the communities we care for and to find better ways of engaging with them. Recruitment events are targeted at specific geographical areas, or under-represented groups within our communities.

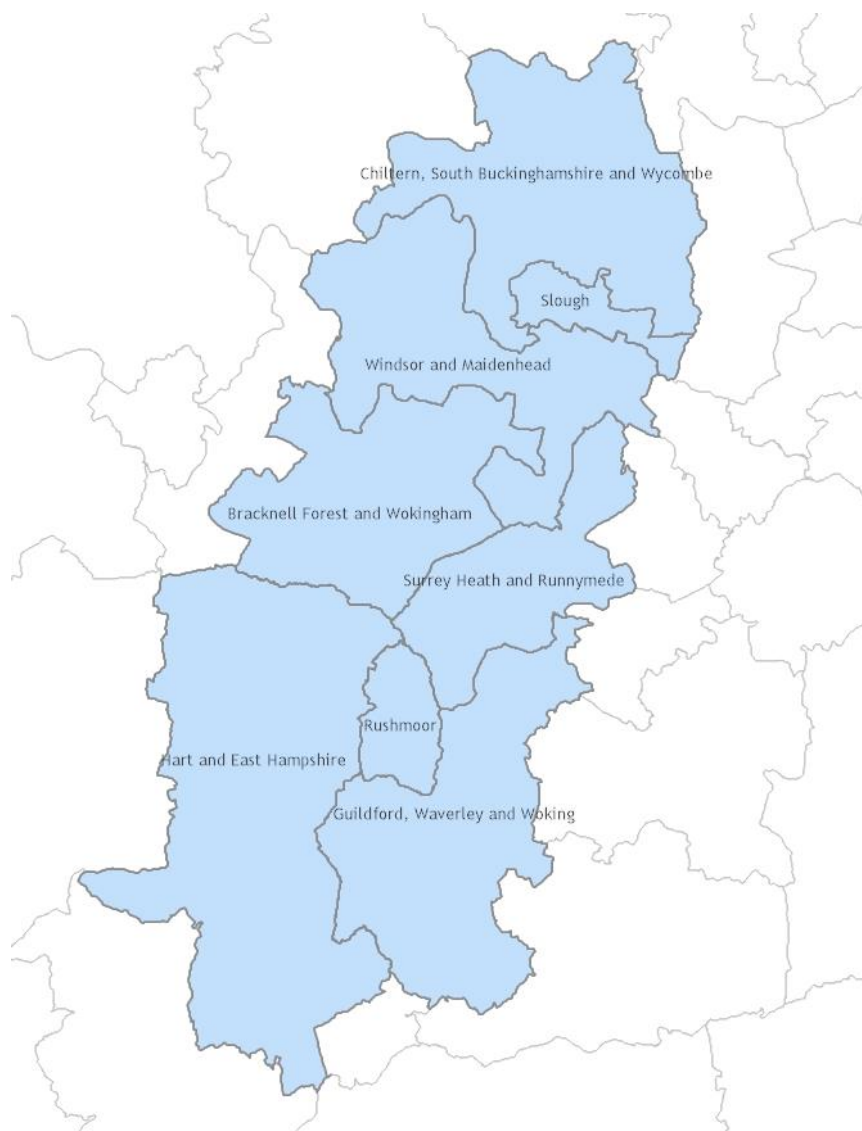
The Trust set a target of 25,000 members for the year. The aim was to increase representation in the Berkshire and South Buckinghamshire constituencies. At year end the Trust had recruited a total of 766 new members.

### Constituency meetings (local health events)

Local constituency meetings offer members to meet with their local governors, to hear updates on the work of the Trust and to ask any questions they may have. This sits alongside a presentation by a clinical member of staff on a particular condition or treatment. These meetings are held across all constituencies during the year and have proven extremely popular with up to 200 members attending.

The meetings are publicised through our regular membership magazine which is distributed direct to members and accessible to others across our sites, through our new website and through local media.

Membership catchment map for Frimley Health NHS Foundation Trust as at 31 March 2016



**Members can contact  
governors or directors via:**  
Foundation Trust Office  
Frimley Health  
Freepost G1/2587  
Portsmouth Road Frimley  
Surrey  
GU16 5BR  
**Tel: 01276 526801**  
**Email:**  
foundation.trust@fhft.  
nhs.uk

*Membership per local authority public constituency at 31 March 2016 (not including staff)*

Constituency	<sup>1</sup> Population per constituency aged over 16*	*Number of members 31 March 2016	% who are members 31 March 2016
Bracknell Forest and Wokingham	179,509	1,241	0.69%
Chiltern, South Buckinghamshire and Wycombe	128,228	484	0.38%
Guildford, Waverley and Woking	169,771	1,511	0.89%
Hart and East Hampshire	123,829	2,206	1.78%
Rushmoor	94,710	3,004	3.17%
Slough	145,195	1,626	1.12%
Surrey Heath and Runnymede	104,632	2,975	2.84%
Windsor and Maidenhead	148,225	1,065	0.72%
Rest of England	NA	1,439	NA

*Membership of staff constituency at 31 March 2016*

Constituency	Number of members 31 March 2016
Frimley	5,639
Wexham and Heatherwood	3,733
<b>Total</b>	<b>9,372</b>

## Ethnicity

The Trust continues to need to increase BME (black minority ethnic) membership from local communities whose ethnic mix has changed as a result of recent settlements. The analysis of the catchment area for ethnicity provided by the membership database provider (MES) uses the 2011 census data with 2015 projections. The total number of BME Trust public members (inside catchment) has increased to 2,064 in March 2016 from 2,004 in March 2015. 947 members chose not to state their ethnicity. The figures below have been subject to data cleansing.

<b>Ethnicity</b>	<b>% composition of catchment population</b>	<b>Public membership (as % in brackets) March 2016</b>	<b>Public membership (as % in brackets) March 2015</b>	<b>Public membership (as % in brackets) March 2014</b>
<b>White</b>	82.0%	12,551 (80.7%)	12,595 (81.2%)	8,911 (87.7%)
<b>Mixed</b>	2.3%	241 (1.5%)	233 (1.5%)	100 (1.0%)
<b>Asian</b>	12.5%	1,359 (8.7%)	1,327 (8.6%)	518 (5.1%)
<b>Black</b>	2.5%	354 (2.3%)	338 (2.2%)	121 (1.2%)
<b>Other</b>	0.7%	110 (0.7%)	106 (0.7%)	33 (0.3%)
<b>Not specified</b>		947 (6.1%)	903 (5.8%)	479 (4.7%)
<b>Total</b>	<b>100%</b>	<b>15,562</b>	<b>15,595</b>	<b>10,162</b>

## Community Engagement Group (CEG)

The Community Engagement Group (CEG), formerly called the Stakeholder Engagement Group, is a working group of the Council of Governors. It meets quarterly to co-ordinate actions on matters relating to Trust membership and stakeholder / community and public involvement and to provide feedback to the Board and to the CoG.

The CEG receives presentations on membership activity, recruitment and retention, and local projects to foster engagement.

Members who wish to contact their governor representative or Trust director directly can do so via Trust membership manager Sarah Waldron on 01276 526801 or email [sarah.waldron@fhft.nhs.uk](mailto:sarah.waldron@fhft.nhs.uk).

Members attending our constituency events (health events) held regularly throughout the year can also speak directly to governors and directors in attendance.

## Statement of accounting officer's responsibility

### Statement of the Chief Executive's responsibilities as the accounting officer of Frimley Health NHS Foundation Trust.

The NHS Act 2006 states that the Chief Executive is the Accounting Officer of the NHS 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 NHS Foundation Trust Accounting Officer Memorandum issued by Monitor.

Under the NHS Act 2006, Monitor has directed Frimley Health 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 Frimley Health NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

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

- observe the Accounts Direction issued by Monitor, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual have been followed, and disclose and explain any material departures in the financial statements;
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance; and
- 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 NHS foundation trust and to enable him/her 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 NHS foundation trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. To the best of my knowledge and belief, I have properly discharged the responsibilities set out in Monitor's NHS Foundation Trust Accounting Officer Memorandum.



**Sir Andrew Morris**  
**Chief Executive**  
**24 May 2016**



## **ANNUAL GOVERNANCE STATEMENT 2015-2016**

### **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 to provide services of a high quality. I also acknowledge my responsibilities as set out in the NHS Foundation Trust Accounting Officer Memorandum.

The Trust's Standing Orders and Scheme of Delegated Authority outline the accountability arrangements and scope of responsibility of the Board, executive directors and the organisation's officers. The Board has been fully involved in agreeing the strategic priorities of the Trust, with the most important priorities being those set out in the Trust's Annual Plan and Board objectives, against which the Board submits regular reports to the Council of Governors.

The Board receives regular minutes and reports from each of the nominated committees that report into it. The terms of reference of the committees of the Board have been reviewed to ensure that governance arrangements continue to be fit for purpose.

All executive directors' report to me and the performance of the executive team is held to account through team and individual objectives, which reflect the Board objectives referred to above.

The Trust's Corporate Risk Assurance Framework has been in place all year. In line with national guidance it is structured around the high level risks that were deemed to be the most significant risks in delivering the corporate objectives as set out in the Trust Annual Plan. The Corporate Risk Assurance Framework is reviewed on a monthly basis by the corporate governance group, which is an executive group chaired by the Chief Executive, and by the Board.

### **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 Frimley Health NHS Foundation Trust.
- 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 was in place at Frimley Health NHS Foundation Trust from for the year ended 31 March 2016, and up to the date of approval of the Annual Report and Accounts.

## **Capacity to handle risk**

### ***Directors***

The Board of Directors has overall accountability for the Trust's Risk Management Strategy. All executive directors, Chiefs of Service, and associate directors and heads of service of the Trust have a key role to play in developing a strong risk management approach in all aspects of the Trust's activities, both clinical and non-clinical. Business priorities and decisions made by the Hospital Executive Board and Board of Directors must reflect risk management assessments and consideration of high risk factors.

### ***Non-executive directors***

The Audit Committee is chaired by a nominated non-executive director. All non-executive directors have a responsibility to challenge robustly the effective management of risk and to seek reasonable assurance of adequate control.

### ***Director of Finance***

The Director of Finance oversees the adoption and operation of the Trust's standing financial instructions including the rules relating to budgetary control, procurement, banking, staff appointments, losses and controls over income and expenditure transactions, and is the lead for counter fraud. The Director of Finance is the chair of the Information Governance Committee and Senior Information Risk Owner (SIRO) at Board level.

The Director of Finance attends the Trust's Audit Committee but is not a member, and liaises with internal and external audit, who undertake programmes of audit with a risk based approach.

### ***Director of Nursing and Quality***

The Director of Nursing is the executive lead with responsibility for the development, management and implementation of the Trust's Corporate Assurance and Quality Frameworks and is also accountable for ensuring there is a robust system in place for monitoring compliance with standards and the Care Quality Commission (CQC) Registration legal requirements. The Director of Nursing is responsible for managing patients' risk, safety, complaints, patient experience, patient information and medical negligence claims and, with the input of the Medical Director, setting the quality standards and ambitions. The Director of Nursing is the professional lead for nursing and midwifery.

### ***Medical Director***

The Medical Director is responsible for clinical governance, quality improvement, speciality dashboards, and the Trust's morbidity and mortality process. He is responsible for the development of clinical quality standards within the Trust and, in conjunction with the Director of Nursing, ensuring effective integrated clinical governance is developed and monitored. The Medical Director is the Caldicott Guardian.

As the Responsible Officer, the Medical Director has delegated responsibility for the Trust as a senior clinician whose role is to evaluate doctors' fitness to practise, based on supporting information presented to him, including through the appraisal process; the Responsible Officer will make recommendations to the General Medical Council on the revalidation of doctors (normally at five-yearly intervals).

Both the Medical and Nursing Directors are responsible for ensuring that cost improvement plans are risk assessed and will not impact on the quality of care.

### ***Director of Human Resources and Corporate Services***

The Director of Human Resources and Corporate Services has overall responsibility for workforce planning, ensuring the right staff are in the right jobs, and for the management of the Occupational Health and Safety Department.

The Director of Human Resources and Corporate Services ensures that the estate is developed to support Trust strategic direction and that the condition of the estate is maintained and is fit for purpose and that hotel services are effective and efficient.

The Director of Human Resources and Corporate Services is the co-executive lead for the local implementation of the Climate Change Act 2008 and the development and implementation of the Trust's Carbon Reduction Strategy.

The Director of Human Resources and Corporate Services develops the Trust's public and staff engagement strategy.

### ***Directors of Operations***

The Trust has two Directors of Operations, one based at Frimley Park Hospital (FPH) and one at Wexham Park Hospital (WPH), who is also responsible for Heatherwood Hospital. They are responsible for the day-to-day management of the hospitals. They co-ordinate plans and strategies to ensure that the organisation develops services in an efficient and effective manner in response to the changing economic climate. The roles involve ensuring that the Trust meets national and local performance objectives.

Both Directors of Operations lead for delivery of the Innovation & Change programmes, which transform services within the Trust and health economy; and both have the role of the Accountable Emergency Officer for their respective sites. The Director of Operations for WPH/HH is the trustwide lead for pharmacy and the Director of Operations for FPH is the trustwide lead for therapy services and private patients.

### ***Deputy Director of Nursing***

The Trust has two Deputy Directors of Nursing, one based at Frimley Park Hospital (FPH) leading on patient safety and quality and one at Wexham Park Hospital (WPH) leading on patient experience.

The role of the Deputy Director of Nursing (FPH) is to promote patient safety and risk management activity, awareness and training throughout the Trust. The post holder is directly accountable to the Director of Nursing, with a key function of providing central support and advice to the Board regarding

the establishment of an effective system of internal control and developing the Corporate Assurance Framework.

The Deputy Director of Nursing (FPH) has an overarching responsibility for ensuring there is an effective incident reporting process and effective management of all risk data and information, producing the Trust's risk register and providing reports and trend analysis information to support the prioritisation of risk, as well as ensuring risk registers are maintained within directorates. The post holder ensures that all serious risk incidents are reported to the Board of Directors, Foundation Trust regulator Monitor, the CQC and the clinical commissioning groups, and are managed in line with the Serious Incident Policy.

The role of the Deputy Director of Nursing (WPH) is to promote excellence in patient experience, ensuring patient/carer concerns are fully investigated and that learning from them and other patient experience sources are triangulated and used to improve patient reported outcomes.

### **Embedding and managing risk at all levels of the organisation**

The Trust's Risk Management Strategy, endorsed by the Board, is reviewed annually and sets out the organisation's approach to risk management and future objectives. The key risk management functions and internal control responsibilities of the Board and committees that relate to it are reflected on page 74 of this statement.

All executive directors, chiefs of service, associate directors and heads of service have a responsibility to lead with a strong risk management approach in all aspects of the Trust's activities. Business priorities and decisions made by the Hospital Executive Board and Board of Directors reflect risk management assessments and consideration of high risk factors.

Managers at all levels of the organisation have a responsibility to manage risks at a local level and to develop an environment where staff are encouraged to identify and report risk issues proactively. Each directorate maintains a risk register and key risks are assessed and reflected in the Corporate Risk Register, which is reviewed monthly for consideration by the Board of Directors.

Managers are expected to ensure that their staff report immediately any near miss incidents, adverse incidents and serious incidents, using the Trust's incident reporting procedure to provide appropriate feedback regarding specific incidents reported, and implementing recommendations following investigations to reduce the likelihood of the incident happening again.

All members of staff have an important role to play in identifying and minimising risks and hazards as part of their everyday work within the Trust. Each individual has a responsibility for their own personal safety and for the safety of their colleagues, patients and all visitors to the Trust. All staff are expected to have an understanding of the incident reporting procedure and knowledge of the corporate categories of incident, which must be reported.

A Trust-wide training needs analysis for risk management and patient safety has been undertaken and a range of training programmes have been integrated into the Corporate Training Plan. All staff receive mandatory annual updates in risk management and patient safety and attendance is monitored through the quarterly training statistics.

The Trust's Risk Management Strategy clearly defines the levels of authority for the management of identified levels of risk and describes the Trust's interpretation and definition of 'acceptable risk'.

### **The risk and control framework**

The Risk Management Strategy sets out the framework and systems for implementation of risk and governance in the Trust. The existing FPH Governance Structure had been in place since September 2013 and was retained and strengthened following acquisition with the addition of a new Quality Assurance Committee to provide the Board with assurance on performance and quality across the enlarged organisation. In addition, an external Quality Oversight Committee been in place to allow Commissioners to oversee the integration of the enlarged organisation and its role in helping to transform the wider health economy.

The strategy includes the following key elements:

- It describes what is meant by 'risk management'
- It identifies the roles and responsibilities of all staff within the Trust
- It clearly describes the roles and responsibilities of the key accountable officers
- It sets out the process of risk management as follows:
  - i. Annual risk assessments and Trust risk grading matrix
  - ii. Incident reporting procedure and root cause analysis
  - iii. Management of Trust's Risk Register
  - iv. Levels of authority for the management of identified risks
  - v. Definition of 'acceptable risk'
  - vi. Corporate Assurance Framework
  - vii. Risk management training and education
  - viii. National standards and external assessments
  - ix. Compliance with legislation

Quality is embedded in the Trust's overall strategy. The Trust's Quality Report includes national and local priorities with measurable quality improvement targets and deadlines. Quality targets are linked to directorates and included in local clinical speciality dashboards and pathway compliance monitoring. The Trust's performance against the quality priorities is included in the trustwide Quality and Performance report which is reviewed on a monthly basis by various committees and ultimately by the Board. The Board of the enlarged organisation continues to receive a monthly performance report which provides up to date information of key quality indicators including patient safety, patient experience and clinical effectiveness.

Frimley Health NHS Foundation Trust self-assessment against Monitor's Quality Governance Framework has been reviewed by the Corporate Governance Group and by the Board and has demonstrated overall compliance with the requirements of the lines of enquiry.

The Corporate and Local Risk Assurance Frameworks are reviewed monthly at the Trust Corporate Governance Group, Hospital Executive Board and Associate Directors/Heads of Service meetings. The full Corporate Risk Assurance Framework is presented to the Board on a monthly basis. All risks

identified have clear actions to reduce or mitigate them and this information is presented and shared with the Board.

The key financial and non-financial risks faced by Frimley Health moving forward into 2016-17 include:

- Failure to achieve medium term financial sustainability - Frimley Health had an underlying deficit at the start of 2015-16 of c£30m (after business as usual CIP delivery). While the Trust has four years of agreed deficit support to cover the majority of this gap, it will need to develop a medium term turnaround plan to return to a sustainable financial position.
- Risk to Foundation Trust Monitor governance rating due to failure to deliver A&E four hour target and pressures on bed capacity and patient flow with potential to impact ability to deliver routine and critical services, delay in patient treatment, quality of care, and patient safety.
- Nurse staffing capacity - risk of insufficient, appropriately trained nursing staff, with potential to impact on patient care and support, breach of safe staffing levels, impact on diagnosis and treatment, and reliance on temporary staffing.
- Potential risk to patient safety as a result of inconsistencies and pockets of poor infection control practice. Risk of failure to achieve the Trust C. Difficile infection rate target for 2016-17 with impact upon Trust governance rating (Monitor 12) based on lapse of care.
- Risk of potential poor patient experience through the delivery of a patient transport service that does not fully meet the requirements.
- Estate and infrastructure - potential risk to patient safety with action required to address immediate estate priorities. Ensure the estate is fit for purpose and that leaks, repairs and maintenance are planned and dealt with in a timely manner
- Delivery of Informatics Strategy 2016-17 - risk of failure to deliver the Informatics Strategy 2016-17 as a key part of the quality and efficiency objective
- Participation in mandatory training and appraisals - risk of lack of participation in mandatory training and appraisals which may affect staff performance and adversely impact on patient safety and care. Post-acquisition, training/appraisals statistics need to be viewed in the context of Trust-wide performance
- The PwC Audit of A&E data quality identified the following:  
No record of the actual handover time is retained, therefore it is not currently possible to review the correct data from the original information. However, by using the approach that the clock starts at the time the ambulance arrives, the risk is that the number of breaches is overstated. As such, PwC are satisfied that the performance is not being overstated and expect to issue an opinion stating that no inaccuracies within the indicator information have arisen except for ambulance cases which may be overstating the number of breaches.

### **Involvement of public stakeholders**

The Trust serves a dispersed community, which straddles the boundaries of four counties and two local health authorities. It also works with local authorities and clinical commissioning groups. Given these complexities, there is a strong desire to work closely with the local community to provide coherent and effective services.

The Trust provides information and assurance to the public on its performance against its principal risks and objectives in a number of different ways including:

- Frimley Health NHS Foundation Trust has 24,923 members as at the end of March 2016. These are represented by a Council of Governors that comprises public, staff and stakeholders.
- The Council of Governors receives regular updates on the status of the Board objectives and uses this, along with the ratings by Monitor and the CQC, to hold the Board to account for its performance. Also, the Council of Governors is invited to input to the Annual Plan for Monitor.
- In addition to the formal meetings of the Council of Governors, joint workshops are held with the Board when there is an opportunity to discuss and challenge performance and the priorities for the organisation. The workshops include reference to the key risks the Trust faces and an explanation as to how they are being managed.
- Regular constituency meetings are held with members of the public and key stakeholders and attended by members of the Board of Directors. Consultation with the public is undertaken in developing new services and where key changes are proposed to existing services which may impact upon them.

### **Compliance with Care Quality Commission (CQC)**

Frimley Park Hospital was awarded an overall 'outstanding' rating in September 2014, the first Trust in the country to achieve this.

Wexham Park Hospital received an inspection in October 2015 following which the hospital received an overall rating of 'good'. Both critical care and emergency services were rated as 'outstanding' and the hospital was rated as 'outstanding' in the 'Well Led' domain.

Heatherwood Hospital was inspected in February 2014 and received an overall rating of 'good'. Frimley Health NHS Foundation Trust is fully compliant with the registration requirements of the CQC.

### **Compliance with equality, diversity and human rights legislation**

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

Equality impact assessments are required for all new Trust business cases and all policy development and review, including those related to employment.

### **Compliance with NHS Pension Scheme regulations**

As an employer with staff entitled to membership of the NHS Pension Scheme, the Trust has control measures 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.

## **Compliance with climate change adaptation reporting to meet the requirements under the Climate Change Act 2008**

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.

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

The Trust ensures economy, efficiency and effectiveness through a variety of means, including:

- A robust pay and non-pay budgetary control system
- A suite of effective and consistently applied financial controls
- Effective tendering procedures
- Robust establishment controls
- Continuous service and cost improvement and modernisation

The Trust benchmarks efficiency in a variety of ways, including through the national reference costs index and by comparison with key indices such as length of stay and day case percentages.

The Board of Directors performs an integral role in maintaining the system of internal control supported by the Audit Committee, internal and external audit, and other key bodies.

### **Compliance with information governance and data security**

Frimley Health delivers annual information governance training for all staff across the Trust to raise awareness of the importance of protecting patient information.

Information governance training encourages staff to report personal data related incidents. All reported incidents are investigated by the Trust's information governance (IG) Team and where applicable Trust policies and procedures are revised to prevent incidents re-occurring as well as incorporating lessons learnt into the Trust's IG training.

Frimley Park has had a network of IG champions and Information Asset Owners (IAOs) who work together to implement the Trust's Annual IG Work Programme to ensure the security and management of the Trust's information, this network has been rolled out across the Trust.

The Trust score in the Information Governance Toolkit was 72% at the end of March 2016, which was an unsatisfactory rating. There were five indicators within the toolkit which the Trust judge to have a score of '1', where a score of '2' is the level required. These included mandatory training, business continuity plans, pseudonymisation, smart card compliance and information asset owner documentation. To achieve a satisfactory rating for the Information Governance Toolkit a comprehensive work programme has been developed for 2016-17.

The Trust reported four serious untoward incidents involving personal data in 2015-16. A summary of data-related incidents reported during the year is shown on the next page.



**SUMMARY OF SERIOUS INCIDENT REQUIRING INVESTIGATIONS INVOLVING PERSONAL DATA AS REPORTED TO THE INFORMATION COMMISSIONER'S OFFICE IN 2015-16**

Date of incident (month)	Nature of incident	Nature of data involved	Number of data subjects potentially affected	Notification steps
December 2015	Laptop stolen and recovered from a midwife's car	Diary of community midwife	2,000	ICO, Department of Health notified
	Patient handover sheets stored at ex member of staff home	Patient handover sheets	3,000	
	Hard drive sent to auction company to be sold containing patient information	Patient information had not been removed from hard drive	700	
	Excel spread sheet containing patient information sent to CCG in error	Patient information hidden in excel spread sheet	2,200	
Further action on Information risk	The Trust has thoroughly investigated every incident to establish the root cause. In all instances, the information was not lost and where applicable has been securely destroyed. Trust policies and procedures have been reviewed and updated where applicable. All incidents have been added to the Trust's mandatory IG training to ensure staff learn from these incidents and to prevent them from recurring.			

Code	Description	Frimley Health 1 April 2015 – 31 March 2016
<b>A</b>	Corruption or inability to recover electronic data	0
<b>B</b>	Disclosed in error	77
<b>C</b>	Lost in transit	0
<b>D</b>	Lost or stolen hardware	0
<b>E</b>	Lost or stolen paperwork	0
<b>F</b>	Non-secure disposal – hardware	0
<b>G</b>	Non-secure disposal – paperwork	1
<b>H</b>	Uploaded to website in error	0
<b>I</b>	Technical security failing (including hacking)	0
<b>J</b>	Unauthorised access/disclosure	2
<b>K</b>	Other	23
	<b>Total</b>	<b>103</b>

## **Annual Quality Report**

The directors are required under the Health Act 2009 and the National Health Service (Quality Account) Regulations 2010 (as amended) 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 incorporates the above legal requirements in the NHS Foundation Trust Annual Reporting Manual.

The Annual Quality Report 2015-2016 has been developed in line with relevant national guidance and is supported internally through the Board Assurance Framework.

As in previous years the report sets out the priorities for the coming year and it includes patient safety, patient experience and clinical effectiveness indicators. The data owner for each indicator submits the required data to the quality team following an agreed timeframe. The data validity is the responsibility of the data owner and on an 'as required basis' the quality team will undertake a review of the data provided as well as challenge data that appears inconsistent.

The Trust has a Hospital Executive Board (HEB) which is attended by all executive directors. All data and information within the Quality Report is reviewed through this HEB and is supported through the three year Quality Improvement Strategy.

The Hospital Executive Board and the Board of Directors review performance against the quality indicators on a monthly basis. This is monitored through the Quality Performance Dashboard and the Hospital Executive Board receives progress updates against any improvement projects.

The Quality Report has been reviewed through both internal and external audit processes. Comments have been provided by local stakeholders including commissioners, patient representatives, the local authority and the Patient Experience and Involvement Group of the Council of Governors.

In response to the PwC audit findings regarding our A&E testing, the Trust has now aligned its processes at all sites and is now using the 'clock starts' for the four hour wait indicator as the time the ambulance arrives. Work will also be undertaken with the ambulance services to agree how accurate hand over times can be documented in future. Consequently, PwC has qualified its opinion in relation to the A&E indicator. Further details are included in the key financial and non-financial risks faced by Frimley Health 2016-17 listed on page 74.

### **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, clinical audit, and the executive managers and clinical leads within the NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the Quality Report attached to this Annual Report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the results of my review of the effectiveness of the system of internal control by the

Board, the Audit Committee and the Corporate Governance Group and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Corporate Risk 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:

- CQC Inspection August 2014, Frimley Park Hospital rated 'outstanding'
- CQC Inspection October 2015, Wexham Park Hospital rated 'good'
- CQC Inspection February 2014, Heatherwood Hospital rated 'good'
- Dr Foster NHS Hospital Trust of the year for South of England (Frimley Park)
- National NHS Leadership Board/Governing Body of the Year 2014
- Clinical pathology accreditation
- Picker National Patient Survey and patient feedback questionnaires
- MHRA GCP Inspection
- Deanery and college inspections
- JAG inspection in endoscopy (FPH and WPH)
- The work of the Clinical Audit & Effectiveness Committee
- Programme of work undertaken by internal and external audit and Audit Committee
- TIAA internal audit of Frimley Health Board Assurance Framework providing reasonable assurance
- Frimley Health NHS Foundation Trust assurance process for monitoring levels of compliance against CQC registration
- Frimley Health Staff Survey
- Programme of work undertaken by internal and external audit and Audit Committee including internal audit review of the governance processes in place during 2015/16 for Frimley Health NHS Foundation Trust when 'reasonable assurance' was given
- NHS England National Reporting and Learning System Report September 2015
- Responses from Monitor to the quarterly Frimley Health Board declaration process

In assessing and managing risk, the Board and related committees have a substantial role to play in reviewing the effectiveness of the system of internal control, as follows:

### **Board of Directors**

Through the review and approval of the Trust Risk Register, Corporate Assurance Framework, and key performance indicators, and approval of the Trust's Governance / Risk Management Strategy and commitment to the action plan for implementing the strategy.

### **Audit Committee**

Through the risk based programme of internal audit.

## Corporate Governance Group

Through the review and management of the Trust's Risk Assurance Framework and the key performance indicators for risk management, and the development of the Trust's Governance/Risk Management Strategy.

## Clinical Governance Committee

Through the specialty clinical risk assessments and approval of the Trust-wide clinical risk assessment and directorate presentations under the CQC Standards of Quality and Safety framework. The Clinical Governance Committee, which is attended by executive directors, a non-executive director and a governor, reviews the clinical governance framework of the Trust and provides assurance to the Board through the Medical Director that the policies and practices recommended by the CQC and others are being followed.

## Quality Committee

Through the monitoring and review of the quality of services provided by the Trust including the review of internal care and speciality dashboards, morbidity and mortality reviews and external quality improvement targets.

## Quality Assurance Committee

Providing assurance that the risks associated with the Trust's provision of excellent care are identified, managed and mitigated appropriately. In doing so, the Quality Assurance Committee may take any that it sees fit to ensure that this can be achieved

A more detailed description of the risk management functions and internal control responsibilities of the Board and related Committees are set out in Appendix 1.

## Auditor's assessment of overall control

Reasonable assurance has been given by the Head of Internal Audit that there is a generally sound system of control designed to meet Frimley Health's objectives and that controls have been generally applied consistently throughout 2015-16.

## Conclusion

There were no control issues of major consequence in 2015-16.



**Sir Andrew Morris**  
**Chief Executive**  
**24 May 2016**



# Quality Report 2015/16

Committed To Excellence

Working Together

Facing The Future

*Candice Carstairs* (Project Lead) at [candice.carstairs@fhft.nhs.uk](mailto:candice.carstairs@fhft.nhs.uk)

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## **What is a Quality Report?**

The safety and quality of the care we deliver at Frimley Health NHS Foundation Trust (FHFT) is our biggest priority. Therefore, we value the opportunity to review the quality of our services each year and outline the progress we have made, as well as acknowledging the challenges that we have faced in delivering care to the standard that we aspire.

Each NHS Trust is required to produce an annual report on quality as outlined in National Health Service (Quality Account) Regulations 2010. The quality report is the channel by which we, as providers, inform the public about the quality of the services we provide. It enables us to explain our progress to the public and allows leaders, clinicians, governors and staff to demonstrate their commitment to continuous, evidence based quality improvement. Through increased patient choice and scrutiny of healthcare service, patients have rightfully come to expect a higher standard of care and accountability from the providers of NHS services. For that reason, a key part of the scrutiny process is the involvement of relevant stakeholders. One of the requirements for inclusion in the quality report is a statement of assurance from these key stakeholders and evidence of their engagement.

In addition, NHS Foundation Trusts are required to follow the guidance set out by Monitor with regard to the quality report and there are a number of national targets set each year by the Department of Health against which we monitor the quality of the services we provide. Through this quality report, we aim to show how we have performed against these national targets. We will also report on a number of locally set targets and describe how we intend to improve the quality and safety of our services.

## **Introduction**

2015/16 was our first full year as Frimley Health Foundation Trust, following the acquisition of Heatherwood and Wexham Park Hospitals NHS Foundation Trust by Frimley Park Hospital NHS Foundation Trust in the first merger between Foundation Trusts.

FHFT comprises three separate hospitals, Frimley Park, Wexham Park and Heatherwood Hospital. The Trust provides hospital services for around 800,000 people across Berkshire, Hampshire, Surrey and South Buckinghamshire.

Our aim over the next few years is to deliver outstanding services at all three of our hospitals. That will mean maintaining excellent standards at Frimley Park Hospital and improving on the good performance achieved at Heatherwood and Wexham Park Hospital.

At the start of the year, the Wexham Park Hospital site had some key operational and clinical challenges. However, by the end of the first quarter they had achieved all the key targets set by Monitor, including 95% of patients waiting less than four hours in A&E, and key outpatient and cancer waiting targets. They maintained this performance for the rest of the year, with the exception of the A&E 4 hour target which saw a slight dip in the fourth quarter.

The Care Quality Commission (CQC) undertook a full inspection of Wexham Park Hospital in October 2015. We are proud to have received an overall rating of good, with two services rated as outstanding – urgent and emergency services and critical care. Further details about the inspection are included in this report.



## Part 1: Statement on quality from the Chief Executive of Frimley Health NHS Foundation Trust

### Some of our 2015/16 achievements

**Wexham Park Hospital CQC report** – GOOD overall, outstanding for the Emergency Department and Critical Care, “Indeed this is undoubtedly the most impressive example of improvement that the CQC has observed since our new approach to inspection started in September 2013.”

Professor Mike Richards, Chief Inspector of Hospitals



#### Performance target

A&E 4 hour wait -  
3 out of 4 quarters  
achieved



#### Safety target

Safety Thermometer  
95%



#### Medals from the

Queen awarded to  
Frimley Park  
Hospital scientists  
for their work in Sierra  
Leone in the battle against  
Ebola



#### Car park extension

at Frimley Park  
Hospital and start  
of a project to add a further  
500 spaces to Wexham Park  
Hospital



Winner of the  
**Outstanding  
Achievement in  
Healthcare** Award at the  
2015 Health Business Awards



Excellent performance  
on surgical site  
infections



**CQUIN targets**  
All met



**Service Expansion**  
New portable  
vascular system



**Critical care  
innovation**  
exemplary  
programme to promote  
independence and person-  
centred care in critical care



**Reduction in total  
number of complaints**  
received for Frimley  
Health



Specialised  
one-to-one  
training packages  
for staff following sepsis  
research project



**New Mulberry Suite**  
opened at Frimley  
Park Hospital



**Refurbished the  
endoscopy unit** at  
Heatherwood  
Hospital and introduced a  
new CT scanner with angio  
capability



Progression towards  
**full seven-day service**



**Increase in GP  
referrals**  
3% overall, 8% at HWP



We are delighted with the performance of FHFT in its first full year. This was made possible with the support from our patients, staff, commissioners, Monitor, the Department of Health and the CQC, who worked with us on improving care for local people.

The integration of the Trust has been planned as a five-year journey and most of the first year has been focused on turning around performance and bringing services together. While finances remain a challenge, if performance continues to progress well, most of the attention for the coming year will centre on improving efficiency and realising economies of scale.

### **So what have we achieved in our first full year as FHFT?**

#### *Staff engagement*

FHFT is in the top 20% of Trusts nationally in terms of staff engagement, with 99% of staff aware of our values and the vast majority believing that managers and colleagues demonstrate these values.

In October 2015 we held small birthday events for staff at our three main hospital sites to celebrate our first year as FHFT. We are really pleased with how well our values – committed to excellence, working together and facing the future – have been embraced by staff across the Trust. Our staff awards, launched in April 2015, are related to our values and one of many ways we show staff how much their great work is appreciated.

A number of joint initiatives have been instigated, such as Listening into Action (LiA), which had previously worked well at Wexham Park and Heatherwood hospitals. Hundreds of colleagues attended workshops between April and June 2015 to tell the LiA team which practical measures could be taken to improve services and processes. The team is now implementing many of these changes.

Going forward we will be embedding the principles/tools of LiA into our leadership development programmes and tools for change programme. The results of the staff survey undertaken at Wexham Park Hospital have significantly improved. Highlights from February's pulse check results show over 73% of respondents believe we are providing high-quality services to our patients (up from 49% in 2014) and 65% feel able to prioritise patient care over other work (up from 46% in 2014).

Significant progress has been made bringing together support functions and clinical services to make them more efficient. Much of our leadership team are now working cross-site and sharing best practice. For example, Obstetrics and Gynaecology have been completing some great cross-organisational work including the aligning of their clinical governance procedures.

A key component of the success of managing clinical services has been the clinical Directorate structure, led by the Chiefs of Service. These are clinicians who work across all 3 sites and provide clinically focused leadership that is a strategic mainstay of how the organisation delivers high quality clinical services and which ensures that both strategic and operational delivery are clinically centred.

During 2015/16 our recruitment of nurses and midwives increased by 25% compared to the previous year. However, recruitment remains a national challenge and we still have a vacancy rate of 15.4% which we are working hard to address. Current trends suggest that we will be able to fill the majority of these positions with qualified nurses from the UK over the next 12 months, but there will also be an opportunity to fill any gaps via international recruitment. We have set up a number of initiatives to support our recruitment plan, including introducing a new careers website and recruitment system, careers clinics and better use of online advertising.

We are pleased with our 2015 national staff survey results, which show improvements in all areas (your job, your managers, your organisation, health, wellbeing and safety at work and personal development). Our top ranking scores, for which Frimley Health compares most favourably with other acute trusts in England, included effective use of patient/service user feedback and percentage of staff reporting good communication between senior managers and staff.

The areas we know we need to focus on in the future are around ensuring our staff are fully supported with their training and development, that any extra working hours are minimised and that discrimination is eradicated.

The results identified that 20% staff taking part in the survey experienced harassment, bullying or abuse from staff in the previous 12 months. When compared with all acute trusts in 2015 (national average was 26%), we were amongst the lowest (best) 20%.

The percentage of staff believing that the organisation provides equal opportunities for career progression or promotion was comparable with the national average (88% compared to the national average of 87%).

#### *Staff Friends & Family Test (FFT) results*

Frimley Health has received the thumbs up from the latest Staff Friends and Family Test. Figures show that 84% of staff who responded to the fourth quarter survey would recommend the Trust as a place for care or treatment (across all 3 sites). 66% of respondents would recommend the Trust as a place to work. These figures are 1% and 3% increases respectively on the previous stand-alone survey in quarter two.

The latest online poll was open to 8,734 staff across all Frimley Health sites in early February and 1,099 were completed - a response rate of 12.6%, up from 9.7%.

At Frimley Park, 'care' recommendations remained high at 90% while 'work' recommendations had fallen slightly to 69%. The highest percentage increase in 'care' recommendations came from Wexham Park Hospital staff (77%) which is a direct reflection on the tremendous efforts in care improvements over the past year.

#### *Patient experience and safety*

In the 2015 national staff survey we received higher than average scores for all the questions relating to whether staff would recommend the organisation as a place to work or receive treatment. One of the highest of these scores was for whether staff feel that care of patients is the organisation's top priority (83% compared to the national average of 75%).

We have sustained our overall high performance for the patients' friends and family test with 96% of patients who would recommend the Trust to friends and family. In addition to this, our performance has improved in other areas, including patients reporting they are treated with respect and dignity and less noticeable differences in care at different times of the day or week. Areas which we continue to work hard to improve include noise at night from patients and involving patients/families in discharge planning.

The Trust has seen a very significant reduction in the total number of complaints received for the 12 months of 2015/16 compared to that of the 12 months of 2014/15. This is particularly noteworthy given the increase in activity. This coincides with the increase in contacts that the Patient Liaison Service across all the sites has experienced ensuring patients have timely access to support in resolving concerns. There has also been a significant reduction across all sites in respect of cases referred to the Parliamentary Health Service Ombudsman and complaints that are reopened following the Trust's response.

The central complaints management team has been successful in ensuring complaints are thoroughly investigated to ensure learning is captured. Complaints continue to feed into staff appraisals and inform service developments. Alongside the patient experience agenda, complaints are considered in relation to all the patient feedback received including the Friends and Family Test, national and local surveys. Learning from complaints and changes in practice is a priority.

Due to the considerable reduction in complaints, together with the move to a centralised management system, the Trust's governors have identified complaints as a local indicator to be tested by external auditors with the aim of providing assurance regarding the accuracy and consistency of the reporting system across all 3 sites. The table below shows the Trust's improvement in performance in this area over the last year.

	<b>*2014/15</b>	<b>2015/16</b>
Number of complaints received**	996	765
Number of complaints per 1000 bed days	2.32	1.72
% of complaints answered within 25 days***	36%	60%

*\*Data for 2014/15 includes full year data for HWPH*

*\*\*Annual target = 824*

*\*\*\*Review of response times has identified some anomalies in the categorisation of the data. The process of closing down a complaint is currently under review*

We have made great progress with our Sign up to Safety campaign, which is a national campaign led by feedback from staff, patients and other stakeholders. Further information is available in this report regarding the improvement in our safety indicators, safety culture and the specific projects focussing on clinical handover, patient consent and management of the perineum in child birth.

