

Frimley Health



NHS Foundation Trust

Annual Report and Accounts



Committed To Excellence

Working Together

Facing The Future

Annual Report and Accounts 2016-2017

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 2017. When I wrote this statement last year I was new to my role as Chairman. I outlined then what a remarkable year we had, with some amazing achievements. Not least was the transformation of culture at Wexham Park Hospital reflected in a 'Good' rating from the Care Quality Commission so soon after coming under the management of Frimley Health NHS Foundation Trust.

Getting ourselves into a better place has taken a huge effort by all our colleagues. But the real challenge since has been to keep ourselves on an upward path in the face of ever challenging and demanding conditions.

As this report will show, we have continued on our successful journey and the Trust has further grown our reputation as one of the best and most progressive foundation trusts in the country.

In addition to delivering very good performance across all the domains that matter, which are covered in the Chief Executive's report, I am delighted and proud that Frimley Health won a number of awards last year. These include:

- The Best Organisation for Patient Safety in 2016.
- The award for the Patient Experience Team of the Year, which is particularly pleasing as there is nothing more important than making sure our patients gets the very best care and experience possible.
- The Best Organisation for Employee Engagement and Overall Winner – the absolute top honour at the CIPD People Management awards (the 'Oscars' of the human resources world!).
- We also won number of other awards and accolades at national and regional level for individuals and teams, for clinical as well as our support services.
- Our own CEO, Sir Andrew Morris, was declared the Health Service Journal's top chief executive by a panel of his peers for his outstanding contribution to the NHS at both local and national level.

The other area that has been really successful has been fundraising, where our colleagues and the residents we serve have helped us raise money for good causes like Breast Cancer at Frimley and Children's Critical Care at Wexham. In fact it has been one of our best years to date with £1.6m raised. Run Frimley in May, where up to 2,000 runners meet at Frimley Park to take to the streets to raise money for our charity, is now well-established in the community calendar and the more recent Run Wexham is attracting an increasing number of entrants each year. During the year we celebrated the

successful completion of our Breast Care Appeal at Frimley, raising more than £1.5m (more than £750,000 from the community in three years and £750,000 match funding from the Trust).

In addition to continually improving the present, we are also investing to create a better future for our colleagues and our patients. So we were very pleased to break the ground on the first of our major capital investment programmes to transform services at Wexham Park and Heatherwood hospitals. The first phase of the £10m rebuild of our maternity and women's services at Wexham has reached the halfway point and we have begun building our fantastic new £50 million emergency department and assessment centre at the same hospital. We have also made great progress with our plans to rebuild Heatherwood Hospital in Ascot to secure modern healthcare services for our residents.

The past year has also seen us working much more closely with our health colleagues in the NHS, social and community care as part of the Frimley Care Sustainability and Transformation Partnership (STP). The work on these STPs, which was launched in 2016 across the country, are the vehicles for delivering the kind of system wide changes needed to create lasting and affordable health and social care for the future. It has been heartening to see a new level of collaboration between NHS and social care, begin to show real benefits. Our STP has been chosen as one of nine exemplary ones across England, and we are being supported by NHS England to deliver it.

As Chairman I would like to thank the Board and Council of Governors for another year of excellent leadership. They have worked tirelessly to help and support the Board so that we truly create a great place for our colleagues to work in and a great place for all the care needs for the community we serve. We were very sorry to say goodbye at the end of this year to Andrew Prince, one of our non-executive directors. Andrew has given us 11 years of loyal service, 10 of them as our Senior Independent Director. We also began recruitment for a new Director of Nursing and Patient Safety after Nicola Ranger announced she was moving to a similar role closer to her family home. Nicola's energy and inspirational leadership have taken nursing at Frimley Health to a new level that her successor will want to build on.

My admiration and respect for my Frimley Health colleagues has increased beyond measure as a result of the way they continue to provide excellent and safe care during what has been one of the most intense and sustained periods of pressure that the NHS has encountered over the past winter. It was my great pleasure in March 2017 to take part in our annual staff awards where we could celebrate with some of the staff who go above and beyond the call of duty to look after our patients.

The year ahead looks like another challenging one as we deliver the first year of our STP plan and at the same time continue to work on our ambition of having three outstanding hospitals. Together we are stronger, so I am sure that with the help of our colleagues and all the people who reside in our catchment we can build on the excellent work we have done in 2016-17 and make it another very successful year.



Pradip Patel

Chairman

25 May 2017

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 2017, which has been another productive and eventful one.

Managing three large hospitals for a diverse community across four counties is never going to be easy and 2016-17 has thrown up its fair share of challenges. The winter just gone saw a sustained level of strain nationally on the whole system that I would describe as beyond anything I have seen in my career as a hospital manager. So I was immensely proud of the way all my colleagues pulled together to continue delivering safe and excellent care day and night, seven days a week, to record numbers of patients.

Like almost every other hospital in the country, we did not meet the four-hour waiting target for our A&Es. Yet even through some of the busiest periods, nine out of 10 people turning up were seen within this timeframe. In addition, we managed to achieve all of our other national key indicator targets, for example in relation to cancer waiting times and infection control. You can read more about our performance against key indicators in our Quality Report 2016-17 which is published as part of this Annual Report.

2016-17 was the second full year since the Trust took over Wexham Park and Heatherwood Hospitals and we continued to make good progress in delivering the benefits of assimilating services and advanced with developing services and a patient centred culture through our staff values – committed to excellence, working together and facing the future.

In addition to sharing best practice across our hospitals we have continued to achieve a number of milestones in our journey to unify Frimley Health NHS Foundation Trust following acquisition in October 2014.

This five-year transformation is on schedule and some of the key developments in 2016-17 include:

- Embedding clinical governance structures and formation of a joint clinical governance committee
- Catering and security services at Wexham Park and Heatherwood brought back in house, in line with Frimley Park Hospital
- Creating a single staff 'bank' (trust-managed flexible workforce) with unified rates of pay

- Introduction of a leadership programme for nurses
- Introduction of a 'Freedom to Speak Up' Guardian with a remit to encourage staff to raise concerns
- A unified parking policy, including the same parking rates for staff and public across three hospitals

Thanks to central support as a result of the 2014 acquisition combined with sound financial management of the Trust over many years, we are in the rare position of planning and delivering a significant capital programme which will greatly improve the care environment for patients and our staff. The bulk of this investment, totalling up to £150m, is to improve the estate at Wexham Park and Heatherwood.