### *Operational standards*

Improving the achievement of Monitor's operational standards at the Wexham Park Hospital and Heatherwood Hospital sites, whilst maintaining performance at Frimley Park Hospital, has been a key aim of the executive team. The percentage of patients admitted or discharged within 4 hours from A&E across Frimley Health has been consistently high and we achieved the national target of over 95% for the first 3 quarters of the year. In quarter 4, our A&E performance was below target. However, this represents good performance when compared with the national picture. Frimley Health's A&E performance for January – March 2016 was ranked 18<sup>th</sup> nationally out of 247 trusts with type 1 A&E services.

National pressures regarding emergency care during the winter months have been mirrored at Frimley Health. However, the Trust has continued to provide excellent emergency services in both A&E departments at Wexham Park and Frimley Park Hospitals. This has been due to the fantastic response from our staff, support from the community and working with our colleagues in primary care, social services and our commissioners.

### *Service expansion and improvement*

We are pleased with progress towards our five-year clinical strategy for new service developments. Over the past year, this has included:

- Vascular service expansion into Berkshire and Buckinghamshire and three new portable ultrasound machines
- A new ambulatory emergency care (AEC) unit at Frimley Park Hospital, with senior decision-making at the front door and advanced diagnostics to avoid admission (page 16 provides further details regarding AEC)
- An expansion of the cardiology services at Wexham Park Hospital to meet the demand for specialist cardiology services
- Provision of renal services at Frimley Park Hospital to provide care closer to home for local patients
- Working with local partners on a new vision of whole system care
- Improved car parking at both main sites

### *Future developments*

Our ambitious five-year strategy is underway, though we have a lot more development in the pipeline, including:

- Integrating care: we are working closely with local commissioners across our diverse community to find ways of caring for patients from an aging population, including more care within the community
- A multi-million pound investment programme at Wexham Park and Heatherwood Hospitals, including a new emergency department and ambulatory care assessment unit, redevelopment of the maternity unit and a new hospital for Heatherwood
- Working towards more seven-day consultant delivered services
- Increasing the number of people who choose Wexham Park Hospital for their planned care
- Developing acute and specialist services in Berkshire, such as acute vascular and 24-hour heart attack treatment
- Further development of stroke services across our sites. It is anticipated that Frimley Park Hospital will be extending its Hyper Acute Stroke Unit (HASU) to support additional work due to the reconfiguration of stroke services across Surrey
- Wexham Park Hospital will not have a HASU but will be looking to provide rehabilitation services for its patients
- Improved paediatric services, including an extended High Dependency Unit(HDU) at Wexham Park Hospital and an improved assessment unit at Frimley Park Hospital
- New ophthalmology service at Wexham Park Hospital
- Developing a seven-day dialysis service on the Frimley Park site
- Expansion of cancer services on the Wexham Park site, including the development of local radiotherapy services for patients

### *Vanguard Primary and Acute Care System (PACS) model with North East Hants and Farnham (NEHF) CCG and Surrey Heath Integrated Care Team (ICT)*

Clinical and managerial teams from Frimley Park Hospital have been actively involved with the new models of care that are emerging within Hampshire and Surrey. In NEHF the model was announced as one of the Vanguard New Models of Care. We are working with a number of organisations involving primary care and hospital clinicians together with social care teams across 5 localities. The aspiration is to keep people 'Happy, Healthy at Home'. There are GPs working at ward level within Frimley Park to facilitate and support discharges and working alongside the team in A&E to prevent admission wherever

possible through their knowledge of the local system. We are also working towards hospital clinicians working collaboratively in community locality clinics to review patients at risk of admission.

In Surrey Heath, the practices are working closely together to provide extended hours and have formed a single point of access for patients requiring community support with 'no door is the wrong door' approach. This means that there are multiple points of access into their care system and they are all equally valid and effective. Frimley Health has been an active part of this new model and continues to work with partners as the model develops.

There are patient representatives shaping and involved with each initiative. Within NEHF there are currently 80 community ambassadors promoting the new model of care. Patients can therefore expect to receive care closer to home in a timely way by a team that works without traditional organisational boundaries. There is a focus on physical and mental health promotion and support and ensuring that people return home as quickly as possible to continue their ongoing rehabilitation on an individual needs basis. This will be facilitated through a single care record where possible and access to shared records to ensure all members of the team access the whole background on an individual rather than working in isolation.



## Care Quality Commission (CQC) rating for Wexham Park Hospital

Wexham Park Hospital was inspected by the CQC in February 2014 when it received an overall rating of 'inadequate' and an extensive improvement programme was put in place to improve quality and safety. The CQC returned to re-inspect Wexham Park Hospital in October 2015 when the impressive improvements made by the Trust were recognised by Professor Sir Mike Richards, the CQC Chief Inspector of Hospitals, with the following statement:

***"Indeed this is undoubtedly the most impressive example of improvement that CQC has observed since our new approach to inspection started in September 2013."***

The report released in February 2016, rated Wexham Park Hospital overall as 'good', with urgent and emergency services, critical care and leadership all rated as 'outstanding'. The Board is delighted that all the hard work and enthusiasm of staff in improving care for local patients has been recognised.

The CQC report highlighted a number of areas of outstanding practice, including:

- Leadership in the Trust inspiring a culture shift since the last inspection
- Improvements to flow through the emergency department
- Considerable innovation in meeting the needs of patients under exceptional circumstances in critical care
- Staff engagement throughout outpatients and diagnostic imaging departments
- Reduced waiting times in the radiology department
- Outstanding care in the maternity unit

The report also suggested that a number of improvements needed to be made, including:

- Auditing the cleanliness of the hospital in line with national standards
- Improving the policy around Duty of Candour
- Improving estates governance to ensure up-to-date and approved policies and procedures are in place
- Continue to improve staffing recruitment and retention.

An action plan is in place to address the improvements. This includes a separate action plan for the King Edward VII Hospital which was also visited at the time and was given enforcement notices in relation to monitoring temperatures in the areas where chemotherapy medicines are stored and ensuring that emergency call bells are available in all toilet cubicles – both of these actions have already been achieved.

The ratings for our three main sites are as follows:

Overall rating for Frimley Park Hospital August 2014	Outstanding	☆
Safe	Good	●
Effective	Good	●
Caring	Outstanding	☆
Responsive	Outstanding	☆
Well-led	Outstanding	☆

Overall rating for Heatherwood Hospital February 2014	Good	●
Safe	Requires improvement	● *
Effective	Good	●
Caring	Good	●
Responsive	Requires improvement	● *
Well-led	Good	●

\*An action plan was developed following the inspection which specifically addressed incident reporting and improvements to the booking system.

Overall rating for Wexham Park Hospital October 2015	Good	●
Safe	Good	●
Effective	Good	●
Caring	Good	●
Responsive	Good	●
Well-led	Outstanding	☆

The full CQC report for Wexham Park Hospital is available at: [www.cqc.org.uk/location/RDU35](http://www.cqc.org.uk/location/RDU35)

## **Further information on our 2015/16 achievements**

### **Expanding cardiology services**

As part of the continual improvement of services at Frimley Health, the cardiology department at Wexham Park Hospital has expanded to meet the demand for specialist cardiology services. It will be providing 24/7 Primary Percutaneous Coronary Intervention (PPCI) services from September 2016.



### **Palliative care extended service**

The specialist palliative care team (SPCT) at Frimley Park Hospital is now providing a six-days-a-week service. It is led by a clinical nurse specialist with direct access to consultant advice. The aim is to further improve the quality of palliative end of life care by increasing access for patients and their treating teams to palliative care advice and support.



### **Endoscopy services at Heatherwood**

In 2015/16, the endoscopy team at Heatherwood Hospital welcomed local MP Adam Afriyie to officially open its new purpose-designed gastrointestinal unit. The unit opened in April after being awarded full Joint Advisory Group (JAG) accreditation in March 2015. It provides routine diagnostic procedures for approximately 75-100 patients a week with a wide range of gastrointestinal conditions, such as stomach ulcers, problems with swallowing and bowel conditions. In most instances patients will undergo their procedure and be discharged on the same day.



### **Ambulatory emergency care**



Frimley Park Hospital launched a new ambulatory emergency care (AEC) unit in November 2015. In the same way the service operates at Wexham Park, the AEC unit at Frimley Park aims to see and treat patients who would have previously been admitted by providing rapid clinical assessment, diagnostic service and treatment targeted at attempting to discharge patients the same day.

### **‘Outstanding’ Wexham Park Emergency Department**

Frimley Health won a national award for the way it used patient, public and staff feed-back to turn around Wexham Park Hospital’s emergency department. The department used the results of the NHS Friends and Family Test (FFT) to help drive changes that have resulted in complaints halving and the department being rated as ‘Outstanding’ by the Care Quality Commission (CQC). Now the results have been recognised with a top prize at the FFT Awards 2016. A ceremony in Leeds heard how staff acted on feedback after the department was rated in 2014 as ‘requiring improvement’.

The FFT is a way to find out quickly how patients rate their NHS care. Claire Marshall, Head of Patient Experience at Frimley Health, said: “We are really proud of how our emergency department team have turned things around to become among the best in the country.”

### **Carers’ awareness day**

At the end of January 2016, Frimley Park Hospital held a carers awareness day for patients, carers, visitors and staff. It was very well attended and we are planning to hold regular sessions throughout 2016/17. The next event is planned for June 2016 for the whole of Frimley Health during carers’ awareness week. In addition, a carers information pack is due to be launched, a new information and signposting section on our website and a ‘carers’ corner’ (information centre) at Wexham Park Hospital further to the kind donation of a local charity.



### **Vascular Service**

The Frimley vascular team has successfully taken over the vascular service for the Heatherwood and Wexham Park area from Oxford University Hospitals, allowing both elective and emergency patients to be treated in a state of the art vascular facility closer to home. The team has also developed an innovative service in a GP practice working closely with community nurses.

### **Patient Experience National Awards**

Frimley Health scored a double success at the Patient Experience National Awards with runner up places in two categories. The trust's work with 'The Patient Trust' was recognised with awards in the categories 'Strengthening the Foundation' and 'Staff Engagement'. The organisation was set up to help create leaders in healthcare who will champion consistent patient experience improvements among senior and junior colleagues.

### **Paediatric Service**

The first Frimley Health Paediatric Clinical Governance meeting has been held and joint working on national and network audits and guidelines started.

We have produced and implemented the Paediatric Preceptorship Programme (Preceptorship is a formal mentoring role supporting newly qualified nurses in their first year) across Frimley Health with some excellent and positive feedback from the newly qualified staff nurses, along with a "Bridging the Gap" training programme for paediatric student nurses in their final placement. Both of these programmes were presented at the Royal College of Nurse's (RCN) National conference in March 2016.

The formal transition of young people into adult services is in the process of being fully established with the introduction of the nationally acclaimed 'Ready, Steady, Go and Hello' programme for all young people with long term medical conditions. A number of key staff including paediatricians, specialist nurses, community nurses and dieticians have attended training sessions with the diabetic team leading the way. There are currently 46 young people on the programme following a "fun" session and plans for further sessions in the future on the Wexham site.

On the Heatherwood and Wexham Park site the Paediatric Quality and Safety Group has been established with joint working between paediatrics, all surgical specialities, anaesthetics and radiology. Its first focus was on reviewing local and network pathways.

A joint project between Slough CCG and Wexham Park Hospital aimed at improving the outcomes for children and young people with asthma is now well established. The progress of this work is being presented at the Thames Valley Strategic Clinical Network for Children and the nurses are presenting to a national asthma conference in April 2016.

We also continue to enjoy fantastic support from two local charities. From Sebastian's Action Trust we have secured 8 hours a week of their youth workers' time to spend in the clinical setting improving the teenagers' experience whilst they are in hospital - by listening to them and signposting them to relevant services or support groups. Alexander Devine's Nurses support our Children's Community Nurses with the end of life care for children who are receiving such care whilst at home with their families.

### **Maternity & Neonatal service**

In July 2015 the Maternity and Neonatal service were successfully reaccredited for the Baby Friendly Initiative.

Comments from assessors:

- Fabulous Unit, skilled staff, confident in skills and knowledge.
- Inspired by unit having books available and parents encouraged to read to their babies
- Lots of good work observed on Neonatal Unit
- Strong management structure
- They liked the way the unit was de-clinicalised by the use of patchwork quilts

Parent feedback on telephone interviews:

- I wouldn't have wanted my baby anywhere else
- Staff encouraged parents to read to their babies

### **Gynaecology service**

On the Wexham Park Hospital site a new 5 bay assessment area aligned to the gynaecology ward opened to enable emergency patients to be assessed in a speciality specific area and to carry out ambulatory treatments with the aim of reducing inpatient admissions.

## Quality and Safety

Quality and safety are the highest priorities for the Board and we are continually seeking to improve outcomes for patients.

In 2015/16 we brought our teams together across the Trust to create one quality and audit team, one patient safety team and one patient experience team. We have aligned our governance mechanisms and strategies but still have work to do as we want to ensure our vision is created from the front line and has the support of our staff, our patients and partner organisations.

Working to one set of goals across the Trust for quality and safety, we are in the process of bringing our commissioners and other partners together to align future plans for one model of care across our geographic area.

### *Sign Up To Safety Campaign*

In 2015/16 we launched our Sign up to Safety campaign across the Trust, further to funding awarded by the NHS Litigation Authority (NHSLA) of £600,000. The Trust received one of the largest bids for improvement by the NHSLA. The national campaign aims to reduce avoidable harm to patients by 50%, nationally, over the next five years. Frimley Health was chosen as one of 12 hospitals to pilot the programme and leads have been recruited to work on our three focus areas – clinical handover, patient consent and management of the perineum during labour.



Awareness events for staff across all 3 hospital sites were held in January 2016 with the aim of raising awareness around the campaign and encouraging staff and patients to get involved. Interactive information stands were set up in the foyer/entrance areas of both postgraduate centre, presentations from our executive team were delivered to staff across all hospital sites, and a 'roadshow' around the hospital was undertaken visiting wards and departments.

The events were a great success – we received over 250 personal pledges from staff members and were greeted with great positivity and enthusiasm. We were also joined by the NHS LA at the Frimley Park



Hospital event who presented on learning from claims and how to use the available data more effectively.

We have a communications and engagement plan in place and are using a range of channels to promote the campaign, including staff newsletters, intranet sites, our Trust website which includes a quarterly blog from the Director of Nursing, a safety information leaflet for patients, and Twitter. Lunchtime learning sessions are also be organised for staff to learn about safety from other industries.

A Sign up to Safety briefing has also been added to all staff inductions, during which new members of staff are asked to make a pledge. We have now received around 500 pledges and are using them to identify themes for future activities. The most common themes so far are around improvements in handover, hydration and documentation among a whole host of ideas about how we can improve safety for staff and patients. In addition, staff are being asked if they feel safe in their place of work and whether they feel there is an open and honest culture in the Trust. These two questions have been added to the Staff FFT.

The Sign Up To Safety Team have attended 3 constituency events this year and will continue to do so every month with the aim of engaging members of the public on whether we can do anything to make them feel safer during their stay in hospital. The feedback so far from the public and patients at these events has been extremely informative and positive.

The national Sign up to Safety pledges are embedded throughout the Trust. The table below outlines some of our activities to support these 5 pledges.

<b>Put safety first</b> Aim: Every patient will feel safe	<ul style="list-style-type: none"><li>✓ Asking patients if there is anything we can do to make them feel safer and using this information to inform future activities</li><li>✓ Asking staff if there is anything we can do to make them feel safer and using this information to inform future activities</li><li>✓ Creating new patient safety leaflets (10 top tips during your stay), sent out with all our letters and distributed at all our sites</li></ul>
<b>Continually learn</b> Aim: Staff will ensure they review their practice in line with best practice	<ul style="list-style-type: none"><li>✓ Working with patient experience groups and stakeholder organisations to identify key areas of concern for patients, families and carers</li><li>✓ Investing further in clinical education, practice development and leadership programmes</li></ul>



and patient feedback	<ul style="list-style-type: none"> <li>✓ Continuing with and improving ward quality assurance visits</li> </ul>
<b>Be honest</b> Aim: The Trust will work to ensure an open and honest environment where staff and patients are supported to raise concerns	<ul style="list-style-type: none"> <li>✓ Encouraging staff to raise their concerns and ensure they feel supported to do so – improvements have been shown in staff surveys</li> <li>✓ Ensure compliance with our statutory Duty of Candour – a new framework has been put in place and specific groups of staff have been given tailored training</li> <li>✓ Working to further embed the open and honest culture through staff training, events and a 'Speak Up Guardian'</li> </ul>
<b>Collaborative</b> Aim: The Trust will work with patients, carers and health partners to improve patient safety across whole systems and pathways of care	<ul style="list-style-type: none"> <li>✓ Working closely with local partners regarding an integrated approach to delivering care, including clinical pathway work with all our commissioners and teams from across care setting. Working as one in the community to avoid admissions and minimise delays in hospitals</li> <li>✓ Our local Commissioning for Quality and Innovation (CQUIN) programme is aligned with concerns raised by patients, including improving their involvement in discharge planning. This is measured through our patient experience tracker. Individual ward results are circulated to senior sisters and matrons for discussion and we are working closely with the Red Cross, an in-house placement team and our own transport crew as an example of some of our initiatives</li> <li>✓ Proactively engaging with the Patient Safety Collaborative through the Academic Health Science Networks</li> </ul>
<b>Be supportive</b> Aim: The Trust will work to empower staff and patients to embrace the safety culture and push the boundaries of safe care	<ul style="list-style-type: none"> <li>✓ Introducing a new staff award for individuals, teams or wards who have made a significant contribution to patient safety</li> <li>✓ Continue to update staff on our patient safety initiatives and improvements through communications, events and training, including our monthly five key messages</li> <li>✓ Bring the level of satisfaction of staff feeling supported to a consistent high level across the Trust – we are experiencing great progress in this respect, for example, in the 2015 staff survey, the same percentage of staff (73%) at both our main hospital sites felt they were able to contribute towards improvements at work.</li> </ul>

Through the Sign up to Safety campaign, we are also ‘buddying’ with other Trusts who were both successful and unsuccessful in receiving funding, but are focussed on the same specific areas as FHFT. It is early days for these relationships but we are positive about collaboration and committed to sharing learning and ideas across the wider healthcare economy.

Our three focus areas are progressing well and some of our activities for 15/16 are listed below:

<p><b>Clinical handover</b></p> <p>Aim: To ensure that patient care is not delayed as a result of a failure to communicate effectively during transfers of care</p>	<ul style="list-style-type: none"> <li>✓ Baseline audit completed – this identified that many handovers don’t start or finish on time and that there is a lack of structure and standardisation</li> <li>✓ Safety SBAR communication tool introduced as a mandatory process across the Trust and pilot schemes running across three main sites</li> <li>✓ Involvement in the introduction of an electronic handover and referral system across the Trust</li> <li>✓ Involvement in the implementation of a safer hospital at night process</li> <li>✓ Standardising protocols and policies in relation to handover, referrals and transfers</li> </ul>
<p><b>Patient consent</b></p> <p>Aim: To ensure that patients are advised of the risks/benefits of a proposed treatment/procedure</p>	<ul style="list-style-type: none"> <li>✓ Baseline audit completed – there is excellent support from medical staff to align policies, standardised consent forms and WHO checklists. Work is being carried out to define what an ‘invasive’ procedure is for every specialty.</li> <li>✓ Patient journey viewed and documented from first consultation</li> <li>✓ Engaging with all specialties via the Consent Committee</li> <li>✓ Review of consent policy and procedures and working towards a standardised approach across the Trust</li> <li>✓ Review and improve use of the WHO Checklist, governed by a new National Safety Standards for Invasive Procedures (NatSIPPS) Committee</li> </ul>
<p><b>Management of the perineum</b></p> <p>Aim: To implement a change in practice to ‘hands on’ management of the perineum and reduce the number of 3<sup>rd</sup> and 4<sup>th</sup> degree tears</p>	<ul style="list-style-type: none"> <li>✓ Baseline audit completed – the findings demonstrated that the women included in the sample that sustained 3<sup>rd</sup> or 4<sup>th</sup> degree tears were younger than the literature suggests and were of normal and low BMI. The findings are being used in teaching staff and a re-audit will take place in year 3 of the project.</li> <li>✓ New patient information developed on the care and preparation of the perineum prior to labour</li> <li>✓ Established new training for midwives and medical staffing, including</li> </ul>

following birth or without episiotomy	episiotomy/suturing workshops ✓ Working with the local university to ensure education of student midwives ✓ New equipment sourced – perineal scissors and mannequins
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### *Duty of Candour*

Frimley Health NHS Foundation Trust has always adopted a policy of openness and transparency. We proactively inform our patients and their families of any mistakes or omissions in their care which may have resulted in significant harm. We are also committed to consulting with patients and their families, providing feedback regarding the outcomes of any investigations we have undertaken, including key findings, actions taken and changes in practice we have implemented to prevent any reoccurrences in the future.

This has resulted in very positive benefits for patients, who can be assured that all issues regarding their care are discussed in full with them, openly and honestly. Patients can also be assured that their feedback and concerns are acknowledged so they feel safe, listened to and well cared for.

The Duty of Candour is a legal requirement to ensure hospitals inform and apologise to patients if there have been mistakes in their care that have led to significant harm. Therefore, we have implemented a structured framework to ensure all cases are managed appropriately. This framework is closely monitored by the Trust's Quality Committee and in the performance report for the Board of Directors.

### *Conclusion*

Patient Safety has always been the number one priority for Frimley Health, with a focus on sustaining improvement over time. As a key component of the Trust's Quality Strategy for 2013-16, we set an ambition to reduce avoidable harm by a further 15%. Building upon the previous Quality Strategy for 2008/09-2011/12 where we achieved an average reduction in harm of 53% against key patient safety indicators. For further data analysis see table on page 76.

The table below sets out the progress in reducing avoidable harm over the past 3 years as at 2015/16.

FRIMLEY HEALTH FOUNDATION TRUST			% reduction in harm to patients over 3 years	
PATIENT SAFETY INDICATORS	Baseline Data 2012-13	2015-16		
Methicillin-Resistant Staphylococcus Aureus (MRSA)	1	2	-100%	↑
Clostridium difficile (C.diff)	44	41	7%	↓
Pressure ulcers: Grade 2	307	144	53%	↓
Pressure ulcers: Grade 3	32	7	78%	↓
Pressure ulcers: Grade 4	4	0	400%	↓
Falls resulting in significant injury: occurrences per 1000 bed days	40	28	30%	↓
Medication errors with harm (mod/severe)	65	4	94%	↓
REDUCTION IN AVOIDABLE HARM TO PATIENTS		Average reduction	80%	

The data above demonstrates that 5 of the 7 safety indicators have significantly exceeded the 15% harm reduction target. There is also a 7% reduction in incidents of C. diff, which is very positive when compared to the national increase in the number of C. diff infections nationally. Overall, this represents an average harm reduction of 80%.

Although there have been improvements in the patient safety indicators, we do acknowledge that the Trust has had 6 Never Events in the last year; 3 on the Frimley Park Hospital site and 3 at Wexham Park Hospital. On all sites, the WHO Checklist in the operating theatres has been completely adhered to. However, the learning from these Never Events is a key priority for the Trust and we are committed to implementing the necessary changes in practice to prevent reoccurrence in the future.

We are proud of the achievements and improvements we have made in patient safety and will continue to strive for excellence in delivering high quality services to all our patients.

The Trust has a mechanism in place to identify any guidance issued by the Secretary of State (relating to chapter two of the Health Act 2009) and act upon it appropriately.

To the best of my knowledge, the information in this document is accurate.

*Andrew Morris*

Sir Andrew Morris  
Chief Executive, 24 May 2016

## Part 2: Priorities for improvement and statements of assurance from the Board

### 2015/16 quality improvement priorities

Frimley Health NHS Foundation Trust has an ambition to be recognised locally and nationally as a leader in quality healthcare, delivering safe, clinically effective services, focused entirely on the needs of the patient, their relatives and carers.

In last year's quality report we said that keeping patients safe is a fundamental and long standing commitment for the Trust and has always been the key rationale for identifying quality improvement indicators. With this in mind, we consulted with a wide range of stakeholders and identified that we would specifically, but not solely, focus on the following three priority areas for 2015/16:

- Priority 1:** Identification and management of the deteriorating patient
- Priority 2:** Safe and effective clinical handover
- Priority 3:** Good discharge planning, involving patients and their families and / or carers

Progress against each of these priorities has been monitored by the Board of Directors, Council of Governors and key sub-groups, including the Quality Committee and Patient Safety Committee. Quality metrics are incorporated into the Trust Performance & Quality Report which is reviewed by appropriate committees on a regular basis and ultimately by the Board and the Governors.

The following pages provide details of our progress against the quality improvement goals we set ourselves in 2014/15. This includes performance in 2015/16 against each priority and, where possible, the performance in previous years.

## **Priority 1: To recognise and respond appropriately to early signs of deterioration in hospitalised patients**

The Trust uses an early warning system to assist staff in detecting and recognising when a patient's condition deteriorates. We are continuously working to improve compliance with this system which is achieved through training and education, annual updates, induction and the ALERT course. Early identification is important to ensure patients are monitored closely and any significant deterioration in their clinical condition is identified quickly and acted upon. This would include an urgent review by the relevant clinical team, senior nurse and doctor. Additionally, where appropriate, a consultant would initiate further treatment and the patient would be transferred to a high dependency unit or ICU if required.

Clinical concerns regarding the management of deteriorating patients have been identified as a patient safety priority via incident reporting and by the findings of mortality and morbidity reviews. In addition, with the decision to implement the National Early Warning Score (NEWS) across the whole Trust during 2016, it has been agreed to continue monitoring this as a priority for 2016/17.

### **Our aims for 2015/16 were to:**

- Monitor the number of incidents relating to ward-based cardiac arrests
- Audit the deteriorating patient guideline, including activation of Early Detection of Deterioration (EDOD) / Medical Emergency Team (MET) scores, to establish a baseline for monitoring improvement
- Audit compliance with Trust medical records standards

### **So this is what we achieved:**

Considerable progress has been made to improve our clinical guidelines and processes to ensure the early detection of deteriorating patients. The results of these changes can be seen across the organisation. Improvements include:

- In 2014, the initial review of critical incidents in relation to the management of deteriorating patients identified concerns regarding the impact and escalation of EDOD at Wexham Park Hospital. During 2015, extensive clinical training and education was implemented for staff. As part of the CQC

inspection in October 2015 no significant issues or concerns were raised regarding the management of the deteriorating patient.

The 2015 CQC findings of the inspection of Wexham Park Hospital included the following statement:

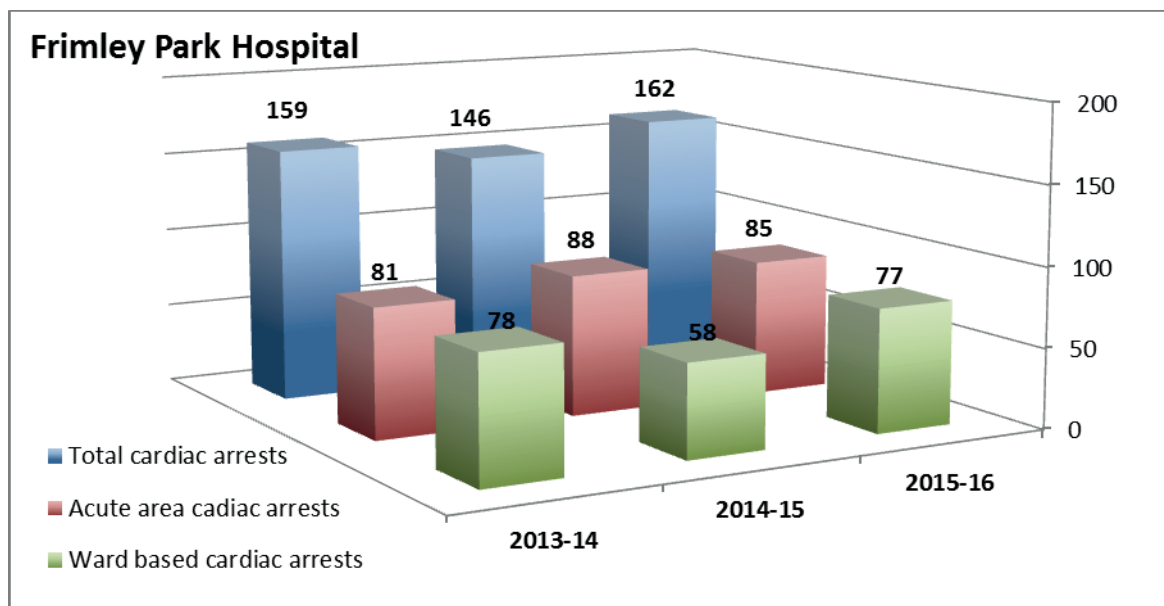
*'The trust had identified that improvements in the management of deteriorating patients was a priority. A lead nurse for the management of deteriorating patients had recently been appointed and a work stream was in place to drive improvement across the trust. Actions included ensuring the availability of the resuscitation team, training for newly qualified staff and a review of early warning systems used across the NHS.'*

*Chief Inspector of Hospitals for the CQC*

- Investment to further develop education and training programmes to recognise the deteriorating patient and act promptly. Particularly via Immediate Life Support (ILS), Advanced Life Support (ALS), the ALERT courses and Patient Safety training
- Clinical leads for Acute Kidney Injury (AKI) and sepsis (blood poisoning) have been appointed at both Frimley Park and Wexham Park Hospitals. The predominant focus of these roles is on patient care and safety, feeding back to clinical teams regarding correct pathways, supporting the medical and nursing staff in their roles to recognise acutely unwell patients, specifically with AKI and sepsis
- A significant amount of work has been undertaken to assist staff in the recognition and management of patients with AKI / sepsis through specialist training and education
- AKI and Sepsis Committees are in place on both sites and the ambition for 2016/17 will be to align the work-streams further across the whole Trust
- Collaborative working across the whole organisation with multi-disciplinary teams to ensure early recognition and management of patients who are acutely unwell
- To continue to develop and encourage an open and transparent culture in relation to the reporting of deteriorating patient incidents so staff have greater confidence in raising any concerns
- The learning from incidents related to deteriorating patients is now shared across all 3 hospital sites and incorporated into training
- Care assistants at Wexham Park Hospital have now been trained to undertake observations and to escalate to the nurse in charge any clinical concerns

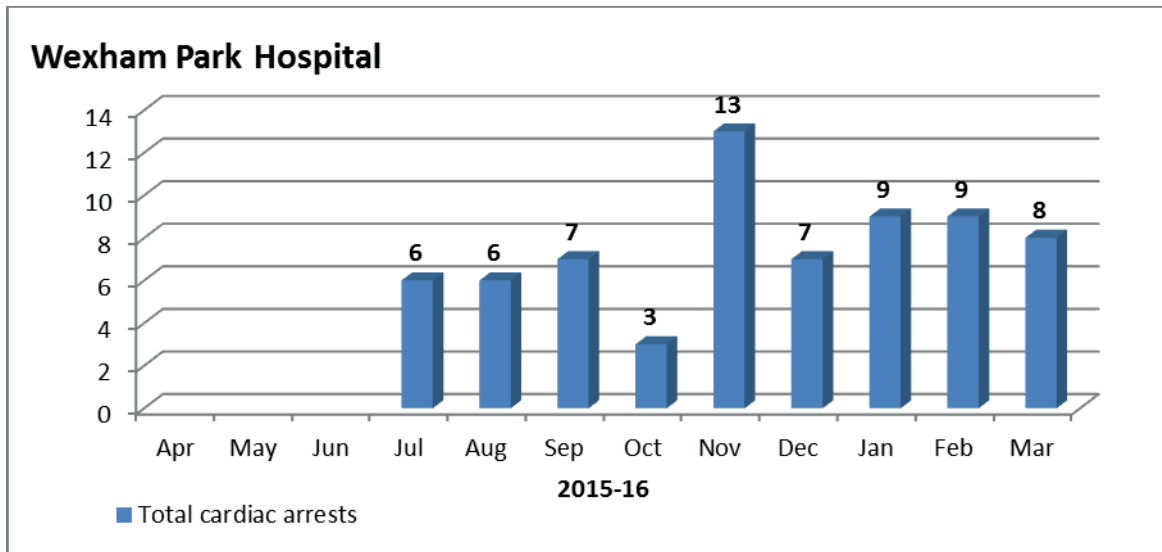
### Cardiac arrests

- All incidents relating to deteriorating patients/cardiac arrests that are reported via the Trust incident reporting system are investigated with medical and nursing input via the Resuscitation Committee
- A resuscitation practitioner now investigates all cardiac arrests and escalates areas of concern, trends and themes to the Patient Safety Team. The Resuscitation Team also offer support as part of the daily review to any ward/clinical areas where there has been an increase in cardiac arrest calls and/or MET calls. The aim of these daily patrols is to talk through strategies and offer support and clinical guidance to staff to ensure less patients have a cardiac arrest because they receive prompt review and treatment
- The graph below shows the total number of cardiac arrests since 2013 for Frimley Park Hospital. This demonstrates that, given the increase in activity and level of acuity of patients over the past year, the number of ward based cardiac arrests has remained fairly consistent

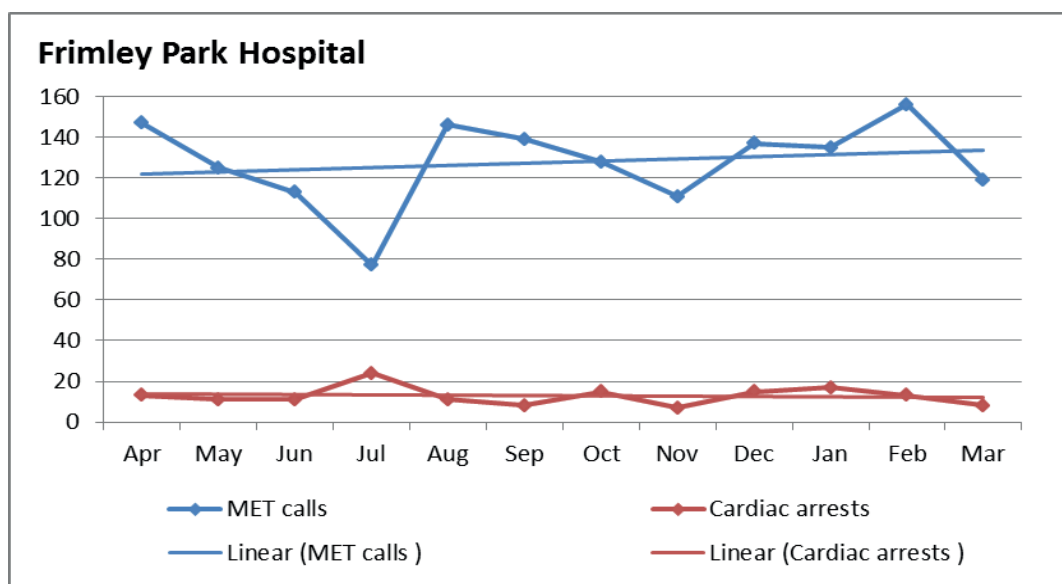


- Data collection regarding cardiac arrests on the Wexham Park Hospital site was instigated by the Trust in July 2015. The methods for collating data which have been in place at Frimley Park have been replicated by Wexham Park Hospital. Work around the deteriorating patient will continue to be a priority for 2016/17 and aims to ensure standardised data collection continues across both sites. The graph overleaf shows the total number of cardiac arrests per month at Wexham Park Hospital since July 2015.





- The National Cardiac Arrest Audit (NCAA) report shows that patients who had an in-hospital cardiac arrest at Wexham Park Hospital between April – December 2015 and survived to be discharged home was above the national average (18%)
- The graph above shows that there was variation between the number of cardiac arrests at Wexham Park Hospital in October and November 2015. However, the average between these two months is 8 which is in keeping with the monthly incidence
- A senior nurse was appointed as deteriorating patient lead for the whole Trust in September 2015. The post-holder also manages the Resuscitation Team Trustwide



- The previous graph shows a direct comparison between the number of cardiac arrests and MET calls during 2015/16 on the Frimley Park site. The trajectory demonstrates a steady reduction of cardiac arrests whilst the number of MET calls is increasing, suggesting earlier recognition of patients becoming unwell

#### *Early Detection of Deterioration (EDOD) / Medical Emergency Team (MET)*

- The Trust has been working with two 'track and trigger' tools, MET at Frimley Park Hospital and EDOD at Wexham Park Hospital. In May 2016, we will be rolling out and implementing a new system across the whole Trust - the National Early Warning Score (NEWS) system. Frimley Park Hospital has high levels of energy around the implementation of this new system, particularly amongst the junior doctors
- We run mock real-time deteriorating patient MET / cardiac arrest calls each month across Frimley Health
- In 2015/16 we completed clinical audits for both the MET and EDOD systems. The results of both audits can be found below

EDOD Audit		2015/16
	Audit criteria	
1	The frequency of all patient observations will be appropriate for the patient's level of care and in keeping with the EDOD algorithm	93%
2	The patient will have observations recorded every 4 - 6 hours if admitted in the last 24 hours	83%
3	All patients will have a correctly calculated EDOD score	91%
4	All patients with an increased EDOD score will have the referral algorithm followed appropriately	78%
5	All entries on the observation chart are written in black ink	100%
6	All observations on the observation chart are signed for	97%

#### *Key findings and actions:*

As a Trust we have improved in some areas of the audit remained a challenge. For example, patients having a correctly calculated EDOD score has improved, which is extremely positive. This reassures patients that they will be treated promptly should their clinical condition deteriorate. Observations being appropriate for the level of care is a key priority and this has been addressed by further and tailored education and training.

MET Audit		2015/16
	Audit criteria	
1	Full set of observations completed on admission to hospital	90%
2	Observations clearly prescribed on vital signs chart (last 24hrs)	87%
3	Were there any irregularities in observations identified?	63%
4	If yes to irregularities – did frequency of observations increase?	22%
5	If the MET score was 2-3, was a qualified Nurse Review Documented?	25%
6	If the MET score was 4-5, was the House Officer / Senior House Officer called within 30mins?	100%
7	If the MET score was 6-7, was Senior House Officer fast bleeped?	N/A
8	If the MET score was 8-9, was the MET call activated?	N/A

*Key findings and actions:*

*Question 3:* The implementation of the NEWS system will address any issues regarding irregularities in observations.

*Question 5:* We are assured that patients will have been reviewed proactively by the nurse. However, we need to improve the documentation of this.

*Question 8:* The patient included in the sample had an alternative plan in place and therefore, did not require a MET call to be activated.

*Sepsis*

Sepsis is part of the national Commissioning for Quality and Innovation (CQUIN) programme which focused on two elements in 2015/16. Firstly, the screening of patients for sepsis in Emergency Admission areas; and secondly, the administration of antibiotics for Severe or 'Red Flag Sepsis' within 1 hour from arrival.

Screening for sepsis has been a previous local CQUIN for Frimley Park Hospital and the sustained high level of performance has been reassuring. For Wexham Park Hospital there has been a significant improvement in the screening of sepsis and, as a result of this, Frimley Health has been able to surpass the 90% CQUIN target for Quarter 4.

Sepsis Screening – CQUIN results 2015/16				
	Q1	Q2	Q3	Q4
<b>FHFT</b>	22.8%	68.7%	90.0%	93.5%
<b>WPH</b>	12.6%	62.3%	85.6%	87.1%
<b>FPH</b>	43.1%	100%	100%	100%

Administration of antibiotics within the hour for our patients with sepsis remains a challenge, one we are committed to meeting against a background of unprecedented activity in the Emergency Departments. A number of actions have been taken to facilitate improvements:

- Further investment in specialist nurse support
- Joint working with our Ambulance Service colleagues to ensure earlier flagging of sepsis
- Continuing education programme for sepsis
- Increased levels of training for clinical staff on intravenous access via ultrasound, to reduce delays from difficult cannulation
- Review of cases where antibiotics were not given within the timeframe to support learning and changes in practice

Antibiotics within 1 hour – CQUIN results 15/16				
	Q1	Q2	Q3	Q4
<b>FHFT</b>	Not required	74.7%	74.7%	84.9%
<b>WPH</b>	Not required	73.5%	73.8%	83.8%
<b>FPH</b>	Not required	76.7%	75.7%	86.0%

At Frimley Park Hospital a quarterly audit programme was established to monitor compliance with the sepsis bundle. The audits of the use of the care bundle in inpatient areas have demonstrated a significant improvement in the recognition of sepsis and compliance with the sepsis 6 since 2014.