We were delighted in October 2016 to begin building work on a £10m rebuild of our women's and maternity services. So far this is progressing well and the first phase has been delivered on time and schedule with completion due in October 2017. Once finished we will have a new gynaecology outpatients centre, antenatal area and labour ward with all delivery rooms en suite.

The final hurdles have been cleared for our £49m emergency department and associated assessment centre. Building work is now underway for the four storey building which will incorporate A&E on the ground floor, with 32 separate rooms and a spacious resuscitation area for our sickest A&E patients, ambulatory care and 24-hour assessment on the first floor, beds for short stay medical patients for up to 72 hours and a staff and office area on the top floor. The new building at the front of the Wexham Park site represents the biggest single capital project since the hospital was built more than 50 years ago. During the year we held engagement events for staff and the public to share our plans and obtained planning permission from the local authority.

Our plans to rebuild Heatherwood Hospital in Ascot are now at an advanced stage and we submitted a planning application in October 2016. It is a complex application which involves selling off the current hospital footprint for housing and putting the money raised towards a new £90m building located in what is currently woodland. Because of the sensitivities surrounding the plan we are continuing to work with the local planning authority to resolve outstanding issues. We held two public consultation events at nearby Ascot Racecourse which were very well attended. The great majority of people at these events and those providing feedback online were broadly in favour of rebuilding Heatherwood Hospital as an elective, diagnostic and outpatient centre. But we have adjusted our plans in response to concerns raised about housing, car parking and environmental impact.

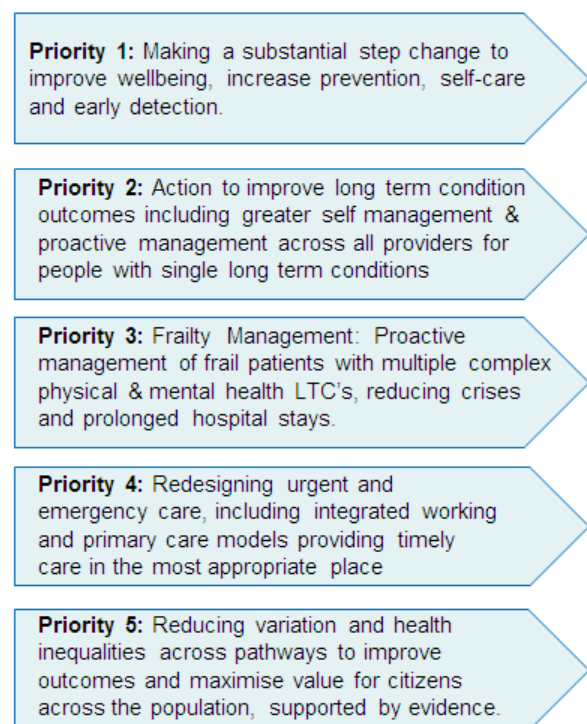
November 2016 saw the launch of our local Sustainability and Transformation Partnership (STP) plan. The country has been divided into a geographical 'footprints' where NHS and other organisations involved in public healthcare, such as private providers, social services and local authorities, have devised local plans to deliver long term affordable solutions to modern healthcare challenges. Our STP footprint is the only one in the country that has been based around a hospital trust catchment population.

We have been collaborating more closely than ever before with other local provider, commissioners, social services, service user group and local authorities to find ways to manage the care of an older population with more complex conditions in a better way.

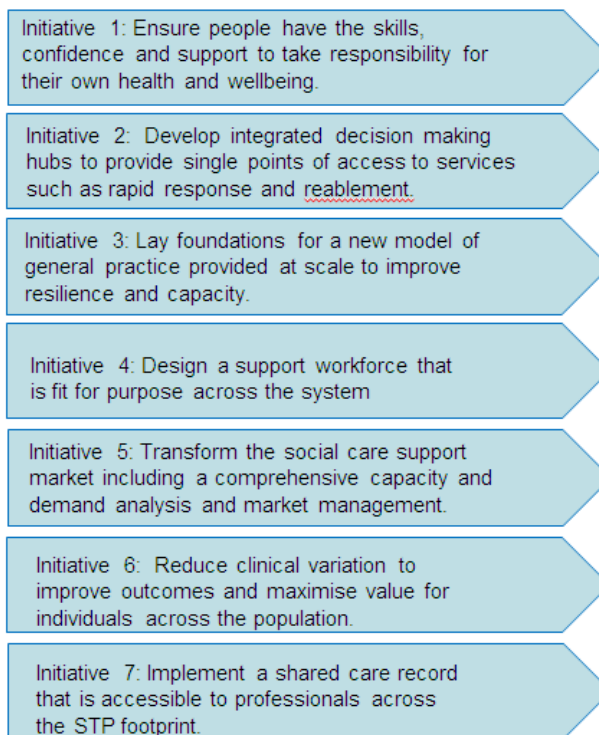
Each STP is encouraged to come up with local solutions. If we carry on without working together to transform care we will create a huge funding gap. So our plans outline how we can help people remain stable and well in the community and reduce reliance on hospital services.

STP priorities and how we will deliver them

Five year priorities



Initiatives for next 18 months



All of our Trust strategy, including the large capital projects outlined above, will now be integral to delivering the local STP's plans. The work builds upon some initiatives which are already underway locally, such as 'Happy, Healthy at Home' in North East Hampshire and Farnham and 'New Vision of Care' in East Berkshire. In March 2017 NHS England chief executive Simon Stevens chose to come to the Frimley Health and Care STP to publicly launch his review into the delivery of his Five Year Forward View. He praised the collaborative work locally and said it was an exemplar for others to follow.

In addition to the large capital projects outlined earlier, a number of other service improvements and investments were made during the year. These included:

- A new ambulatory care unit at Frimley Park Hospital to allow patients to go home after treatment.
- Completion of a refurbished paediatric critical care unit at Wexham Park.
- Launch of a heart attack centre at Wexham Park to rapidly treat heart attack patients around the clock.
- Addition of a 20-bed medical ward at Frimley Park Hospital located in converted office space.
- Most medical records at Frimley Park moved off site (to nearby Albany Park).
- Phased introduction of electronic patient records.