FRIMLEY PARK HOSPITAL			
Sepsis 6 component	October 2014	March 2015	December 2015
Use of Oxygen	67%	100%	100%
Blood cultures taken	62%	89%	100%
Antibiotics within an hour	43%	89%	92%
Use of Lactate	57%	100%	100%
Use of fluids	38%	100%	100%
Urine output	Not recorded	67%	67%

The same audit was carried out at Wexham Park Hospital to identify compliance with the components of the sepsis bundle and the results are shown in the table below. Four of our clinicians were awarded the Lancet Research Prize, which is awarded for outstanding research activity that contributes to excellent patient care. They were awarded this for improving multidisciplinary severe sepsis management using the Sepsis 6.

WEXHAM PARK HOSPITAL		
Sepsis 6 component	December 2014	July 2015
Use of Oxygen	58%	78%
Blood cultures taken	67%	100%
Antibiotics within an hour	97%	100%
Use of Lactate	58%	93%
Use of fluids	76%	100%
Urine output	67%	87%

### *Acute Kidney Injury*

In 2015/16 we saw the introduction of a national CQUIN for Acute Kidney Injury. The CQUIN focused on the percentage of patients with AKI treated in an acute hospital whose discharge summary to their General Practitioner includes each of four key items:

1. Stage of AKI (a key aspect of AKI diagnosis)
2. Evidence of medicines review having been undertaken (a key aspect of AKI treatment)
3. Type of blood tests required on discharge; for monitoring (a key aspect of post discharge care)
4. Frequency of blood tests required on discharge for monitoring (a key aspect of post discharge care)

The National CQUIN target was a challenging one, requiring a 90% achievement by Quarter 4. Over the course of 2015/16 Frimley Health has seen a striking improvement in the completion of the above information on patient discharge summaries, thus ensuring a safer transfer of care for our patients. The work undertaken to ensure the information reaches the discharge summaries has led to far more robust systems and initiatives in place to identify, treat and manage AKI, thus having a positive impact for patients and their safety and care. These include:

- New alert system on our internal IT systems
- AKI alert on electronic handover system

- New AKI bundle – developed in conjunction with all levels of clinicians
- Investment in AKI/Sepsis Nurse Specialist
- New e-learning programme for AKI prevention, recognition and management
- Educational awareness ‘roadshows’ and Sign up to Safety Events

AKI – CQUIN results 2015/16				
	Q1	Q2	Q3	Q4
<b>FHFT</b>	26.2%	34.6%	60.3%	83.0%
<b>WPH</b>	26.2%	25.0%	56.3%	73.0%
<b>FPH</b>	26.2%	44%	64%	91.4%

#### *Medical records standards*

- An internal audit in October 2015 showed our overall compliance rate for clinical record keeping and documentation had increased from 58% to 67%. Further work will be undertaken during 2016/17 to improve documentation. The introduction of the Electronic Document Management System (EDMS - including electronic patient records) will enhance the quality of clinical record keeping.

#### **Improvement plans for 2016/17:**

- The NEWS system will be implemented across the whole Trust during 2016, moving from hard copy documentation to electronic information in 2017. This will offer consistency across all sites. NEWS will act as a surveillance system for all patients in hospital for tracking their clinical condition, alerting the clinical team to any medical deterioration and triggering a timely clinical response
- We will audit NEWS across all sites within the first 9-12 months. However, we will not be able to benchmark NEWS against MET and EDOD as they are such different systems. We anticipate seeing a reduction in cardiac arrest calls on the Wexham Park Hospital site but things will stay very much the same at Frimley. We will review this monthly with the cardiac arrest data and collection of NEWS calls from Outreach through the Resuscitation meetings. Trends and themes will be monitored and acted on as they are identified
- Any learning from resuscitation / deteriorating patient incidents will be communicated to the wards via the Resuscitation Team, Patient Safety Team and through updates
- We will be employing an AKI & Sepsis specialist nurse for the Frimley Park Hospital site to support staff with education, training and best practice

- The Trust will be implementing the new National Institute of Clinical Excellence (NICE) guidelines on the recognition and management of Sepsis following its publication in July. This will include a revised sepsis bundle for Frimley Health
- Advanced courses and specialist training have increased in numbers for adults and paediatrics and we will continue to encourage staff to attend training sessions
- We will be introducing better e-communications to staff about lessons learnt and actions taken to ensure continual learning
- Emergency equipment across all sites will be standardised. For example, our emergency trolleys are not currently the same at each hospital so will be aligned across the different sites

## **Priority 2: To improve the quality of clinical handover**

Clinical handover is an essential part of patient safety and the Trust continuously strives to improve the processes and communication aspects to maintain patient safety.

Clinical handover does feature in some of our incident reviews and in our clinical claims profile. Therefore, it is one of our Sign up to Safety campaign priorities, details of which are outlined at the beginning of this report.

### **Our aims for 2015/16 were to:**

- Audit a standardised handover methodology, focused on improving patient safety
- Audit the 'OWLS' programme (an electronic handover system from night to day) to improve patient safety by highlighting to medical staff which patients need an early review

### **So this is what we have achieved:**

#### *Handover process*

- A clinical handover Matron was appointed to review our current handover processes across FHFT. An audit was undertaken to establish a baseline and current processes. The Safety SBAR (situation, background, assessment, recommendation) tool was identified and developed as the standardised process and has been trialled on 3 wards across Frimley Health
  - 3 baseline/current practice audits were performed to collate a rounded view of clinical handover from a nurse shift change perspective
    - clinical observation
    - patient feedback through the peer review process
    - staff opinion survey
- The evidence identified helped to focus the sign up to safety work and ensure that safety and quality needs were met within the project
- Clinical observations were undertaken by the Matron for handover and the practice development team in November 2015 to understand current handover processes and identify areas for improvement. The observation involved 29 wards across all 3 hospitals and the themes identified were consistent across all sites. The exercise was then repeated between February and March 2016 to determine progress.



Clinical observation	
Nov 2015 (Baseline- 29 wards across 3 sites)	Feb - Mar 2016 (Safety SBAR pilot areas – 3 wards across 3 sites)
62% nursing shift handovers started late	The only reason handover in the pilot areas started or finished more than five minutes late was due to the late arrival (or DNA) of Agency Nurses (5 occasions)
Average 6 mins delay	Average delay (excluding occasions when agency staff were late) 2 min delay
67.8% of teams observed did not consistently introduce themselves to the patient	95.25% of patients when asked said that the nurses introduced themselves
85.2% of teams observed did not consistently discuss the plan for that day with the patient during their handover process	92.86% of patients knew what their plan of care was for that day
No consistent approach or model for handover	Consistent approach to handover
Safety huddles and SBAR (situation, background, assessment, and recommendation) were observed in pockets of excellence	Safety huddles now being implemented as part of the pilots

An additional clinical observation was undertaken in March 2016 to look at the Safety SBAR handover process and key safety measures. Below is the baseline data which demonstrates compliance with the new process.

	Do staff introduce themselves	Identify patients with high MET/eDOD or patients referred to outreach	Identify patients at high risk of falls	Identify patients with pressure ulcers	Identify patients under mental health section or DOLs	Identify patients of morning discharge	Is a bedside handover performed	Do staff use SBAR to communicate patient status	Is the plan for the day discussed with the patient
Pilot 1 – F9 @ Frimley Park	100%	100%	100%	100%	100%	100%	100%	66%	66%
Pilot 2 – Ward 10 @ Wexham Park	100%	100%	100%	100%	100%	100%	100%	100%	100%
Pilot 3 – Ward 4 @ Heatherwood	100%	100%	100%	100%	100%	100%	100%	100%	100%

- A monthly peer review is performed by senior nurses. A large proportion of in-patient areas are included in the review. The patient experience & feedback section of this was audited for consideration around handover in October 2015. Subsequently, patients on the Safety SBAR pilot wards were asked the same questions in April 2016 to measure improvement. The results in the table below show that patients are seeing an improvement in the handover process

Peer review (patient feedback)	Oct 2015 % Yes	April 2016 % Yes
Q34 Does the patient feel that the staff speak to them in a way that they can understand?	97.59%	97.62%
Q36 Does the patient know who their nurse is on this shift?/ Has the nurse introduced themselves?	94.38%	95.24%
Q37 Has the patient witnessed the staff undertake a bedside handover?	74.12%	95.24%
Q38 Can the patient give any details of the plan for their discharge if there is one?	90.48%	92.86%

- A staff questionnaire was distributed in October 2015 to ascertain staff perception of handover. 247 responses from nurses, care assistants and students across all 3 hospitals were received and analysed. A follow up questionnaire was distributed in March 2016 to capture the views of staff following the trial of the Safety SBAR tool. The results are shown in the table below:

Staff questionnaire	
Oct 2015	Mar 2016
36% staff did not feel the current handover process was effective	78% staff prefer safety SBAR as it is better for staff
37% staff felt that at least a few times a week information handed over was missing or incomplete	71% staff prefer safety SBAR as it is safer for patients
22.3% staff said they would call the nurse from the previous shift at home if they needed information after handover	No staff preferred their previous handover method
27% staff regularly received handover for more than 13 patients at a time (in an allotted handover time of 30 minutes)	Junior staff felt more supported
Some staff are unclear of the role of the nurse in charge	Staff have a clearer understanding of the nurse in charge role  Nurse in charge competencies have been developed and 'masterclasses' are being implemented throughout the Trust

Quote from staff member following the trial of the Safety SBAR tool:

*“Changing this handover style has made it easier and more effective to pass on any ongoing issues and ensure all staff are aware of unwell patients..... Families are allowed to stay for handover if they wish as this gives them a concise update on their relative. “*

#### *OWLS programme*

The OWLS programme was piloted on several of the medical wards. On evaluation, it was agreed that it did not meet the requirements of the whole hospital for identifying patients who had deteriorated overnight and required early review by the medical team in the morning.

Learning and feedback from the OWLS programme about prioritising patients for ward reviews has been included in the Trust’s goal to implement electronic hand held mobile devices, which would incorporate clinical observations, referrals and handover tools.

#### *Non-clinical moves*

Clinical moves data was submitted and reviewed as part of the CQC inspection and no concerns were identified through the inspection process.

#### **Improvement plans for 2016/17:**

- We will be taking part in ‘nurse in charge’ masterclasses and every preceptorship nurse will receive a two-hour workshop on handover
- We aim to be using Safety SBAR as the standard handover model across the Trust by Quarter 2
- We will also be looking to use Safety SBAR for transfers and referrals to standardise the language used when discussing patient care
- A full review of the patient transfer policies will be carried out to develop a single document for the whole trust to align procedures and processes
- In April/May 2016 we will be visiting Nottingham and Bournemouth Hospitals to review their handover and electronic-observation processes and tools in the hope of developing a “hospital in your pocket” mobile solution for FHFT
- We will work with chiefs of service to create a safer hospital at night process with increased situational awareness, which we aim to standardise by Quarter 2

### **Priority 3: To improve the discharge planning process for patients and their families and / or carers**

The aim of effective discharge planning is to improve patient experience and support family and carers. Also to reduce hospital length of stay and unplanned readmissions to hospital, and to improve the co-ordination of services following discharge. Each clinical area involved in the discharge of a patient, from the pharmacy to the transport services, must collaborate and it is also helpful to involve patients and their families in the process.

Discharge planning has been identified as an area for improvement by our patients through the FFT, complaints and Patient Advice and Liaison (PALS) feedback. It is also linked to our Sign up to Safety campaign priorities and is also a national priority and challenge.

#### **Our aims for 2015/16 were to:**

- Undertake a quarterly audit to monitor improvements to the number of patients and/or carers who feel they have been appropriately involved in discharge planning for patients who have a diagnosis of dementia, stroke or TIA, and Parkinson's disease
- Undertake a quarterly audit to monitor improvement in setting appropriate estimated discharge dates (EDD)

#### **So this is what we achieved:**

##### *Involvement of patients and/or carers in the discharge process*

In the United Kingdom there are approximately 6.5 million unpaid carers, including 700,000 young carers. Every day 6,000 more people take on caring responsibilities. Over the next 30 years it is estimated the number of carers will increase by 60% due to demographical changes and a rising older population.

Whilst caring for someone can be rewarding, research has found that caring for others can have a major impact on a person's health and wellbeing. If you are a carer, you are more likely to be in poor health – both physically and mentally – than people without caring responsibilities.

Best practice should ensure patients and carers receive the following:

- To feel valued as partners in the discharge process
- To understand how their shared experiences have changed the way in which discharges are planned and undertaken
- To believe their knowledge and experiences have been listened to and used appropriately
- To have awareness of their right to have their needs identified and met
- To have confidence in continued support of the caring role and receiving support before it becomes a problem
- To be able to access the right information and advice to help them in their caring role
- To be given a choice about undertaking caring roles

In 2015/16 the Trust made a commitment to improve the discharge planning process by actively involving patients and/or carers in their discharge planning. The local CQUIN programme for 2015/16 supported this ambition resulting in the following initiatives to increase carers support:

- The introduction of a dedicated website for carers, patients and staff – this provides updates for carers and provides signposting for help and support  
<https://www.fhft.nhs.uk/your-visit/help-with-your-visit/for-carers/>
- Introduction of Carers Champions at ward level –currently being rolled out across both sites
- Open visiting – extended to the Frimley Park Hospital site
- ‘Discharge Planning Tool’ pilot – aimed at encouraging discharge planning at the start of the admission process. The tool was updated to encourage identification of unpaid carers and where existing unpaid carers may be reaching crisis point
- Carers Awareness Events programme

A key challenge the Trust faced was how to succinctly capture a carer’s experience. All sites had relatively low response rates in existing carers’ surveys. The Trust volunteers, Dementia Care Specialist Teams, and Nurse Specialists on both sites have been pivotal in supporting the gathering of feedback.

During 2015/16 Frimley Health had over 6,000 responses from patients/carers specifically related to their involvement in planning for discharge.

**Summary of Quarterly Audit**

*Do you feel that you and your family or carers have been involved in planning your discharge from hospital?*

	Q1	Q2	Q3	Q4
FHFT	71%	73%	65%	75%
WPH	65%	57%	42%	52%
FPH	72%	76%	74%	86%

Where carers' loved ones have a diagnosis of Parkinson's disease or Stroke there has been a significant improvement overall in their experience. In relation to discharge planning and information on discharge particularly, a positive step change can be seen from Quarter 2 to Quarter 4.

*Carers of patients with Stroke and Parkinson's diagnosis*

Have you been involved in the discharge planning process?				
Quarter	Yes completely	Yes to some extent	No not at all	Not applicable
FHFT - Q2	20%	30%	30%	20%
FHFT - Q4	65%	15%	15%	6%

Were you given written information regarding support organisations?			
Quarter	Yes	No	Not applicable
FHFT - Q2	20%	60%	20%
FHFT - Q4	56%	29%	15%

*Dementia carers survey results – involvement in discharge planning*

Are you satisfied that you were consulted and involved as an equal partner in the plans for your relative / friend's discharge from hospital?						
	Quarter 1 & 2			Quarter 3 & 4		
	Yes	Partly	No	Yes	Partly	No
FPH	76%	14%	10%	73%	0%	27%
WPH	25%	56%	15%	14%	68%	7%

This is an area for continued focus, it is vital that the carers are involved in discharge planning. This should be an ongoing discussion which begins on admission and is linked to the discussion that should be had related to the care and support that is already in place for the individual they are caring for. This discharge conversation should be a developing one that ends with a clear plan that all members of the

team are aware of but most importantly the carer is aware of and supported through. It is a main focus for the organisation and is the thread that is running through all of the carers/discharge work that has been implemented across the organisation.

There are a number of work-streams across the organisation dedicated to improving elements of patient discharge. A group has been set up with the purpose of mapping these work-streams to align the work across Frimley Health. To date the group has facilitated the following:

- Nurse in Charge Competency – updated, includes responsibilities and accountability for ensuring effective discharge planning
- Design of 'masterclass programme' for discharge planning – to be launched June 2016
- Review of patient and carer information regarding discharge planning
- Senior Nurse clinical focus day on supporting best practice for discharge planning

The Frimley Park Hospital site has piloted a Trusted Assessors scheme during 2015/16 with local care homes. The scheme has provided a select group of homes with direct contact to a Senior Nurse within the organisation who will help support their resident whilst in hospital and work to expedite a safer and quicker discharge without the Care Home teams needing to come in and reassess their resident.

Work has begun in building relationships with the local Care and Nursing Homes in the surrounding areas of Wexham Park Hospital in the form of a study day. The day's agenda was driven by the feedback from the home managers who felt that the care pathways for the patients and families we care for would be improved if there was a better understanding of both the community and acute provider pressures. The day was facilitated by the Quality Team at Wexham Park Hospital with 9 homes sending representatives. There was sharing of information, along with short training sessions on End of Life care, Revalidation, dementia and hydration and nutrition which were specifically requested by the care home staff. The day ended with focused open discussions on the issues we face and finding solutions to improving those issues. The feedback was entirely positive with requests for further days to develop both the work discussed and the relationships that are beginning to be developed.

We are also working very closely with our partners in Social Care and Local Authority Teams. This joint approach to working is proving extremely beneficial for patients and their families and / or carers.

### *Estimated Discharge Dates (EDD)*

- The overall compliance of setting the EDD within 24 hours of admission is good across Frimley Health NHS Foundation Trust
- The EDD has been maintained and discussions have taken place regarding changes in the patient's condition and the impact this has had on the discharge planning
- Patients that do not have an EDD set during their admission reflects poor management of the patient journey and support for patient flow throughout the organisation – this has consistently been below 5% across all our sites

The table below shows progress made throughout 2015/16 with some of the key elements measured for EDD. The data demonstrates a steady improvement over the year.

Estimated Discharge Dates	Quarter 1	Quarter 2	Quarter 3	Quarter 4
% EDD set within 24 hours of admission	67.36%	70.76%	65.91%	71.09%
% discharges with an EDD set	95.48%	96.02%	95.98%	96.94%

*Data is only inclusive of 2015/16 as it was not collected in previous years*

### **Improvement plans for 2016/17:**

There is still further work to be done to improve our processes around discharge planning. For this reason, it will continue to be one of our top priorities for the forthcoming year. Further information regarding how we plan to monitor and report on progress can be found in the following pages of this report.

We plan to address the challenges around discharge planning through the work being done by the Sign up to Safety team and via the Trust's Information Management & Technology (IM&T) Strategy as follows:

- As part of the Sign up to Safety campaign clinical handover project, the culture of shift handover is being changed. We are working to ensure handover has a greater focus on future planning (what is happening today/tomorrow, our aims for discharge) instead of what has already happened to patients. Separate workshops with nurse in charge staff and preceptorship nurses have been arranged to help change this practice
- There are a number of elements within the Trust's IM&T Strategy to support both discharge planning and discharge communication - upgrading the bed management and discharge planning



solution across the Trust, including a cross-site working group to provide standardisation on the use of the application; standardising discharge communication across the Trust to support complex transfers of care and reduce the amount of time that clinicians need to spend on compiling discharge communication

## 2016/17 priorities for improvement

This part of the report describes the areas for improvement that the Trust has identified for the forthcoming year. The quality priorities have been derived from a range of information sources to help determine our approach. These include:

- gathering the views of patients, public and carers using real-time feedback, surveys and focus groups
- collating information from claims, complaints and adverse incidents
- using the results of clinical audits, inspections and patient surveys to tell us how we are doing in relation to patient care, experience and safety
- considering the views of our commissioners as part of our shared quality and performance meetings and their feedback following formal announced and unannounced inspections
- listening to what staff have told us during executive director patient safety walkrounds, briefing sessions and internal peer reviews

We have also been guided by our performance in the previous year and the areas of performance that did not meet the quality standard to which we aspire. Finally, we have been mindful of quality priorities at national level as evidenced in recent government publications. Through this process, we have identified the following priorities:

- Priority 1:** Identification and management of the deteriorating patient
- Priority 2:** Good discharge planning, involving patients and their families and / or carers
- Priority 3:** Improving the quality of end of life care

PRIORITY	RATIONALE FOR SELECTION	MEASURING/MONITORING/REPORTING
<b>Deteriorating patient</b>	<ul style="list-style-type: none"> <li>• Clinical concerns regarding management of deteriorating patients continue to be identified via incident reporting and by clinicians during mortality and morbidity reviews</li> <li>• We have made significant progress in identifying and managing deteriorating patients in 2015/16 and have been able to review our progress across the Trust and identify areas for improvement</li> <li>• We will be introducing a new, cross-site monitoring system (NEWS) in 2016/17 which will enable alignment for escalation</li> <li>• We recognise this is an area where we need to carry out further education and training to build staff's confidence in responding appropriately</li> </ul>	<ul style="list-style-type: none"> <li>• Following the implementation of the national system – NEWS, a baseline will be obtained against which we will monitor and improve compliance</li> <li>• We will monitor training effectiveness by measuring the number of staff trained against the training needs analysis</li> <li>• The training programme will be designed and influenced by learning from incidents</li> </ul>
<b>Discharge planning</b>	<ul style="list-style-type: none"> <li>• Discharge planning continues to be an issue for the Trust as shown through our patient experience tracker, FFT, feedback from stakeholders, complaints and PALS</li> <li>• We have chosen discharge planning as one of our transformation projects for 2016/17 in order to improve patient experience and support families and carers. Also to ensure patients and carers are fully briefed on discharge and arrangements made for ongoing treatment post discharge. This will also enable improved patient flow, optimise length of stay and control capacity across the Trust</li> </ul>	<ul style="list-style-type: none"> <li>• We will identify barriers to good discharge and engage medical staff and multi-disciplinary teams</li> <li>• We will increase our training and education in discharge planning, including masterclasses for nurses in charge, focusing on estimated discharge dates, effective ward round, pre op improvements and patient awareness. This will be measured by the number of staff attending the training programme</li> <li>• We will measure the percentage of patients that have an EDD set within</li> </ul>

		<p>24 hours of admission and the percentage of patients that have an EDD that is the date of discharge</p> <ul style="list-style-type: none"> <li>• Our patient experience tracker will monitor improvements in the number of patients and/or carers who feel they have been appropriately involved in discharge planning/home circumstances reviews (target&gt;=75%)</li> </ul>
End of life care	<ul style="list-style-type: none"> <li>• Achievement of a person's preferences for end of life care (EOLC) is a moral and policy imperative. We aim to support and increase the numbers of patients receiving care in their preferred place of care (PPC)</li> <li>• We will improve individualised care planning, focusing on the patient's goals and quality of life and death, involving the people who are important to them with honest discussions and planning, with responsive and timely support and addressing the patient's and carer's emotional, physical, spiritual and practical needs</li> <li>• The national EOLC audit results have outlined that there has been steady progress in the care of dying people over the past 3 years. However, there is room for improvement, particularly in the provision of seven day palliative care services, and earlier recognition of the dying patient</li> <li>• Stakeholders have fed back that they would like to see EOLC as a local priority and patient feedback and complaints also show this as an area where we need to improve</li> </ul>	<ul style="list-style-type: none"> <li>• We will carry out a baseline report to determine the number of end of life patients who are known to the palliative care team who achieve their preferred place or care and put an improvement target in place where internal barriers are a factor</li> <li>• We will carry out a root cause analysis for those who have not achieved their PPC to identify and act on any themes and issues</li> <li>• We will introduce a Trust-wide care plan for EOLC to support individualised care of the dying patient, which addresses their cultural, spiritual and psychological needs and audit its usage</li> <li>• Our cross-site EOLC steering group will monitor and review progress</li> <li>• We will continue to monitor feedback (complaints, patient experience tracker, local and national surveys) and act on any learning</li> </ul>

## **Statements of assurance from the Board**

During 2015/16 Frimley Health NHS Foundation Trust provided and/or sub-contracted 33 relevant health services.

Frimley Health NHS Foundation Trust has reviewed all the data available to them on the quality of care in 33 of these relevant health services.

The income generated by the relevant health services reviewed in 2015/16 represents 100% of the total income generated from the provision of relevant health services by Frimley Health NHS Foundation Trust for April 2015 – March 2016.

### **Participation in clinical audits**

During 2015/2016 44 national clinical audits and 5 national confidential enquiries covered relevant health services that Frimley Health NHS Foundation Trust provides.

During that period Frimley Health NHS Foundation Trust participated in 98% national clinical audits and 100% national confidential enquiries of the national clinical audits and national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries that Frimley Health Foundation Trust was eligible to participate in during 2015/16 are as follows: (Please see Table 1 overleaf).

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The national clinical audits and national confidential enquiries that Frimley Health NHS Foundation Trust participated in, and for which data collection was completed during 2015/16, are listed below (see Table 1 overleaf), alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry.

Table 1: National clinical audit and enquiries participation, April 2015 – March 2016.

- National audits are pre-registered. Work is being carried out with the National Audit Teams to align audit data as Frimley Health NHS Foundation Trust. Therefore, the data in the table is shown by individual hospital site
- An asterisk (\*) denotes occasions when the *number of expected cases* listed on the Hospital Episode Statistics (HES) system is exceeded by the *number of cases actually audited*

National Clinical Audit/ Enquiry	Eligible		Participated		% / No. of cases submitted or reason for non-participation
	FPH	HWPB	FPH	HWPB	
Medical and Surgical Clinical Outcome Review Programme (NCEPOD)					
Acute Pancreatitis	✓	✓	✓	✓	FPH 100% 4 HWPB 75% 3/4
Physical and mental health care of mental health patients in acute hospitals	✓	N/A	✓	N/A	FPH 100% 5 HWPB Not applicable
Non-invasive Ventilation	✓	✓	✓	✓	NCEPOD audits run across the financial year. Both sites participated in 2015/16 elements and on- going participation in 2016/17
Child health clinical outcome review programme: Chronic Neurodisability	✓	✓	✓	✓	
Child health clinical outcome review programme: Chronic Young People’s Mental Health	✓	✓	✓	✓	
Acute					
Case Mix Programme (CMP) Intensive Care National Audit & Research Centre (ICNARC)	✓	✓	✓	✓	FPH 100% 706 HWPB 100% 654  Most recent available figures are above and at time of publication submission was still in progress
National emergency laparotomy audit (NELA)	✓	✓	✓	✓	FPH 48% 92/193 HWPB 70% 115/165
National Joint Registry (NJR)	✓	✓	✓	✓	FPH 100% 1101 HWPB 91% 2894/3189

National Clinical Audit/ Enquiry	Eligible		Participated		% / No. of cases submitted or reason for non-participation
	FPH	HWPB	FPH	HWPB	
Major Trauma (Trauma Audit & Research Network, TARN)	✓	✓	✓	✓	<b>FPH</b> 97.9 % 179 <b>HWPB</b> 67.5% 162/240  Most recent available figures are above and at time of publication submission was still in progress
National Comparative Audit of Blood Transfusion programme: Use of blood in haematology	✓	✓	✓	✓	<b>FPH</b> 100% 25 <b>HWPB</b> 100% 18
National Comparative Audit of Blood Transfusion programme: Patient blood management in scheduled surgery	✓	✓	✓	✓	<b>FPH</b> 100% 36 <b>HWPB</b> 75% 24/32
National Complicated Diverticulitis Audit	Not applicable Phase 1 missed, not eligible for phase 3				
Emergency Use of Oxygen (BTS)	✓	✓	✓	✓	<b>FPH</b> 100% 83 <b>HWPB</b> 100% 9
CEM Procedural Sedation in Adults	✓	✓	✓	✓	<b>FPH</b> 100% 69 <b>HWPB</b> 100% 50
CEM Vital Signs in Children	✓	✓	✓	✓	<b>FPH</b> 100% 102 <b>HWPB</b> 100% 54
CEM VTE Risk in Lower Limb Immobilisation	✓	✓	✓	✓	<b>FPH</b> 98% 98/100 <b>HWPB</b> 100% 51
<b>Cancer</b>					
Bowel cancer (NBOCAP)	✓	✓	✓	✓	<b>FPH</b> 55% 133/ 240 <b>HWPB</b> 51% 109/215  Denominator based on Hospital Episode Statistics calculated (expected) cases
Lung cancer (NLCA)	✓	✓	✓	✓	<b>FPH</b> 100% 255 <b>HWPB</b> 100% 190
National Prostate Cancer	✓	✓	✓	✓	<b>FPH</b> 380% 80/21* <b>HWPB</b> 88% 71/81  Denominator based on Hospital Episode Statistics calculated (expected) cases

National Clinical Audit/ Enquiry	Eligible		Participated		% / No. of cases submitted or reason for non-participation
	FPH	HWPH	FPH	HWPH	
Oesophago-gastric Cancer (NAOGC)	✓	✓	✓	✓	<b>FPH</b> 33% 41 <b>HWPH</b> 89% 40/48  Denominator based on Hospital Episode Statistics calculated (expected) cases
Heart					
Acute coronary syndrome or acute myocardial infarction (MINAP) public report analysis	✓	✓	✓	✓	<b>FPH</b> 100% 592 <b>HWPH</b> 100% 603  Most recent available figures are above and at time of publication submission was still in progress
Cardiac Rhythm Management (CRM)	✓	✓	✓	✓	<b>FPH</b> 100% 450 <b>HWPH</b> 99% 420/423
Congenital heart disease (Paediatric cardiac surgery) (CHD)	Not applicable				
Coronary angioplasty	✓	✓	✓	✓	<b>FPH</b> 100% 1288 <b>HWPH</b> 100% 436
National Adult Cardiac Surgery Audit	Not applicable				
National Cardiac Arrest Audit (NCAA)	✓	✓	✓	✓	<b>FPH</b> 100% 120 <b>HWPH</b> 100% 85
National Heart Failure Audit	✓	✓	✓	✓	<b>FPH</b> 100% 616 <b>HWPH</b> 100% 517  Most recent available figures are above and at time of publication submission was still in progress
National Vascular Registry	✓	N/A	✓	N/A	<b>FPH</b> 81% 55/68  Denominator based on Hospital Episode Statistics calculated (expected) cases
Pulmonary Hypertension	Not applicable				
Long Term Conditions					
Diabetes National Foot Care Audit	✓	✓	✓	✓	<b>FPH</b> 100% 78 <b>HWPH</b> 100% 70
Diabetes National Inpatient Audit	✓	✓	✓	✓	<b>FPH</b> 100% 88 <b>HWPH</b> 100% 111



National Clinical Audit/ Enquiry	Eligible		Participated		% / No. of cases submitted or reason for non-participation
	FPH	HWPB	FPH	HWPB	
Diabetes National Pregnancy in Diabetes (NPD)	✓	✓	✓	✓	<b>FPH</b> 100% 12 <b>HWPB</b> 100% 25  Only patients who consent to take part in the audit can be submitted
Diabetes National Core Audit	✓	✓	✓	✓	<b>FPH</b> 2013/14 97% 865/890 2014/15 99% 838/841  <b>HWPB</b> Registered with Berkshire Health Foundation Trust Audit Department
Diabetes (Paediatric) (NPDA)	✓	✓	✓	✓	<b>FPH</b> 100 % 176 <b>HWPB</b> 100% 177
Inflammatory bowel disease (IBD) programme	✓	✓	✗	✗	Unable to participate 15/16 due to resource issues. This is currently being addressed and participation in 2016/17 is expected.
National Chronic Obstructive Pulmonary Disease (COPD) Audit Programme: Pulmonary rehabilitation	✓	✓	✓	✓	Registered with Berkshire Health Foundation Trust & Farnham Community Hospital Clinical Audit Departments
National Chronic Obstructive Pulmonary Disease (COPD) Audit Programme: Secondary Care	Not applicable Scheduled for quarterly reporting from February 2017				
Renal replacement therapy (Renal Registry)					
Rheumatoid and early inflammatory arthritis	✓	✓	✓	✓	<b>HWPB &amp; FPH</b> 6 cases out of expected 53
Chronic kidney disease in primary care	Not applicable				
UK Cystic Fibrosis Registry: Paediatric	Not applicable				
UK Cystic Fibrosis Registry: Adult	✓	N/A	✓	N/A	<b>FPH</b> 100% 115  <b>HWPB</b> Do not participate in this audit as it is a specialised area

National Clinical Audit/ Enquiry	Eligible		Participated		% / No. of cases submitted or reason for non-participation
	FPH	HWPH	FPH	HWPH	
UK Parkinson’s Audit: Patient Management, Elderly Care & Neurology	✓	✓	✓	✓	<b>FPH</b> 100% 40 <b>HWPH</b> 100% 30
Mental Health					
National Confidential Inquiry into Suicide and Homicide for people with Mental Illness (NCISH)	Not applicable				
Prescribing Observatory for Mental Health (POMH)	Not applicable				
Older People					
Falls and Fragility Fractures Audit Programme (FFFAP) – Fracture Liaison Service Database	Not applicable				
Falls and Fragility Fractures Audit Programme (FFFAP) – Inpatient Falls	✓	✓	✓	✗	<b>FPH</b> 100% 30 <b>HWPH</b> Did not participate. Will be participating in next round.
Falls and Fragility Fractures Audit Programme (FFFAP) – National Hip Fracture Database	✓	✓	✓	✓	<b>FPH</b> 100% 422 <b>HWPH</b> 89% 365/410
Sentinel Stroke National Audit Programme (SSNAP)*	✓	✓	✓	✓	<b>FPH</b> 103.8% 411/396* <b>HWPH</b> 100% 390  Denominator based on Hospital Episode Statistics calculated (expected) cases
Other					
Elective surgery (National PROMs Programme)	✓	✓	✓	✓	April 2015 to December 2016 figures published May 2016 submitted and reported as Frimley Health Foundation Trust, site specific not available.  Trust preoperative rate 86.4% (1722/1992) questionnaires returned

National Clinical Audit/ Enquiry	Eligible		Participated		% / No. of cases submitted or reason for non-participation
	FPH	HWPB	FPH	HWPB	
					Trust post-operative rate 57.7% (640/1009) questionnaires returned
<b>National Audit of Intermediate Care</b>	Not eligible to participate				
<b>National Ophthalmology Audit: Adult Cataract Surgery</b>	✓	✓	✓	✓	<b>FPH &amp; HWPB</b> – Data collection is in progress but upgrade to software due May 2016 to facilitate automatic download of data
<b>Women's and Children</b>					
<b>Paediatric Asthma (BTS)</b>	✓	✓	✓	✓	<b>FPH</b> 100% 7 <b>HWPB</b> 100% 44
<b>Paediatric Pneumonia (BTS)</b>	Not applicable BTS did not run this audit in 2015/16				
<b>Maternal, Newborn and Infant Clinical Outcome Review Programme (MBRRACE-UK)</b>	✓	✓	✓	✓	<b>FPH</b> 100% 25 <b>HWPB</b> 100% 42
<b>Neonatal intensive and special care (NNAP)</b>	✓	✓	✓	✓	<b>FPH</b> 100% 870 <b>HWPB</b> 100% 487
<b>Paediatric intensive care audit network (PICANet)</b>	Not applicable				

The reports of 37 national clinical audits were reviewed by the provider in 2015/16 and Frimley Health NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:

National Clinical Audit	Actions planned
<b>NCEPOD Death following Lower Limb Amputation</b>	<ul style="list-style-type: none"> <li>Frimley Health Foundation Trust (cross-site) lower limb amputation pathway in development</li> <li>Business case for appointment of amputation / discharge co-ordinator submitted for approval</li> <li>Community resources are required for home adaptations and equipment e.g. wheelchairs. This is to be explored further with local commissioners to meet needs of patients.</li> </ul>
<b>NCEPOD Gastro Intestinal (GI) Bleed</b>	<ul style="list-style-type: none"> <li>Protocol to be updated to include repatriation as well as referral, transfer and admission</li> </ul>

National Clinical Audit	Actions planned
	<ul style="list-style-type: none"> <li>• Pathway to be updated to enable timely investigation and treatment</li> <li>• Medical gastroenterologists to be taken off the general medical on-call rota and provide more on-call for GI Bleed services. Surgeons to provide additional GI bleed cover until the Gastro rota is fully established and compliant with national recommendations</li> </ul>
<b>BTS Emergency Oxygen Audit 2015</b>	<ul style="list-style-type: none"> <li>• Where oxygen is indicated for a patient, ensure that a prescription is written accurately with parameters, signed, printed and dated.</li> <li>• Ensure that all oxygen prescribed is signed for at every drug round</li> <li>• Key messages regarding safe prescribing communicated via Grand Round</li> <li>• Clinical Handovers Sign Up to Safety campaign launched in January 2016 with focus on safe handover including chart checks</li> </ul>
<b>MBRRACE-UK 2015 – Perinatal Confidential Enquiry</b>	<p><u>HWPH Site</u></p> <ul style="list-style-type: none"> <li>• Propose to recruit specialist perinatal mental health midwife</li> </ul> <p><u>FPH Site</u></p> <ul style="list-style-type: none"> <li>• GAP/GROW Protocol introduced</li> <li>• Contract with St George's Perinatal Pathology Dept to be extended to cover placental pathology</li> </ul>
<b>Paediatrics Diabetes Audit</b>	National report highlighted need for more diabetic nursing time. As a result 24hrs on call service established and full multidisciplinary team present at clinics

The reports of 293 local clinical audits were reviewed by the provider in 2015/16 and Frimley Health NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:

Local Clinical Audit	Actions planned
<b>Fractured Neck of Femur (NOF) audits</b>	<p>A number of local audits were undertaken across both sites that focussed on the clinical processes and procedures of treating fractured neck of femurs. The actions planned or taken as a result of these audits include:</p> <ul style="list-style-type: none"> <li>• To expand the pain relief service</li> <li>• To train more nurses to undertake Fascia-iliac blocks procedure to ensure 24 hour coverage for patients</li> <li>• Orthogeriatrician review of patients pre-operatively to identify any issues in order to minimise cancellations</li> <li>• Fractured NOF to be operated 1st in theatres</li> <li>• Creation of a group with Orthopaedic, Anaesthetics and Orthogeriatrics representation</li> <li>• Development of guideline on bone cement implantation</li> </ul>

Local Clinical Audit	Actions planned
	<p>syndrome to reduce mortality and morbidity. This would be first such guideline in UK. To present nationally and publish the guideline to share practice wider.</p> <ul style="list-style-type: none"> <li>• Discuss every NOF patients in morning meeting in presence of Orthopaedic Consultant and Anaesthetic Consultant &amp; Orthogeriatrics SPR</li> <li>• Recording for high risk factor to be incorporated in pathway/booklet</li> <li>• Development of patient information regarding risks of complications.</li> <li>• Improved recording of pain scoring and time to administration of medications in Emergency Department</li> <li>• Training Emergency Department nurses to request x-rays to enable earlier time to x-ray</li> </ul>
<b>Incidence and causes of last minute cancellations in eye theatre (Ophthalmology)</b>	<ul style="list-style-type: none"> <li>• To ensure a convenient date and time of surgery is agreed with patient and family</li> <li>• Text reminder to be sent 48 hrs prior to surgery</li> <li>• Patients on Warfarin to have INR check 1 week pre-op</li> <li>• Blanket eyelid hygiene in all pre-op cataract cases</li> <li>• Continued patient education to report ill health as early as possible.</li> </ul>
<b>'This is me' Re-audit</b>	<ul style="list-style-type: none"> <li>• Relaunch of Dementia Awareness, This is Me; Butterfly scheme has been undertaken with roadshow visits to all wards.</li> <li>• Standardise use of Butterfly symbol for highlighting dementia patients</li> <li>• Ensure adequate supply of 'This is me' booklets is available on ward</li> <li>• Launch new dementia packs</li> </ul>
<b>Massive Haemorrhage (MH) Report (Q2) (Transfusion Services)</b>	<p>This audit was undertaken across all Surrey Pathology Services. The actions planned or taken as a result of these audits include:</p> <p><u>HWPH site</u></p> <ul style="list-style-type: none"> <li>• To expand sticker on forms to include full data collection set.</li> <li>• Surrey Pathology Services Blood Transfusion Policy to be introduced in 2016 with Massive Haemorrhage communication sheet</li> <li>• Audit use of emergency O Rh(D) Negative blood with aim of establishing appropriate use and whether O Rh(D) Positive could be stocked for use on non-childbearing women and male patients</li> </ul> <p><u>FPH site</u></p> <ul style="list-style-type: none"> <li>• Rh(D) negative blood audit to establish baseline</li> <li>• Education within the laboratory regarding the issue of alternatives before fully cross matched blood is available</li> </ul>

Local Clinical Audit	Actions planned
<b>Audit of Ambulatory Care Process at FPH)</b>	<ul style="list-style-type: none"> <li>Staffing establishments to be increased in order to maximise the opportunity this service offers our patients.</li> <li>There will be a review of the layout of the unit, with a view to optimise efficiency and quality of patient assessment and treatment.</li> </ul>
<b>Trustwide Record Keeping Audit</b>	<p>This local audit was undertaken across both sites that focussed on nursing and medical teams documentation standards. The actions planned or taken as a result of these audits include:</p> <ul style="list-style-type: none"> <li>New Trust wide Policy developed</li> <li>New Risk Assessment booklets implemented cross-site</li> <li>Develop/revise nursing care plans</li> <li>On-going peer review &amp; preceptorship process includes documentation and record keeping standards</li> <li>There is targeted education/training session for poor-performing wards from peer review process</li> <li>Amend future audit proforma with regard to weekend medical review</li> </ul>
<b>Investigation of invasive fungal infections and compliance with the British Society for Medical Mycology Standards 2015 (Microbiology)</b>	<ul style="list-style-type: none"> <li>A business case to be put forward for the introduction of galactomannan and beta-d-glucan for local testing, with a high negative predictive value to allow delayed initiation of therapy and early narrowing down of treatment, or stopping empirical antifungals with significant cost and patient safety benefits.</li> <li>Diagnostic pathways to be based around clinical presentation: LRTI, Intra-abdominal, blood tests or febrile neutropenia.</li> </ul>
<b>Paediatric Asthma Audit</b>	<ul style="list-style-type: none"> <li>New wheezy pathway developed and implemented</li> <li>Development of link with asthma nurses and Emergency Department</li> </ul>
<b>High sensitivity Troponin in the assessment of patients with chest pain in the ED Department.</b>	<ul style="list-style-type: none"> <li>Stream-lined pathway developed by Cardiology &amp; Emergency Department for managing patients presenting to Emergency Department with chest pain implemented</li> </ul>
<b>Diagnosis and Treatment of Suspected Infective Endocarditis</b>	<ul style="list-style-type: none"> <li>Pathology/Radiology system (ICE) to facilitate urgent echocardiogram request for Infective Endocarditis by introducing extra box for Duke's criteria</li> </ul>
<b>Repeat OGD for Gastric Ulcers within 12 weeks</b>	<p>Re-audited in 2015 following 2014 audit when following actions implemented:</p> <ul style="list-style-type: none"> <li>An audit co-ordinator was appointed and became responsible for tracking patients</li> <li>Software provider was contacted and endoscopists were subsequently advised on how to record gastric ulcers in the system correctly &amp; Endoscopists were reminded to request repeat OGDs including patients who were scoped as inpatients</li> </ul> <p>The re-audit in 2015-2016 showed a marked improvement including:</p> <ul style="list-style-type: none"> <li>Recording of GUs has improved</li> </ul>

Local Clinical Audit	Actions planned
	<ul style="list-style-type: none"> <li>100% of endoscopy reports with a diagnosis of Gastric Ulcers included a request for repeat OGD</li> <li>100% of Gastric Ulcers patients have had a repeat OGD or have a To Come In date</li> </ul>
<b>Occupational Therapy Hands Service - Did Not Attend Audit</b>	<ul style="list-style-type: none"> <li>Review of multi-disciplinary protocols to streamline service</li> <li>Implementation of Choose and Book system</li> <li>Text reminders have been implemented</li> </ul>
<b>An Audit of the Plastic Surgery Trauma Service</b>	<ul style="list-style-type: none"> <li>Formation of a Hand Assessment Unit</li> <li>Increase operating capacity</li> <li>Increase staffing levels through accurate staff rota planning &amp; effective utilisation</li> </ul>
<b>Trauma CT Timing</b>	<ul style="list-style-type: none"> <li>Increase CT capacity with 2<sup>nd</sup> scanner on site (planned)</li> <li>CT radiographers to inform designated radiologist when trauma patient is on table</li> <li>Trauma report prioritised by radiologist with documented discussion with team</li> <li>Increase radiologist presence outside of normal working hours</li> <li>(Cons radiologists now available on site up to 8pm Mon-Thurs, 5pm Fri and 9-5 Sat-Sun)</li> <li>TMC scans to be uploaded and phoned through immediately</li> </ul>
<b>Early Arthritis; review of service + best practice Tariff</b>	<ul style="list-style-type: none"> <li>Redesign of GP access pathway – referrals now made through ICE.</li> <li>Early Arthritis referrals being offered an appointment within 3 weeks</li> <li>All new patients having an annual review</li> </ul>
<b>Urinary catecholamines and the relationship with blood pressure and pharmacological therapy</b>	<ul style="list-style-type: none"> <li>The setup of hypertension clinics to investigate for secondary causes and address appropriate pharmacological therapy</li> </ul>
<b>AMTS Scoring</b>	<ul style="list-style-type: none"> <li>Highlight the AMTS score as a priority on clerking notes</li> <li>Confusion Performa to be introduced</li> <li>Discharge summary to indicate level of cognition when patient goes home.</li> </ul>
<b>Physio – 7 day working on Ward 4 at Heatherwood</b>	<ul style="list-style-type: none"> <li>Recruit 1WTE Band 5 (started August 2015)</li> <li>Business case submitted June 2015 and approval to recruit 1WTE Band 6 in April 2016</li> </ul>
<b>Out of hours ITU Discharge</b>	<ul style="list-style-type: none"> <li>Outreach review within 6 hours of discharge</li> <li>Raise awareness of Outreach team amongst staff</li> <li>Ward team review within 6 hours of discharge</li> </ul>
<b>Cat bites to the hand: A patient review and management audit</b>	<ul style="list-style-type: none"> <li>Wound washout on arrival at A&amp;E / at referring hospital</li> <li>Early initiation of appropriate IV antibiotic therapy</li> <li>Ensure radiographic imaging complete</li> </ul>

Local Clinical Audit	Actions planned
<b>Tetanus prone wounds: getting it right in A&amp;E</b>	<ul style="list-style-type: none"> <li>• Develop proforma to highlight guidelines</li> <li>• Develop a mobile App to provide rapid access to guidelines</li> <li>• Ensure new and existing trainees starting August familiar with the guidelines</li> <li>• Inform Pharmacy to ensure adequate stock levels of tetanus vaccine and immunoglobulin</li> </ul>
<b>An audit looking at the compliance with Community Acquired Pneumonia trust guidelines</b>	<ul style="list-style-type: none"> <li>• Mandatory field for prescriber on the radiology/pathology system (ICE) system to complete indication and duration of antibiotics prescribed generally.</li> <li>• Increasing awareness of CURB65 scoring system when diagnosing CAP but not ruling out doctor's clinical judgement.</li> </ul>
<b>Antibiotic prophylaxis</b>	<ul style="list-style-type: none"> <li>• Antimicrobial guidelines available via Smartphone app</li> </ul>
<b>Palliative Care</b>	<p>In addition to the End of Life Care national audit, a number of local audits were undertaken at the Frimley site that focussed on palliative care. The actions planned or taken as a result of these audits include:</p> <ul style="list-style-type: none"> <li>• Implementation of AMBER Care Bundle, including baseline ward training</li> <li>• Revision of Personalised Care Plan to include care after death</li> <li>• Revision of Care plan for Last Days of Life for use cross-site</li> </ul>
<b>Trust-wide Nutritional Audit (Dietetics, Medicine)</b>	<ul style="list-style-type: none"> <li>• Trust-wide Protected Meal Time Policy being developed</li> <li>• Volunteer recruitment has focussed on provision for support for patients at mealtimes</li> </ul>
<b>Assessment &amp; Treatment of Bronchiectasis Outpatients (Physiotherapy)</b>	<ul style="list-style-type: none"> <li>• New follow-up slots created, pro-forma amended and quick reference guide produced</li> </ul>
<b>Pre-Op TKR Class (Physiotherapy)</b>	<ul style="list-style-type: none"> <li>• Format of classes altered and attendance monitored</li> </ul>

### Participation in clinical research

The number of patients receiving relevant health services provided or sub-contracted by Frimley Health NHS Foundation Trust in 2015/16 that were recruited during that period to participate in research approved by a research ethics committee was 918.

Participation in clinical research demonstrates Frimley Health NHS Foundation Trust's commitment to the quality of care we offer and to making our contribution to wider health improvement.



Frimley Health NHS Foundation Trust was involved in conducting 237 clinical research studies in 21 medical specialties (Anaesthetics; Dermatology; Care of the Elderly; Cancer; Diabetes; Cardiology; Emergency medicine; Vascular; Gastroenterology; Hepatology; Stroke; Nursing; Paediatrics Neurology; Obstetrics and Gynaecology; Ophthalmology; Orthopaedics; Pathology; Urology; Respiratory; ENT) during 2015-16.

#### **Use of Commissioning for Quality and Innovation (CQUIN) payment framework**

A proportion of Frimley Health NHS Foundation Trust income in 2015/16 was conditional upon achieving quality improvement and innovation goals agreed between Frimley Health NHS Foundation Trust and any person or body they entered into a contract, agreement or arrangement with for the provision of relevant health services, through the Commissioning for Quality and Innovation payment framework.

Further details of the agreed goals for 2015/16 and for the following 12 month period are available electronically at: <https://www.fhft.nhs.uk/about-us/publications>

During 2015/16 Frimley Health NHS Foundation Trust recovered income of £8,841,865 as a result of achieving the quality improvement and innovation goals through the Commissioning for Quality and Innovation (CQUIN) payment framework.

The associated CQUIN payments received in 2014/15 were as follows:

- Frimley Park Hospital (April 2014 – September 2014) £2,265,576
- Frimley Health Foundation Trust (October 2014 – March 2015) £4,369,272

Therefore, the total for the year was £6,634,848.

#### **Statement from the Care Quality Commission (CQC)**

Frimley Health NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is unconditional.

The Care Quality Commission has not taken enforcement action against Frimley Health NHS Foundation Trust during 2015/16.

Frimley Health NHS Foundation Trust has not participated in any special reviews or investigations by the Care Quality Commission during the reporting period.

### **Quality of data**

Frimley Health NHS Foundation Trust submitted records during 2015/16 to the Secondary Uses Service for inclusion in the Hospital Episode Statistics which are included in the latest published data. Frimley Health NHS Foundation Trust continues to submit data to SUS based upon the respective sites.

The percentage of records in the published data which included the patient's valid NHS number was:

- 98.8% for admitted patient care FPH site
- 99.1% for admitted patient care HWP sites
- 99.2% for outpatient care FPH site
- 99.7% for outpatient care HWP sites
- 98.8% for accident and emergency care FPH site
- 96.6% for accident and emergency care HWP (Wexham) site

The percentage of records in the published data which included the patient's valid General Medical Practice Code was:

- 100% for admitted patient care FPH site
- 99.7% for admitted patient care HWP sites
- 100% for outpatient care FPH site
- 99.7% for outpatient care HWP sites
- 100% for accident and emergency care FPH site
- 99.7% for accident and emergency care HWP (Wexham) site

### **Information Governance**

Frimley Health NHS Foundation Trust Information Governance Assessment Report overall score for 2015/16 was 72% and was graded **unsatisfactory**.

The areas where the Trust did not achieve the required level 2 standard was:

- IG Training – only 89% of staff completed their IG training

- Business Continuity Plan. Not all the Trust critical systems have an approved and finalised Business Continuity Plan
- Security of the Trust systems. Not all of the Trust's systems have been security assessed

The Trust has a detailed work programme for 2016/17 which will address these areas of non-compliance. This is monitored by the IG Committee on a bi-monthly basis.

**Coding error rate**

The Frimley Health NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during the reporting period by the Audit Commission.

## Reporting against core indicators 2015/16

Since 2012/13, NHS foundation trusts have been required to report performance against a core set of indicators using data made available to the Trust by the Health and Social Care Information Centre (HSCIC).

The following tables show our performance for at least two reporting periods and, where the data is made available by the HSCIC, a comparison with the national average and the highest and lowest performing trusts is given. However, it is not always possible to provide the national average and best and worst performers for some indicators due to the way the data is provided.

It is important to note that, whilst these indicators must be included in the Quality Report, the most recent national data available for the reporting period is not always for the most recent financial year. Where this is the case, the time period used is noted underneath the indicator description.

The data has been combined for Frimley Health NHS Foundation Trust where possible. However, for some of the indicators, data for Frimley Park Hospital and Heatherwood and Wexham Park Hospital are shown separately due to the timeframes for reporting which were pre-acquisition.

Full year data is presented for Frimley Health NHS Foundation Trust and Heatherwood and Wexham Park Hospital figures.

Summary hospital-level mortality indicator (SHMI)						
NHS Outcome Framework Domain Indicator	Indicator	Trust rate for noted reporting period	National Average	Top Performer (lowest)	Worst Performer (highest)	Data Source
Preventing people from dying prematurely	SHMI value and banding	(Jul 14 – Jun 15) SHMI value: 0.926 Banding: 2 (as expected)	SHMI value: 1.00 Banding: 2 (as expected)	0.661	1.209	Health and Social Care Information Centre (HSCIC)
		(Jul 13 – Jun 14) SHMI value: 0.9281 Banding: 2 (as expected)	SHMI value: 1.00 Banding: 2 (as expected)	0.541	1.198	
Enhancing quality of life for people with long-term conditions	% of patient deaths with palliative care coded at either diagnosis or specialty level for the Trust	(Jul 14 – Jun 15) FHFT: 41.6%	26.1%	N/A	N/A	Health and Social Care Information Centre (HSCIC)
Frimley Health NHS Foundation Trust considers that this data is as described for the following reason. The data has been extracted from available Department of Health information sources. The source data for this indicator is routinely validated and audited prior to submission to HSCIC.						
Frimley Health NHS Foundation Trust has taken the following actions to improve these indicators, and so the quality of its services, by:						
<ul style="list-style-type: none"> <li>Developing a Trust-wide morbidity and mortality (M&amp;M) process to oversee, monitor, review and report on the findings of the Specialty M&amp;M reviews.</li> <li>Trust M&amp;M review group chaired by a consultant patient safety lead on behalf of the Medical Director</li> <li>The clinical issues identified through the M&amp;M review process inform a number of safety work-streams and progress against these are monitored through the Trust Quality Committee, chaired by the Medical Director. The Medical Director subsequently provides assurance to the Board</li> <li>Ensuring well-established M&amp;M groups in each main hospital site with identified chairpersons</li> <li>Using learning and sharing best practice as a key driver for improving quality across our three main sites</li> <li>We have Identified two consultant leads for M&amp;M who will coordinate the work and improvements across the Trust for the Medical Director</li> <li>This work will include a review of the M&amp;M and CRAB data and will report in to the Quality Committee with assurance via the Medical Director</li> <li>As part of the national initiative to prevent avoidable deaths, we have implemented a new review process to investigate deaths within the Trust</li> </ul>						

Patient Reported Outcomes Measures (PROMs) following hip or knee replacement surgery						
NHS Outcome Framework Domain Indicator	Indicator	Trust rate for noted reporting period	National Average	Top Performer (highest)	Worst Performer (lowest)	Data Source
Helping people recover from episodes of ill health or following injury	Patient reported outcome measure for: (i) Groin hernia surgery	(Apr 14 – Mar 15) FPH: 0.058 HWP: 0.050	0.084	0.154	0.000	Health and Social Care Information Centre (HSCIC)
	Patient reported outcome measure for: (ii) Varicose vein surgery	(Apr 13 – Mar 14) FPH: 0.088 HWP: 0.089	0.085	0.139	0.008	
	Patient reported outcome measure for: (iii) Hip replacement surgery	(Apr 14 – Mar 15) FPH: * HWP: No data	0.095	0.154	0.040	
	Patient reported outcome measure for: (iv) Knee replacement surgery	(Apr 13 – Mar 14) FPH: 0.458 HWP: 0.424	0.093	0.150	0.022	
		(Apr 14 – Mar 15) FPH: 0.435 HWP: 0.428	0.437	0.524	0.331	
		(Apr 13 – Mar 14) FPH: 0.312 HWP: 0.288	0.436	0.544	0.311	
		(Apr 14 – Mar 15) FPH: 0.305 HWP: 0.300	0.315	0.418	0.204	
		(Apr 13 – Mar 14) FPH: 0.323 HWP: 0.300	0.323	0.425	0.215	
*Denotes a small number of records, the exact count having been suppressed by the HSCIC on the advice of NHS England						
<p>Frimley Health NHS Foundation Trust considers that this data is as described for the following reason.</p> <p>The data has been extracted from available Department of Health information sources. PROMs outcomes measure a patient's health gain after surgery. The information is gathered from the patient who completes a questionnaire before and after surgery. From the data available, the case mix adjusted average health gain shows that the Trust is not an outlier when compared nationally. We changed providers in October 2015 and our response rates have increased. Expected participation rates for PROMs are 80% and Frimley Health Foundation Trust's rate for 2015/16 was 87%.</p> <p>Frimley Health NHS Foundation Trust has taken the following actions to improve this indicator, and so the quality of its services, by undertaking an audit to identify and rectify any issues.</p>						

Readmission rates for children and adults						
NHS Outcome Framework Domain Indicator	Indicator	Trust rate for noted reporting period	National Average	Top Performer (lowest)	Worst Performer (highest)	Data Source
Helping people recover from episodes of ill health or following injury	% of patients readmitted to a hospital which forms part of the Trust within 28 days of being discharged from a hospital which forms part of the Trust during the reporting period (i) Aged 0 to 15	(Apr 2011- Mar 2012)* FPH: 8.55% HWP: 11.47%	10.04%	0.00%	14.94%	Health and Social Care Information Centre (HSCIC)
	% of patients readmitted to a hospital which forms part of the Trust within 28 days of being discharged from a hospital which forms part of the Trust during the reporting period (ii) Aged 16 or over	(Apr 2011- Mar 2012)* FPH: 12.02% HWP: 11.59%	10.02%	0.00%	13.50%	
		(Apr 2010- Mar 2011) FPH: 7.46% HWP: 11.52%	9.87%	0.00%	13.78%	
		(Apr 2010- Mar 2011) FPH: 11.45% HWP: 12.14%	11.17%	0.00%	13.00%	
<i>*The publications for emergency readmissions to hospital within 28 days of discharge indicators have been delayed. The HSCIC is currently reviewing the methodology and specifications which will have an impact on when they will actually be published. This indicator on the HSCIC Indicator Portal was last updated in December 2013 and the next update is due to take place in August 2016</i>						
Frimley Health NHS Foundation Trust considers that these percentages are as described for the following reason. The data has been extracted from available Department of Health information sources. Trust data is reviewed by specialties monthly and ultimately becomes the source of HSCIC data.						
Frimley Health NHS Foundation Trust has taken the following actions to improve this indicator, and so the quality of its services, by:						
<ul style="list-style-type: none"><li>Continuing to routinely monitor performance data</li><li>Continuing to provide telephone advice lines initiated for patients following discharge with access to rapid reassessment by clinician if necessary</li><li>Ensuring the contact details for the appropriate specialty discharge helpline is included on all patient discharge summaries</li><li>Continuing to provide ‘hot clinics’ with the Surgical Assessment Consultant to see patients who may need to be seen with a post-operative issue or for patients referred by GPs, which reduces admissions</li></ul>						

Patient Experience						
NHS Outcome Framework Domain Indicator	Indicator	Trust rate for noted reporting period	National Average	Top Performer (highest)	Worst Performer (lowest)	Data Source
Ensuring people have a positive experience of care	Responsiveness to the personal needs of its patients	(Apr 2014 – Mar 2015)* FHFT: 73.1	68.9%	86.1	59.1	Health and Social Care Information Centre (HSCIC)
		(Apr 2013 – Mar 2014) FPH: 73.3 HWP: 63.3	68.7	86.1	54.4	
*National Inpatient Survey results are published annually by the Care Quality Commission in the April of the following year						
Frimley Health NHS Foundation Trust considers that this data is as described for the following reason. The data source is produced by the Care Quality Commission using results from the National Inpatient Survey.						
Frimley Health NHS Foundation Trust has taken the following actions to improve this indicator, and so the quality of its services, by:						
<ul style="list-style-type: none"><li>• Reviewing the feedback from the following sources both locally and at Board level to ensure that areas for improvement are identified and acted upon:<ul style="list-style-type: none"><li>○ Patients and their carers/family/friends from sources such as social media</li><li>○ Engagement events</li><li>○ The Friends and Family Test</li><li>○ Local and national surveys</li><li>○ Patient Advice and Liaison Service and complaints</li></ul></li><li>• There is a Trust-wide Improving Patient Experience Forum for patient experience which includes a governor and a non-executive director</li><li>• Meeting quarterly to discuss patient experience with local Healthwatch groups and CCG lay members via the Public Involvement Group</li><li>• Using patient stories at Board</li><li>• Monitoring ward level real time feedback surveys undertaken by volunteers at the Patient Experience Forum. This allows the Trust to take action to resolve issues at the point of concern</li><li>• Continuing to invest in the delivery of Leadership programmes to support the development of our senior staff. This enables senior staff to utilise results/feedback to help direct and determine actions for change</li><li>• Developing individual ward level improvement plans for priorities for the coming year</li><li>• A new process has been implemented for complaints handling, focusing on early resolution by strengthening the training delivered for all new staff, restructuring the complaints and PALS team at Wexham Park, and creating a new, prominent and accessible space for PALS. This has resulted in a 37% reduction in formal complaints received during 2015/16 at HWP sites compared to 2014/15</li><li>• FHFT have signed up to John’s Campaign for the right of people with dementia to be supported by their carers in hospital</li><li>• Developed a new policy for the recruitment and retention of volunteers to enhance the patient experience. The Trust has launched a new recruitment process, developed specific volunteer role profiles and has focused on recruiting to priority roles such as patient companions, and mealtime assistance</li></ul>						



National Staff Survey						
NHS Outcome Framework Domain Indicator	Indicator	Trust rate for noted reporting period	National Average	Top Performer (highest)	Worst Performer (lowest)	Data Source
Ensuring people have a positive experience of care	% of staff who would recommend the Trust to their family or friends	2015 Survey FHFT: 75% 2014 Survey FPH: 89% HWP: 50%	71%	93%	46%	Health and Social Care Information Centre (HSCIC)
Frimley Health NHS Foundation Trust considers that this data is as described for the following reason. The data is extracted from the NHS Staff Survey which is produced by an external organisation with adherence to strict national criteria and protocols.						
<p>Frimley Health NHS Foundation Trust has taken the following actions to improve this indicator, and so the quality of its services, by:</p> <ul style="list-style-type: none"> <li>• Embedding the values through systems such as recruitment, induction, appraisal and staff recognition awards – NHS Staff Survey 2015 says that 99% of staff are aware of the values</li> <li>• Finalising the restructuring of the organisation, with emphasis on the role and involvement of clinical leaders</li> <li>• Putting in place arrangements to monitor and deliver the quality and clinical governance agenda leading to improved patient services</li> <li>• Continuing to deliver customer care training – a revised package since April 15 – has been delivered to circa 700 people</li> <li>• Focusing on the role of the leader and producing a Code of Conduct for Leaders, implementing and delivering three cohorts of our revised Leading People Programme for new leaders and commenced leadership induction for new leaders</li> <li>• The Listening into Action pulse check survey from February 2016 at Heatherwood and Wexham Park Hospitals shows that there has been a huge improvement in staff perception on quality of services between March 2014 and February 2016. In March 2014 only 49% of respondents said “I believe we are providing high quality services to our patients/service users”, compared with 74% in February 2016</li> </ul>						

Venous thromboembolism (VTE blood clot)						
NHS Outcome Framework Domain Indicator	Indicator	Trust rate for noted reporting period	National Average	Top Performer (highest)	Worst Performer (lowest)	Data Source
Treating and caring for people in a safe environment and protecting them from avoidable harm	% of patients who were admitted to hospital and who were assessed for venous thromboembolism	(Apr 2014- Mar 2015) end of Q3* FHFT: 98%  (Apr 2013 – Mar 2014) FPH: 98% HWP: 92%	96%	100%	79%	Health and Social Care Information Centre (HSCIC)
*This indicator on the HSCIC Indicator Portal was last updated in March 2016 and the next update is due to take place in August 2016 when Q4 data will be available						
Frimley Health NHS Foundation Trust considers that this data is as described for the following reason. The VTE score is based on the Department of Health definition and agreed by the local commissioners for CQUIN purposes. The source data for this indicator is routinely audited prior to submission. It is monitored by the Trust Board monthly via the Performance & Quality report.						
Frimley Health NHS Foundation Trust has taken the following actions to improve this indicator, and so the quality of its services, by continually monitoring performance for this indicator via the Trust VTE Committee and through training and education. Our performance in this indicator has been very good.						

Clostridium difficile (C.diff) infection						
NHS Outcome Framework Domain Indicator	Indicator	Trust rate for noted reporting period	National Average	Top Performer (lowest)	Worst Performer (highest)	Data Source
Treating and caring for people in a safe environment and protecting them from avoidable harm	Rate per 100,000 bed days of cases of C. difficile infection reported within the Trust amongst patients aged 2 or over	(Apr 2014- Mar 2015)* FHFT: 7.7  (Apr 2013 – Mar 2014) FPH: 7.4 HWP: 15.0	15.1	0.0	62.2	Health and Social Care Information Centre (HSCIC)
*The next update for this indicator on the HSCIC Indicator Portal is due to take place in August 2016						
Frimley Health NHS Foundation Trust considers that this rate is as described for the following reason. The source data is routinely validated and audited prior to submission. All cases of clostridium difficile are reported and investigated by the Infection Control Team and undergo formal root cause analysis investigation. The findings are then reported to the Board of Directors. Reporting is in line with the requirements of the Health Protection Agency (HPA) and Monitor.						
Frimley Health NHS Foundation Trust has taken the following actions to improve this data, and so the quality of its services, by:						
<ul style="list-style-type: none"> <li>Ensuring formal root cause analysis meetings (chaired by the Medical Director, Director of Nursing and Quality or the Director of Infection Prevention and Control) take place for every 'post 72 hour' C.diff case</li> <li>Ensuring learning is fed back to care groups and assurance of progress on actions is an agenda item at monthly Hospital Infection Control Committee meetings and monitored by the Trust Board</li> </ul>						

Patient safety incidents						
NHS Outcome Framework Domain Indicator	Indicator	Trust rate for noted reporting period	National Average	Top Performer (lowest)	Worst Performer (highest)	Data Source
Treating and caring for people in a safe environment and protecting them from avoidable harm	Number of patient safety incidents reported within the Trust	(Oct 2014 - Mar 2015)* FHFT: 5850 (Oct 2013 – Mar 2014) FPH: 2361 HWP: 2985	4539  3083	443  1048	12784  5495	Health and Social Care Information Centre (HSCIC)
	Rate of patient safety incidents reported within the Trust	(Oct 2014 - Mar 2015)* FHFT: 26.60 (per 1000 bed days) (Oct 2013 – Mar 2014) FPH: 5.24 HWP: 7.79 (per 100 admissions)	36.23  7.92	3.57  2.41	82.2  16.76	
	Number of such patient safety incidents that resulted in severe harm or death	(Oct 2014 - Mar 2015)* FHFT: 40 (Oct 2013 –Mar 2014) FPH: 16 HWP: 56	22  20	2  1	128  72	
	Rate of such patient safety incidents that resulted in severe harm or death (NRLS data)	(Oct 2014 - Mar 2015)* FHFT: 0.18 (per 1000 bed days) (Oct 2013 – Mar 2014) FPH: 0.04 HWP: 0.15 (per 100 admissions)	0.18  0.05	0.02  0.003	1.53  0.17	
*Latest data period available on HSCIC for this indicator						
Frimley Health NHS Foundation Trust considers that this data is as described for the following reason. All data is validated prior to submission to the National Learning and Reporting System. The NRLS enables all patient safety incident reports, including near miss and no harm events, to be submitted to a national database on a voluntary basis designed to promote learning. It is mandatory for NHS trusts in England to report all serious patient safety incidents to the Care Quality Commission (CQC) as part of the CQC registration process. To avoid duplication of reporting, all incidents resulting in harm should be reported to the NRLS who then report them to the CQC.						
Frimley Health NHS Foundation Trust has taken the following actions to improve this data, and so the quality of its services, by:						
<ul style="list-style-type: none"><li>Continuing to reinforce the incident reporting process across Frimley Health</li><li>Reviewed reporting categories and align across Frimley Health</li><li>Embedding the Frimley Health incident reporting policy and processes for investigation, learning and implementation of changes in practice</li><li>Identifying key work-streams from the incident reporting profile to improve practice</li></ul>						

## Part 3: Other Information

### Review of quality performance in 2015/16

The following section provides an overview of the quality of care offered by the Trust based on performance in 2015/16 against additional key quality indicators selected by the Board in consultation with stakeholders, with an explanation of the underlying reason(s) for selection. The indicators have been selected to demonstrate our commitment to patient safety, clinical effectiveness and enhancing the patient experience.

Wherever possible the data is shown over time in order that the reader can understand the progress made and compare the Trust's performance with other providers (hospitals). National benchmarking data is not available for the indicators in this part of the report (except where indicated) because data calculation methodologies are specific to the Trust.

## Review of quality performance in 2015/16

### Patient Safety

#### Reducing Avoidable Harm

Patient Safety has always been the number one priority for the Trust, with a key focus on sustaining improvement over time. In 2008, Frimley Park Hospital set the ambition within the Trust's Quality Strategy to significantly reduce avoidable harm by 30% over 3 years. By 2012, Frimley Park Hospital had actually reduced avoidable harm by an average of 53% against the high priority patient safety indicators. See table below.

Indicator	Baseline	2011/12	% reduction achieved
MRSA	4	2	50%
C. Diff	85	15	82%
VAP	3.78	2.31	39%
CVC	5.74	1.34	77%
Medication errors resulting in harm	68	12	82%
Pressure ulcers – grade 2	269	247	8%
Pressure ulcers – grade 3 & 4	67	15	78%
Falls resulting in significant injury	20	16	20%
PE	53	32	40%
<b>Average reduction</b>			<b>53%</b>

The subsequent Trust Quality Strategy for 2013-16 set a new ambition to reduce avoidable harm over 3 years by a further 15%. During the life of this strategy, Frimley Park Hospital joined with Heatherwood and Wexham Park Hospitals to become Frimley Health NHS Foundation Trust.

Since the inauguration of Frimley Health NHS Foundation Trust in October 2014, we have continued to pursue this aim. The tables below show the performance against key patient safety indicators by each of the hospital sites, and also the overall performance of Frimley Health. The tables below demonstrate our performance in reducing avoidable harm across the whole Trust and on the individual sites.

FRIMLEY PARK HOSPITAL					% reduction in harm to patients over 3 years	
PATIENT SAFETY INDICATORS	Baseline Data 2012-13	2013-14	2014-15	2015-16		
Methicillin-Resistant Staphylococcus Aureus (MRSA)	1	4	2	0	100%	↓
Clostridium difficile (C.diff)	16	15	10	18	-13%	↑
Pressure ulcers: Grade 2	128	90	96	81	37%	↓
Pressure ulcers: Grade 3	15	8	2	5	67%	↓
Pressure ulcers: Grade 4	0	0	0	0	Sustained improvement	→
Falls resulting in significant injury: occurrences per 1000 bed days	18	23	22	15	17%	↓
Medication errors with harm (mod/severe)	3	3	5	2	33%	↓

HEATHERWOOD & WEXHAM PARK HOSPITAL					% reduction in harm to patients over 3 years	
PATIENT SAFETY INDICATORS	Baseline Data 2012-13	2013-14	2014-15	2015-16		
Methicillin-Resistant Staphylococcus Aureus (MRSA)	0	1	0	2	-200%	↑
Clostridium difficile (C.diff)	28	31	23	23	18%	↓
Pressure ulcers: Grade 2	179	91	146	63	65%	↓
Pressure ulcers: Grade 3	17	13	16	2	88%	↓
Pressure ulcers: Grade 4	4	1	2	2	50%	↓
Falls resulting in significant injury: occurrences per 1000 bed days	22	6	19	13	41%	↓
Medication errors with harm (mod/severe)	62*	3	44*	2	97%	↓

\*There were differences in data collection methodologies which have now been aligned for 2015-16

FRIMLEY HEALTH FOUNDATION TRUST					% reduction in harm to patients over 3 years	
PATIENT SAFETY INDICATORS	Baseline Data 2012-13	2013-14	2014-15	2015-16		
Methicillin-Resistant Staphylococcus Aureus (MRSA)	1	5	2	2	-100%	↑
Clostridium difficile (C.diff)	44	46	33	41	7%	↓
Pressure ulcers: Grade 2	307	181	240	144	53%	↓
Pressure ulcers: Grade 3	32	21	18	7	78%	↓
Pressure ulcers: Grade 4	4	1	2	0	400%	↓
Falls resulting in significant injury: occurrences per 1000 bed days	40	29	41	28	30%	↓
Medication errors with harm (mod/severe)	65	6	49	4	94%	↓
REDUCTION IN AVOIDABLE HARM TO PATIENTS				Average reduction	80%	

The data in the table above for Frimley Health NHS Foundation Trust shows that 5 of the 7 safety indicators have significantly exceeded the 15% harm reduction target. There is also a 7% reduction in incidents of C. diff, which is very positive when compared to the national increase in the number of C. diff infections nationally. Overall, this represents an average harm reduction of 80%..

During 2015-16, Frimley Health NHS Foundation Trust has continued to focus on improving practice in these other key patient safety areas:

#### *Patient Falls*

The Trust has continued to monitor and review our inpatient falls to ensure any areas of improvement are implemented. This has included patients aged 65 years and over having lying and standing blood pressure (BP) taken to identify a postural drop which can cause someone to fall. The ward environments have been reviewed to reduce the risk of falling and accommodate facilities to support staff within the patient bays. Patients will also have their medication reviewed to ensure medications do not cause postural drops.

#### *Venous Thromboembolism (VTE)*

There continues to be excellent practice with VTE compliance across Frimley Health. The Trust has demonstrated compliance above the national average (95%) for patients being risk assessed on admission every month for the year. This means that patients at risk of developing a VTE are identified and where appropriate prophylaxis measures are put in place to prevent a VTE developing.

#### *Medicines Safety*

The Trust has continued to monitor all drug related incidents to identify areas of improvement or changes in practice. The implementation of revised medication competencies has been introduced for all new staff nurses to complete and also for any nurse involved in a drug error. An opiate awareness campaign was held to ensure staff were aware of the complexity of these medications to prevent errors.

#### *Safeguarding Adults*

A Trustwide Safeguarding Adults work programme for 2015/16 has been in place to strengthen adult safeguarding leadership, training, internal governance arrangements and meet the requirements outlined in the NHS contract for 2015/16 and the Care Act 2014.

The Trust has an Adult Safeguarding Lead based at Frimley Park Hospital and a newly appointed Adult Safeguarding Lead covering Wexham Park and Heatherwood Hospitals. Following the consultation as part of the acquisition of Wexham and Heatherwood Hospitals, two additional posts have been included in the safeguarding structure for the Trust. These posts are predominantly to deliver training to meet the requirements in the quality schedule of the NHS contracts with the Trust's commissioners and the CQC standards for safety and safeguarding.

Training packages have been reviewed and developed for level 1,2,and 3 and are all delivered internally by the Adult Safeguarding Leads and the Adult Safeguarding Nurse. In order to meet the required targets set contractually by the commissioners, training sessions are taking place three times a week. There is also a combined training session with children safeguarding which delivers all of the level 2 requirements in one day.

Mental Capacity and Deprivation of Liberty Safeguards (DOLs) has been incorporated in to all of the training packages at the appropriate level for the grade of staff. This will ensure that all staff have awareness and can report concerns and those staff who have extra responsibilities will be able to assist in investigations as necessary.



## Ward nurse staffing

In January 2014, the Department of Health made a number of commitments following the Government's response to the Mid Staffordshire NHS Foundation Trust Public Inquiry, '*Hard Truths; The journey to putting patients first*'. All trusts are required to report and publish monthly ward staffing rates. As a Trust, we feel that this is an important quality measure to focus on in terms of ensuring the safety of our patients on the wards and have, therefore, continued to monitor performance over the last year.

Data is reported as the proportion of the actual number of hours worked against the number of planned hours and from October 2014 is combined data for Frimley Health NHS Foundation Trust.

		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
2014/15	FPH	*	101%	102%	102%	100%	100%	98%	99%	99%	99%	98%	99%
	HWP	*	100%	97%	99%	95%	98%						
2015/16	FHFT	99%	96%	100%	98%	96%	98%	98%	97%	94%	96%	94%	95%

Source: National Unify system

\*Reporting commenced in June 2014 with May data

The Director of Nursing monitors nurse staffing on a monthly basis and it is reported to the Board via the Quality & Performance Report. Nurse to patient ratios are continually monitored and formally reviewed and reported to the Board every six months.

The Trust has approved the following nurse staffing principles to ensure patient safety:

- Minimum of two trained nurses on duty in all ward areas, 24 hours a day / seven days a week.
- Trained nurse to patient ratios:
  - Day: 1:8 maximum
  - Night: 1:10 maximum

The following measures were put in place over the last year to improve the retention of clinical staff and ensure safe staffing is in place.

**Safe staffing matron**

A safe staffing matron has been appointed in a cross-site role, to provide an oversight on staffing across the Trust. This role will also provide support to the HR directorate on recruitment and retention. It will review the quality of the current roster and explore different lines of working.

**Surgical rotation programme**

The Acute Surgical Rotation Programme has been introduced as an incentive for retention. It runs over 18 months, providing 4 placements. 8 newly qualified nurses are recruited at the end of the programme. It includes the preceptorship programme, surgical /orthopaedic study day and placement objectives. On completion, the staff nurse will be offered a permanent Band 5 position within the directorate, mentorship place and £1000.

**Preceptorship programme**

A 12 month preceptorship programme has been introduced on the Wexham Park site that mirrors the Frimley Park site. It has been significant in the retention of students with a current retention of 90%. The mandated programme provides support and clinical skills during the initial transfer from student to registered practitioner.

**Student nurse programme**

The introduction of a 3 year programme on both sites, with the recruitment of a clinical education team on the Wexham Park site to mirror the Frimley Park site, has provided a great deal of positive feedback on the experiences of the students and their retention.

**Nurse Leadership Development Programmes**

The Trust has invested significantly in Leadership and development programmes for nurse leaders at all levels. This includes an aspirant Junior Sister Band 6 programme, Ward Sisters Band 7, Clinical Matrons and the Heads of Nursing leadership programmes. 'Masterclasses' for the nurse in charge and competencies are currently being rolled out, and a bespoke cross-site leadership programme for the site teams is being developed.

## Clinical Effectiveness

The Trust information system, Hospital Episode Database (HED), allows us to compare our specialty clinical outcomes nationally to identify areas where there is room for improvement.

### Stroke & Transient Ischaemic Attack

A transient ischaemic attack (TIA) or 'mini-stroke' is caused by a temporary disruption in the blood supply to part of the brain. The disruption in blood supply results in a lack of oxygen to the brain. This can cause symptoms similar to those of a stroke, such as speech and visual disturbance and numbness or weakness in the arms and legs. However, unlike a stroke, the effects only last for a few minutes and are resolved within 24 hours.

Stroke & TIA have been a key focus and priority for the Trust since 2009. Since then, vast improvements to our Stroke & TIA services have been made and an Early Supportive Discharge Team programme has been introduced. In our drive for excellence and continued improvement, we are continuing to participate in the Sentinel Stroke National Audit Programme (SSNAP) whose data is governed by standard national definitions.

The table below shows data for Frimley Park Hospital only. Heatherwood and Wexham Park Hospital data is no longer reported to the Board as there is no Hyper Acute Stroke Unit.

Indicator	2011/2012	2012/2013	2013/2014	Apr-Sep 2014	Oct 2014– Mar 2015	2015/2016*
80% of patients spend 90% of their inpatient episode on the stroke unit (New 2013/14)	New	New	89%	94%	84.7%	86.3%
50% of [all] patients receive brain imaging within one hour of arrival	31%	45%	54%	48.9%	62.9%	55.5%
60% of eligible patients receiving thrombolysis <60 minutes of arrival (door to needle)	56%	49%	66%	45.5%	72.5%	73.2%
90% of patients receiving brain imaging within 12 hours of arrival (new 2013/14)	New	New	96%	97.6%	95.7%	95.5%
95% of patients receiving a swallow screen within four hours of admission to stroke team	New	95%	98%	83.3%	85.8%	75.6%
90% of direct admission to acute stroke unit within four hours of arrival	New	72%	83%	73.9%	76.0%	66.7%

Indicator	2011/2012	2012/2013	2013/2014	Apr-Sep 2014	Oct 2014– Mar 2015	2015/2016*
40% of patients discharged under the Early Supported Discharge (ESD) team	35%	36%	36%	29.5%	45.0%	40.2%
70% high risk TIA patients treated <24 hours of 1 <sup>st</sup> contact	59%	75%	78%	63.3%	78.3%	72.7%

Source: Sentinel Stroke National Audit Programme (SSNAP), March 2015, quarterly in arrears

\*Apr-Dec 2015 data is the most up to date - The deadline for stroke submissions for Jan-Mar to the national audit is 28th April and reports will not be available until June 2016

The stroke service at Frimley Park Hospital has been graded as 'B' by SSNAP. Trusts are graded by SSNAP using the scale A-E (grade A is best). The Trust is currently reviewing the stroke service to identify areas for improvement to achieve and maintain grade A.