- Opening of new staff accommodation at the former Frimley Children's Centre (a project initiated by the Trust by selling off the surplus site to a housing association).
- Refurbishment of the main staff and public restaurant at Wexham Park, renamed the Courtyard Restaurant. Also the re-opening of Café Glade and the Crossroads Café at Wexham Park.
- Start of children's ward refurbishment at Frimley Park, due for completion early 2017-18.
- Trust taking over the management of community services in north east Hampshire, mostly from Fleet Hospital and the surrounding area. This is a pilot scheme for 2017.

The exceptional efforts of our staff during a difficult year have been recognised nationally, for example with the Trust overall winners in the national Patient Experience Awards and being named Overall Winner at the Chartered Institute of Personnel and Development Awards 2016.

I am also pleased to report that our financial position at the end of year exceeded our plan: we planned for a surplus of £22m and achieved £25.2m.

Next year looks like it will be even tougher financially so we will once again be relying on our staff's outstanding commitment and professionalism in order to maintain our excellent standards. Much of the work we have completed to improve efficiency, either in relation to the STP or delivering the synergies of coming together as one Trust, are already starting to bear fruit.

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. In January 2017 the Trust also took over community services based out of Fleet Hospital as a one-year pilot scheme.

With close to 9,000 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 10 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 2016-17 the Trust's elective or planned activity was 3% up on previous levels, and the emergency (non-elective) activity showed a 5% increase on the previous year.

GP referrals increased overall by 5% and we saw 871,695 patients in outpatient clinics. The increase in referrals was most notable from NHS Slough (11% increase) which may indicate continuing increased confidence in the quality of services at Wexham Park among patients and GPs. Elective admissions were predominantly day cases or regular day admissions, with 83,476 admissions across Frimley Health. There were also 9,994 births across the Trust. At the end of 2017 there were 7,727 patients waiting for inpatient operations and 28,366 waiting for outpatient appointments

A total of 242,022 patients attended our two emergency departments, which represents a 2.5% increase on the previous year. There were slightly more people attending at Wexham Park (123,602) than at Frimley Park (118,420). Nearly 110,000 patients were admitted to the Trust as emergencies (non-elective) with a similar number of admissions at Frimley Park and Wexham Park.

Outpatient activity

1 April 2016 – 31 March 2017	Frimley Park Hospital	Wexham Park and Heatherwood Hospitals	Frimley Health NHS FT
New attendances	164,270	125,588	289,858
Follow-up attendances	311,503	270,334	581,837
Total	475,773	395,922	871,695

Elective activity

1 April 2016 – 31 March 2017	Frimley Park Hospital	Wexham Park and Heatherwood Hospitals	Frimley Health NHS FT
Day cases	48,276	35,200	83,476
Overnight	8,642	6,837	15,479
Births	5,559	4,435	9,994
Total	62,477	46,472	108,949

Non-elective activity

1 April 2016 – 31 March 2017	Frimley Park Hospital	Wexham Park and Heatherwood Hospitals	Frimley Health NHS FT
Emergency Dept attendances	118,420	123,602	242,022
Non-elective admissions	53,974	55,541	109,515

Patients on waiting lists at 31 March 2017

	Frimley Park Hospital	Wexham Park and Heatherwood Hospitals	Frimley Health NHS FT
Outpatients	14,222	14,144	28,366
Inpatients	5,063	2,664	7,727
Total	19,285	16,808	36,093

Trust future priorities for service development

Wexham Park	Heatherwood	Frimley Park
<p><u>Hyper-acute</u></p> <ul style="list-style-type: none"> • Cardiology pPCI (heart attack centre) and complex cardiology on-site • Vascular Repatriation from Oxford <p><u>Acute</u></p> <ul style="list-style-type: none"> • 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 <p><u>Cancer</u></p> <ul style="list-style-type: none"> • On site radiotherapy (LINAC) • Tertiary centre treatment pathways <p><u>Elective</u></p> <ul style="list-style-type: none"> • Secure additional elective activity • New ophthalmology service • New maternity unit <p><u>Integrated care</u></p> <ul style="list-style-type: none"> • New Vision of Care • Patient information sharing 	<p>Rebuild as a new elective centre with</p> <ul style="list-style-type: none"> • Six theatres • 48 beds • 16 day case beds <p>To include:</p> <ul style="list-style-type: none"> • 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 	<p><u>Hyper-acute</u></p> <p>Stroke</p> <ul style="list-style-type: none"> • Further develop hyper-acute stroke unit <p>Vascular</p> <ul style="list-style-type: none"> • Repatriation from Oxford <p>Renal</p> <ul style="list-style-type: none"> • On-site dialysis (seven-day service) <p><u>Acute</u></p> <ul style="list-style-type: none"> • 7-day consultant delivered service • Frail elderly service • Improved paediatric assessment unit <p><u>Cancer</u></p> <ul style="list-style-type: none"> • Increase range of chemotherapy • New breast care unit <p><u>Elective</u></p> <ul style="list-style-type: none"> • 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. We have started to see an improvement in recruitment as a result of our initiatives.

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. Like most trusts in the country we did not achieve the 95% waiting time target in A&E this year, but our figures were above the national average. 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. We have taken over management of some community services based from Fleet Hospital on a one year trial basis and this arrangement will continue if successful.

The Trust has an ambitious cost improvement programme for 2017-18 of £30m. This is bigger than previous and will require intense focus to achieve our financial plans. Reducing the cost base and in some cases enhancing the quality of service is a big challenge. While everyone is committed to delivering the plan there are significant risks, particularly around reducing bed capacity and agency staff costs. We will be expected to operate at upper quartile levels of efficiency for both clinical and non-clinical services.

For 2017-18 the Trust will only receive Sustainability Transformation Funds (STF) of £18.6m to deliver a surplus of £22m if it remains on financial plan quarterly. About 70% of the STFs will be awarded if the Trust keeps to plan and the other 30% will be awarded if the four-hour A&E standard does not dip below 90% in any month and builds up to 95% for March 2018. Should the Trust not deliver the financial plan in any quarter it will be unable to access the STFs for four-hour performance.

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 most of the key national targets, aside from the A&E four-hour wait.

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 NHSI 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.