Gaps in the Frimley Park 24/7 Stroke Coordinator service have had a significant impact in the acute phase (first 72hrs) performance. This service should be back to full complement by the end of the financial year. Frimley Park has recently been awarded Hyper Acute status as part of the Surrey Stroke Review. A gap analysis of the service specification is currently underway. We will have 18 months from April 2016 to address any gaps identified.

## **Acute Myocardial Infarction**

Myocardial Infarction (MI) is commonly known as a heart attack and it happens when a part of the heart muscle suddenly loses its blood supply usually due to a blood clot.

An electrocardiogram (ECG) records the electrical activity of the heart. The heart produces tiny electrical impulses which spread through the heart muscle to make the heart contract. These impulses can be detected by the ECG machine. An ECG is performed to help find the cause of symptoms such as palpitations or chest pain.

Percutaneous coronary intervention (PCI) is a non-surgical procedure used to treat narrowing of the coronary artery, using a balloon catheter to dilate (widen) the artery from within.

As cardiac intervention services form part of the Trust's hyper-acute strategy, we will continue to focus on improving performance. The focus will be on achieving the following standards, which we continue to measure ourselves against:

- 85% of eligible patients receive treatment, call to balloon within 150 minutes
- 85% of eligible patients receive treatment, door to balloon within 60 minutes
- 85% of eligible patients have an ECG performed within 15 minutes of arrival
- 30% of eligible patients receive a PCI as a day case
- 40% of eligible patients receive a pacemaker as a day case.

The data in the table overleaf has been extracted from the Myocardial Ischaemia National Audit Project (MINAP) which is governed by standard national definitions. Data prior to April 2014 only relates to Frimley Park Hospital as the information was not collected in this way for Heatherwood and Wexham Park Hospital in previous years.

Indicator	FPH 2011/2012	FPH 2012/2013	FPH 2013/2014	*FHFT 2014/2015	FHFT 2015/2016
1. 85% of eligible patients receive treatment; call to balloon within 150 minutes	90%	91%	91%	FPH: 90% HWP: 86%	93%
2. 85% of eligible patients receive treatment; door to balloon within 60 minutes	79%	86%	87%	FPH: 89% HWP: 66%	91%
3. 85% of eligible patients have an ECG performed within 15 minutes of arrival	95%	97%	97%	FPH: 96% HWP: **	95%
4. 30% of eligible patients receive a PCI as a day case	-	24%	50%	FPH: 61% HWP: 27%	47%
5. 40% of eligible patients receive a pacemaker as a day case	-	39%	48%	FPH: 65% HWP: 53%	38%

Source: 1-3 MINAP; 4-5 Trust Performance data

\*Full year data is presented for HWP

\*\*Data not collected in this format. Data aligned for 2015-16

#### MINAP Audit

The Trust has once again achieved and exceeded all the treatment time targets set by the commissioners and the Board of Directors. Each end of year performance measure (with the exception of ECG performance) has improved on that of the previous year. We have also ensured compliance with all the requirements to participate in the audit, including submitting the relevant cases, data completeness and participating in the annual validation study.

These excellent outcomes are as a direct result of all those involved in providing patient care who maintain consistently high standards in such a pressurised clinical environment. It demonstrates excellent performance for any heart attack centre and we continue to be at the top level, in terms of performance and outcomes.

## Dementia

Dementia is a syndrome (a group of related symptoms) associated with an ongoing decline of the brain and its abilities. This includes problems with memory loss, thinking speed, mental agility, language, understanding and judgement.

One in three people over 65 will have some form of dementia. There are around 800,000 people living with dementia in the UK, and the disease costs the economy £23 billion a year. By 2040, the number of people affected is expected to double - and the costs are likely to treble (Department of Health 2015)

The Trust has continued to commit to delivering the highest standard of dementia care over the last year. The indicators in the table below were monitored as part of Frimley Health Foundation Trust's CQUIN scheme during 2015/16 and are not governed by standard national definitions. Data prior to October 2014 only relates to Frimley Park Hospital as the information was not collected in the same way for Heatherwood and Wexham Park Hospital in previous years.

Indicator	FPH 2012/13	FPH 2013/14	FPH Apr-Sept 2014	*FHFT Oct 2014- Mar 2015	FHFT 2015/16
90% of all admitted patients (75+) who have been screened for Dementia (within 72 hours)	93%	100%	99.2%	FPH: 99.4% HWP: 92.2%	95%
90% of all admitted patients (75+) who scored positively on the dementia screening tool that then received a dementia diagnostic assessment (within 72 hours)	91%	100%	100%	FPH: 100% HWP: 91.7%	97%
90% of all admitted patients (75+) who received a dementia diagnostic assessment with a 'positive' or 'inconclusive' outcome that were then referred for further diagnostic advice/follow up (within 72 hours).	85%	100%	100%	FPH: 100% HWP: 100%	100%

Source: Trust data

\*Part year data is presented for HWP

## Wexham Park Hospital

We are currently aligning the dementia service across the whole of Frimley Health. A new Dementia Nurse Specialist has been appointed at Wexham Park Hospital who will come into post in April 2016. Best practice will continue to be shared across the organisation which will support the CQUIN requirements. We have

joined up the education programmes and produced a joint training needs analysis (TNA). The Dementia Nurse Practitioner at Wexham Park Hospital continues to support the needs of the inpatients.

### **Frimley Park Hospital**

Delivering outstanding dementia care is high on our agenda. We are working hard to improve the quality of care we provide to our patients, their families and carers, and to empower hospital staff in delivering a person centred care approach. The following key areas outline how we intend to do this:

#### **1. Leadership**

- FPH has a designated Lead Clinician for dementia who is supported by the Lead Nurse in Dementia
- Every FPH ward that caters for adult inpatients has their own Dementia Ward Champions. These Dementia Champions have undergone a 3-5 day comprehensive training course on dementia
- The Dementia Steering Group monitors the action plan

#### **2. Effective workforce**

- FPH has formulated a 3 tier Training Needs Analysis (TNA) for Dementia sessions
  - Tier 1: Basic awareness sessions available to all clinical and non-clinical hospital staff
  - Tier 2: Enhanced awareness sessions are aimed at patient facing clinical and non-clinical hospital staff (Dementia Champions Training)
  - Tier 3: Expert level
- 2911 out of 4709 FPH staff have taken part in the Dementia Level 1 awareness session. This number is steadily increasing
- One to One patient supervision training – this is aimed at patient facing hospital staff who regularly deliver care to patients with dementia who have challenging behaviour
- Dementia Friends Sessions – a basic awareness delivered by an Alzheimer’s Society volunteer for those hospital staff and volunteers

#### **3. Caring for carers**

- A questionnaire for carers of patients with dementia is given to gain feedback and gauge our care culture in FPH



- A monthly Dementia stand is set up in the main entrance of FPH to signpost and support carers of patients with dementia
  - A carers pack is provided to ensure carers are aware of who to contact while their loved ones are in the hospital
  - The Lead Nurse in Dementia works collaboratively with Care Homes, District Nurses, Alzheimer's Café, and Alzheimer's Society to strengthen the support for carers in the community
  - The Trust has signed up for JOHN's Campaign, an open visiting times for carers
4. Person-centred dementia care
- Appropriate identification of patients with dementia using the Butterfly Scheme
  - Appropriate identification of the needs and wishes of patients with dementia using the THIS IS ME form
  - Appropriate identification of patients with dementia with nutritional needs using the Red and Yellow Tray initiatives
  - Rummage boxes that contain activities suitable for patients with dementia
  - Dementia Sparkle Newspaper, Reminiscence books and folder to encourage patient engagement and prevent boredom
  - Radios, portable DVD player and large collection of films are available
  - Music box which runs monthly in G2 and F14 wards to encourage a feeling of happiness through singing
  - Red Clocks with large print to orientate patients with dementia with dates and times
  - Introduction of ABC chart to identify patterns of behaviour and cut the use of antipsychotic medication to patients with dementia
5. Dementia friendly environment
- Improved hospital signage
  - Improved toilet signage
  - Using coloured toilet seats
  - Using red Zimmer frames
  - Refurbished F14 balcony for the use of patients with dementia
  - Uncluttered ward environments

In 2016/17 Frimley Health will continue to:

- Empower staff through dementia training awareness programmes
- Cultivate a person-centred approach in dementia care
- Support carers for patients with dementia
- Work in partnership with a range of organisations including; Frimley Care Homes Focus Group, Local Alzheimer's society and Dementia cafés
- Contribute to the National Agenda - FPH is taking part on the 2016 National Dementia Audit
- Ensure that the plans to refurbish F14 into a more dementia friendly environment progress

## **Patient Experience**

The experience of our patients is as important as their health outcomes and is central to our mission to provide the highest quality of care. This is the main rationale for the work we do. It is important to ensure that our patients and the public are given an opportunity to comment on the quality of services they receive.

During 2015/16 Frimley Health NHS Foundation Trust has continued to collect real time feedback on a wide range of quality indicators.

### **Inpatient experience – essential care needs**

Measuring patient experience for improvement is essential for the provision of a high quality service. There are many essential standards of care but we consider the following five ‘needs’ to be a crucial and basic element of patient care in our hospitals. We have, therefore, continued to monitor our performance against the indicators below.

The Trust continues to work collaboratively with patients and the public to improve patient experience through listening to our patients and learning from feedback.

The indicators in the table below were monitored as part of Frimley Health Foundation Trust’s local inpatient surveys and are not governed by standard national definitions. Data prior to October 2014 only relates to Frimley Park Hospital as the information was not collected in the same way for Heatherwood and Wexham Park Hospital in previous years.

Patient Survey Question	National Survey data 2012/2013	FPH 2013/2014	FPH Apr-Sept 2014	*FHFT Oct 2014-Mar 2015	FHFT 2015/2016
Overall, did you feel you were treated with respect and dignity whilst in hospital?	83%	97%	97%	FPH: 97% HWP: 94%	96%
Were you given enough privacy on the ward when discussing your condition/treatment? ***	73%	93%	93%	FPH: 94% HWP: **	96%
Did you receive the required assistance with washing/dressing, eating/drinking and mobilising? ***	New	92%	91%	FPH: 92% HWP: **	N/A
Do you get enough help from staff to eat your meals? (New for 2015/16)	New	New	New	New	88%
Do you have confidence and trust in the doctors treating you? **** (New for 2015/16)	New	New	New	New	92%
Overall % inpatients who would recommend the Trust to friends and family if they needed similar care or treatment	New	95%	89%	FPH: 92% HWP: 92%	94%

Source: Trust local survey data

\*Part year data is presented for HWP

\*\*Data is not available for HWP as it was not collected for these indicators. Data was aligned for 2015/16

\*\*\*Indicator included in the Quality Report 2014/15 but is no longer monitored locally. It was agreed that, for this year, we would replace it with another question, focusing specifically on patients being assisted with eating.

\*\*\*\*This indicator has been included in this year's report taking into consideration feedback from patients that this is an important measure for them when coming into hospital

## Dementia carers' survey

It is recognised that people with dementia do not respond well to changes in environment and their routine. The Trust recognises that carers and relatives play a vital role in the care of patients with dementia and is committed to improving how we work with and support carers of our patients. Therefore, we introduced a questionnaire to be completed by the carer/relative of patients with dementia in order to understand how we can better support carers.

The indicators in the table below were monitored as part of Frimley Health Foundation Trust's local inpatient surveys and are not governed by standard national definitions. Data prior to October 2014 only relates to Frimley Park Hospital as the information was not collected in the same way for Heatherwood and Wexham Park Hospital in previous years.

Indicator	FPH 2013/2014 (baseline)	FPH Apr-Sept 2014	FHFT Oct 2014 – Mar 2015	FHFT 2015/2016
Percentage of patient carers who would recommend our services to friends and family (likely & extremely likely).	89%	85%	FPH: 75% HWP: *	87% FPH HWP: *
Percentage of patient carers who would score the care received by their relative / friend between 6 and 10 (higher = better).	89%	85%	FPH: 88% HWP: *	93% FPH HWP: *

Source: Trust local survey data

\* Data not collected in this way at HWP. Data will be aligned for 2016/17

The Dementia Care Specialist was not in post at Wexham Park Hospital and, therefore, the data was not collected in the same way. This will be aligned for 2016/17.

The number of carers giving feedback has increased steadily at Frimley Health Foundation Trust, from 97 in 2014/15 to 143 in 2015/16. It has remained a challenge to obtain feedback from carers due to their time commitments. However, a question has now been added into the overall patient experience tracker about carers involvement in discharge planning which has already generated over 6000 responses. This is a fantastic achievement in understanding how we can support carers in the future.

The learning arising from the results of this survey are fed back to clinicians for action on a monthly basis. An action plan has been developed and is monitored by the Dementia Steering Group.

## National Friends and Family Test (FFT)

This is a national measure for patient experience as part of healthcare providers' contracts. Question: *If a member of your family or a friend needed similar treatment how likely are you to recommend this ward/department/service?* There are six response categories: *extremely likely, likely, neither likely nor unlikely, unlikely, very unlikely or don't know*.

### Inpatients (ward) and Accident and Emergency

The Trust has fully embraced and embedded the FFT which is reflected in the exceptional performance compared with the national average. Since April 2013, the FFT question has been asked in all NHS inpatient and emergency departments across England and the Trust also includes maternity services. In line with the NHS England directive, the FFT was extended in 2014 to include outpatient, community, and day case areas in addition to inpatient areas. In 2015/16 the percentage of patients that would recommend individual services and departments was measured, both internally and nationally. This differs from the response rates that were monitored the previous year. Data is governed by standard national definitions.

% patients that would recommend these services/departments	2013/2014		Apr-Sept 2014		Oct 14 –Mar 15	2015/ 2016
	FPH	HWP	FPH	HWP	FHFT	FHFT
A&E Department	85%	76%	87%	73%	88%	90%
Inpatient (ward)	93%	94%	93%	95%	95%	97%
Day Case Unit	N/A	N/A	N/A	N/A	97%	99%
Outpatients	N/A	N/A	N/A	N/A	94%	95%
Community Services	N/A	N/A	N/A	N/A	99%	98%

Source: Trust data reported to National Unify system

The Trust changed providers in October 2015 and has seen a slight drop in the response rates for A&E due to some technical difficulties with SMS messaging.

A range of actions have been taken as a direct result of the feedback our patients have given us. These include:

- The Ward 4 garden at Heatherwood Hospital was not being used regularly and required tidying up. A volunteer was asked to maintain the garden on a weekly basis and patients are now using the garden more often when able to
- Patients trialed 3 different chairs for the waiting area on the Surgical Assessment Area at Frimley Park Hospital. Following patient feedback the preferred type/make of chair was placed in the unit waiting area
- Patients on the Elderly Care wards at Frimley Park Hospital suggested it would be useful to have hooks on the backs of the toilets to hang coats and bags on. The ward contacted estates to arrange for hooks to be put in all toilets on the ward
- Another patient suggested it would be useful to have mirrors in the bathroom for when shaving. This was actioned by the Surgical Acute Dependency Unit at Frimley Park Hospital

### **Emergency Department – Wexham Park Case study:**

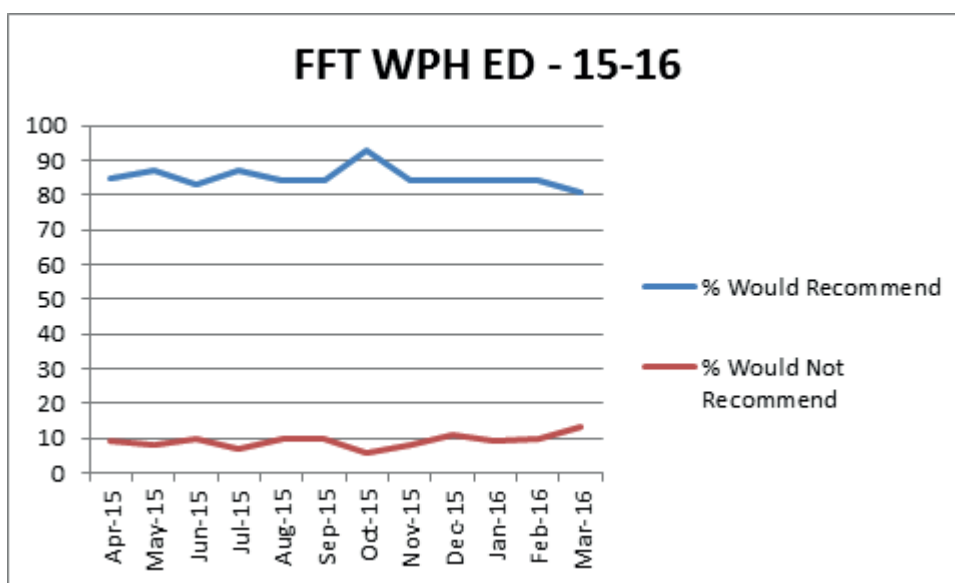
The drive behind improvements was the team's determination to strengthen the consistency and quality of patient experience. In April 2014, the Friends and Family Test showed that less than 70% of the patients would recommend the unit and more than 20% would not recommend the service to their friends and family. Patients reported in the FFT comments very different experiences.

As the team engaged with the Hospital Trust it became clear that there was a willingness to embrace new approaches to the development of ED.

In building support it was recognised that:

- A redesign of the ED was necessary to cope with an increase in attendances, providing an improved flow and experience for patients, staff and ambulance colleagues
- Different ways of working were needed by the whole team and streaming was introduced with a nurse based in reception. Areas were colour coded so everyone including the patients knew what was happening
- A recruitment and retention strategy was developed and implemented for doctors and nurses.
- Appointment of clinically credible Matrons, Joanne Hawkes and James Rolfe demonstrating clinical leadership on the frontline
- Shift times changed to long days
- Investment was made in the training and development of staff
- Staff attitude needed to be addressed by effective management and the #Hello My Name is Campaign adopted
- Weekly hot topics were led by a consultant and covered in every handover
- Staff needed to be responsive to feedback whether in FFT comments, on Twitter or in formal complaints
- Involving patients in service design and feedback was required
- Working with Healthwatch Buckinghamshire as part of their Urgent Care review would help to highlight issues the team may not have been aware of
- Improved relationships between the doctors and nurses as they work together towards solving the issues raised by the FFT collection





A patient recently recorded her story to share with the Board as she had previously refused to attend the Emergency Department at Wexham Park Hospital. Undertaking a quality visit, as part of her role as the local CCG lay member responsible for Patient and Public Involvement, she has since changed her mind.

The FFT has enabled the staff to embrace patient feedback for improvement in real time. Further work is planned which will help to improve the experience for patients with a brand new ED being built in 2017. The difference is that patients are seen as partners in working together as we face the future at Wexham Park Hospital.

## Maternity services

The FFT results for maternity services are monitored by the Trust to establish the level of satisfaction with our maternity services with the aim of improving women's experience.

The results show that since 2013 there has been an improvement (increase) in the percentage of patients who would recommend our maternity services.

% patients that would recommended these services/departments	2013/2014		Apr-Sept 2014		Oct 14 –Mar 15	2015/ 2016
	FPH	HWP	FPH	HWP	FHFT	FHFT
Maternity services	89%	93%	90%	96%	93%	95%

*Source: Trust data reported to National Unify system*

The FFT cards are readily available and are given out daily on the postnatal and labour wards and community midwives encourage the mothers prior to discharge to the health visitor to complete. However, the maternity unit is experiencing difficulty in getting women to respond so many times during their pregnancy. Many women comment that they are not happy completing the same question so many times and that with a new baby they are too busy.

A reminder has been added to the Trust's Facebook page and it has been suggested that a mobile application might be a good solution going forward to make it easier for patients to complete.

## Performance against key national priorities 2015/16

Monitor is the health sector regulator. As part of this work, Monitor sets the Trust guidance on some of the reporting requirements in this report. These requirements are set out in the table below.

Indicator	Monitor Threshold	FHFT 2015/16
Maximum time of 18 weeks from point of referral to treatment (RTT) in aggregate – patients on an incomplete pathway (1) <sup>(A)</sup>	>=92%	93.3%
A&E: maximum waiting time of four hours from arrival to admission/transfer/discharge (2) <sup>(A)</sup>	>=95%	Q1 : 96.3% Q2 : 95.19% Q3 : 95.46% Q4 : 91.4%
All cancers: 62-day wait for first treatment from: <ul style="list-style-type: none"> <li>Urgent GP referral for suspected cancer</li> <li>NHS Cancer Screening Service referral</li> </ul>	>=85% >=90%	88.7% 96.8%
All cancers: 31-day wait for second or subsequent treatment, comprising: <ul style="list-style-type: none"> <li>Surgery</li> <li>Anti-cancer drug treatments</li> <li>Radiotherapy</li> </ul>	>=94% >=98% >=94%	99.2% 100.0% N/A*
All cancers: 31-day wait from diagnosis to first treatment	>=96%	99.3%
Cancer: two-week wait from referral to date first seen, comprising: <ul style="list-style-type: none"> <li>All urgent referrals (cancer suspected)</li> <li>For symptomatic breast patients (cancer not initially suspected)</li> </ul>	>=93% >=93%	95.1% 96.3%
Clostridium Difficile (C. diff) – Total cases (Number due to lapses in care)	- (31)	41 (13)
<div style="text-align: right;"> <sup>(A)</sup> = Audited by PwC  <i>*The Trust does not provide Radiotherapy</i> </div>		
(1) The report indicator performance has been calculated based on all patients who were known to have an open RTT period as at each month end during the year. The accuracy of this information is dependent upon the accuracy of information recorded by a number of staff throughout the organisation at many different points in the pathway, including the entering of referrals at the start of the pathway, clinicians entering accurate RTT statuses throughout the pathway, clinical coding and the correct date of entry on waiting lists. The data is, to the best of our knowledge, complete		
(2) The reported indicator performance has been calculated based on all patients recorded as having attended A&E. Completeness of this information is therefore dependent on the complete and accurate entry of data at source by the clinician who carries out initial assessment or by A&E reception. Patients who have not been correctly registered in A&E will therefore not be included in the indicator calculation. Therefore, the data is, to the best of our knowledge, complete.		

### 18 week RTT

The Trust has achieved the RTT standard (92%) every month throughout 2015/16. However, the backlog of patients waiting more than 18 weeks has gradually increased and therefore performance, whilst still above target, deteriorated towards the end of the year. The increase in backlog is because whilst elective demand has increased (GP referrals have gone up by 4%) our activity (number of operations undertaken) has remained static. The Trust commenced a programme during Q4 that will continue into the new financial

year aimed at reducing the number of patients waiting over 18 weeks. Initiatives include running weekend operating lists, maximising theatre capacity across all three sites and a small number of patients being treated in the private sector.

#### *A&E 4-hour target*

As part of the year end audit of the quality report, it transpired that the Trust was not fully adhering to the guidance around clock starts for patients arriving in the Emergency Department by ambulance. Each site had taken a different approach as a result of the lack of robust data for ambulance handover times. 30% of A&E attendances arrive by ambulance.

Due to the difficulty in the Emergency Department and ambulance service IT systems accurately transferring data the Trust is unable to validate, the data has now been restated above so as to be on a consistent basis, using the ambulance arrival time as the 'clock-start' for the 4-hour standard for any patients arriving by ambulance. This is a more prudent measure than that stated in the guidance for ambulance arrivals, and hence potentially understates our actual performance.

As a result, the performance shown in the above table is marginally different to our in-year returns but does not materially affect the monthly or quarterly achievement of the 4-hour target.

## Annex 1: Statements from commissioners, governors, local Healthwatch organisations and Overview & Scrutiny Committee

### Patient Experience & Involvement Group (PEIG) comments on Quality Report 2015-16

As a sub-group of the Council of Governors (CoG), the PEIG meets quarterly to provide feedback to the Trust and the CoG on matters relating to patient experience and service developments. The group comprises of publicly elected Governors, Staff Governors, Stakeholder Governors and co-opted members with relevant patient expertise and experience. As such the group is in an ideal position to monitor the quality of services at Frimley Health NHS Foundation Trust (the Trust).

The PEIG welcomes the proactive engagement the Trust has had with Healthwatch over the last year. This has been achieved through quarterly meetings where patient experience and feedback is discussed and acted upon to improve care.

The PEIG has sought to evaluate on going quality of services provided by Frimley Health NHS Foundation Trust for the period April 2015 – March 2016. This year the PEIG focussed on:

- Improving the care and experience for patients who are being discharged from hospital (including transport services)
- Reducing noise at night
- Improving mealtimes
- Elderly and frail patients
- Volunteer priorities

Along with other Governors, PEIG members continue to be involved in the Quality Assurance Walkabout programme where we see first-hand how the doctors, ward sisters, nurses and other clinical support professionals such as occupational therapists and physiotherapists interact with patients and their families and carers. Such close involvement enables Governors to really get a 'feel' for how wards and departments are operating and enables the highlighting of areas of good practice and those requiring attention or improvement. This year, the walkabouts have been aligned across all sites with actions and feedback having a positive impact on patient and staff experience.

The PEIG feels that the Quality Report accurately defines the quality and safety standards, targets, achievements and the Trust's determination to continue to strive for on-going improvements. The PEIG recognise that the three hospitals have different challenges to provide excellence in all healthcare services and are pleased to note that best practice is identified and shared across the whole of Frimley Health NHS Foundation Trust.

We believe the '**Good**' CQC rating awarded to Wexham Park Hospital in October 2015 is a huge achievement, with 2 services, Critical Care and the Emergency Department, rated '**Outstanding**'. This is further evidence that the Trust leadership team has the drive and ambition to ensure that patients receive high standards of care on all sites.

The group also felt strongly that engaged and well supported staff impact positively on the care and outcomes of patients. Therefore, fully supports the continued focus on staff leadership and development, and is pleased to note the very positive results from the national staff survey.

The PEIG acknowledge the national challenges around recruitment of nurses and midwives and are pleased to see the notable improvements the Trust has made over the last year in recruiting staff and reducing the vacancy rate.

It is noted that data collection methodologies in some areas are still not consistent across all 3 sites. Therefore, the PEIG hopes to see more a more robust approach to data alignment over the coming year.

The PEIG is fully supportive of the priorities for improvement identified for 2016-2017 i.e. discharge planning, recognising the deteriorating patient and improving the quality of end of life care. There has been significant improvements in the management of Sepsis and acute kidney injury, and the group was pleased to note that this will also be part of the National and local CQUIN scheme for next year.

The PEIG continues to gain assurance on how our patients feel about the care they receive from the national Friends and Family Test and the local bedside survey as the Trust continues to benefit from the extremely high level of feedback from patients. The PEIG therefore, has a high degree of confidence in the excellent results reported. However, further improvements in discharge planning and communication with patients, their families and carers is required.

The number of cases of C. difficile has increased significantly over the last year. The PEIG recognises this increase is consistent with the national picture. However, reassurance is needed for patients around the actions taken to further prevent infections.

The quality report outlines the significant amount of work undertaken to improve dementia care for patients. The PEIG are pleased to see the achievements made and fully agree with the plans to continue to support patients with dementia, and their families and carers.

The group were delighted to note that the Trust has had zero cases of grade 4 hospital acquired pressure ulcers (PUs) and has significantly reduced the cases of grade 3 hospital acquired pressure ulcers. It is hoped that this reduction can be maintained.

In conclusion the group is satisfied that the Quality Report is a true statement of quality at the Trust and is assured by the significant achievements detailed in part 1 of the Quality Report. There is strong evidence that both managers and staff are not complacent and continue to push the boundaries of quality for patients, their families, and carers to excellent effect.

**Mary Probert**

Chairman, PEIG

16<sup>th</sup> May 2016

## Commissioner Response to Frimley Health Foundation Trust Quality Account

### Commissioner Statement

North East Hampshire and Farnham Clinical Commissioning Group (CCG) on behalf of the associate Clinical Commissioning Groups would like to thank Frimley Health Foundation Trust for the opportunity to review and provide a statement response to their 2015/16 quality account.

Frimley Hospital has continued to demonstrate a drive toward making continuous quality improvements to its services, working with the community and primary care to find new and transformational ways of delivering care to patients. The Trust has demonstrated an acknowledgement of the value in working collaboratively through a whole-system approach with stakeholders across the local health and social care sector.

The Trust need to be congratulated on the Care Quality Commission rating for Wexham Park Hospital with an overall rating of 'good', recognising that emergency services, critical care and leadership were given an 'outstanding' rating.

Reviewing the quality account commissioners confirm that as far as it can be ascertained the quality account complies with the national requirements for such a report and the following are of specific note:

- The report provides information across the three domains of quality – patient safety, clinical effectiveness and patient experience
- The mandated elements are incorporated into the report
- There is evidence within the report that the Trust has used both internal and external assurance mechanisms
- Commissioners are satisfied with the accuracy of the quality account, as far as they can be based on the information available to them

The Trust has given a clear account of achievements and identified further areas of work in relation to the three priorities that were set for 2015/16. The CCG acknowledges and supports the identified priorities for 2016/17 especially the continuation of the deteriorating patient and discharge planning. It is also pleasing to see the new priority of end of life care.

### Report Comments

#### Patient Safety

The CCGs acknowledge that since the acquisition of Heatherwood and Wexham Park Hospital, there have been fundamental improvements towards integration of patient safety and patient experience teams, quality teams and clinical audit. This is particularly apparent in the management of and cross organisational learning from serious incidents. The CCG notes the positive engagement at the Serious Incident Panel where the commissioners meet with the Trust at a formal monthly meeting. This is to scrutinise serious incident investigations and to ensure outcomes of learning have been identified; giving commissioners the assurance of the Trusts reporting and investigation processes.

It is disappointing to note that the Trust has had six never events, three at Frimley Park Hospital and Three at Wexham Park. It is encouraging to note that the organisation has completed a thematic review of these events and the report will be shared with commissioners in due course.

The Trust has worked hard to promote and implement the Sign Up To Safety campaign to ensure the three key areas of focus are relevant and all members of staff are engaged from the Chief Executive to the front line staff. The CCG's support these key areas which are; clinical handovers, patient consent and the management of perineum during labour, and we look forward to seeing how these work streams develop in 2016/17.

### **Clinical Effectiveness**

It is encouraging to read the achievements made in various services across Frimley Health such as:

- The expansion of the palliative care service whom is now providing a six day a week service
- The launch of the ambulatory emergency care service at Frimley Park Hospital in November 2015, which has seen positive feedback from both patients and clinicians
- The paediatric service that has produce and implemented a paediatric preceptorship programme which has received positive feedback from staff.

### **Patient Experience**

The CCG's acknowledge the achievement for the Trust at the Patient Experience National Awards, gaining runner up places in two categories; strengthening the foundation and staff engagement. It is important that this good work continues.

We note that patient experience is important to the Trust as health outcomes for patients are central to their mission to provide high quality of care. The Trust have demonstrated strong performance for their Friend and Family Test (FFT), achieving 96% as an overall organisation for 2015/16, with Frimley Park Hospital achieving 97%. Evidence is provided to commissioners on a monthly basis on how the Trust analyse and respond to negative comments from patient and public to inform service improvements.

We congratulate Frimley Park Hospital on the success of the Carers Awareness Day which was well attended and again received positive feedback. It is also positive to note the success of identifying new carers and being able to sign post them to gain support. The commissioners look forward to hearing about the net event planned for 2016.

### **Commissioning for Quality and Innovation (CQUINS)**

The CCG's are pleased to note the consistent achievement of the quality improvement goals set out in the many CQUINS schemes for 2015/16. The commissioners continue to work with the Trust to develop and implement a new programme of CQUINS for this forthcoming year of 2016/17.



## Summary

Overall the Clinical Commissioning Groups are satisfied that the plans outlined in the Trust's quality account will maintain and further improve the quality of services delivered to patients and the CCG's look forward to working closely with the Trust over the coming year to further improve the quality of local health services.

**Frimley Health NHS Foundation Trust QUALITY ACCOUNT 2015/16: Commissioner Response on behalf of Slough CCG, Windsor Ascot & Maidenhead CCG, Bracknell & Ascot CCG and Chiltern CCG.**

**Statement**

The Clinical Commissioning Groups (Slough CCG, Windsor Ascot & Maidenhead CCG, Bracknell & Ascot CCG and Chiltern CCG) are providing this response to the Frimley Health NHS Foundation Trust Quality Account for 2015/16.

**Quality Account 2015/16**

The Quality Account provides information and a review of the performance of the Trust against quality improvement priorities set for the year 2015/16 and gives an overview of the quality of care provided by the Trust during this period. The priorities for quality improvement are also set out for the next 12 months. The document clearly identifies the Trust's successes to date, and also areas for further improvement. The CCGs are pleased with the Trust's openness and transparency, and will continue to work with the Trust to achieve further successes and improvements in the areas identified within the Quality Account. This will be carried out through the strong collaborative working relationship the CCGs have with the Trust, supported by an established quality governance framework which enables both proactive and reactive work to maintain and enhance patient safety, clinical effectiveness and the experience of patients, carers, public and staff.

Reviewing the quality account commissioners confirm that as far as it can be ascertained the quality account complies with the national requirements for such a report and the following are of specific note:

- The report provides information across the three domains of quality – patient safety, clinical effectiveness and patient experience
- The mandated elements are incorporated into the report
- There is evidence within the report that the Trust has used both internal and external assurance mechanisms
- Commissioners are satisfied with the accuracy of the quality account, as far as they can be based on the information available to them

We were delighted that the Care Quality Commission (CQC) awarded Wexham Park Hospital an overall rating of 'Good', with impressive ratings of 'Outstanding' for Urgent and Emergency Care, Critical Care, and Leadership. We believe that this rightly reflects the exceptional improvements we have seen made at Wexham Park since the acquisition by Frimley Health. We were also pleased at the quick response and action planning put in place by the Trust to address areas for further improvement highlighted in the CQC's report.

Throughout the year, we have undertaken both formal observational visits and informal visits to the hospital and have been particularly struck by the positive approach and the friendliness of the atmosphere created for patients and visitors. This stands alongside the marked improvements in clinical performance seen through our formal monitoring framework. This, for us, has been a clear sign of how well the Frimley Health values have been embraced by the

staff at Wexham Park, where the true potential of a dedicated workforce has been realised through strong and effective leadership, spearheaded by the Chiefs of Staff. The impact of this at the Wexham Park site is borne out by the improvements in the results of the annual Staff Survey and through the Listening into Action 'Pulse Checks'.

In terms of patient experience, we have seen the Trust make significant improvements to its complaints processes, improving the quality of responses and reducing the number of re-opened complaints. It is positive to see the overall number of complaints reduce while Patient Advice and Liaison Services (PALS) contacts increase, with improved visibility and accessibility to this important function.

We were very pleased to see that the Wexham Park Emergency Department had received top prize at the national Friends and Family (FFT) Awards for its patient, public and staff engagement. It was also good to see that the Trust's work with the 'Patient's Trust' had earned runners-up places in two categories at the Patient Experience National Awards. This underlined the Trust's commitment to patient, public and staff engagement.

We note the strong FFT performance in the percentage of patients who would recommend the Trust, and have been impressed with the increasingly sophisticated analysis of negative comments from patients and public which it uses to inform service improvements. The Trust has identified in particular the need for further improvement in the involvement of patients/families in discharge planning, and it is reassuring to see that the work initiated in 2015/16 (and incentivised via CQUIN payments) will continue as a priority in the coming year. This is discussed further below. It is noted that FFT response rates at the Wexham Park site have dipped during the year but acknowledged that a change of FFT provider during this period created issues which we hope subsequent figures will show have been addressed.

We believe that all areas of the Trust have benefited, since the acquisition, from excellent progress towards the integration of key governance functions. In particular, the CCGs would like to commend the Trust on its integration of its Patient Safety teams, and its Patient Experience and Clinical Audit functions. We believe that this enhances the capacity for corporate oversight of quality standards, as well as enabling the cross-fertilisation of ideas and learning to support the delivery of high quality services. This is particularly apparent in the management and review of Serious Incidents (SIs); the commissioners meet with the Trust at formal monthly panels to scrutinise SI investigations and we have a high degree of confidence in the Trust's reporting and investigation processes. It is disappointing to note that the Trust has had six 'Never Events' (three at Frimley Park Hospital and Three at Wexham Park) but encouraging that the organisation has completed a thematic review of these events and the report will be shared with commissioners in due course. Increased integration means that thematic reviews across all Trust sites are being undertaken and common lessons propagated. We also support the Trust in the steps it is taking to ensure improved oversight and application of its Duty of Candour to those affected by patient safety incidents.

The CCGs acknowledge the Trust's achievement in 2015/16 of the thresholds relating to the key national priorities overseen by Monitor. We also acknowledge the Trust's strong participation in national audits, while maintaining a comprehensive and flexible local audit programme. As discussed above, the integration of the clinical audit function will enable

greater standardisation and benchmarking across the Trust, enhancing the intelligence that underpins quality improvement work.

The CCGs acknowledge and support the Trust's commitment to the 'Sign up to Safety' pledges and agree with the importance of the three areas of focus chosen by the Trust; Clinical Handover, Patient Consent, and the Management of Perineum during Labour. The launch and publicity around Sign up to Safety in order to engage staff in this key work was impressive, and we look forward to seeing these workstreams start to bear fruit in 2016/17.

Recruitment, particularly of nursing staff, remains a challenge for the Trust. However, we are confident in both the Trust's monitoring and planning in respect of safe staffing levels, and its pursuit of creative initiatives to maximise recruitment and retention.

### Priorities for the Past Year 2015/16

The Trust has given a clear account of achievements and areas for further work in relation to the three quality priorities that were set for 2015/16. The CCGs have the following comments:

1. **Deteriorating Patient.** We acknowledge the work that has gone on to enhance the monitoring and evaluation of cardiac arrests. While the maintenance of cardiac arrest levels through a period of rising activity at the Frimley Park site is positive, we note that similar comparative data collection at Wexham Park has only commenced more recently and that further collection and analysis is required in 2016/17. The Trust's adoption and roll-out of the National Early Warning Score (NEWS) in 2016 is a positive development. Sepsis screening and treatment were incentivised via CQUIN payments in 2015/16, and while significant progress was made, we acknowledge the scope for further improvement; this will feature as part of the contractual quality requirements in 2016/17. Acute Kidney Injury (AKI) work was similarly incentivised with significant improvements made in the recording and communication to GPs of key clinical information. There is scope for further improvement with AKI and this will also be part of the 2016/17 contractual quality requirements.
2. **Clinical Handover.** We are pleased to see the results of the foundation work carried out in 2015/16, with identification of 'SBAR' as the chosen handover tool for the Trust in 2016/17. The roll out of this tool in 2016/17 promises to enhance the effectiveness of clinical handover using a standardised model to ensure that all key clinical information is captured and communicated. We also acknowledge the commitment to work with other Trusts to identify the best methods for handover and e-observation in 2016/17, building on the work done over the past year. This is also a priority for the Trust in its Sign up to Safety programme.
3. **Discharge Planning.** We acknowledge the work undertaken (incentivised via CQUIN payments) around improving the quality of discharge documentation as well as the focus in 2015/16 on enhancing patient and carer involvement in discharges. It is reassuring to see that the Trust views this work as a continuing area of focus in 2016/17, bringing closer involvement with patients and carers, and thoroughly evaluating the quality of discharges to target areas for improvement. We share the Trust's view that, notwithstanding the progress made in 2015/16, there is much more to achieve in improving the quality of discharge planning, and we fully support the Trust's choice of priorities and work plans in this vital area for the coming year.

The Trust has performed well with its CQUIN incentivised work programmes in 2015/16. The commissioners continue to work with the Trust to develop and implement a new programme of CQUINs for 2016/17.

## Priorities for the 2016/17

The CCGs fully support the Trust's chosen priorities for 2016/17:

1. **Deteriorating Patient.** As discussed above, we agree that there is scope for further improvement with Sepsis and AKI work, and we welcome the roll-out of NEWS. Additionally, we welcome the Trust's focus on Mortality and Morbidity, including further progress with organisational oversight of mortality reviews, and a focus on evaluation of avoidable deaths which ties in with the findings of the Mazars Report into deaths at Southern Health NHS Foundation Trust, published in December 2015.
2. **Discharge Planning.** As discussed above, we are pleased to see that this continues to be a priority in 2016/17. In particular, we welcome the continued focus on patient flow (alongside quality of discharges); a crucial element in ensuring that hospitals are able to cope with the increasing demand on services. As part of this, we are fully supportive of the Trust's work on improving systems around the timely availability of medicines to take out on discharge, and the efficient booking of patient transport. We are currently exploring ways of incentivising this work through the 2016/17 contract arrangements.
3. **End of Life Care.** The Trust has laid the foundations of the coming year's work in its development of an End of Life Strategy, and we are keen to support progress on ensuring that patients achieve their preferred place of care at end of life, and that they and those around them are supported by individualised care planning. This ties in very closely with both local and national priorities for 2016/17, and is another aspect of work for which we are exploring options for incentivisation in the 2016/17 contract.

## Other Areas of Focus 2016/17

In addition to the key priorities discussed above, we would encourage the Trust to maintain its focus on the following areas of work:

- **Patient Falls:** Continued progress with the improvement plan, particularly in light of a number of serious falls involving medically fit patients. The CCGs will encourage and support the Trust to maintain a particular focus on the quality of falls prevention and management on Ward 17 at Wexham Park and Ward G5 at Frimley Park.
- **Carer Support and Involvement:** Excellent progress was made in this area during 2015/16 and the CCGs are keen to see this momentum sustained in the coming year. It is a thread which runs through all of the key quality work discussed here, and we acknowledge the Trust's continued commitment to giving the best possible support and involvement to carers in partnership with other agencies.
- **Acute Myocardial Infarction:** We note that there continues to be a differential between performance at the Wexham Park and Frimley Park sites, with apparent scope for improvement at Wexham. We encourage the Trust to continue its scrutiny and improvement work in this area.
- **Readmission Rates:** We note that there is a differential between performance at Wexham Park and Frimley Park sites in respect of child readmission rates, with Wexham significantly higher than Frimley Park and above the national average. However, it is acknowledged that the national data quoted (the latest available) is several years old. It is hoped that a proposed

expansion of the consultant-led Paediatric Advice Line for Primary Care can be incentivised in the 2016/17 contract alongside a raft of other child health standards and that these will have a positive impact on future figures.

- **Stroke Services:** Stroke performance has been very good at Frimley Park, but more challenging on the Wexham Park site. We are working closely with the Trust to look at revisions to the model of stroke services across the Frimley Health area to ensure that the best possible standards are met.

### Summary

We are pleased to be able to give positive comments on this year's Quality Account, and we fully support the Trust's chosen priorities for the coming year. Other exciting developments lie ahead as the Trust's Five Year Strategy progresses, including plans to build a new Emergency Department / AMU and enhancements to the Maternity Unit at Wexham Park, and further movement towards 7-day consultant-delivered services. We look forward to continuing an excellent relationship with the Trust; collaborating, supporting, challenging and being challenged to achieve the very best services for our local populations.

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Thank you for the opportunity to comment on your 2015/16 Quality Account.

Healthwatch Bracknell Forest are pleased that, with the patient voice, a number of changes have been made this year throughout the trust affecting both sites. These range from small changes such as advertising appointments with consultants on G3, to the cafes and restaurants taking debit cards, meaning patients and visitors alike have an easier visit.

We would like to thank the staff at Wexham and Heatherwood for all their hard work achieving an overall rating of 'good' from the Care Quality Commission.

It is reassuring to see the increase in staff who feel that high quality services are being delivered to patients at Wexham Park Hospital.

It is positive to see that complaints are decreasing and that patients are directed to PALS to resolve concerns before they become full formal complaints. However we would like to see further improvements in the complaints response rate for patients.

We welcome the current plans for the Heatherwood site and are pleased that existing services being delivered there will continue.

Healthwatch Bracknell Forest are pleased to see the priorities for the coming year continue to include discharge planning as this is an area that patients tell us needs improvement.

Positive quote about patient feedback from the quality account –

“The FFT has enabled the staff to embrace patient feedback for improvement in real time. Further work is planned which will help to improve the experience for patients with a brand new ED being built in 2017. The difference is that patients are seen as partners in working together as we face the future at Wexham Park.”





The Annexe  
Lockwood Day Centre  
Westfield Road  
Guildford GU1 1RR  
Tel: 0303 303 0023  
SMS: 07592 787533  
[www.healthwatchsurrey.co.uk](http://www.healthwatchsurrey.co.uk)

### **Comment on Frimley Health NHS Foundation Trust Quality Account 2015/16**

Please find below a comment from Healthwatch Surrey as requested.

The guidance provided by Healthwatch England identifies that the Quality Accounts provide an opportunity for local Healthwatch to:

*“...make an evidence-based challenge to providers based on local Healthwatch’s own engagement with people who use NHS healthcare services”.*

Healthwatch Surrey considers the Quality Account to be an important opportunity for it to put on record the views and experiences of the people we interact with. Based on the extent and nature of the evidence we gather we feel this is the most meaningful way to engage in the Quality Account process, and we have responded in line with that approach. We have chosen to present our summary of what we’ve heard from the public in aggregate rather than to break it down and comment on the progress made against priority areas as we feel passing judgement on progress in specific areas is subjective, and our sample sizes would be too small to be meaningful. Where there is a theme apparent from our data we have pointed that out in our summary.

### **STARTS**

As the independent consumer champion for health and social care, we have been asked to comment within this Quality Account. Our organisation exists to give the people of Surrey a voice to improve, shape and get the best out of health and care services. We have chosen to use this opportunity to reflect the views and experiences of people that have interacted with us.

Registered office: The Annexe, Lockwood Day Centre, Westfield Road, Guildford, GU1 1RR Healthwatch Surrey C.I.C. is a company limited by guarantee Registered Company No. 08737632



Local people interact with Healthwatch Surrey in excess of 10,000 times each year. These interactions take place on the high street, in other public locations, in places where services are delivered and in the course of providing our own services (information, advice and NHS Complaints Advocacy). We also undertake activities that focus on understanding the views of those that are often seldom heard.

In the 12 months up to 31<sup>st</sup> March our interactions with local people led to 2,485 experiences being shared with us.

- 93 of these related to services at Frimley Health NHS Foundation Trust (the Trust)
- The majority of experiences shared with us have been negative (53%), however a number of positive experiences have also been shared with us about this service (31%)
- There is a higher proportion of positive experiences (31%) reported to us about this service than hospital services in Surrey generally (21%)
- There is a similar number of negative experiences (53%) reported to us about this service as hospital services in Surrey generally (53%);
- The strongest themes within the negative experiences reported to us are 'Accident and emergency' (8 experiences), 'Ophthalmology' (7 experiences) and 'Inpatient care' (7 experiences)
- Based on the experiences shared with Healthwatch Surrey for all NHS services it is clear that making it easier to make an NHS complaint remains a top priority for people

This evidence should be considered alongside other data presented by the Trust and within a wider context, which includes:

- Healthwatch Surrey has had a good level of engagement with the Trust in the previous 12 months and has been able to provide important insight into positive and negative experiences of local people
- The Trust has taken action based on the information provided by Healthwatch Surrey
- The Public Health Service Ombudsman – which deals with complaints not resolved by the NHS – has reported that in 2015 they undertook seventeen investigations into complaints that could not be resolved between local people and the Trust
- Regulatory bodies – Monitor and NHS Trust Development Authority – have published the Learning From Mistakes League (March 2016) within which the Trust appeared 41<sup>st</sup> out of the 230 NHS trusts in England and was identified as having a 'good reporting culture'

- Healthwatch Surrey has a close working relationship with the Care Quality Commission and regularly shares information to inform their inspection activity

We look forward to continuing to work with the Trust to ensure that the people of Surrey have a voice to improve, shape and get the best from health and social care services.

ENDS

Please do give me a call on 01483 533 043 if you would like to discuss any aspect of this comment or how we might work together in 2016/17.

Yours sincerely

A handwritten signature in black ink that reads "Kate Scribbins." The signature is written in a cursive, slightly informal style.

Kate Scribbins  
Chief Executive Officer

## **Frimley Health NHS Foundation Trust Quality Accounts 2015-16: Comments by Bracknell Forest Council's Health Overview & Scrutiny Panel**

### **General Comments**

1. The Trust has performed very well in 2015/16, and we particularly congratulate you on the huge achievement of a 'Good' rating from the Care Quality Commission for Wexham Park Hospital.
2. The direct feedback the Panel has received from inpatients and outpatients at the Trust's hospitals during 2015/16 has been consistently positive.
3. We are heartened by the commitment and vision being shown by the Trust, for example on the much-needed redevelopment of the Heatherwood Hospital site.
4. Our Health Overview and scrutiny Panel was pleased to meet the FHT Chief Executive in 2015 to discuss the Trust's progress and plans, and to have attended the CQC Quality Summit at Wexham Park in 2016.
5. We note that a Bracknell Forest Councillor has worked actively as an FHT Governor throughout 2015/16.

### **Specific Comments**

6. Page 6: We are concerned that – in common with most NHS Trusts in southern England – FHT has a fairly high staff vacancy rate (of 15%). This puts pressure on permanent staff, and it requires more expensive agency/bank staff, who are not able to give as good continuity of patient care. Nevertheless, we can see that FHT is doing what it can to fill those vacancies.
7. Page 21: Given the importance of the Duty of Candour, we suggest that the QA should include some details about the positive benefits that this has brought to patient care.
8. Page 28: We congratulate the Trust on the achievements regarding Sepsis at Wexham Park Hospital.
9. Page 30: It is encouraging to see the improvement in clinical record keeping, but we consider that the 67% compliance rate is too low, so further improvement is needed on this important area.
10. Pages 35-39: We would like to see some recognition of the joint working with local authorities' social care teams on the issue of patient discharge.
11. Page 40: The Panel supports the Trust's top three priorities for 2016/17, and we particularly commend the compassionate approach being taken to End of Life Care.
12. Page 41: a bullet point could be included on page 41, relating to Discharge Planning, "To ensure patients and carers are fully briefed on discharge and arrangements made for ongoing treatment post discharge."

13. Page 57: We were unaware that the CQC had taken enforcement action against the Trust in 2015/16, and suggest that summary details of that are included in the Quality Account.
14. Page 57: Could the Trust explain what was the impact of the failure to meet some Information Governance standards?
15. Page 61: The Panel is concerned that the above-average rates of re-admission to hospital for adults may point to some patients possibly having been discharged too early. This was mentioned to us as a concern by some of the GP Practices we surveyed in 2016.
16. Page 80: It is very important for Ward F14 to be brought into use as soon as possible, not least because dementia patients can be disruptive in non-dementia wards.
17. We suggest that the Quality Accounts should contain some information on the rate of 'Did Not Attend' (DNA) cases, which cause a waste of the Trust's limited time, and is a matter of concern nationally.

In conclusion, the Panel considers that, on all important measures, the Trust is performing exceptionally well. On behalf of the residents of Bracknell Forest who we represent, we are very appreciative of the high quality patient care and health services provided by the Trust.

Please note: This statement was received prior to the final version of the Quality Report being produced. Therefore, references to some page numbers and content may differ.

## Annex 2: Statement of directors' responsibilities for the Quality Report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 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) and on the arrangements that NHS foundation trust boards should put in place to support the data quality for the preparation of the quality report.

In preparing the quality report, directors are required to satisfy themselves that:

- The content of the quality report meets the requirements set out in the *NHS foundation trusts annual reporting manual 2015-2016* and supporting guidance
- The content of the quality report is not inconsistent with internal and external sources of information including:
  - Board minutes and papers for the period April 2015 to April 2016 (the period);
  - Papers relating to quality reported to the Board over the period April 2015 to April 2016;
  - Feedback from commissioners dated 11th May 2016 (Slough, Windsor Ascot & Maidenhead, Bracknell & Ascot, and Chiltern CCGs) and 11th May 2016 (North East Hants and Farnham CCGs);
  - Feedback from governors dated 16<sup>th</sup> May 2016;
  - Feedback from local Healthwatch organisations (Bracknell Forest and Surrey) dated 17th May 2016;
  - Feedback from Bracknell Forest Council's Health Overview and Scrutiny Panel dated 28<sup>th</sup> April 2016;
  - The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009 dated January 2016;
  - The latest national patient survey December 2015;
  - The latest national staff survey February 2015;
  - The Head of Internal Audit's annual opinion over the Trust's control environment dated May 2016;
  - CQC intelligent monitoring report dated May 2015; and
  - CQC Inspection Report dated 2<sup>nd</sup> February 2016.
- The quality report presents a balanced picture of the NHS foundation trust's performance over the period covered
- The performance information in the quality report is reliable and accurate
- There are proper internal controls over the collection and reporting of the measures of performance included in the quality report, and these controls are subject to review to confirm that they are working effectively in practice
- The data underpinning the measures of performance in the quality report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review
- The quality report has been prepared in accordance with Monitor's annual reporting guidance (which incorporates the quality accounts regulations - [www.monitor.gov.uk/annualreportingmanual](http://www.monitor.gov.uk/annualreportingmanual)) as well as the standards to support data quality in the preparation of the quality report ([www.monitor.gov.uk/annualreportingmanual](http://www.monitor.gov.uk/annualreportingmanual)).

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

By order of the Board

A handwritten signature in blue ink, appearing to read 'Pradip Patel'.

**Pradip Patel**  
Chairman  
24 May 2016

A handwritten signature in blue ink, appearing to read 'Andrew Morris'.

**Sir Andrew Morris**  
Chief Executive  
24 May 2016

## Annex 3: Independent auditor's report to the Council of Governors of Frimley Health NHS Foundation Trust on the Quality Report

### i. Independent Auditors' Limited Assurance Report to the Council of Governors of Frimley Health NHS Foundation Trust on the Annual Quality Report

We have been engaged by the Council of Governors of Frimley Health NHS Foundation Trust to perform an independent assurance engagement in respect of Frimley Health NHS Foundation Trust's Quality Report for the year ended 31 March 2016 (the 'Quality Report') and specified performance indicators contained therein.

#### Scope and subject matter

The indicators for the year ended 31 March 2016 subject to limited assurance (the "specified indicators") marked with the symbol **A** in the Quality Report, consist of the following national priority indicators as mandated by Monitor:

<i><b>Specified Indicators</b></i>	<i><b>Specified indicators criteria</b></i> (exact page number where criteria can be found)
Percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period.	Page 119
Percentage of patients with a total time in A&E of four hours or less from arrival to admission, transfer or discharge	Page 119

#### Respective responsibilities of the Directors and auditors

The Directors are responsible for the content and the preparation of the Quality Report in accordance with the specified indicators criteria referred to on pages of the Quality Report as listed above (the "Criteria"). The Directors are also responsible for the conformity of their Criteria with the assessment criteria set out in the NHS Foundation Trust Annual Reporting Manual ("FT ARM") and the "Detailed requirements for quality reports 2015/16" issued by the Independent Regulator of NHS Foundation Trusts ("Monitor").

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- The Quality Report does not incorporate the matters required to be reported on as specified in Annex 2 to Chapter 7 of the FT ARM and the "Detailed requirements for quality reports 2015/16";
- The Quality Report is not consistent in all material respects with the sources specified below; and
- The specified indicators have not been prepared in all material respects in accordance with the Criteria set out in the NHS Foundation Trust Annual Reporting Manual ("FT ARM") and the "2015/16 Detailed guidance for external assurance on quality reports".

We read the Quality Report and consider whether it addresses the content requirements of the FT ARM and the “Detailed requirements for quality reports 2015/16; and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the Quality Report and consider whether it is materially inconsistent with the following documents:

- Board minutes and papers for the period April 2015 to April 2016 (the period);
- Papers relating to quality reported to the Board over the period April 2015 to April 2016;
- Feedback from commissioners dated 11th May 2016 (Slough, Windsor Ascot & Maidenhead, Bracknell & Ascot, and Chiltern CCGs) and 11th May 2016 (North East Hants and Farnham CCGs);
- Feedback from governors dated 16th May 2016;
- Feedback from local Healthwatch organisations (Bracknell Forest and Surrey) dated 17th May 2016;
- Feedback from Bracknell Forest Council’s Health Overview and Scrutiny Panel dated 28th April 2016;
- The Trust’s complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009 dated January 2016;
- The latest national patient survey December 2015;
- The latest national staff survey February 2016;
- The Head of Internal Audit’s annual opinion over the Trust’s control environment dated May 2016;
- CQC intelligent monitoring report dated May 2015;and
- CQC Inspection Report dated 2nd February 2016.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with those documents (collectively, the “documents”). Our responsibilities do not extend to any other information.

### **Our Independence and Quality Control**

We applied the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We apply International Standard on Quality Control (UK & Ireland) 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Use and distribution of the report**

This report, including the conclusion, has been prepared solely for the Council of Governors of Frimley Health NHS Foundation Trust as a body, to assist the Council of Governors in reporting Frimley Health NHS Foundation Trust’s quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2016, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicators. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and Frimley Health NHS Foundation Trust for our work or this report save where terms are expressly agreed and with our prior consent in writing.



## **Assurance work performed**

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board ('ISAE 3000 (Revised)'). Our limited assurance procedures included:

- reviewing the content of the Quality Report against the requirements of the FT ARM and "Detailed requirements for quality reports 2015/16";
- reviewing the Quality Report for consistency against the documents specified above;
- obtaining an understanding of the design and operation of the controls in place in relation to the collation and reporting of the specified indicators, including controls over third party information (if applicable) and performing walkthroughs to confirm our understanding;
- based on our understanding, assessing the risks that the performance against the specified indicators may be materially misstated and determining the nature, timing and extent of further procedures;
- making enquiries of relevant management, personnel and, where relevant, third parties;
- considering significant judgements made by the NHS Foundation Trust in preparation of the specified indicators;
- performing limited testing, on a selective basis of evidence supporting the reported performance indicators, and assessing the related disclosures; and
- reading the documents.

A limited assurance engagement is less in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

## **Limitations**

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can impact comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time. It is important to read the Quality Report in the context of the assessment criteria set out in the FT ARM the "Detailed requirements for quality reports 2015/16 and the Criteria referred to above.

The nature, form and content required of Quality Reports are determined by Monitor. This may result in the omission of information relevant to other users, for example for the purpose of comparing the results of different NHS Foundation Trusts/organisations/entities.

In addition, the scope of our assurance work has not included governance over quality or non-mandated indicators in the Quality Report, which have been determined locally by Frimley Health NHS Foundation Trust.

## **Basis for Qualified Conclusion**

NHS England's definition for "the Percentage of patients with a total time in A&E of four hours or less from arrival to admission, transfer or discharge" specifies that the clock start time for patients arriving by ambulance is when hand over occurs or 15 minutes after the ambulance arrives at A&E, whichever is earlier. Ambulance arrivals make up 26.9% of the total indicator population for the Trust.

During our testing, we identified that the Trust starts the clock at the point the ambulance arrives. Some patients may therefore be incorrectly recorded as breaching the four hour arrival to admission time.

As a result, the indicator on page 95 of the Quality Report may be understating Trust performance.

#### **Qualified conclusion**

Based on the results of our procedures, except for the matters noted above, nothing has come to our attention that causes us to believe that for the year ended 31 March 2016:

- The Quality Report does not incorporate the matters required to be reported on as specified in Annex 2 to Chapter 7 of the FT ARM and the “Detailed requirements for quality reports 2015/16”;
- The Quality Report is not consistent in all material respects with the documents specified above; and
- the specified indicators have not been prepared in all material respects in accordance with the Criteria set out in the NHS Foundation Trust Annual Reporting Manual (“FT ARM”) and the “Detailed guidance for external assurance on quality reports 2015/16”.



**PricewaterhouseCoopers LLP**  
**St Albans**  
**25 May 2016**

The maintenance and integrity of the Frimley Health NHS Foundation Trust’s website is the responsibility of the directors; the work carried out by the assurance providers does not involve consideration of these matters and, accordingly, the assurance providers accept no responsibility for any changes that may have occurred to the reported performance indicators or criteria since they were initially presented on the website.

## ii. External Quality Definitions

The following information includes the definitions of the quality indicators which were subject to the external assurance process:

### 18 Weeks

*Indicator descriptor:* Percentage of incomplete pathways within 18 weeks for patients on incomplete pathways

*Source of indicator definition and detailed guidance:* The indicator is defined within the technical definitions that accompany Everyone counts: planning for patients 2014/15 - 2018/19 and can be found at: [www.england.nhs.uk/wp-content/uploads/2014/01/ec-tech-def-1415-1819.pdf](http://www.england.nhs.uk/wp-content/uploads/2014/01/ec-tech-def-1415-1819.pdf)

Detailed rules and guidance for measuring referral to treatment (RTT) standards can be found at: <http://www.england.nhs.uk/statistics/statistical-work-areas/rtt-waiting-times/rtt-guidance/>

*Detailed descriptor:* E.B.3: The percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the period

*Numerator:* The number of patients on an incomplete pathway at the end of the reporting period who have been waiting no more than 18 weeks

*Denominator:* The total number of patients on an incomplete pathway at the end of the reporting period

*Accountability:* Performance is to be sustained at or above the published operational standard. Details of current operational standards are available at:

<https://www.england.nhs.uk/wp-content/uploads/2013/12/5yr-strat-plann-guid-wa.pdf> (see Annex B: NHS Constitution Measures)

*Indicator format:* Reported as a percentage

### A&E 4 hour target

*Indicator descriptor:* Percentage of patients with a total time in A&E of four hours or less from arrival to admission, transfer or discharge

*Source of indicator definition and detailed guidance:* The indicator is defined within the technical definitions that accompany Everyone counts: planning for patients 2014/15 - 2018/19 and can be found at: [www.england.nhs.uk/wp-content/uploads/2014/01/ec-tech-def-1415-1819.pdf](http://www.england.nhs.uk/wp-content/uploads/2014/01/ec-tech-def-1415-1819.pdf)

Detailed rules and guidance for measuring A&E attendances and emergency admissions can be found at: <https://www.england.nhs.uk/statistics/wp-content/uploads/sites/2/2013/03/AE-Attendances-Emergency-Definitions-v2.0-Final.pdf>

*Additional information:* This indicator is as required to be reported by the Risk Assessment Framework:

A&E four-hour wait: waiting time is assessed on a provider basis, aggregated across all sites: no activity from off-site partner organisations should be included. The four-hour waiting time indicator applies to minor injury units/walk-in centres.

Paragraph 6.8 of the NHS England guidance referred to above gives further guidance on inclusion of a type 3 unit in reported performance:

We are an acute trust. Can we record attendances at a nearby type 3 unit in our return?

Such attendances can be recorded by the trust in the following circumstances.

- a) The trust is clinically responsible for the service. This will typically mean that the service is operated and managed by the trust, with the majority of staff being employees of the trust. A trust should not assume responsibility for reporting activity for an operation if the trust's involvement is limited to clinical governance.
- b) The service is run by an IS provider on the same site as a type 1 unit run by the trust. This would need to be agreed by the parties involved, and only one organisation should report the activity.

Where an NHS foundation trust has applied criterion (b) and is including type 3 activity run by another provider on the trust site as part of its reported performance, this will therefore be part of the population of data subject to assurance work.

In rare circumstances there may be challenges in arranging for the auditor to have access to the third party data in these cases. In this scenario the NHS foundation trust may present an additional indicator in the quality report which only relates to its own activity and have this reported indicator be subject to the limited assurance opinion.

*Numerator:* The total number of patients who have a total time in A&E of four hours or less from arrival to admission, transfer or discharge. Calculated as:

(Total number of unplanned A&E attendances) – (Total number of patients who have a total time in A&E over 4 hours from arrival to admission, transfer or discharge)

*Denominator:* The total number of unplanned A&E attendances

*Accountability:* Performance is to be sustained at or above the published operational standard. Details of current operational standards are available at:

[www.england.nhs.uk/wp-content/uploads/2013/12/5yr-strat-plann-guid-wa.pdf](http://www.england.nhs.uk/wp-content/uploads/2013/12/5yr-strat-plann-guid-wa.pdf)(see Annex B: NHS Constitution Measures)

*Indicator format:* Reported as a percentage

## Glossary of Terms

Term	Explanation
AEC	Ambulatory Emergency Care. This is an approach which results in a significant proportion of emergency adult patients being managed safely and efficiently on the same day avoiding admission to a hospital bed
ALERT course	A multi-professional course to train staff in recognising patient deterioration and act appropriately in treating the acutely unwell
CQC	Care Quality Commission. The independent regulator of all health & social care services in England
CQUIN	The Commissioning for Quality and Innovation payments framework encourages care providers to share and continually improve how care is delivered and to achieve transparency and overall improvement in healthcare
EDD	Estimated Date of Discharge
EDOD	Early Detection of Deterioration
EOLC	End of Life Care
FFT	Friends & Family Test
FHFT	Frimley Health NHS Foundation Trust
HASU	Hyper Acute Stroke Unit
HSCIC	Health & Social Care Information Centre. England's national source of health and social care information who work with a wide range of health and social care providers nationwide to provide the facts and figures that help the NHS and social services run effectively
LiA	Listening into Action -
MET	Medical Emergency Team
Monitor	Monitor was established in 2004 and authorises and regulates NHS Foundation Trusts. Monitor works to ensure Foundation Trusts comply with the conditions they signed up to and that they are well led and financially robust
NEWS	National Early Warning Score.
Patient Experience Tracker	Hand held device that is used to record patient feedback
PALS	Patient Advice & Liaison Service
PPC	Preferred place of care
PPCI	Primary Percutaneous Coronary Intervention
RTT	Referral to Treatment
Safety SBAR	Communication tool – Situation, Background, Assessment, Recommendation
Sign Up To Safety Campaign	The NHS England Sign Up To Safety campaign was launched in June 2014. It is designed to help realise the aim of making the NHS the safest healthcare system in the world by creating a system devoted to continuous improvement. The campaign has a 3 year objective to reduce avoidable harm by 50% and save 6000 lives. Healthcare organisations have been encouraged to sign up to five pledges and create a three-five year plan for safety.
TIA	Transient Ischaemic Attack
TTO	To Take Out. Prescription for supply of medicines for patient to take home

# **Accounts 2015 - 16**





# ***Independent auditors' report to the Council of Governors of Frimley Health NHS Foundation Trust***

## **Report on the financial statements**

### **Our opinion**

In our opinion, Frimley Health NHS Foundation Trust's ("the Trust's") financial statements (the "financial statements"):

- give a true and fair view of the state of the Trust's affairs as at 31 March 2016 and of its income and expenditure and cash flows for the year then ended; and
- have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2015/16.

### **What we have audited**

The financial statements comprise:

- the Statement of Comprehensive Income for the year ended 31 March 2016;
- the Statement of Financial Position as at the year then ended;
- the Statement of Cash Flows for the year then ended;
- the Statement of Changes in Taxpayer's Equity for the year then ended, and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

Certain required disclosures have been presented elsewhere in the Annual Report and Accounts (the "Annual Report"), rather than in the notes to the financial statements. These are cross-referenced from the financial statements and are identified as audited.

The financial reporting framework that has been applied in the preparation of the financial statements is the NHS Foundation Trust Annual Reporting Manual 2015/16 issued by the Independent Regulator of NHS Foundation Trusts ("Monitor").

### **Our audit approach**

#### **Context**

Frimley Health NHS Foundation Trust was formed following the acquisition of Heatherwood and Wexham Park Hospitals NHS Foundation Trust ("HWP") by Frimley Park Hospital NHS Foundation Trust ("FPH") on 1 October 2014. Our 2016 audit was planned and executed having regard to the fact that this is the first full year of reporting as a combined trust. In 2014/15 (the prior year) the Trust reported 12 months of income and expenditure attributable to FPH and 6 months of income and expenditure (October 2014 to March 2015) attributable to the HWP post-acquisition. This year we have performed a single audit of the combined entity.

#### **Overview**



- Overall materiality: £6.25 million which represents 1% of total operating income.
- The audit was primarily conducted at the Trust's FPH site with visits to other Trust sites undertaken as required.
- The Trust moved to a single general ledger system on 1 October 2015, at which point all 2015/16 transactions and balances held on the HWP finance system were transferred to the FPH system to create a combined ledger. We have therefore performed additional procedures (see "Areas of focus") over the migration of HWP data during our audit.
- Revenue and expenditure recognition
- Property, plant and equipment
- Financial systems integration

## *The scope of our audit and our areas of focus*

We conducted our audit in accordance with the National Health Service Act 2006, the Code of Audit Practice and relevant guidance issued by the National Audit Office on behalf of the Comptroller and Auditor General (the “Code”) and, International Standards on Auditing (UK and Ireland) (“ISAs (UK & Ireland)”).

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

The risks of material misstatement that had the greatest effect on our audit, including the allocation of our resources and effort, are identified as “areas of focus” in the table below. We have also set out how we tailored our audit to address these specific areas in order to provide an opinion on the financial statements as a whole, and any comments we make on the results of our procedures should be read in this context. This is not a complete list of all risks identified by our audit.

<i>Area of focus</i>	<i>How our audit addressed the area of focus</i>
<p><b>Risk of fraud in revenue recognition and expenditure recognition</b></p> <p>We focussed on this area because there was a significant risk of misstatement due to the following matters.</p> <p><b>Funding for the acquisition of HWP</b></p> <p>As set out in note 7 of the financial statements, as part of the acquisition of HWP the Trust agreed significant multi-year funding with its commissioners and the Department of Health, comprising revenue and Public Dividend Capital (“PDC”) funding for various purposes to assist with the integration of the two legacy organisations and to improve the clinical and financial performance of HWP.</p> <p>As set out in note 7 of the financial statements, the funding includes a number of complex elements that required the directors to assess whether relevant performance criteria had been met in the financial year, and therefore the amount and timing of the income recognised, and whether any funding should be treated as something other than income.</p> <p>The level of deficit support funding originally agreed with the Department of Health is £19.2m for 2015/16. As a result of the Trust forecasting a greater than planned deficit for 2015/16 the Department agreed to further revenue funding amounting to £10m for 2015/16.</p> <p>The Trust also recognised a further £5.6m of revenue from the Department, and £7.3m from its commissioners, to cover expenditure incurred in relation to the costs of transformation and integration.</p> <p>We focussed on this area due to the magnitude of the funding and because the directors’ assessment of the income recognition involves significant judgements.</p> <p><b>Revenue recognition for NHS income</b></p> <p>We determined that there are potentially greater incentives for management to misreport to demonstrate improving financial performance in the Trust post the acquisition of HWP to the Department of Health, regulators and commissioners. This risk is likely to be further heightened during a period of increased financial pressure both within the sector and at the Trust. Given the materiality of NHS income and the scope for variances under the contracts, there was a significant audit risk that the revenue on NHS income contracts was overstated.</p> <p>In 2014/15 we identified differences in the final income position between the Trust and key commissioners from the agreement of balances exercise, which necessitated the</p>	<p><b>Funding for the acquisition of HWP</b></p> <p>We examined the income that has been recognised and the agreements in place that underpin the funding to corroborate that:</p> <ul style="list-style-type: none"> <li>the income has been recognised in the correct period;</li> <li>the Trust is entitled to the income recognised; and</li> <li>the income recognised is complete.</li> </ul> <p>We also checked that the funding is appropriately presented within the financial statements in accordance with the NHS Foundation Trust Annual Reporting Manual (the “ARM”).</p> <p>In particular we focussed our audit work on inspecting the evidence to confirm the Trust had met the criteria for recognising the deficit support funding, including the additional £10m further funding agreed for 2015/16.</p> <p>To address this audit risk we:</p> <ul style="list-style-type: none"> <li>Checked that the additional £10m of deficit support funding was correctly recognised as income in 2015/16 rather than as a loan or capital contribution, and that there were no unmet conditions affecting revenue recognition, by confirming the terms and the balance directly with the Department of Health;</li> <li>Obtained direct confirmation from the Department of Health that there are no income penalties due under the original terms of the deficit support funding agreement for 2014/15 or 2015/16; and</li> <li>Tested a sample of income recognised by the Trust in relation to expenditure on transformation and integration by tracing the expenditure to underlying supplier invoices and confirming that the expenditure was permitted under the terms of the funding agreements with the Department of Health and the Trust’s commissioners.</li> </ul> <p>The results of these procedures did not identify any issues with the recognition of this income in the financial statements.</p> <p><b>Revenue recognition for NHS income</b></p> <p>In order to test the income recognised in the financial statements we:</p> <ul style="list-style-type: none"> <li>examined year end agreements, which included written confirmation from the Trust’s commissioners, for contracts with an annual value</li> </ul>

Area of focus	How our audit addressed the area of focus
<p>creation of an additional judgemental bad debt provision.</p> <p>Further, we noted a significant increase of £18.6m in the Trust's income in March 2016 against planned income for the month.</p>	<p>greater than £4.7m; and</p> <ul style="list-style-type: none"> <li>reconciled invoices raised to contracts with commissioners and subsequent cash receipts, including in respect of fines and penalties imposed under the terms of the contracts.</li> </ul>
<p><b>Deferred income</b></p> <p>As set out in the critical accounting estimates and judgements in note 1.21 of the financial statements, the Trust's deferred income balance as at 31 March 2016 is a material judgement and a significant accounting estimate within the financial statements.</p> <p>The deferred income balance on the Statement of Financial Position of £9.40m is lower than the prior year balance of £10.13m. This is primarily due to a lower level of income having been deferred in relation to funding for the integration of HWP in 2015/16 compared to £2.62m in the prior year.</p>	<p>We tested a sample of income transactions recognised either side of the year end to check that the amounts recognised in 2015/16 were not overstated. We found that all sampled transactions were recorded in the correct period.</p> <p>We obtained the Trust's 'mismatch' reports directly from Monitor. As part of the NHS agreement of balances process, these reports summarise balances (debtor, creditor, income or expenditure) with other NHS bodies where differences have arisen which in some circumstances are because they were disputed by the counterparty. We:</p> <ul style="list-style-type: none"> <li>checked that the directors had investigated all material differences and discussed with them the results of their investigation and the resolution;</li> <li>inspected relevant supporting evidence such as correspondence with the counterparties, which corroborated these results; and</li> <li>considered the impact that the remaining disputed amounts had on the Trust's financial statements.</li> </ul>
<p><b>Partially Completed Spells</b></p> <p>As set out in the critical accounting estimates and judgements in note 1.21 of the financial statements, the Trust's recognition of income from partially completed spells is a significant accounting estimate within the financial statements.</p> <p>The total value of partially completed spells in 2015/16 is £4.3m. Alternative methods of calculation continued to be used at the FPH and HWP legacy sites in line with practices established prior to HWP's acquisition. These historic methods have been agreed with the Trust's principal commissioners. This is in accordance with the Agreement of Balances 2015/16 Guidance from the Department of Health.</p>	<p>We investigated the significant increase of £18.6m in the Trust's income in March 2016 against planned income. The majority of this increase related to the additional £10m of deficit support funding from the Department of Health referenced above. There is a further £3m of other income from a Public Dividend Capital to revenue transfer, which is part of an Income and Expenditure bottom line improvement agreed with Monitor, enabling Foundation Trusts to receive an agreed amount of non-recurring income from the Department of Health. We obtained written confirmation from Monitor corroborating this transfer. The remaining difference represented other items of income not forming part of the income plan.</p> <p>We followed up on the resolution of prior year disputes to corroborate that a settlement had subsequently been achieved and properly recorded, and to consider any implications of this on the Trust's estimates on income as at 31 March 2016.</p>
<p><b>Expenditure recognition</b></p> <p>As noted above, we have judged there to be a significant audit risk that expenditure may be understated to improve the reported surplus.</p> <p>We considered the risk of misstatement in expenditure recognition and judged this to be more prevalent at the year end, when attempts to fraudulently manipulate the financial statements may be made on the basis of the Trust's expected financial position. The transactions posted in the final month of the year are also routinely subject to greater levels of estimate, particularly accruals and provisions, where third party supporting documentation such as supplier invoices may not be available.</p>	<p>The results of these procedures did not identify any issues with the recognition of NHS income in the financial statements.</p>
<p>We considered the key areas of audit focus to be:</p> <ul style="list-style-type: none"> <li>Manipulation of journal postings to reduce reported expenditure;</li> <li>Management estimates (expenditure accruals, PPE impairments and provisions); and</li> <li>Timing of expenditure other than salaries, depreciation and interest, whereby costs related to 2015/16 could be inappropriately deferred to 2016/17.</li> </ul>	<p><b>Deferred income</b></p> <p>We tested a sample of income transactions, including contracted income from commissioners and NHS England, as well as other non-contracted NHS income and other operating income to conclude whether it was correctly recognised as income during the year or appropriately deferred.</p> <p>We tested the release of income deferred at the end of 2014/15 to determine that the recognition criteria in the underlying income contracts had been fulfilled during the year.</p> <p>We also considered the nature of the items deferred in 2014/15 to see if similar items were deferred in 2015/16 and corroborated to supporting evidence where this was not the</p>

Area of focus	How our audit addressed the area of focus
	<p>case – including direct confirmation with the Department of Health regarding integration funding.</p> <p>Further, for the maternity pathway income we corroborated that the calculation of the element to be deferred was in line with Department of Health guidance.</p> <p>Our testing did not identify any evidence of material error or of fraud in manipulation of the Trust's results.</p> <p><b>Partially Completed Spells</b></p> <p>For the calculation of partially completed spells we:</p> <ul style="list-style-type: none"> <li>• Verified that the methods of calculation were in line with those used in the previous year; and</li> <li>• Corroborated that both the Trust and the relevant counterparties had recognised corresponding balances as part of the year-end Agreement of Balances process.</li> </ul> <p>We did not identify any differences between counterparties or any material inconsistencies in the calculations of partially completed spells between periods.</p> <p><b>Expenditure recognition</b></p> <p>We also evaluated and tested management's accounting estimates relating to expenditure focusing on the areas of greatest subjectivity and value such as:</p> <ul style="list-style-type: none"> <li>• revaluation of property, plant and equipment;</li> <li>• accruals; and</li> <li>• bad debt provision.</li> </ul> <p>Our audit of property, plant and equipment and intangible asset estimates is described in the separate areas of focus below.</p> <p>We evaluated the accounting estimates for accruals and provisions and the basis of their calculation by assessing the amounts recognised against relevant information available from third parties, including agreements with suppliers and subsequent purchase invoices. From the testing performed we did not identify any indication of management bias and the accounting estimates were considered to be within an acceptable range.</p> <p>We tested a sample of expenditure transactions recognised either side of the year end to check that the amounts recognised in 2015/16 are accurate. In order to determine the accounting periods that each sampled transaction related to, we traced (where applicable) to:</p> <ul style="list-style-type: none"> <li>• expenditure contracts.</li> <li>• purchase invoices.</li> <li>• goods receipts documentation.</li> </ul> <p>We found that all sampled transactions were recorded in the correct period</p> <p>Our testing above did not identify any evidence of error or of fraud in manipulation of the Trust's results in the financial statements.</p> <p><b>Journals testing</b></p> <p>We used data analysis techniques to identify the journals impacting revenue and expenditure recognition that we</p>

Area of focus	How our audit addressed the area of focus
<p><i>Valuation of property, plant and equipment</i></p> <p>As set out in note 1.21 of the financial statements, critical accounting estimates and judgements, and in note 10.1 of the financial statements, the Trust measures its properties at fair value, which is a significant accounting estimate and involves a range of judgemental assumptions and the use of external valuation expertise. Property, plant and equipment (“PPE”) is also the largest balance in the Trust’s Statement of Financial Position and is valued at £335.5m as at 31 March 2016.</p> <p>All PPE assets are measured initially at cost, with land and buildings subsequently measured at fair value. Valuations are performed by an independent professionally accredited expert, in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual, and performed with sufficient regularity to ensure that the carrying value is not materially different from fair value at the Statement of Financial Position date.</p> <p>The Trust’s estate has been subject to desktop revaluation this year by professional valuers. These valuers have performed benchmarking against relevant indices, as at 31 March 2016, on the basis of significant movements in the underlying valuation indices for land and buildings.</p> <p>The valuation resulted in a net increase in the value of the buildings and dwellings of £24.1m. This included an upwards revaluation of £26.1m and impairments of £2m. There was nil net movement in the valuation of land.</p> <p>The Trust also has plans in place for a significant programme of capital expenditure, covering much of the Trust’s estate. The outcome of this programme could have a potential impact on the values or useful lives of existing assets.</p>	<p>judged had higher risk characteristics and tested them to supporting information. No evidence of incorrect recognition of revenue or of misstatements of expenditure were identified from the journals tested.</p> <p>We tested the key inputs to the desktop valuation of the Trust’s estate, being:</p> <ul style="list-style-type: none"> <li>• The building costs, which our valuation experts tested by benchmarking against third party data sources in accordance with RICS valuation standards.</li> <li>• Land values, which our valuation experts tested by comparing the values used by the Trust’s valuers to market reports on land values from third party data sources and our own market knowledge.</li> <li>• Land and building areas, which we tested by agreeing a sample of the floor areas used by the valuers to detailed floor plans for the buildings and independently measuring the floor areas of a sample of the Trust’s assets.</li> <li>• The remaining useful life of assets valued, which we tested by comparing the directors’ estimates to our experience of the useful lives of assets with similar characteristics.</li> </ul> <p>We tested a sample of the adjustments arising from the valuation to verify that they were correctly accounted for and disclosed in the financial statements.</p> <p>We examined the Trust’s future capital commitments in order to determine whether any additional impairment of existing assets or reduction in asset lives was required. We also physically inspected a sample of the Trust’s assets to check that the assets remained in use and that there were no other physical impairment indicators. We further examined the Trust’s approved plans for the restructuring of services and the replacement of existing assets to identify any impairment indicators not accounted for by the Trust.</p> <p>The results of these procedures did not identify any issues with the valuation of land and buildings in the financial statements.</p>
<p><i>Accuracy and completeness of financial systems integration</i></p> <p>The Trust merged general ledger systems for the legacy FPH and HWP sites as at 1 October 2015. The 2015/16 transactions and balances held on the HWP Oracle finance system were transferred to the combined eFinancials general ledger, the existing system at FPH, as at that date.</p> <p>The transfer of financial systems mid-way through the financial year represents a risk of inaccurate or incomplete data transfer. Additionally, the adoption of a new financial system for HWP represents a significant change to the control environment in place on that site.</p>	<p>We developed an understanding and evaluated relevant controls where appropriate, in both the old and new systems within the HWP sites.</p> <p>We understood the process performed by the Trust to ensure that all transactions were recorded and closed where applicable prior to the transfer. We tested the accuracy of the values of balances migrated to the new system and the classification of transactions, and the completeness of the transfer of the data from Oracle to eFinancials. This involved testing the transfer process and the procedures the Trust imposed to ensure the data was transferred completely and accurately, and tracing reconciling differences to source reports in Oracle and eFinancials to confirm that they were resolved or corrected.</p> <p>The results of these procedures did not identify any issues with the accuracy or completeness of the financial systems integration.</p>



### How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Trust, the accounting processes and controls, and the environment in which the Trust operates.