Key performance indicators:

	Target	Q1	Q2	Q3	Q4	Full year
A&E clinical quality – total time in A&E under four hours	95%	93.9%	91.5%	91.6%	89.1%	91.6%
Referral to treatment time: % waiting less than 18 weeks	92%	93.0%	91.7%	92.8%	92.4%	92.6%
Cancer:						
62-day waits						
For first treatment all cancers	85%	90.5%	89.7%	89.7%	89.3%	89.8%
For all cancers screening**	90%	95.2%	100%	100%	98.2%	98.1%
Cancer: 31-day wait						
For second or subsequent treatment surgery	94%	99.3%	96.7	100%	100%	98.8%
For second or subsequent treatment drug treatments	98%	99.2%	100%	100%	100%	99.8%
From diagnosis to first treatment	96%	99.7%	99.3%	99.7%	99.5%	99.6%
Cancer: two-week						
All cancers	93%	95.2%	94.9%	95.9%	96.8%	95.7%
Breast symptoms	93%	97.3%	97.5%	96.8%	97.1%	97.1%

Financial review

Before the start of each financial year the Trust has to submit a detailed financial plan to its regulator (formerly Monitor now NHS Improvement, or NHSI). This trust-level financial plan is incorporated into operational budgets for both operating and capital expenditure. The Trust's Board monitors performance against this financial plan at each of its monthly meetings.

In 2016-17 NHSI introduced an additional element of payment to trusts, the Strategic Transformation Fund (STF). The STF was a 'top-up' of funding that could be earned quarterly by trusts through achieving a financial plan (excluding STF) and for the achievement of key operational targets. Towards the end of the year, NHSI also introduced an STF 'bonus' for those trusts that had achieved all other targets over the year (this was essentially a share of the base STF that had been foregone by trusts who had not met their targets).

For the 2016-17 financial year performance against key aspects of the Trust revenue plan were as follows:

2016-2017	Plan £m	Actual £m	Variance £m
Revenue Surplus	0.8	1.1	0.3
STF (base plan)	21.8	22.6	0.8
STF (bonus)	0.0	1.5	1.5
Total	22.6	25.2	2.6

Overall, the Trust slightly exceeded its baseline surplus plan of £0.8m (delivering a £1.1m surplus). Delivering the financial plan together with key operational targets enabled the Trust to earn £22.6m of base STF and £1.5m of STF 'bonus'. Taken together, the Trust delivered an overall surplus of £25.2m, £2.6m ahead of its original plan of £22.6m surplus.

The Trust is also in receipt of 'deficit support funding' that was allocated following the acquisition of Heatherwood and Wexham Park Hospitals and is intended to offset the operating deficit of that legacy organisation. For 2016-17 the Trust received £25m of deficit support as had been planned at the time of the transaction. The Trust also incurs integration costs in bringing these organisations together, which are also externally funded via the Department of Health. In 2016-17 integration expenditure totalled £9.0m with an equal amount of income.

The Trust had a significant capital programme both in-year and ongoing. Full year performance against the capital plan and cash plans are summarised in the table below:

2016-2017	Plan £m	Actual £m	Variance £m
Capital Expenditure	43.1	44.2	1.1
Cash at 31 March	85.4	86.7	1.3

The Trust planned to spend £43.1m on capital and actually spend £44.2m. Key areas of investment included the Wexham site estate (£12.7m), the Frimley estate (£6.8m) and medical equipment (£5.5m). A number of larger schemes are also in progress, for example the Women's Services development at Wexham (£4.2m in-year expenditure) and the Heatherwood Hospital redevelopment (£3.7m in-year).

The Trust cash was marginally ahead of plan at the year end, driven through the higher than planned revenue surplus and a number of working capital movements.

For 2017-18 the Trust plans to deliver a baseline surplus of £4.2m, which together with a planned STF of £18.6m provides an overall planned surplus of £22.8m.

Operating income and expenditure	2016-17 (£m)	2015-16 (£m)	Increase (%)
Income	665.2	624.2	6.6
Expenditure	630.0	613.2	2.7

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

Future developments

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

- Completion of a £10m refurbishment project for maternity services at Wexham Park.
- Start building a new £50m emergency department (ED) with assessment wards at Wexham Park.
- Progress developing a new three storey building on the Frimley Park site to provide new MRI imaging, breast clinic and extra bed capacity.
- Complete a new paediatric assessment area at Frimley Park and provide a new area for teenagers so that assessments can take place on the ward rather than in ED.
- Begin the complete rebuilding of a new hospital at Heatherwood pending successful planning application expected by summer 2017.
- Equip new paediatric high dependency unit at Wexham Park, subject to fundraising appeal.
- Develop ophthalmology services at Wexham Park and Heatherwood.

Fundraising

Frimley Health's charity aims to raise money for the extra facilities and services that NHS funds alone cannot provide. Fundraising is also viewed by the Trust as an excellent way to engage with the local community and build closer relationships between staff and the public.

Following the merger of the two charities associated with Frimley Park Hospital and Wexham Park and Heatherwood Hospitals in 2015 to create Frimley Health Charity, a new team has been formed to continue to develop fundraising. This includes an overall head of fundraising and managers for Frimley Park Hospital and Wexham Park Hospital. Two of the posts have been recently filled and the Trust is currently actively recruiting a manager for Wexham Park Hospital.

The Frimley Park Breast Care Appeal attracted great support from staff and the community and successfully reached its £1.5m target (£750,000 raised with £750,000 match funded by the Trust) within three years of launching in October 2013. Wexham Park Hospital began the Children's Critical Care Appeal to equip the new ward and a new appeal for Frimley Park Hospital Stroke Unit was launched in January 2017.

Community fundraising continues to be a major focus for the charity, but the charity is also seeking to raise more from trusts, foundations and major donors in the area.

The income for 2016-17 was about £1.6m, which was boosted through some very generous legacies. They will make a significant impact on the work that we will be able to fund. We would like to thank everyone who has made a legacy and to those considering making a legacy in support of our work at Frimley Health. These gifts have an impact on many thousands of local people when they are facing the challenge of ill health.

Environmental impact

Sustainability report

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 the rising cost of natural resources.

Frimley Health NHS Foundation Trust was formed in October 2014 and has produced its first Board approved sustainable development management plan (SDMP), 'Low Carbon Care'. This five year plan has been aligned with Trust values and objectives as well as the Sustainable Development Unit's 'Sustainable Development Strategy for the Health and Social Care System 2014 – 2020'.

"Low Carbon Care reflects the commitment of Frimley Health to become more sustainable through improvements to our operations and through the support of our staff. There is a clear link between sustainability and the health of the community, with the care of the environment contributing to the long term health and social wellbeing of our patients."

Frimley Health aspires to deliver sustainable healthcare and reduce its environmental impact to help combat the health impacts of climate change. The NHS is facing a significant challenge of continuing to improve the care it provides whilst keeping up with the increasing demand on services"

Sir Andrew Morris, Chief Executive



Vision

By putting sustainability at the heart of our organisation, we will deliver healthcare that meets the needs of our patients now and in the future.

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 & Corporate Services.

Projects and case studies

Upgrading our lighting to LED has been the main focus this financial year, with corridor lighting being replaced at Wexham and in our respiratory ward at Frimley. Almost 1,000 new LED lamps have been installed using £200,000 of Salix funding (interest-free government finance), promising annual savings of £39,000 and 160 tonnes of carbon dioxide emitted (tCO₂e).

Automatic doors have been installed in our Wexham link tunnel corridor to minimise cold air entering our corridors. This has improved conditions for patients moving between wards and departments, particularly during colder months. New double glazing windows have been installed in various locations and we were asked to collaborate with Salix Finance and Recomed to produce videos showcasing best practice in relation to our good use of Salix to finance energy reduction and the recycling of oxygen face masks in our recovery areas.

We have invested in a feasibility study for the installation of a 1.5MW CHP (combined heat and power) plant at Wexham Park Hospital, with intention to supply gas and generated electricity to the site, including the new emergency department. This will become live in mid-2018 with annual savings of £700,000 and 3,000 tCO₂e anticipated.

Stakeholder engagement

Operation TLC, an award winning behaviour change programme, was successfully implemented at Frimley Park Hospital and is now underway at Wexham Park Hospital. We work with the Trust's 'Better Sleep Better Health' team and engage with our staff and patients to understand realistic changes that can be implemented to reduce our environmental impact while improving the patient experience. We have installed small mobile devices in each ward to measure temperature and light to use as a baseline to measure progress against.

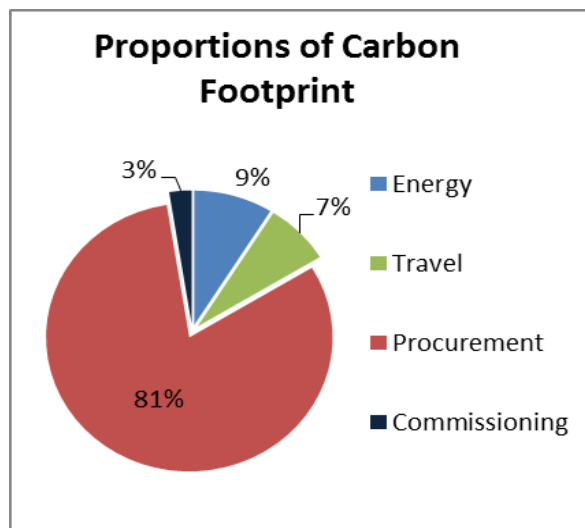


Sustainability strategy

The Low Carbon Care plan has been developed with our colleagues through extensive discussion. An action plan has also been developed with objectives set against each module of the Sustainable Development Unit strategy. The Trust aspires to meet government CO₂ targets.

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.



2016-17 carbon emissions (tCO ₂ e)			
HM Treasury	Scope		tCO ₂ e
	Scope 1	Gas, oil, Trust-owned vehicles & anaesthetic gases	12,439
	Scope 2	Imported steam and electricity	8,377
	Scope 3	Procurement, travel, waste, water & Energy Well to Tank and Transmission	139,274
Total Frimley Health emissions (tCO ₂ e)			160,090

Travel and transport

The Trust recognises that long term exposure to traffic based pollution causes approximately 50,000 excess deaths each year in the UK. The Trust has travel plans specific to each site that promote sustainable modes of transport for staff, patients and visitors.

Procurement

The Procurement of goods and services represents 72% of the NHS, public health and social care carbon footprint. Frimley Health emissions are described in the table above (Scope 3 HM Treasury emissions). The Trust has used the SDU model to calculate its procurement emissions.

Social, community and human rights issues

A full environmental impact assessment is included in the Sustainability report on pages 21-23. 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. Our public membership totals over 15,000. 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 matters such as safeguarding and procurement. We take measures to ensure that suppliers comply with relevant law, guidance and industry good practice to satisfy themselves that slavery or human trafficking does not occur within their supply chains. These expectations are articulated in the NHS terms and conditions for procurement.

Research and development (R&D)

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 recent years we have focused on involving more clinicians and patients in vital research.

Our target for the year was to recruit 1,150 patients to research projects this year. We exceeded this with 1,401 recruited, which was nearly double the number for 2015-16. The number ranked us fifth in the network. Ophthalmology, which has its own team based at Frimley, recruited 570 patients with a further 369 recruited via the rest of the Frimley Park R&D staff and 462 from the Wexham Park team.

In the coming year we would like to improve research activity in cancer. R&D teams are working with clinicians to set up new projects in all divisions.

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
25 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 2017 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



Pradip Patel B.Pharm (Hons.), MBA, CDiAF, CBAAdmin, FCMI, MRPharmS

Chairman

Appointed: 1 April 2016

End of tenure: 31 March 2019

Appointed to the Trust as Chairman of the Board and Council of Governors April 2016.

Pradip is an accomplished senior executive with a wealth of experience in complex and regulated organisations. He started his career as a pharmacist in 1977 and has gone on to hold senior roles in marketing, property and planning, sales and operations, HR and strategy. 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. He was also director of healthcare strategy at Walgreens Boots Alliance from 2012. Between 1999 and 2010 Pradip held various director roles with Boots on a regional, national and international level.

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



Mark Escolme BA Hons

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

Appointed: 1 April 2009

End of tenure: 31 March 2018

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: 1 April 2006

End of tenure: 31 March 2017¹²

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.

Andrew retired at the end of his term on 31 March 2017.

1

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: 1 April 2011

End of tenure: 31 March 2018³

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.



Mike O'Donovan

Independent non-executive director

Appointed: 14 October 2014

End of tenure: 31 March 2020³

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.

³ In November 2016, 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 a further year to 31 March 2018.