The audit work was primarily carried out at the FPH site with visits to other sites conducted as needed.

### Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

<b>Overall materiality</b>	£6.25 million (2015: £4.44 million)
<b>How we determined it</b>	1% of total operating income (2015: 1% of total operating income excluding income recognised in respect of the acquisition of Heatherwood and Wexham Park Hospitals NHS Foundation Trust). We believe this is the most appropriate level to set materiality for a financially significant Foundation Trust.
<b>Rationale for benchmark applied</b>	We applied this benchmark, which is a generally accepted measure when auditing not for profit organisations, because we believe this to be the most appropriate financial measure of the performance of a Foundation Trust. We believe this is the appropriate benchmark to calculate overall materiality.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £250,000 (2015: £209,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

## Other reporting in accordance with the Code

### Opinions on other matters prescribed by the Code

In our opinion:

- the information given in the Performance Report and the Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2015/16; and
- the part of the Staff Report to be audited has been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2015/16.

### Other matters on which we are required to report by exception

We are required to report to you if, in our opinion:		
<ul style="list-style-type: none"><li>information in the Annual Report is:<ul style="list-style-type: none"><li>materially inconsistent with the information in the audited financial statements; or</li><li>apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Trust acquired in the course of performing our audit; or</li><li>otherwise misleading.</li></ul></li></ul>		We have no exceptions to report.
<ul style="list-style-type: none"><li>the statement given by the directors on page 23, in accordance with provision C.1.1 of the NHS Foundation Trust Code of Governance, that they consider the Annual Report taken as a whole to be fair, balanced and understandable and provides the information necessary for members to assess the Trust's performance, business model and strategy is materially inconsistent with our knowledge of the Trust acquired in the course of performing our audit.</li></ul>		We have no exceptions to report.
<ul style="list-style-type: none"><li>the section of the Annual Report on page 61, as required by provision C.3.9 of the</li></ul>		We have no exceptions to

NHS Foundation Trust Code of Governance, describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee.	report.
<ul style="list-style-type: none"> <li>the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2015/16 or is misleading or inconsistent with information of which we are aware from our audit. We have not considered whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.</li> </ul>	We have no exceptions to report.
We are also required to report to you if:	
<ul style="list-style-type: none"> <li>we have referred a matter to Monitor under paragraph 6 of Schedule 10 to the NHS Act 2006 because we had reason to believe that the Trust, or a director or officer of the Trust, was about to make, or had made, a decision which involved or would involve the incurring of expenditure that was unlawful, or was about to take, or had taken a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency; or</li> </ul>	We have no exceptions to report.
<ul style="list-style-type: none"> <li>we have issued a report in the public interest under paragraph 3 of Schedule 10 to the NHS Act 2006.</li> </ul>	We have no exceptions to report.

## Arrangements for securing economy, efficiency and effectiveness in the use of resources

Under the Code we are required to report to you if we are not satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2016; we have nothing to report as a result of this requirement.

## Responsibilities for the financial statements and the audit

### Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view in accordance with the NHS Foundation Trust Annual Reporting Manual 2015/16.

Our responsibility is to audit and express an opinion on the financial statements in accordance with the National Health Service Act 2006, the Code, and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Council of Governors of Frimley Health NHS Foundation Trust as a body in accordance with paragraph 24 of Schedule 7 of the National Health Service Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### What an audit of financial statements involves

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

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

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by

us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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## **Responsibilities for securing economy, efficiency and effectiveness in the use of resources**

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### **Our responsibilities and those of the Trustees**

The Trust is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. We are required under paragraph 1(d) of Schedule 10 to the NHS Act 2006 to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources and to report to you where we have not been able to satisfy ourselves that it has done so. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our work in accordance with the Code, having regard to the criterion determined by the Comptroller and Auditor General as to whether the Trust has proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary.

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## **Certificate**

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We certify that we have completed the audit of the financial statements in accordance with the requirements of Chapter 5 of Part 2 to the National Health Service Act 2006 and the Code.



Clive Everest (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
St Albans  
26 May 2016

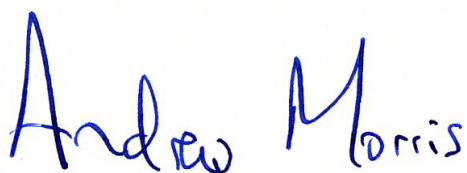
- (a) The maintenance and integrity of the Frimley Health NHS Foundation Trust website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
- (b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



## FOREWORD TO THE ACCOUNTS

### FRIMLEY HEALTH NHS FOUNDATION TRUST

The accounts are prepared in accordance with paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006.



Sir Andrew Morris, Chief Executive

24 May 2016



# STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 March 2016

	NOTE	2015/16 £000	2014/15 £000
<b>Operating income</b>	2	<b>624,188</b>	465,294
<b>Operating expenses</b>	3-4	<b>(613,264)</b>	<b>(460,482)</b>
<b>OPERATING SURPLUS</b>		<b>10,924</b>	4,812
<b>Finance costs</b>			
Finance income		188	136
Finance expenses - financial liabilities	6	(118)	(114)
Finance expenses - unwinding of discount on provisions	14	(1)	(1)
Public dividend capital dividends payable		<b>(9,999)</b>	<b>(7,362)</b>
<b>Net finance costs</b>		<b>(9,930)</b>	<b>(7,341)</b>
Gain from transfer by absorption	7	0	90,732
<b>SURPLUS FOR THE YEAR</b>		<b>994</b>	88,203
Other comprehensive income/expense:			
Revaluation gain on property, plant and equipment	10	26,103	56,170
Impairment loss on property, plant and equipment	10	(793)	(6,398)
Other recognised gains and losses		0	(4,152)
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>26,304</b>	133,823

The following notes 1 to 22 form part of these accounts.

The functions of the former Heatherwood and Wexham Park Hospitals NHS FT (H&WPH) were acquired on 1 October 2014 by Frimley Park Hospital NHS FT. Frimley Health NHS FT was created as a direct result of the acquisition and incorporates Frimley Park Hospital and H&WPH. The Statement of Comprehensive Income for the year ended 31 March 2016, includes a full year of transactions for the combined Trust. The information for 2014/15 includes only transactions in respect of the legacy organisation H&WPH for the 6 months following acquisition.

The surplus for the year 2014/15 includes £90.732m arising from the acquisition of H&WPH, this reflects the book value of the net assets on transfer.

# STATEMENT OF FINANCIAL POSITION AS AT 31 March 2016

		31 March 2016	31 March 2015
	NOTE	£000	£000
<b>Non-current assets</b>			
Intangible assets	8	1,618	2,096
Property, plant and equipment	10	335,543	305,695
<b>Total non-current assets</b>		<b>337,161</b>	<b>307,791</b>
<b>Current assets</b>			
Inventories	11	3,438	3,063
Trade and other receivables	12	55,144	52,091
Non-current assets held for sale	9	1,950	1,950
Cash and cash equivalents		71,958	59,145
<b>Total current assets</b>		<b>132,490</b>	<b>116,249</b>
<b>Current liabilities</b>			
Trade and other payables	13	(67,666)	(56,436)
Tax payable	13	(6,675)	(6,634)
Other financial liabilities	13	(511)	(409)
Other liabilities	13	(9,404)	(10,127)
Provisions for liabilities and charges	14	(605)	(601)
<b>Total current liabilities</b>		<b>(84,861)</b>	<b>(74,207)</b>
<b>Total assets less current liabilities</b>		<b>384,790</b>	<b>349,833</b>
<b>Non current liabilities</b>			
Other financial liabilities	13	(1,863)	(382)
Provisions for liabilities and charges	14	(120)	(98)
<b>TOTAL ASSETS EMPLOYED</b>		<b>382,807</b>	<b>349,353</b>
<b>FINANCED BY:</b>			
<b>TAXPAYERS' EQUITY</b>			
Public dividend capital		201,830	194,680
Revaluation reserve		153,344	128,034
Income and expenditure reserve		27,633	26,639
<b>TOTAL TAXPAYERS' EQUITY</b>		<b>382,807</b>	<b>349,353</b>

The financial statements on pages 11 to 52 were approved by the Board of Directors and signed on its behalf by



Sir Andrew Morris, Chief Executive  
24 May 2016

# STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 March 2016

	2015/16 £000	2014/15 £000
<b>Cash flows from operating activities</b>		
Operating surplus	10,924	4,812
Depreciation and amortisation	17,830	20,297
Impairments	1,203	2,890
Non cash donations credited to income	(77)	(199)
(Increase) in inventories	(375)	(290)
(Increase) in trade and other receivables	(3,053)	(2,568)
Increase/(decrease) in trade and other payables	14,764	(12,544)
Other movements in operating cash flows	(7)	(65)
Increase/(decrease) in provisions	25	(1,423)
<b>Net cash generated from operating activities</b>	<b>41,234</b>	<b>10,910</b>
<b>Cash flows from investing activities</b>		
Interest received	188	142
Purchase of intangible assets	(155)	(579)
Purchase of property, plant and equipment	(24,492)	(17,550)
<b>Net cash used in investing activities</b>	<b>(24,459)</b>	<b>(17,987)</b>
<b>Cash flows from financing activities</b>		
Public dividend capital received	10,150	24,056
Public dividend capital repaid	(3,000)	0
Other loans received	8	0
Other loans repaid	(80)	(170)
PDC dividend paid	(10,481)	(6,872)
Capital element of finance lease rental payments	(448)	(274)
Interest element of finance leases	(111)	(51)
<b>Net cash (used in financing activities)/generated from financing activities</b>	<b>(3,962)</b>	<b>16,689</b>
Increase in cash and cash equivalents	12,813	9,612
<b>Cash and cash equivalents at 1 April</b>	<b>59,145</b>	<b>48,980</b>
Cash and cash equivalents transferred by normal absorption accounting	0	553
<b>Cash and cash equivalents at 31 March</b>	<b>71,958</b>	<b>59,145</b>

**Statement of changes in taxpayers' equity for the year ended 31 March 2016**

	Total	Revaluation reserve	Income and expenditure reserve	Public dividend capital
	£000	£000	£000	£000
Taxpayers' equity as at 1 April 2015	349,353	128,034	26,639	194,680
Surplus for the year	994	0	994	0
Revaluation gain on property, plant and equipment	26,103	26,103	0	0
Impairment loss on property, plant and equipment	(793)	(793)	0	0
Public dividend capital repaid	(3,000)	0	0	(3,000)
Public dividend capital received	10,150	0	0	10,150
<b>At 31 March 2016</b>	<b>382,807</b>	<b>153,344</b>	<b>27,633</b>	<b>201,830</b>

**Statement of changes in taxpayers' equity for the year ended 31 March 2015**

	NOTE	Total	Revaluation reserve	Income and expenditure reserve	Public dividend capital
		£000	£000	£000	£000
Taxpayers' equity as at 1 April 2014		191,474	58,572	53,010	79,892
Surplus for the year		88,203	0	88,203	0
Transfers by absorption; transfers between reserves *		0	19,690	(19,690)	0
Transfers by absorption; transfers between reserves 7		0	0	(90,732)	90,732
Revaluation gain on property, plant and equipment		56,170	56,170	0	0
Other recognised gains and losses**		(4,152)	0	(4,152)	0
Impairment loss on property, plant and equipment		(6,398)	(6,398)	0	0
Public dividend capital received		24,056	0	0	24,056
<b>At 31 March 2015</b>		<b>349,353</b>	<b>128,034</b>	<b>26,639</b>	<b>194,680</b>

\*Transfers by absorption; transfers between reserves relates to the re-creation of the £19.7m revaluation reserve transferred from the former Heatherwood and Wexham Park Hospitals NHS Foundation Trust's revaluation reserve as at 1 October 2014 upon acquisition.

\*\*Immediately following the transfer of Heatherwood and Wexham Park Hospitals NHS Foundation Trust, consumables and energy stock which were valued at £4.2m were written out of the books and adjusted through taxpayers' equity as a result of the harmonisation of accounting policies and shown within other recognised gains and losses.

## NOTES TO THE ACCOUNTS

### 1 Accounting policies and other information

Monitor is responsible for issuing an accounts direction to NHS foundation trusts under the NHS Act 2006. Monitor has directed that the financial statements of NHS foundation trusts shall meet the accounting requirements of the FT ARM which shall be agreed with the Secretary of State. Consequently, the following financial statements have been prepared in accordance with the FT ARM 2015/16 issued by Monitor. The accounting policies contained in that manual follow IFRS and HM Treasury's FReM 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.

#### 1.1 Accounting convention

These accounts have been prepared under the historical cost convention, modified to account for the revaluation of property, plant and equipment. The accounts have been prepared on a going concern basis.

#### 1.2 Income

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the Trust is contracts with commissioners in respect of healthcare services.

Income received from the Department of Health in respect of the acquisition of the former Heatherwood and Wexham Park Hospitals FT (H&WPH) is to fund the costs of integration and transformation, this is recognised in the year in which the costs of the transaction arose. Any income received which has not been matched to costs is treated as deferred income in accordance with the funding agreement.

Where income is received for a specific activity which is to be delivered in the following financial year, that income is deferred in accordance with the funding agreement.

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale of contract, less costs to sell.

As regards the Frimley Health Charity any legacies are accounted for as incoming resources where the receipt of the legacy is probable; this will be once confirmation has been received from the representatives of the estate(s) that payment of the legacy will be made or property transferred and once all conditions attached to the legacy have been fulfilled.

#### 1.3 Expenditure on Employee Benefits

##### Short-term employee benefits

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

### **1.3 Expenditure on employee benefits (continued)**

#### **Pension Costs**

Past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions). The scheme is an unfunded, defined benefit scheme that covers NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

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

#### **a) Accounting valuation**

A valuation of the scheme liability is carried out annually by the scheme actuary as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2016, is based on valuation data as 31 March 2015, updated to 31 March 2016 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

#### **b) Full actuarial (funding) valuation**

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2016.

The scheme regulations allow contribution rates to be set by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

#### **c) Scheme provisions**

The NHS Pension Scheme provided defined benefits, which are summarised below. This list is an illustrative guide only, and is not intended to detail all the benefits provided by the scheme or the specific conditions that must be met before these benefits can be obtained:

The scheme is a “final salary” scheme. Annual pensions are normally based on 1/80th for the 1995 section and of the best of the last three years pensionable pay for each year of service, and 1/60th for the 2008 section of reckonable pay per year of membership. Members who are practitioners as defined by the scheme regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service.



### **1.3 Expenditure on Employee Benefits (continued)**

With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This new provision is known as "pension commutation".

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year. From 2011-12 the Consumer Price Index (CPI) has been used and replaced the Retail Prices Index (RPI).

Early payment of a pension, with enhancement, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year's pensionable pay for death in service, and five times their annual pension for death after retirement is payable.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the employer.

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVC's run by the Scheme's approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

### **1.4 Expenditure on other goods and services**

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

### **1.5 Inventories**

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the 'First In First Out' (FIFO) method. The only inventory recognised by the Trust which is capitalised is pharmacy stock.

### **1.6 Property, plant and equipment**

#### Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential be provided to, the Trust;
- it is expected to be used for more than one financial year; and
- the cost of the item can be measured reliably.

Property, plant and equipment assets are capitalised if they are capable of being used for a period which exceeds one year and they:

- individually have a cost of at least £5,000; or

## 1.6 Property, plant and equipment (continued)

- form a group of assets which individually have a cost of more than £250, collectively have a cost of at least £5,000, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- form part of the initial setting-up cost of a new building or refurbishment of a ward or unit, irrespective of their individual or collective cost.

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

### Measurement

#### Valuation

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

Land and buildings are measured subsequently at fair value, other assets are valued at depreciated cost.

Property, plant and equipment are stated at the lower of replacement cost or recoverable amount. On initial recognition they are measured at cost (for leased assets, fair value) including any costs, such as installation, directly attributable to bringing them into working condition. The carrying values of property, plant and equipment are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable. The costs arising from financing the construction of the property, plant and equipment are not capitalised but are charged to the statement of comprehensive income in the year to which they relate in accordance with Monitor's interpretation of IAS 23 revised.

All land and buildings are revalued using professional valuations in accordance with IAS 16. The frequency of valuations is dependent upon changes in the fair value of the items of property, plant and equipment being revalued. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period.

Valuations are carried out by independent professionally qualified valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual.

Valuations are carried out primarily on the basis of depreciated replacement cost on a modern equivalent asset basis for specialised operational property and existing use value for non-specialised operational property.

The value of land for existing use purposes is assessed at existing use value. For non-operational properties including surplus land, the valuations are carried out under fair value based on alternative use.

The District Valuation Service (DVS) completed a desktop update valuation as at 31 March 2016 of all properties held by the Trust which qualify as non-current assets. This included the Frimley Park Hospital, Heatherwood Hospital and Wexham Park Hospital sites.

## 1.6 Property, plant and equipment (continued)

Operational equipment has not been inflated due to it being immaterial, this was also the case during 2014/15.

Additional alternative open market value figures have only been supplied for operational assets scheduled for imminent closure and subsequent disposal.

Assets in the course of construction are valued at cost and are valued by professional valuers as part of the property, plant and equipment valuation or when they are brought into use.

Equipment surplus to requirements is valued at net recoverable amount.

### Subsequent expenditure

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

### Depreciation

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

Property, plant and equipment which has been reclassified as 'held for sale' ceases to be depreciated upon reclassification. Assets in the course of construction are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

Plant and machinery, information technology equipment and furniture and fittings are depreciated on current cost basis evenly over the estimated life. The useful economic life for equipment assets is typically between 2 to 8 years for IT assets, and between 2 to 15 years for plant and equipment.

Asset lives of buildings and dwellings are up to a maximum of 50 years.

### Revaluation and impairment

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse an impairment previously recognised in operating expenses, in which case they are credited to operating expenditure.

Where an impairment is not the result of a loss of economic benefit or service potential, decreases in asset values and impairments are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses. Impairments can arise when land and building valuations have been conducted by independent professionally qualified valuers.

## 1.6 Property, plant and equipment (continued)

Where an impairment is due to a loss of economic benefit or service potential in the asset, the impairment is charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of

- i) the impairment charged to operating expenses; and
- ii) the balance in the revaluation reserve attributable to that asset before the impairment.

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

### De-recognition

Assets intended for disposal are reclassified as 'Held for Sale' once all of the following criteria are met:

- i) the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales; and
- ii) the sale must be highly probable i.e.;
  - management are committed to a plan to sell the asset;
  - an active programme has begun to find a buyer and complete the sale;
  - the asset is being actively marketed at a reasonable price;
  - the sale is expected to be completed within 12 months of the date of classification as 'Held for Sale'; and
  - the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

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

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

### Donated property plant and equipment

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

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

## 1.7 Intangible assets

### Recognition

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

Intangible assets are capitalised if they are capable of being used for a period which exceeds one year, they can be valued and have a cost of at least £5,000.

### Software

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

### Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management. Revaluation gains and losses and impairments are treated in the same manner as for property, plant and equipment.

Depreciated replacement cost is being used as a proxy of fair value for intangible assets. The assessment of intangible assets highlights that software held typically has a life of approximately 3 to 7 years.

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

### Amortisation

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Intangible assets on the Statement of Financial Position have a life of between 3 to 7 years assigned.

## 1.8 Jointly controlled operation

The Trust is a member of Surrey Pathology Service, which incorporates Ashford and St. Peter's Hospitals NHS Foundation Trust and Royal Surrey County Hospital NHS Foundation Trust. This arrangement operates within the definition of a jointly controlled operation under IAS 31.

The Trust accounts for its share of the assets, liabilities, income and expenditure arising from the activities of the Surrey Pathology Services, identified in accordance with the Pathology service agreement. Accordingly both the Royal Surrey County Hospital NHS Foundation Trust and Ashford and St. Peter's Hospitals NHS Foundation Trust also account for their share of the assets, liabilities, income and expenditure in their financial statements.

## **1.9 Cash, bank and overdrafts**

Cash, bank and overdraft balances are recorded at the fair value of these balances in the Trust's cash book. These balances exclude monies held in the Trust's bank account belonging to patients (see note 21 - third party assets).

Interest earned on bank accounts and interest charged on overdrafts is recorded as, respectively, "interest receivable" and "interest payable" in the periods to which they relate. Bank charges are recorded as operating expenditure in the periods to which they relate.

## **1.10 Financial instruments and financial liabilities**

### **Recognition**

Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-financial items (such as goods or services), and are entered into in accordance with the Trust's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs i.e. when receipt or delivery of the goods or services is made. Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with note 1.11 - leases. All other financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

### **De-recognition**

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the Trust has transferred substantially all of the risks and rewards of ownership. Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

### **Classification and measurement**

Financial assets are categorised as 'loans and receivables'. Financial liabilities are classified as 'Other financial liabilities'.

### **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. They are included in current assets.

The Trust's loans and receivables comprise: cash and cash equivalents, NHS receivables, accrued income and other receivables.

Loans and receivables are recognised initially at fair value, net of transactions costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income.

### **Other financial liabilities**

All other financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

## **1.10 Financial instruments and financial liabilities (continued)**

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to Finance Costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

### **Impairment of financial assets**

At the Statement of Financial Position date, the Trust assesses whether any financial assets, other than those held at 'fair value through income and expenditure' are impaired. Financial assets are impaired and impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the Statement of Comprehensive Income and the carrying amount of the asset is reduced through the use of a bad debt provision.

## **1.11 Leases**

### **Finance leases**

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

The asset and liability are recognised at the inception of the lease, and are de-recognised when the liability is discharged, cancelled or expires. The annual rental is split between the repayment of the liability and a finance cost. The annual finance cost is calculated by applying the implicit interest rate to the outstanding liability and is charged to finance costs in the Statement of Comprehensive Income.

### **Operating leases**

Other leases are regarded as operating leases and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease.

### **Leases of land and buildings**

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately. Leased land is treated as an operating lease.

## **1.12 Provisions**

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the discount rates published and mandated by HM Treasury. The rate applicable for early retirement provisions and injury benefit provisions is 1.37% (2014/15 1.30%) in real terms.

### **1.13 Clinical negligence costs**

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the Trust pays an annual contribution to the NHSLA, which, in return, settles all clinical negligence claims. The Trust carries no liabilities in relation to these claims. Although the NHSLA is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the Trust is disclosed at note 15 but is not recognised in the Trust's accounts.

### **1.14 Non-clinical risk pooling**

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

### **1.15 Contingencies**

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in the notes to the accounts where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in a note to the accounts unless the probability of transfer of economic benefits is remote. Contingent liabilities are defined as:

- Possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- Present obligations arising from past events for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

### **1.16 Public dividend capital**

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

A charge, reflecting the cost of capital utilised by the Trust, is paid over as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for donated assets and average daily cash balances held with the Government Banking Services and PDC dividend balance receivable or payable. In accordance with the requirements laid down by the Department of Health (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the 'pre-audit' version of the annual accounts. This can result in either a payable or receivable amount being identified at each accounting year end.

Average relevant net assets are calculated as a simple mean of opening and closing relevant net assets.



### **1.17 Value Added Tax**

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

### **1.18 Foreign exchange**

The functional and presentational currency of the Trust is sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

Where the Trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

- monetary items (other than financial instruments measured at 'fair value through income and expenditure') are translated at the spot exchange rate on 31 March;
- non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction; and
- non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

### **1.19 Third party assets**

Assets belonging to third parties (such as money held on behalf of patients see note 21 of the accounts) are not recognised in the Trust's accounts since the Trust has no beneficial interest in them. However, they are disclosed in a separate note to the accounts in accordance with the requirements of the HM Treasury Financial Reporting Manual.

### **1.20 Reserves**

Other reserves have been created to account for differences between the Trust's opening capital debt (Public Dividend Capital on its inception as an NHS Foundation Trust) and the value of net assets transferred to it. Details of other movements in reserves in respect of the acquisition of H&WPH are detailed at note 7.

### **1.21 Critical accounting estimates and judgements**

Estimates and judgements are periodically evaluated and are based on historical experience and other factors, including, expectations of future events that are believed to be reasonable under the circumstances.

Estimates and judgements are also made in respect of provisions, details of provisions are shown at note 14 to the accounts.

Partially completed spells income has been calculated using different methodologies by the two legacy organisations. Both calculations are in keeping with prior years and are considered reasonable estimates and approaches upon which commissioners have agreed to the figures calculated.

### **1.21 Critical accounting estimates and judgements (continued)**

The Trust has included within the accounts £9.4m of deferred income. This is considered by the Trust to be deferred income as the services for which the income has been received have not yet been delivered. These deferred income balances by their nature are estimates and management has made a judgement in its recognition and measurement of these. Further details can be seen within note 13.1.

A desktop update was undertaken as at 31 March 2016 as a full asset valuation of the land and buildings was undertaken during 2014/15. The valuations have been undertaken under IFRS, the RICS advises that assumptions underpinning the concepts of fair value should be explicitly stated and identifies two potential qualifying assumptions:

"the market value on the assumption that the property is sold as part of the continuing enterprise in occupation" (effectively existing use value); or

"the market value on the assumption that the property is sold following a cessation of the existing operations" (in effect the traditional understanding of market value).

The Department of Health has indicated that for NHS assets it requires the former assumption to be applied for operational assets, this is the approach that was taken by the DV. The market value used in arriving at fair value for operational assets is therefore subject to the assumption that the property is sold as part of the continuing enterprise in occupation.

In the view of the Trust there are no further estimates or judgements which if wrong could significantly affect financial performance.

### **1.22 Charitable Funds**

Material entities over which the Trust has the power to exercise control so as to obtain economic or other benefits are classified as subsidiaries and are consolidated. Their income and expenses; gains and losses; assets, liabilities and reserves; and cash flows are consolidated in full into the appropriate financial statement lines. Appropriate adjustments are made on consolidation where the subsidiary's accounting policies are not aligned with the Trust's or where the subsidiary's accounting date is before 1 January or after 30 June.

Frimley Health NHS Foundation Trust is the Corporate Trustee of the Frimley Health Charity. The charity is deemed to be a subsidiary under the prescriptions of IAS 27. International Accounting Standards dictate that consolidated accounts should be prepared, that include the result and Statement of Financial Position of this subsidiary undertaking.

Consolidation of the Charitable Funds with the Trust's main accounts was deemed to be immaterial for 2015/16 Accounts. The unaudited value of the Charitable Funds reserves as at 31 March 2016 is circa £3.1m (2014/15 £2.5m), income received during the year was £1.1m (2014/15 £1.0m) and expenditure was £0.5m (2014/15 £1.0m).

Frimley Health NHS Foundation Trust is the sole beneficiary of the Frimley Health Charity. The charity registration number is 1049600 and the registered address is Portsmouth Road, Frimley, Camberley, Surrey GU16 7UJ. Accounts for the charity can be obtained from <http://www.gov.uk/government/organisations/charity-commission>

### **1.23 Losses and special payments**

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. The losses and special payments note is compiled directly from the losses and compensations register which reports on an accruals basis with the exception of provisions for future losses.

### **1.24 Changes to Accounting Policies**

The following accounting standards have been issued by the International Accounting Standards Board (IASB) and International Financial Reporting Standards Interpretations Committee (IFRIC), but have not been adopted because they are not yet required to be adopted.

#### **IFRS 11 - (amendment) - acquisition of an interest in a joint operation**

This standard has been amended to clarify the treatment of an acquisition of an interest in a joint operation when the operation constitutes a business, this was not previously detailed within IFRS 11.

The amendment states that all such acquisitions that meet this definition detailed in IFRS 3 Business Combinations are required to apply all the principles in IFRS 3 and other IFRSs with the exception of those principles that conflict with the guidance in IFRS 11.

The amendment applies to new formations, with the exception of those that are forming the business at the same time, and all existing joint operations of a business.

#### **IAS 16 (amendment) and IAS 38 (amendment) - depreciation and amortisation**

Both standards have been amended to clarify when a revenue-based amortisation/depreciation method is acceptable.

#### **IAS 16 (amendment) and IAS 41 (amendment) - bearer plants**

The standards now include the definition of a 'bearer plant'. Entities with such assets are now able to measure them at cost subsequent to initial recognition or at revaluation.

#### **IAS 27 (amendment) - equity method in separate financial statements**

The amendment reinstates the equity method as an accounting option for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements.

#### **IFRS 10 (amendment) and IAS 28 (amendment) - sale or contribution of assets**

The amendment clarifies the treatment of gain/loss recognition with transactions involving an associate or joint venture.

#### **IFRS 10 (amendment) and IAS 28 (amendment) - investment entities applying the consolidation**

The amendment clarifies a number of standards relating to the format of preparing and disclosing aspects of a subsidiary.

#### **IAS 1 (amendment) - disclosure initiative**

Amendments to this standard have been made to clarify when disclosures should be included and if they can be aggregated/disaggregated. The aim of this amendment is to address perceived impediments to preparers exercising their judgement in presenting their financial reports.

#### **IFRS 15 Revenue from contracts with customers**

IFRS 15 establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.

## **1.24 Changes to accounting policies (continued)**

### **IFRS 15 Revenue from contracts with customers**

IFRS 15 establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.

It is anticipated that additional disclosures around contracts will need to be made including performance related income contracts with the commissioners. However, no significant impact upon actual revenue recognition is expected.

Depending on the type of arrangements entered into in the future, assets and / or impairment losses may be recognised and disclosed.

### **IFRS 9 Financial Instruments**

IFRS 9 reduced the number of classification categories and provided a clearer rationale for measuring financial assets. It also applied a single impairment method to all financial assets not measured at fair value and aligned the measurement attributes of financial assets with the way the entity manages its financial assets and their contractual cash flow characteristics. There is also guidance included for when a part of a financial asset could be considered for derecognition. The derecognition principles should be applied to a part of a financial asset only if that part contained no risks and rewards relating to the part not being considered for derecognition.

### **Annual Improvements 2012-15**

These standards have not yet been endorsed by the EU, and therefore HM Treasury Policy is not available for NHS Bodies to apply. The standards are expected to be effective from 2018/19.

## **1.25 Historical financial performance Heatherwood and Wexham Park Hospitals NHS FT**

Heatherwood and Wexham Park Hospitals NHS FT had been in breach of the terms of its authorisation since 2009, and continued to have significant financial deficits. The Trust was also unable to deliver the necessary capital expenditure to improve the site infrastructure. It had been classified by Monitor as having a Financial Risk Rating of 1 the lowest rating since 2009 and under the new measurements a Continuity of Service Risk Rating (CoSRR) of 2.

Conversely Frimley Park Hospital NHS Foundation Trust has historically reported surpluses of more than 2% of total income for the past three years, as well as CoSRR of 4.

## **1.26 Segmental reporting**

IFRS 8 defines the term of Chief Operating Decision Maker (CODM) as a group or individual whose 'function is to allocate resources to and assess the performance of the operating elements of the entity'. For the Trust the most appropriate interpretation is that the Board of Directors represents the CODM. Operational performance is monitored at the monthly Board meetings and key resource allocation decisions are agreed there.

A reconciliation between the published accounts and the information presented to the CODM, for the financial year 2015/16 is shown overleaf. During 2015/16 the information has been presented to the Board as a single site.

The information for 2014/15 represents the full year position for Heatherwood and Wexham Park site and Frimley Park Hospital site, with a combined Frimley Health closing position after adjustment for the acquisition which is consistent with the published accounts.

The Trust generates the majority of its income from healthcare and related services. The information as displayed in the accounts reflects that which is submitted to the Board.

## 1.26 Segmental reporting

During 2015/16 significant income was received from the following CCGs:

NHS North East Hampshire And Farnham CCG 19% of total income

NHS Slough CCG 13% of total income

NHS Windsor, Ascot And Maidenhead CCG 11% of total income

### Frimley Health NHS Foundation Trust - Month 12 Board Report extract 2015/16

Frimley Health	Year to date		
	Plan £m	Actual £m	Variance £m
Income	582.6	612.8	30.3
Expenditure	(567.9)	(582.9)	(15.0)
Trust financing	(28.9)	(28.9)	(0.1)
<b>Net revenue surplus / (deficit)</b>	<b>(14.2)</b>	<b>1.0</b>	<b>15.2</b>
Integration funding	7.5	12.8	5.3
Integration costs	(7.5)	(12.8)	(5.3)
<b>Net revenue surplus / (deficit) after one-off items</b>	<b>(14.2)</b>	<b>1.0</b>	<b>15.2</b>

Integration funding is received from the DH to support the Trust in merging systems, processes and functions during the transitional period (£3.5m 2014/15).

In 2015/16 Deficit support funding of £29.2m was received and is included within income, this is received from the DH to cover operating deficits during the transitional period of 5 years, from 2014/15 onwards.

### Frimley Health NHS Foundation Trust - Month 12 Board Report extract 2014/15

Frimley Health	Year to date		
	Plan £m	Actual £m	Variance £m
Income	548.2	578.7	30.5
Expenditure	(533.1)	(590.0)	(56.9)
Trust financing	(21.0)	(19.4)	1.6
<b>Net revenue surplus / (deficit)</b>	<b>(5.9)</b>	<b>(30.7)</b>	<b>(24.8)</b>
Deficit Support Funding	9.2	17.6	8.4
<b>Revenue (deficit) after DoH support</b>	<b>3.3</b>	<b>(13.1)</b>	<b>(16.4)</b>
H&WPH half year pre-transaction deficit as recorded in H&WPH financial statements to 30 September 2014		11.8	11.8
	3.3	(1.3)	(4.6)
<b>Gain from transfer by absorption</b>		90.7	
		<u>89.5</u>	

The surplus for the year was reported to the Board at £89.503m however on completion of the accounts the actual was adjusted to £88.203m.

**2. Operating income**

		Restated
<b>2.1 Operating income</b>	<b>2015/16</b>	<b>2014/15</b>
	<b>£000</b>	<b>£000</b>
<b>Commissioner requested services</b>		
Elective income	97,780	79,318
Non elective income	177,982	124,026
Outpatient income	85,745	69,193 *
A&E income	31,207	20,477
Other type of activity income	129,332	104,834 *
Non NHS other	0	53
<b>Total commissioner requested services</b>	<b>522,046</b>	<b>397,901</b>
<b>Non-commissioner requested services</b>		
- Private patient income	10,062	8,301
- Overseas patients (non-reciprocal)	538	263
- Additional income for delivery of healthcare services	3,000	0
- NHS Injury Scheme	1,371	1,272
<b>Non-commissioner requested services</b>	<b>14,971</b>	<b>9,836</b>
<b>Non-commissioner requested services - other income</b>		
Education and training	12,096	9,134
Non-patient care services to other bodies	13,441	10,849
Research and development	1,426	1,553
Car parking	3,361	2,628
Catering	1,996	1,824
Charitable and other contributions to expenditure	77	199
Staff accommodation	796	454
Clinical Excellence Award	369	326
Creche	588	578
Clinical tests	907	1,168
Support from Department of Health for mergers	34,621	19,800
Other operating income	17,493	9,044
<b>Non-commissioner requested services - other income</b>	<b>87,171</b>	<b>57,557</b>
<b>Total operating income</b>	<b>624,188</b>	<b>465,294</b>

\* Outpatient Income for 2014/15 has been restated by £13.2m due changes in how maternity antenatal appointments are now funded, payments are now covered by a single maternity pathway payment. This income is now treated as other type activity income and not outpatient income.

NHS Injury Scheme income is subject to a provision for doubtful debts to reflect expected collection rates. The level of provision is based on historic recovery of NHS Injury Scheme debts.

Other operating income includes £7.4m (2014/15 £1.4m) in respect of integration funding received from the commissioners, note 7 refers.

<b>2.2 Operating income by category</b>	<b>2015/16</b>	<b>2014/15</b>
	<b>£000</b>	<b>£000</b>
<b>Commissioner requested services</b>		
Income from activities	522,046	397,901
<b>Non-commissioner requested services</b>		
- Private patient income	10,062	8,301
- Additional income for delivery of healthcare services	3,000	0
- Overseas patients (non-reciprocal)	538	263
- NHS Injury Scheme	1,371	1,272
<b>Total income from activities</b>	<b>537,017</b>	<b>407,737</b>
<b>Other income</b>	<b>87,171</b>	<b>57,557</b>
<b>Total operating income</b>	<b>624,188</b>	<b>465,294</b>

<b>2.3 Overseas patients (non-reciprocal)</b>	<b>2015/16</b>	<b>2014/15</b>
	<b>£000</b>	<b>£000</b>
Income recognised this year	<b>538</b>	263
Cash payments received in-year	<b>110</b>	86
Amounts added to provision for impairment of receivables	<b>226</b>	150
Amounts written-off in year	<b>303</b>	117

### 3. Operating expenses

<b>3.1 Operating expenses comprise</b>	<b>2015/16</b>	<b>2014/15</b>
	<b>£000</b>	<b>£000</b>
NHS expenditure on non healthcare services	<b>5,214</b>	4,463
Purchase of healthcare from non-NHS bodies	<b>4,943</b>	3,327
Non-executive directors' costs	<b>176</b>	153
Executive directors' costs	<b>1,406</b>	1,315
Staff costs	<b>378,630</b>	279,938
Drug costs	<b>56,531</b>	42,836
Supplies and services - clinical (excluding drug costs)	<b>64,794</b>	47,812
Supplies and services - general	<b>11,126</b>	8,088
Establishment	<b>7,297</b>	5,047
Transport	<b>1,944</b>	942
Premises	<b>26,096</b>	18,177
(Decrease)/increase in bad debt provision	<b>(1,003)</b>	1,244
Depreciation	<b>17,197</b>	13,545
Amortisation on intangible assets	<b>633</b>	6,752
Property, plant and equipment impairment	<b>1,203</b>	2,890
Audit fees - statutory audit	<b>178</b>	240
Internal audit fees and local counter fraud service	<b>173</b>	120
Clinical negligence	<b>19,880</b>	9,586
Rentals under operating leases	<b>2,755</b>	2,073
Consultancy costs	<b>7,520</b>	5,579
Other expenses	<b>6,571</b>	6,355
	<b>613,264</b>	460,482

### 3.2 Auditor's remuneration

The Council of Governors reappointed PricewaterhouseCoopers LLP (PwC) as external auditors of the Trust for a term of three years commencing 1 April 2011, with an option to extend the appointment for a further two years. The Council of Governors exercised the two year extension option and the PwC contract for external audit services will therefore run to 31 March 2016.

The table below sets out the fee for the audit in accordance with the Audit Code issued by Monitor in March 2016.

<b>Audit services - statutory audit</b>	<b>2015/16</b>	<b>2014/15</b>
	<b>£(exc. VAT)</b>	<b>£(exc. VAT)</b>
Audit of the financial statements	<b>115,500</b>	162,770
Additional procedures performed for the NAO, as appointed auditors of the consolidated foundation trust accounts	<b>3,500</b>	4,500
<b>Total</b>	<b>119,000</b>	167,270



**3.2 Auditor's remuneration (continued)**

<b>Non audit fees</b>	<b>2015/16</b>	<b>2014/15</b>
	<b>£(exc. VAT)</b>	<b>£(exc. VAT)</b>
1. the auditing of accounts of any associate of the trust	0	0
2. audit-related assurance services	29,000	33,000
3. taxation compliance services	99,963	0
4. all taxation advisory service not falling within item 3 above	0	0
5. internal audit services	0	0
6. all assurance services not falling within items 1 to 5	0	0
7. corporate finance transaction services not falling within Items 1 to 6 above and	0	0
8. all other non-audit services not falling within items 2 to 7 above.	50,000	190,000
<b>Total</b>	<b>178,963</b>	<b>223,000</b>

Non audit fees in 2015/16 consist of assurance on the Quality Report (£29,000), provision of services to assist the Trust in its preparation for CQC inspection in July 2015 (£50,000) and advice and assistance in determining the VAT impact of the procurement of agency staff (£99,963).