³ In November 2016, following a recommendation from the Non-Executive Performance and Remuneration Committee, the Council of Governors approved the extension of Mike O'Donovan's term in office by a further three years to 31 March 2020.



Thoreya Swage MA (Oxon), MB BS (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, developing 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 has had teaching roles at King's College, London, Queen Mary, University of London and Reading University, and she 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 Northern Ireland Office and Raven Housing Trust.

Executive Directors



Sir Andrew Morris OBE, MHSM, Dip HSM, CBE

Chief Executive
Appointed 1989

Sir 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 successfully led Frimley Park's application to become a foundation trust in 2005. Most recently he led the acquisition of Heatherwood and Wexham Park Hospitals NHS Foundation Trust to create Frimley Health NHS Foundation Trust. In 2017, a panel of judges comprising some of the most senior healthcare leaders in the UK ranked Sir Andrew top of a list of NHS chief executives. The results, published by the Health Service Journal, cited his commitment to mentoring fellow chief executives and others. Sir Andrew is a member of the Institute of Health Service Management and an honorary fellow of the Royal College of Physicians. He was knighted in January 2015 for services to public health.



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.



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. Before 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.



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.



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.



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 MA Law and Medical Ethics, RGN, BSc (Hons),

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.

Changes to the Board of Directors

The executive and non-executive directors comprised:

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

Changes in relation to non-executive directors during 2016-17:

Pradip Patel was appointed in April 2016 as the Chairman of the Board of Directors and Council of Governors for the Trust.

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 2016 until 31 March 2018.

Rob Pike was appointed to the Board in April 2011 as a non-executive director. His term of office was further extended by the Council of Governors in 2016 until 31 March 2018.

Mike O'Donovan was appointed to the Board in October 2014 as a non-executive director. His term of office was extended by another three year term by the Council of Governors in 2016 and his tenure will end on 31 March 2020.

As at 31 March 2017, the Trust had seven voting executive directors and seven voting non-executive directors. By virtue of maintaining the casting vote of the Chairman, the Trust Board met the requirement of having a majority of non-executive directors in terms of voting directors on the Board.

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 2017 is detailed below:

	Name	Declared interests
Non-executive directors	Pradip Patel	<ul style="list-style-type: none"> GSI UK Healthcare
	Mark Escolme	<ul style="list-style-type: none"> Mallow & Marsh Limited OPPO Brothers Limited Escolme Limited Bromsgrove School Foundation Standard Brands Pet Food UK Ltd
	Andrew Prince	<ul style="list-style-type: none"> Development director of the Serco Global Healthcare Centre of Excellence who provide services to NHS organisations in England and Scotland.
	Rob Pike	<ul style="list-style-type: none"> Rob Pike Associates Ltd, director
	Thoreya Swage	<ul style="list-style-type: none"> Thoreya Swage Limited, director
	Dawn Kenson	<ul style="list-style-type: none"> CIPFA Business Ltd, non-executive director. CIPFA provides training / qualifications in public financial management to the NHS
Executive directors	Mike O'Donovan	<ul style="list-style-type: none"> MS Society member and volunteer
	Sir Andrew Morris	None
	Martin Sykes	None
	Janet King	<ul style="list-style-type: none"> Lay panel member on employment tribunals HR Services provided to SHCCG
	Nicola Ranger	None
	Helen Coe	None
	Dr Timothy Ho	<ul style="list-style-type: none"> Independent Inspection Chair for CQC UK Advisory Board of Uptodate (part of Wolters Kluwer Health publishers)
	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. This other income is shown in note 2.1 of the Annual Accounts. Most is used to cover associated costs and any surplus is reinvested in the provision of NHS health services.

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 2017

	Name	Position	Board of Directors meeting in private	Board of Directors meeting in public	Audit Committee	Nominations Committee	Performance & Remuneration Committee	Total
Non-Executive directors	Pradip Patel	Chairman	12/12	11/11	n/a	3/4	6/6	32/33
	Mark Escolme	Independent non-executive director (Deputy Chairman)	9/12	9/11	2/2 ⁴	n/a	n/a	20/25
	Andrew Prince	Independent non-executive director; Senior Independent Director	10/12	10/11	n/a	0/4 ⁵	6/6	26/33
	Rob Pike	Independent non-executive director	12/12	11/11	5/5 ⁶	n/a	n/a	28/28
	Thoreya Swage	Independent non-executive director	12/12	11/11	n/a	4/4	6/6	33/33
	Dawn Kenson	Independent non-executive director	12/12	11/11	4/5 ⁷	n/a	n/a	27/28
	Mike O'Donovan	Independent non-executive director	12/12	11/11	5/5	3/4	n/a	31/32
Executive directors	Sir Andrew Morris	Chief Executive	12/12	11/11	3/5	4/4	6/6	36/38
	Martin Sykes	Director of Finance and Strategy (Deputy Chief Executive)	11/12	10/11	5/5	n/a	n/a	26/28
	Janet King	Director of HR and Corporate Services	10/12	9/11	n/a	1/4	n/a	20/27
	Nicola Ranger	Director of Nursing and Quality	11/12	10/11	n/a	n/a	n/a	21/23
	Helen Coe	Director of Operations, FPH	11/12	10/11	5/5	n/a	n/a	26/28
	Dr Timothy Ho	Medical Director	12/12	11/11	n/a	n/a	n/a	23/23
	Lisa Glynn	Director of Operations, H&WPH	10/12	9/11	3/5	n/a	n/a	22/28
Total:			156/168	144/154	32/42	15/24	24/24	

⁴ Mark Escolme left the Audit Committee on 9th September 2016

⁵ Andrew Prince did not attend Nominations Committee Meetings due to a conflict of interest

⁶ Rob Pike resigned as Audit Committee Chair to Chair the Finance Assurance Committee

⁷ Dawn Kenson took over as Chair of the Audit Committee

Enhanced quality governance reporting

Arrangements for governing service quality are outlined in the Annual Governance Statement (starting on page 71) and the Quality Report, which is presented as part of this Annual Report.