PwC is the external auditor of Frimley Park Hospital Charitable Funds, of which the Trust is the corporate trustee. The fees in respect of this engagement are £10k (excl VAT).

The engagement letter signed on 31 July 2015, states that the liability of PwC, its members, partners and staff (whether in contract, negligence or otherwise) shall in no circumstances exceed £1m, aside from where the liability cannot be limited by law. This is in aggregate in respect of all services.

**3.3 Operating leases****3.3.1 Arrangements containing an operating lease**

	<b>2015/16</b>	<b>2014/15</b>
	<b>£000</b>	<b>£000</b>
Payments recognised as an expense	2,755	2,073
	<b>2,755</b>	<b>2,073</b>

**3.3.2 Future minimum lease payments due**

	<b>2015/16</b>	<b>2014/15</b>
	<b>£000</b>	<b>£000</b>
Annual payments on leases:		
Not later than one year	2,304	2,712
Later than one year and not later than five years	2,446	4,074
Later than five years	0	0
	<b>4,750</b>	<b>6,786</b>

**4. Staff costs**

<b>4.1 Staff costs</b>	<b>2015/16</b>			<b>2014/15</b>
	<b>Total</b>	<b>Permanently Employed</b>	<b>Other</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Salaries and wages	285,875	285,875	0	210,226
Social security costs	22,579	22,579	0	16,723
Employer contributions to NHSPA	32,810	32,810	0	23,839
Termination benefits	854	854	0	1,040
Agency/contract/MoD staff	38,686	0	38,686	29,897
Recoveries from other bodies	(768)	0	(768)	(472)
	<b>380,036</b>	<b>342,118</b>	<b>37,918</b>	<b>281,253</b>

Costs for MoD staff shown above were £1,312k (2014/15 - £1,139k), staff are employed on the Frimley site under contract from the MoD.



**4.2 Staff exit packages**

	<b>2015/16 Compulsory redundancies Number</b>	<b>2015/16 Cost of compulsory redundancies £000s</b>	<b>2014/15 Compulsory redundancies Number</b>	<b>2014/15 Cost of compulsory redundancies £000s</b>
£10,001 - £25,000	3	58	0	0
£25,001 - £50,000	5	170	0	0
£50,001 - £100,000	3	280	1	95
£100,001 - £150,000	3	346	0	0
> £200,000	0	0	2	945
	<b>14</b>	<b>854</b>	<b>3</b>	<b>1,040</b>

Exit packages granted to staff during 2015/16 were in respect of restructuring as part of the Frimley Health synergies. All exit packages during 2014/15 were in respect of loss of office due to the acquisition.

**4.3 Monthly average number of persons employed**

	<b>2015/16 Total Number</b>	<b>Permanently employed Number</b>	<b>Other Number</b>	<b>2014/15 Total Number</b>
Medical and dental	892	886	6	659
Administration and estates	1,565	1,565	0	1,139
Healthcare assistants and other support staff	1,486	1,481	5	920
Nursing, midwifery and health visiting staff	2,222	2,210	12	1,952
Scientific, therapeutic and technical staff	890	886	4	679
Bank and agency staff	922	0	922	738
	<b>7,977</b>	<b>7,028</b>	<b>949</b>	<b>6,087</b>

The average staff numbers have increased due to the acquisition of H&WPH on 1 October 2014.

**4.4 Remuneration of directors**

	<b>2015/16 Total £000</b>	<b>Employer's pension contributions £000</b>	<b>Employer's NI £000</b>	<b>Remuneration £000</b>
<b>Executive directors</b>	<b>1,406</b>	<b>111</b>	<b>145</b>	<b>1,150</b>
<b>Non-executive directors</b>	<b>176</b>	<b>0</b>	<b>14</b>	<b>162</b>
	<b>1,582</b>	<b>111</b>	<b>159</b>	<b>1,312</b>
	<b>2014/15 Total £000</b>	<b>Employers pension contributions £000's</b>	<b>Employers NI £000's</b>	<b>Remuneration £000's</b>
<b>Executive directors</b>	<b>1,315</b>	<b>108</b>	<b>136</b>	<b>1,071</b>
<b>Non-executive directors</b>	<b>153</b>	<b>0</b>	<b>11</b>	<b>142</b>
	<b>1,468</b>	<b>108</b>	<b>147</b>	<b>1,213</b>

**4.5 Early retirements due to ill health**

During 2015/16 there were 3 early retirements from the Trust agreed on the grounds of ill-health at a cost of £80k (2014/15 - 5 at a cost of £387k).

## 5. Better payment practice code

### 5.1 Better payment practice code - measure of compliance

	2015/16		2014/15	
	Number	£000	Number	£000
Total bills paid in the year	134,665	254,349	121,245	215,513
Total bills paid within target	112,850	205,905	98,548	158,874
Percentage of bills paid within target	84%	81%	81%	74%

Under the better payment practice code the Trust aims to pay all valid non-NHS invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later.

### 5.2 The Late Payment of Commercial Debts (Interest) Act 1998

An amount of £7k has been included within finance costs arising from claims made under this legislation (2014/15 - £63k).

## 6. Finance expenses - financial liabilities

	2015/16	2014/15
	£000	£000
Finance leases	111	51
Interest on late payment of commercial debt	7	63
	<u>118</u>	<u>114</u>

## 7. Impact of the acquisition of H&WPH in 2014/15

### 7.1 Gain from transfer on absorption

The assets and liabilities of Heatherwood and Wexham Park Hospitals as at 30 September 2014 were transferred to Frimley Health's Statement of Financial Position. In line with the requirements of the FT ARM, these were transferred at book value and not adjusted to fair value prior to recognition.

The Statement of Comprehensive Income includes a 'gain on transfer by absorption', in 2014/15. This entirely relates to the acquisition of Heatherwood and Wexham Park's assets and liabilities on 1 October 2014.

The value of the assets and liabilities acquired is detailed below. HM Treasury approved the transfer of Public Dividend Capital (PDC) to this value as shown in the Statement of Changes in Taxpayers Equity.

	£000
Property plant and equipment	95,243
Intangible assets	7,694
Inventories	5,810
Trade and other receivables	28,851
Cash and cash equivalents	553
Trade and other payables	(38,456)
Tax payable	(5,048)
Other liabilities	(2,167)
Provisions for liabilities and charges **	(1,643)
Borrowings	(105)
Gain in income and expenditure reserve	<u>90,732</u>

\*\* on receipt of the assets and liabilities changes were made to the provisions for liabilities and charges to show the holiday pay as an accrual and not within provisions as is the case for the Frimley site reporting.

## **7.2 Revaluation reserve 2014/15**

Heatherwood and Wexham Park Hospitals had a revaluation reserve of £19,960k as at 30 September 2014. As per the Statement of Changes in Taxpayers Equity, this was recreated in Frimley Health on 1 October through transferring £19,690k out of the income and expenditure reserve and into the revaluation reserve.

## **7.3 Harmonisation of accounting policies 2014/15**

Heatherwood and Wexham Park Hospitals applied a different accounting policy to Frimley Health in relation to the treatment of inventory. In particular Heatherwood and Wexham Park Hospitals carried consumables and fuel within inventories which it is Frimley's policy to not carry such items. Therefore, following the transfer of Heatherwood and Wexham Park's assets into Frimley Health £4,152k of inventories was written out in order to harmonise the accounting policies. This has been disclosed as 'Other recognised gains and losses' on the face of the Statement of Comprehensive Income and the Statement of Changes in Taxpayers' Equity.

Partially completed spells are accounted for using different methodologies across both legacy sites, this was the case during 2014/15 and continues to be the case.

## **7.4 Acquisition Funding**

The Trust has a five year integration plan in place agreed with the Department of Health (DH) and local commissioners. This details the funding that is provided to the Trust to support the costs of integration and transformation. The agreement with the DH includes income support to cover the pre-existing deficit at the Heatherwood Hospital and Wexham Park Hospital sites, to allow the Trust to move to a stand alone surplus position over time.

The exact value of the income support due each year is based on the Trust's transformation progress, as judged by overall financial performance. For 2015/16 the DH have agreed to release the full amount of income support as set-out in the transaction agreement. This has been recognised in the financial statements as £19.2m of income in 2015/16. The transaction agreement also recognised that the figures planned for within the transaction business case might need to be revised post-transaction, once the financial position was better understood. During 2015 a meeting was convened between the Trust and the DH to review progress, specifically noting that the Heatherwood and Wexham deficit had been deeper than originally envisaged and that the rate of clinical transformation was happening more rapidly than had been anticipated. In light of this and using the mechanisms laid out in the transaction agreement, the DH agreed to income support of £10m for 2015/16 and forgiveness of the normalised deficit adjustment, in addition to the £19.2m referred to above. An additional £5m was also agreed for 2016/17.

With respect to the costs of transformation and integration, the Trust has recognised £5,421k (2014/15 £2,200k) of revenue from the Department of Health to meet an equal expenditure incurred. This has been recorded as support from Department of Health at note 2.1 to the accounts.

A proportion of the post-transaction transformation cost are chargeable to local commissioners and the Trust has agreed a five year programme of funding with NHS England, NHS Slough CCG, NHS Bracknell and Ascot CCG, NHS Windsor, Ascot and Maidenhead CCG and NHS Chiltern CCG. Within other operating income in note 2, £7,419k of income has been recognised in 2015/16 (2014/15 £1,353k) in respect of integration funding received from the commissioners.

## 8. Intangible assets

Intangible assets at the statement of financial position date comprise the following elements

	Total	Software	Information technology (internally generated)
	£000	£000	£000
Gross cost at 1 April 2015	15,673	7,805	7,868
Additions - purchased	155	155	0
Reclassifications	0	0	0
<b>Gross cost at 31 March 2016</b>	<b>15,828</b>	<b>7,960</b>	<b>7,868</b>
Accumulated amortisation at 1 April 2015	13,577	5,709	7,868
Provided during the year	633	633	0
Reclassifications	0	0	0
<b>Accumulated amortisation at 31 March 2016</b>	<b>14,210</b>	<b>6,342</b>	<b>7,868</b>
NBV - Purchased at 31 March 2015	2,096	2,096	0
<b>NBV total at 31 March 2015</b>	<b>2,096</b>	<b>2,096</b>	<b>0</b>
NBV - Purchased at 31 March 2016	1,618	1,618	0
<b>NBV total at 31 March 2016</b>	<b>1,618</b>	<b>1,618</b>	<b>0</b>

Intangible software assets have been assigned a life of between 3 to 7 years.

## 9. Assets held for sale

### Non-current assets held for sale

	Total	Land
	£000	£000
Net book value of non-current assets for sale at 1 April 2015	1,950	1,950
Plus assets classified as available for sale in the year	0	0
Net book value of non-current assets for sale at 31 March 2016	<b>1,950</b>	<b>1,950</b>
	Total	Land
	£000	£000
Net book value of non-current assets for sale at 1 April 2014	0	0
Plus assets classified as available for sale in the year	1,950	1,950
Net book value of non-current assets for sale at 31 March 2015	<b>1,950</b>	<b>1,950</b>

Assets held for sale are in respect of the land held at Frimley Children's Centre. The sale was approved at the 3 October 2014 Trust Board and contract signed with Thames Valley Housing Association on 8 June 2015. The transfer of ownership will take place in late 2016 following practical completion of the development.

## 10. Property, plant and equipment

### 10.1 Property, plant and equipment at the statement of financial position date comprise the following elements

	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and machinery	Transport equipment	Information technology	Furniture and fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2015	410,124	35,270	272,970	3,376	171	72,651	127	16,895	8,664
Additions - purchased	20,758	0	7,256	0	3,088	6,382	8	2,782	1,242
Additions - leased	2,103	0	0	0	0	2,103	0	0	0
Additions - donated	77	0	0	0	0	77	0	0	0
Revaluations	9,066	0	8,891	175	0	0	0	0	0
Impairments/surpluses charged to revaluation reserve	(793)	0	(793)	0	0	0	0	0	0
Impairments recognised in operating expenses	(1,203)	0	(1,203)	0	0	0	0	0	0
Reclassifications	0	0	163	0	(163)	0	0	0	0
Disposals/derecognition	0	0	0	0	0	0	0	0	0
<b>Cost or valuation at 31 March 2016</b>	<b>440,132</b>	<b>35,270</b>	<b>287,284</b>	<b>3,551</b>	<b>3,096</b>	<b>81,213</b>	<b>135</b>	<b>19,677</b>	<b>9,906</b>
Accumulated depreciation at 1 April 2015	104,429	0	38,207	103	0	49,407	124	11,802	4,786
Provided during the year	17,197	0	8,434	170	0	6,455	0	1,455	683
Accumulated depreciation written out upon revaluation	(17,037)	0	(16,867)	(170)	0	0	0	0	0
Disposals/derecognition	0	0	0	0	0	0	0	0	0
<b>Depreciation at 31 March 2016</b>	<b>104,589</b>	<b>0</b>	<b>29,774</b>	<b>103</b>	<b>0</b>	<b>55,862</b>	<b>124</b>	<b>13,257</b>	<b>5,469</b>
<b>Net book value</b>									
- Purchased at 1 April 2015	295,497	35,270	226,958	2,453	171	21,671	3	5,093	3,878
- Finance leases 1 April 2015	1,173	0	0	820	0	353	0	0	0
- Donated at 1 April 2015	9,025	0	7,805	0	0	1,220	0	0	0
<b>Total at 1 April 2015</b>	<b>305,695</b>	<b>35,270</b>	<b>234,763</b>	<b>3,273</b>	<b>171</b>	<b>23,244</b>	<b>3</b>	<b>5,093</b>	<b>3,878</b>
<b>Net book value</b>									
- Purchased at 31 March 2016	323,205	35,270	249,114	2,628	3,096	22,229	11	6,420	4,437
- Finance leases at 31 March 2016	2,963	0	0	820	0	2,143	0	0	0
- Donated at 31 March 2016	9,375	0	8,396	0	0	979	0	0	0
<b>Total at 31 March 2016</b>	<b>335,543</b>	<b>35,270</b>	<b>257,510</b>	<b>3,448</b>	<b>3,096</b>	<b>25,351</b>	<b>11</b>	<b>6,420</b>	<b>4,437</b>

Land and buildings were revalued effective 31 March 2016 by the district valuer, based on a desktop valuation in accordance with the MEA valuation method. During the financial year revaluation of the following assets took place which resulted in the following impairments, which were charged to Statement of Comprehensive Income: Wexham Park - backlog improvements, statutory compliance and external works £1,203k.

**10.2 Property, plant and equipment at the statement of financial position date comprise the following elements**

	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and machinery	Transport equipment	Information technology	Furniture and fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2014	186,261	23,480	115,818	2,979	1,881	38,559	0	3,537	7
Transfers by absorption	202,315	11,030	133,289	0	22	38,662	127	12,200	6,985
Additions - purchased	20,318	0	11,757	0	171	4,191	0	2,625	1,574
Additions - donated	199	0	0	0	0	199	0	0	0
Revaluations	22,775	5,520	16,858	397	0	0	0	0	0
Impairments/surpluses charged to revaluation reserve	(6,398)	(2,086)	(4,312)	0	0	0	0	0	0
Impairments recognised in operating expenses	(2,890)	(724)	(2,160)	0	0	0	0	(6)	0
Reclassifications	0	0	1,720	0	(1,903)	20	0	65	98
Transfer to assets held for sale	(1,950)	(1,950)	0	0	0	0	0	0	0
Disposals/derecognition	(10,506)	0	0	0	0	(8,980)	0	(1,526)	0
<b>Cost or valuation at 31 March 2015</b>	<b>410,124</b>	<b>35,270</b>	<b>272,970</b>	<b>3,376</b>	<b>171</b>	<b>72,651</b>	<b>127</b>	<b>16,895</b>	<b>8,664</b>
Accumulated depreciation at 1 April 2014	27,713	0	0	103	0	24,784	0	2,819	7
Transfers by absorption	107,072	0	63,156	0	0	29,474	122	9,711	4,609
Provided during the year	13,545	0	8,092	354	0	4,129	2	798	170
Accumulated depreciation written out upon revaluation	(33,395)	0	(33,041)	(354)	0	0	0	0	0
Disposals/derecognition	(10,506)	0	0	0	0	(8,980)	0	(1,526)	0
<b>Depreciation at 31 March 2015</b>	<b>104,429</b>	<b>0</b>	<b>38,207</b>	<b>103</b>	<b>0</b>	<b>49,407</b>	<b>124</b>	<b>11,802</b>	<b>4,786</b>
<b>Net book value</b>									
- Purchased at 1 April 2014	149,739	23,480	109,351	2,261	1,881	12,048	0	718	0
- Finance leases 1 April 2014	1,026	0	0	615	0	411	0	0	0
- Donated at 1 April 2014	7,783	0	6,467	0	0	1,316	0	0	0
<b>Total at 1 April 2014</b>	<b>158,548</b>	<b>23,480</b>	<b>115,818</b>	<b>2,876</b>	<b>1,881</b>	<b>13,775</b>	<b>0</b>	<b>718</b>	<b>0</b>
<b>Net book value</b>									
- Purchased at 31 March 2015	295,497	35,270	226,958	2,453	171	21,671	3	5,093	3,878
- Finance leases at 31 March 2015	1,173	0	0	820	0	353	0	0	0
- Donated at 31 March 2015	9,025	0	7,805	0	0	1,220	0	0	0
<b>Total at 31 March 2015</b>	<b>305,695</b>	<b>35,270</b>	<b>234,763</b>	<b>3,273</b>	<b>171</b>	<b>23,244</b>	<b>3</b>	<b>5,093</b>	<b>3,878</b>

Land and buildings were revalued effective 31 March 2015 by the district valuer following a full site valuation in accordance with the MEA valuation method. During the financial year revaluation of the following assets took place which resulted in the following impairments, on newly constructed assets bought into use which were charged to Statement of Comprehensive Income:

Frimley - new modular ward £987k, interventional radiology suite £350k, central delivery suite £135k; Heatherwood - land £724k  
Wexham - Post Graduate Medical Centre £218k, A&E extension £214k, Ward 10/11 £169k, GP unit £40k

**10.3 Assets held at open market value**

Of the totals at 31 March 2016 and 31 March 2015 all assets were valued in line with valuation methods set out in Note 1.6.

**10.3.1****Net book value of assets held under finance leases at the statement of financial position date**

	<b>Total 2015/16</b>	<b>Dwellings</b>	<b>Plant and machinery</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>NBV as at 31 March 2016</b>	<b>2,963</b>	<b>820</b>	<b>2,143</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
NBV as at 31 March 2015	1,173	820	353

**10.3.2 The total amount of depreciation charged to the statement of comprehensive income in respect of assets held under finance leases and hire purchase contracts**

	<b>Total 2015/16</b>	<b>Dwellings</b>	<b>Plant and machinery</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Depreciation</b>	<b>334</b>	<b>21</b>	<b>313</b>
	<b>2014/15</b>		
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Depreciation	234	71	163

**11. Inventories**

	<b>31 March 2016</b>	<b>31 March 2015</b>
	<b>£000</b>	<b>£000</b>
Materials	3,438	3,063
	<b>3,438</b>	<b>3,063</b>

All inventories held relate to pharmacy stock. During the year £62k (2014/15 £27k) of pharmacy stock had expired and was written off to Statement of Comprehensive Income as an expense, £13k (2014/15 £10k) of breakages were also expensed.

**12. Trade and other receivables****Note 12.1 Amounts falling due within one year:**

	<b>31 March 2016</b>	<b>31 March 2015</b>
	<b>£000</b>	<b>£000</b>
NHS receivables	38,468	37,922
Provision for impaired receivables	(824)	(2,244)
Prepayments	4,440	5,412
Accrued Income	866	1,195
Other receivables	9,426	6,898
NHS injury scheme income	4,553	4,567
NHS injury scheme provision	(1,785)	(1,659)
	<b>55,144</b>	<b>52,091</b>

Included within NHS receivables is an accrued sum of £4.3m relating to partially completed spells of clinical activity (2014/15 £4.7m).

Other receivables includes amounts for private patient billing. Whilst credit control procedures are in place a bad debt provision is made in respect of any potential doubtful debts, the provision is a specific bad debt provision based on assessment of individual debts.

**Note 12.2 Provision for impairment of receivables**

	31 March 2016 £000	31 March 2015 £000
At 1 April	2,244	302
Increase (decrease) in provision	679	2,114
Transfer by absorption*	0	893
Amounts utilised	(417)	(195)
Unused amounts reversed	(1,682)	(870)
<b>At 31 March</b>	<b>824</b>	<b>2,244</b>

\* Transfer by absorption excludes NHS injury scheme provision

**Increase/(decrease) in bad debt provision (charged to operating expenses)**

	31 March 2016 £000	31 March 2015 £000
Increase in provision	679	2,114
Unused amounts reversed	(1,682)	(870)
Charged to operating expenses	<b>(1,003)</b>	<b>1,244</b>

**Note 12.3 Ageing of impaired receivables**

	31 March 2016 £000	31 March 2015 £000
In three to six months	72	147
Over six months	752	2,097
<b>Total</b>	<b>824</b>	<b>2,244</b>

**Note 12.4 Ageing of non-impaired receivables past their due date**

	31 March 2016 £000	31 March 2015 £000
Up to three months	18,694	21,043
In three to six months	305	5,685
Over six months	1,810	1,989
<b>Total</b>	<b>20,809</b>	<b>28,717</b>

The Trust does not consider the above receivables past their due date to be impaired based on previous experience. The total reported above does not reconcile to note 12.1 as the total receivables balance includes receivables that are not classed as financial assets (see note 20.2) and receivables not past their due date as at 31 March 2016.

**13. Trade and other payables****13.1 Trade and other payables at the statement of financial position date are made up of:**

	31 March 2016 £000	31 March 2015 £000
<b>Current liabilities</b>		
NHS payables	11,587	8,191
Capital payables	908	4,642
Accruals	24,715	18,292
PDC payable	72	554
Other payables	30,384	24,757
<b>Trade and other payables</b>	<b>67,666</b>	<b>56,436</b>
<b>Tax payable (including social security costs)</b>	<b>6,675</b>	<b>6,634</b>
<b>Obligations under finance leases and hire purchase contracts</b>	<b>492</b>	<b>329</b>
Other loans	19	80
Other liabilities: deferred income	9,404	10,127
	<b>84,256</b>	<b>73,606</b>
<b>Non current liabilities</b>		
Obligations under finance leases and hire purchase contracts	1,823	332
Other loans	40	50
	<b>86,119</b>	<b>73,988</b>

The deferred income includes a balance of £4.0m in respect of maternity pathway income. (31 March 2015 £4.2m)



**13.2 Finance lease obligations**

<b>2015/16</b>	<b>Total</b>	<b>Plant and machinery</b>	<b>Dwellings</b>
Payable:	<b>£000</b>	<b>£000</b>	<b>£000</b>
Within one year	<b>629</b>	606	23
Between one and five years	<b>1,278</b>	1,187	91
After five years	<b>1,079</b>	1079	0
	<b>2,986</b>	2,872	114
Less finance charges allocated to future periods	<b>(671)</b>	<b>(627)</b>	<b>(44)</b>
	<b>2,315</b>	2,245	70
not later than one year	<b>492</b>	474	18
later than one year and not later than five years	<b>894</b>	842	52
later than five years	<b>929</b>	929	0
<b>2014/15</b>	<b>Total</b>	<b>Plant and machinery</b>	<b>Dwellings</b>
Payable:	<b>£000</b>	<b>£000</b>	<b>£000</b>
Within one year	<b>369</b>	343	26
Between one and five years	<b>383</b>	277	106
After five years	<b>0</b>	0	0
	<b>752</b>	620	132
Less finance charges allocated to future periods	<b>(91)</b>	<b>(47)</b>	<b>(44)</b>
Net lease liabilities	<b>661</b>	573	88
not later than one year	<b>329</b>	311	18
later than one year and not later than five years	<b>332</b>	262	70
later than five years	<b>0</b>	0	0

**13.3 Future finance lease obligations**

	<b>Plant and machinery</b>	<b>Dwellings</b>
	<b>2015/16</b>	<b>2015/16</b>
Minimum number of payments	113	16
Number of years of commitment	10	4
	<b>Plant and machinery</b>	<b>Dwellings</b>
	<b>2014/15</b>	<b>2014/15</b>
Minimum number of payments	6	20
Number of years of commitment	4	5

Plant and machinery finance lease obligations consist of a managed service contract for the provision of services to pathology, comprised of equipment and service elements. A new finance lease was taken out during 2015/16 for a managed service for PACS/RIS which comprises equipment and service elements.

Dwellings consist of a finance lease in respect of a residential accommodation block, this is governed by both a lease and underlease, the minimum payments are based on quarterly payments made per annum.

The underlease states:

1. The basic rent is calculated as being the sum which represented the gross annual amount payable at the time of such calculation if the sum of £440,000 was borrowed on a five year fixed interest rate (including the landlord's half percent margin) for a period of 25 years.

2. In the event that interest rates rise or fall the basic rent shall be adjusted upwards or downwards on the review dates according to the extent to which five year fixed interest rates (including the Landlord's half percent margin) exceed or fall short of 10.89% per annum calculated on £440,000 as in paragraph 1 above.

**14. Provisions for liabilities and charges**

	<b>Total</b>	<b>Pensions - other staff</b>	<b>Other legal claims</b>	<b>Other</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
At 1 April 2015	<b>699</b>	182	235	282
Arising during the year	<b>559</b>	120	88	351
Utilised during the year	<b>(438)</b>	<b>(84)</b>	<b>(71)</b>	<b>(283)</b>
Reversed unused	<b>(96)</b>	0	<b>(96)</b>	0
Unwinding of discount	<b>1</b>	1	0	0
<b>At 31 March 2016</b>	<b>725</b>	<b>219</b>	<b>156</b>	<b>350</b>
<b>Expected timing of cash flows:</b>				
Within one year	<b>605</b>	99	156	350
Between one and five years	<b>120</b>	120	0	0
After five years	<b>0</b>	0	0	0
	<b>725</b>	<b>219</b>	<b>156</b>	<b>350</b>

**14.1 Provisions for liabilities and charges 2014/15**

	<b>Total</b>	<b>Pensions - other staff</b>	<b>Other legal claims</b>	<b>Other</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
At 1 April 2014	<b>478</b>	88	19	371
Arising during the year	<b>204</b>	0	77	127
Transfer by absorption	<b>750</b>	155	218	377
Utilised during the year	<b>(456)</b>	<b>(62)</b>	<b>(10)</b>	<b>(384)</b>
Reversed unused	<b>(278)</b>	0	<b>(69)</b>	<b>(209)</b>
Unwinding of discount	<b>1</b>	1	0	0
<b>At 31 March 2015</b>	<b>699</b>	<b>182</b>	<b>235</b>	<b>282</b>
<b>Expected timing of cash flows:</b>				
Within one year	<b>601</b>	84	235	282
Between one and five years	<b>98</b>	98	0	0
After five years	<b>0</b>	0	0	0
	<b>699</b>	<b>182</b>	<b>235</b>	<b>282</b>

Pensions provisions have been calculated using figures provided by the NHS Pensions Agency, they assume certain life expectancies. Whilst this provides a degree of uncertainty in respect of both timing and total amounts, these estimates are based upon best available actuarial information.

The Trust provides for legal or constructive obligations that are of uncertain timing or amount at the Statement of Financial Position date on the basis of the best estimate of the expenditure required to settle the obligation.

Other provisions consist of the following which are also of uncertain timing and amount.

	<b>£000</b>
VAT partial exemption	<b>120</b>
Injury benefit scheme	<b>230</b>
<b>Total other provisions</b>	<b>350</b>

## 15. Clinical negligence liabilities

	2015/16 £000	2014/15 £000
Amount included in provisions of the NHSLA in respect of clinical negligence liabilities of the Trust.	234,760	111,351

## 16. Cash and cash equivalents

	31 March 2016 £000	31 March 2015 £000
At 1 April	59,145	48,980
Transfers by absorption	0	553
Net change in year	12,813	9,612
<b>At 31 March</b>	<b>71,958</b>	<b>59,145</b>
Broken down into:		
Cash at commercial banks and in hand	1,517	707
Cash with the Government Banking Service	70,441	58,438
<b>Cash and cash equivalents in statement of cash flows</b>	<b>71,958</b>	<b>59,145</b>

## 17. Contractual capital commitments

Commitments under capital expenditure contracts at the statement of financial position date were £9,386k (2014/15 - £7,969k) these are in respect of building work being undertaken for major capital projects and development of software, including the Electronic Document Management System (EDMS).

## 18. Post statement of financial position events

There are no material post statement of financial position events.

**19 Related party transactions**

The Trust had significant transactions, defined as an income/expenditure balance of over £1,500k or a receivables/ payables balance of over £750k, with the following related bodies:

	2015/16 Income £000	2015/16 Expenditure £000	31/3/2016 Receivables £000	31/3/2016 Payables £000
Ashford and St Peter's Hospitals NHS Foundation Trust	428	311	1,033	143
Royal Berkshire NHS Foundation Trust	904	1,200	956	565
Royal Surrey County Hospital NHS Foundation Trust	3,155	3,712	1,815	1,570
NHS Bracknell And Ascot CCG	53,806	0	1,296	664
NHS Chiltern CCG	45,775	0	3,903	274
NHS Guildford And Waverley CCG	3,641	0	130	2
NHS Hillingdon CCG	1,888	0	479	12
NHS North East Hampshire And Farnham CCG	118,601	4	1,857	1,154
NHS North Hampshire CCG	5,903	0	187	7
NHS North West Surrey CCG	9,330	0	51	83
NHS Slough CCG	80,418	0	3,236	1,349
NHS South Eastern Hampshire CCG	2,001	0	40	0
NHS Surrey Heath CCG	53,158	0	537	369
NHS Windsor, Ascot And Maidenhead CCG	66,903	0	1,066	757
NHS Wokingham CCG	5,866	0	331	34
Health Education England	12,593	12	925	0
Department of Health	37,798	7	0	0
NHS England - Core	6,466	0	4,110	0
NHS England - South Central Local Office	15,451	0	1,134	0
NHS England - South East Local Office	2,450	0	499	48
NHS England - South West Local Office	2,320	0	580	0
NHS England - Wessex Local Office	2,064	0	522	0
NHS England - South East Commissioning Hub	34,247	0	6,848	2
NHS England - Wessex Commissioning Hub	23,806	0	0	1,883
NHS Litigation Authority	635	19,889	0	62
NHS Property Services	0	2,479	0	1,140
HM Revenue & Customs	0	22,579	0	6,675
NHS Pension Scheme	0	32,988	0	4,655
NHS Blood and Transplant	36	2,105	0	182

The Trust who is the corporate trustee of the Frimley Health Charity holds charitable funds for which transactions between parties are not deemed material. Included within operating income in respect of non-cash donations credited to income are £77k relating to PPE additions (2014/15 £199k).

Board members have only received short term employee benefits from the Trust as shown in note 4.4. No post employment benefits, other long term benefits, share based payments or termination benefits have been paid to directors.

**19.1 Related Party Transactions 2014/15**

The Trust had significant transactions, defined as an income/expenditure balance of over £1,500k or a receivables/ payables balance of over £750k, with the following related bodies:

	2014/15 Income £000	2014/15 Expenditure £000	31/3/2015 Receivables £000	31/3/2015 Payables £000
Ashford and St Peter's Hospitals NHS Foundation Trust	362	312	833	104
Heatherwood and Wexham Park Hospitals NHS Foundation Trust	3,093	0	0	0
Royal Surrey County Hospital NHS Foundation Trust	2,630	3,656	1,788	1,545
NHS Bracknell And Ascot CCG	44,633	106	0	2,767
NHS Chiltern CCG	23,044	0	2,218	0
NHS Guildford And Waverley CCG	4,213	0	246	0
NHS North East Hampshire And Farnham CCG	111,776	9	1,335	0
NHS North Hampshire CCG	4,681	0	40	0
NHS North West Surrey CCG	8,865	0	230	0
NHS Slough CCG	40,207	93	4,310	385
NHS South Eastern Hampshire CCG	1,691	0	90	0
NHS Surrey Heath CCG	51,612	0	382	0
NHS Windsor, Ascot And Maidenhead CCG	34,238	135	3,493	91
NHS Wokingham CCG	4,066	0	(172)	0
Health Education England	11,202	21	291	20
Department of Health	20,628	22	11,828	0
NHS England - Core	1,650	0	203	9
Bath, Gloucester, Swindon & Wiltshire Area Team	8,031	0	(33)	0
Surrey & Sussex Area Team	37,928	0	2,038	0
Thames Valley Area Team	3,300	0	(94)	0
Wessex Area Team	16,082	0	2,440	0
NHS Litigation Authority	0	9,629	0	30
NHS Property Services (Now participates FULLY in AoB)	0	2,123	0	352
HM Revenue & Customs	0	16,723	0	6,634
NHS Pension Scheme	0	23,839	0	4,411
NHS Blood and Transplant	23	2,212	0	325

Included within the Royal Surrey County Hospital NHS Foundation Trust expenditure balance is £1,529k for the Bowel Cancer Screening Programme as part of the Partnership Pathology Service.

The Trust who is the corporate trustee of the Frimley Health Charity holds charitable funds for which transactions between parties are not deemed material. Included within operating income in respect of non-cash donations credited to income are £199k relating to PPE additions (2013/14 £61k).

Board members have only received short term employee benefits from the Trust as shown in note 4.4. No post employment benefits, other long term benefits, share based payments or termination benefits have been paid to directors.

## 20. Financial instruments

International Accounting Standards IAS 32, IAS 39 and IFRS 7, require disclosure of the role that financial instruments have had during the year in creating or changing the risks an entity faces in undertaking its activities. Because of the continuing service provider relationship that the Trust has with local NHS Commissioners and the way those NHS Commissioners are financed, the Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which these standards mainly apply. The Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated through day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

### Financial risk management

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's Standing Financial Instructions and Treasury Management Policy agreed by the Board of Directors. Trust Treasury activity is routinely reported and is subject to review by the Trust's internal auditors.

#### *Currency risk*

The Trust is principally a domestic organisation with the majority of transactions, assets and liabilities being in the UK and sterling based. As such, the Trust does not normally undertake transactions in currencies other than sterling and is therefore not exposed to movements in exchange rates over time. All currency payments are translated into sterling at the exchange rate ruling on the date of the transaction. The total value of payments made in Euro denomination was 39,645 as at 31 March 2016 (2014/15 678,136).

The Trust's main exposure to interest rate fluctuations arises where it utilises external borrowings. The Trust has no external borrowing apart from several finance leases as per note 13.2 and accordingly has not been required to manage exposure to interest rate fluctuations.

#### *Credit risk*

Due to the fact that the majority of the Trust's income comes from legally binding contracts with NHS bodies and Government departments the Trust does not believe that it is exposed to significant credit risk in relation to cash.

The Trust's deposits are routinely monitored in accordance with guidance issued by Monitor and are overseen by the Audit Committee, the Trust typically invests in A-1 institutions for short term investments.

#### *Liquidity risk*

The Trust's net operating costs are incurred under legally binding contracts with local CCGs, which are financed from resources voted annually by Parliament. The Trust has the potential to fund its capital expenditure from funds obtained within the Prudential Borrowing Limit. The Trust is not, therefore, exposed to significant liquidity risks.

## 20.1 Financial instruments

### 20.1.1 Financial assets

	<b>Carrying value £000</b>
<b>Financial assets</b>	
Denominated in £ sterling	119,894
<b>Gross financial assets at 31 March 2016</b>	<u>119,894</u>
Denominated in £ sterling	102,916
<b>Gross financial assets at 31 March 2015</b>	<u>102,916</u>

### 20.1.2 Financial liabilities

Denominated in £ sterling	70,040
<b>Gross financial liabilities at 31 March 2016</b>	<u>70,040</u>
Denominated in £ sterling	57,227
<b>Gross financial liabilities at 31 March 2015</b>	<u>57,227</u>

The above financial assets have been included in the accounts at amortised cost as 'loans and receivables', with no financial assets being classified as 'assets at fair value through the profit and loss', 'assets held to maturity' nor 'assets held for resale'.

Prepayments of £4,440k (2014/15 - £5,412k) are not considered to be financial instruments.

Other tax and social security payables amounts of £6,675k (2014/15 - £6,634k) and deferred income of £9,404k (2014/15 - £10,127k) are not considered to be financial instruments under IFRS and therefore have been excluded from the above analysis.

All financial liabilities are classified as 'other financial liabilities', with no financial liabilities being classified as 'liabilities at fair value through the I&E'.

## 20.2 Financial assets by category

	Total	Loans and receivables
	£000	£000
<b>Assets as per statement of financial position</b>		
NHS receivables	38,468	38,468
Provision for impaired receivables (as at 31 March 2016)	(824)	(824)
Accrued income	866	866
Other receivables	9,426	9,426
Cash and cash equivalents	71,958	71,958
<b>Total at 31 March 2016</b>	<b>119,894</b>	<b>119,894</b>
NHS receivables	37,922	37,922
Provision for impaired receivables (as at 31 March 2015)	(2,244)	(2,244)
Accrued income	1,195	1,195
Other receivables	6,898	6,898
Cash and cash equivalents	59,145	59,145
<b>Total at 31 March 2015</b>	<b>102,916</b>	<b>102,916</b>

## 20.3 Financial liabilities by category

	Total	Other financial liabilities
	£000	£000
<b>Liabilities as per statement of financial position</b>		
Trade and other payables (NHS)	11,587	11,587
Trade and other payables	30,384	30,384
Accruals	24,715	24,715
Capital payables	908	908
Finance lease obligations	2,315	2,315
PDC dividend payable	72	72
Other loans	59	59
<b>Total at 31 March 2016</b>	<b>70,040</b>	<b>70,040</b>
Trade and other payables (NHS)	8,191	8,191
Trade and other payables	24,757	24,757
Accruals	18,292	18,292
Capital payables	4,642	4,642
Finance lease obligations	661	661
PDC dividend payable	554	554
Other loans	130	130
<b>Total at 31 March 2015</b>	<b>57,227</b>	<b>57,227</b>



<b>20.4 Fair values</b>	<b>31 March 2016 book value £000</b>	<b>31 March 2016 fair value £000</b>
<b>Financial assets</b>	119,894	119,894
	<b>119,894</b>	<b>119,894</b>

#### Financial liabilities

Payables over 1 year - Finance Lease obligations	1,823	1,823
Other	68,217	68,217
	<b>70,040</b>	<b>70,040</b>

	<b>31 March 2015 book value £000</b>	<b>31 March 2015 fair value £000</b>
<b>Financial assets</b>	102,916	102,916
	<b>102,916</b>	<b>102,916</b>

#### Financial liabilities

Payables over 1 year - finance lease obligations	332	332
Other	56,895	56,895
	<b>57,227</b>	<b>57,227</b>

As at 31 March 2016 there are no significant differences between fair value and carrying value of any of the Trust's financial instruments.

For financial assets and financial liabilities carried at fair value, the carrying amounts are classified as the carrying value net of the Trusts best estimates of bad and doubtful debts.

Discounted cash flows have not been performed on non-current liabilities due to the fact that the major lease is in Euros and the result would not be material.

#### 20.5 Maturity of financial assets

All of the Trust's financial assets mature in less than one year.

#### 20.6 Maturity of financial liabilities

	<b>31 March 2016 £000</b>	<b>31 March 2015 £000</b>
Less than one year	68,217	56,895
In more than one year but not more than five years	894	332
In more than five years	929	0
<b>Total</b>	<b>70,040</b>	<b>57,227</b>

#### 20.7 Derivative financial instruments

In accordance with IAS39, the Trust has reviewed its contracts for embedded derivatives that are required to be separately accounted for if they do not meet the requirements set out in the standard.

## **21. Third party assets**

The Trust held £4,069 cash and cash equivalents at 31 March 2016 (31 March 2015 - £6,921) which relates to monies held by the Trust on behalf of patients. This has been excluded from the cash and cash equivalents figure reported in the accounts.

## **22. Losses and special payments**

There were 925 cases of losses and special payments (2014/15 - 845 cases) totalling £503,000 (2014/15 - £350,000) approved during 2015/16.

There were no clinical negligence cases where the net payment exceeded £100,000 (2014/15 - nil). These would relate to payments made by the Trust and would not relate to any payments made by the NHS Litigation Authority in respect of the Trust.

There were no fraud cases where the net payment exceeded £100,000 (2014/15 - nil).

There were no personal injury cases where the net payment exceeded £100,000 (2014/15 - nil).

There were no compensation under legal obligation cases where the net payment exceeded £100,000 (2014/15 - nil).

There were no fruitless payment cases where the net payment exceeded £100,000 (2014/15 - nil).

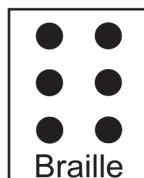
The total costs in this note continue to be disclosed on a cash basis, under IFRS this should be on an accruals basis, however it is acknowledged that the amounts are immaterial and therefore continue to be on a cash basis.



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