The priorities for improving quality during 2017-18, and how the improvements will be delivered are set out in the table below:

Quality improvement priorities:

Quality priority	Actions to be taken
Priority 1: Identification and management of the deteriorating patient	<ul style="list-style-type: none">• Embed single monitoring system (NEWS) across all Trust sites.• Analyse training need. Enhance education and training and monitor its effectiveness.• Use feedback and learning from incidents to design relevant training programmes.
Priority 2: Good discharge planning involving patients and their families / carers	<ul style="list-style-type: none">• Launch safer discharge bundle piloted at Wexham Park (medicine) in 2016-17• Implement upgraded software to support admissions, discharges and transfers• Increase education and training in discharge planning
Priority 3: Mental health within the non-specialist ward setting	<ul style="list-style-type: none">• Implement improvement plan• Work with colleagues in local partner organisations on improving self-care, supporting the workforce, utilising integrated care decision making hubs, supporting GP transformation• Developing training materials to support a range of staff in managing challenging behaviour

NHSI regulatory ratings

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

For the first two quarters NHSI continued to operate the same two metrics as per 2015-16, 'Use of Resources' and 'Governance'. The Trust received the highest possible ratings for both metrics in Q1 and Q2 2016-17.

In the second half of 2016-17 NHSI introduced the 'single oversight framework', which provides a single overall metric for the Trust. We were awarded the highest score in Q3 (1) but dipped to the second highest rating in Q4 (1). The decline was predominantly the result of performance against the A&E 4-hour waiting target, as described elsewhere in this report.

Frimley Health NHS Foundation Trust regulatory rating 2016-17

	Q1	Q2	Q3	Q4
Use of Resources rating ²	1	1	-	-
Governance risk rating ³	Green	Green	-	-
Single Oversight Framework	-	-	1	2

The Trust's regulatory ratings throughout the previous year were as follows:

	Annual Plan 2015-16 ¹	First quarter Q1	Q2	Q3	Q4
Financial risk rating ²	3	3	3	4	4
Governance risk rating ³	Green	Green	Green	Green	Green

¹ Annual plan review and in-year reporting and monitoring

NHSI 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.

² 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.

³ Governance risk rating

NHSI 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 2016-17.

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

The Trust Annual Governance Statement on page 71 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) 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 in accordance with the terms of reference as follows:

- In accordance with Clause D.2.2 of the NHSI NHS Foundation Trust Code of Governance, the Performance and Remuneration Committee has delegated responsibility from the Board of Directors for setting remuneration for all executive directors including pension rights. The Performance and Remuneration Committee should also recommend to NHSI the level and structure of remuneration for senior management. The definition of senior management should normally include the first layer of management below Board level (tier 2 staff).
- Seek external advice from time to time (at least every other year) on the remuneration packages of the Chief Executive and other executive directors.
- Review the overall pay and performance framework for the Trust with particular regard to the executive directors' proposals for the remuneration of the Trust's tier 2 staff (those reporting directly to executive directors).

For the financial year 2016-17, the PRC noted the 1% uplift awarded to all NHS staff on Agenda for Change contracts. It also took into account that the most recent changes to executive director remuneration had taken effect on 1 October 2014 at the time of the acquisition of Heatherwood and Wexham Park NHS Foundation Trust. Under its delegated responsibility, the PRC decided to award all executive directors a 1% uplift on salary to take effect on 1 April 2016.

External advice was sought when executive director salaries were adjusted in October 2014, so it was not thought necessary to do so again when adjusting remuneration as from April 2016.

The PRC also decided to award a 1% salary uplift to the 22 senior members of staff (tier 2) who are on local trust rather than Agenda for Change terms and conditions.

These changes to executive director and Tier 2 staff salaries were supported by all non-executive directors of the trust.

There have been no changes to executive director salaries during the year 2016-17. There have been no new executive director appointments and therefore none attracting a salary in excess of £142,500. Four executive directors, including the Chief Executive, do receive salaries in excess of this threshold.

The PRC has kept the Executive Directors Remuneration Policy under review and approved changes to this policy at its meetings on 16 September 2016 and 31 January 2017. The PRC has noted the more recent guidance on very senior managers' pay issued by NHS Improvement in February 2017 which may impact any proposed changes in executive director remuneration on or after 1 April 2017.



Sir Andrew Morris
Chief Executive
25 May 2017



Pradip Patel
Chairman
25 May 2017

Senior managers' remuneration policy

Salary entitlements of senior managers 2016-17 (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)	¹ Pension related benefits (bands of £2,500) (£,000)	² Total remuneratio n (bands of £5,000) (£,000)	Expenses (£)
EXECUTIVE DIRECTORS								
Sir Andrew Morris	Chief Executive	225 – 230	0	0	0	0	225 - 230	2,407.00
Martin Sykes	Director of Finance	145 – 150	0	0	0	25 – 27.5	175 - 180	1,026.00
Janet King	Director of HR Corporate Services	150 - 155	0	0	0	20 – 22.5	170 - 175	2,165.92
Nicola Ranger	Director of Nursing and Quality	140 - 145	0	0	0	30 – 32.5	170 - 175	2,186.55
Helen Coe	Director of Operations - FPH	125 - 130	0	0	0	27.5 - 30	150 - 155	903.51
Timothy Ho	Medical Director	225 – 230*	0	0	0	40 – 42.5	265 - 270	727.42
Lisa Glynn	Director of Operations – WP&HH	125 - 130	0	0	0	0	125 - 130	622.34
NON-EXECUTIVE DIRECTORS								
Pradip Patel	Chair	60 - 65	0	0	0	0	60 - 65	171.40
Andrew Prince	Non-executive	15 - 20	0	0	0	0	15 - 20	0.00
Mark Escolme	Non-executive	15 – 20	0	0	0	0	15 - 20	1,073.30
Thoreya Swage	Non-executive	15 - 20	0	0	0	0	15 - 20	634.25
Dawn Kenson	Non-executive	15 - 20	0	0	0	0	15 - 20	0.00
Rob Pike	Non-executive	15 - 20	0	0	0	0	15 - 20	0.00
Michael O'Donovan	Non-executive	15 - 20	0	0	0	0	15 - 20	473.93

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 2017. The calculation complies with the regulator's reporting requirement and is not cash remuneration

2 Total remuneration in this column includes non-salary benefits relating to pension entitlements, as stated at 1 above

*The figure represents total remuneration from the Trust. £75,750 of this relates to the Medical Director's clinical role.

Other than the 1% increase in salary in 2016-17 in line with the public sector pay award, there has been no substantive review or increase for executive directors and 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 2016-17 (see table above).

Salary entitlements of senior managers 2015-16

The following table was first published in the Frimley Health NHS Foundation Trust's Annual Report and Accounts 2015-16 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)	¹ Pension related benefits (bands of £2,500) (£,000)	² Total remuneration (bands of £5,000) (£,000)	Expenses (£)
EXECUTIVE DIRECTORS								
Sir Andrew Morris	Chief Executive	220 – 225	0	0	0	0	220 – 225	2,305.70
Martin Sykes	Director of Finance	155 – 160	0	0	0	55 – 57.5	215 – 220	1,026.02
Janet King	Director of HR Corporate Services	150 – 155	0	0	0	110 -112.5	260 – 265	2,293.50
Nicola Ranger	Director of Nursing and Quality	140 – 145	0	0	0	102.5 -105	240 – 245	2,225.90
Helen Coe	Director of Operations - FPH	125 – 130	0	0	0	67.5 - 70	190 – 195	1,855.15
Timothy Ho	Medical Director	220 – 225*	0	0	0	75 – 77.5	300 – 305*	370.40
Lisa Glynn	Director of Operations – WP&HH	125 – 130	0	0	0	0	125 – 130	690.60
NON-EXECUTIVE DIRECTORS								
Sir Michael Aaronson	Chair	60 – 65	0	0	0	0	60 -65	1,257.73
Andrew Prince	Non-executive	15 – 20	0	0	0	0	15 – 20	-
Mark Escolme	Non-executive	15 - 20	0	0	0	0	15 – 20	492.05
Thoreya Swage (started 1 June 2015)	Non-executive	10 – 15	0	0	0	0	10 – 15	363.35
Dawn Kenson (started 1 June 2015)	Non-executive	10 – 15	0	0	0	0	10 – 15	-
Rob Pike	Non-executive	15 - 20	0	0	0	0	15 – 20	543.36
David Clayton-Smith (left 31 March 2016)	Non-executive	15 - 20	0	0	0	0	15 – 20	286.17
Michael O'Donovan	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, as stated at 1 above

Pension benefits of senior managers 2016-17 (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 2017 (bands of £5,000)	Cash equivalent transfer value at 31 March 2017	Cash equivalent transfer value at 31 March 2016	Real increase in cash equivalent transfer value
		£,000	£,000	£,000	£,000	£,000
Martin Sykes	Director of Finance	5 – 7.5	170 - 175	840	752	81
Janet King	Director of HR and Corporate Service	7.5 - 10	225 - 230	1,188	1,104	73
Nicola Ranger	Director of Nursing	2.5 - 5	150 - 155	697	643	47
Helen Coe	Director of Operations FPH	0 – 2.5	205 - 210	986	924	53
Timothy Ho	Medical Director	2.5 – 5	210 - 215	970	865	96

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.

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. There have been no payments for loss of office within the period of this report. 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 38 and 40 has been audited along with details on the median salary as a ratio of the highest paid director's remuneration on pages 43 and 44. The Remuneration Report includes details of the remuneration paid to the Chairman and directors of the Trust (the 'senior managers'⁸ 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 by contacting the employee directly via email or phone to ensure that tax arrangements are sufficient for any engagement.

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 to NHSI 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.

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.

Full attendance for individual members of the PRC during the year appears in the Board members attendance table, page 34.

⁸ "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 and non-executive directors is included in the table *Salary entitlements of senior managers 2016-17* on page 38. In the year ended 31 March 2017, 12 governors claimed a total of £2,710 in expenses.

Executive directors' remuneration 2016-17

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 NHSI'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. This position will end on 31 October 2018.

The NERC comprises:

- Nine public governors
- One staff governor
- One stakeholder 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 2017, the NERC met three times.

Constituency	Governor Name	Total
Public: Surrey Heath & Runnymede	Robert Bown (elected as Lead Governor 1 November 2015)	2/3
Public: Surrey Heath & Runnymede	Peter Fraser-Dunnett	2/3
Public: Surrey Heath & Runnymede	Mary Probert	2/3
Public: Bracknell Forest & Wokingham	Richard Lloyd	2/3
Public: Rushmoor	Michele White	1/3
Public: Rushmoor	Ian Wilder	3/3
Public: Slough	Graham Leaver	3/3
Public: Chiltern, South Bucks & Wycombe	Paul Henry	3/3
Public: Windsor and Maidenhead	Fiona Dent	0/1
Stakeholder: Hampshire County Council	John Wall	2/3
Staff: Frimley Park	Udesb Naidoo	3/3
Total:		23/31

During 2016-17, the NERC was responsible for the recruitment of two non-executive directors.

Non-executive directors' remuneration 2016-17

In 2014 Hay Group was 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 and were maintained for 2016-17.

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

The HM Treasury Financial Reporting Manual 2011-2012 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 2017	31 March 2016
Highest paid director's remuneration	£227,500	£222,500
Median salary:		
Annualised WTE basis	£23,363	£23,120
Represented as a ratio	9.7	9.6

Explanatory note for above:

- The median pay calculation is based on the salary paid to staff in post on 31 March 2017.
- 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 2017 where no pay scale is used.
- Payments made in March 2017 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
25 May 2017

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 have continued to focus on recruiting and keeping staff to bring down the Trust's costly reliance on locum and agency staff. Our efforts have borne fruit and during the 2016 calendar year we recruited 80 more nurses than in 2015. The Trust continued to actively recruit in Europe and the Philippines because of difficulties recruiting qualified staff from the UK. Due to the uncertainty surrounding the UK's imminent departure from the EU, we have seen fewer starters from Europe in January and February 2017 compared to the previous year.

Statistics of substantive staff

Key performance indicator	Total number (March 2017)	Percentage	Total number (March 2016)	Percentage
Total number of employees	9,213		8,819	
Male	1,994	21.64%	1,887	21.4%
Female	7,219	78.36%	6,932	78.6%
Directors	8			
Male	4	50%	3	29%
Female	4	50%	4	71%
Other senior managers	36		31	
Male	12	33%	9	29%
Female	24	67%	22	71%

Key performance indicator	Total number (March 2017)	Percentage	Total number (March 2016)	Percentage
Staff in post – full-time equivalent	8,011.84		7,475.38	
Staff in post - headcount	9,213		8,513	
Sickness absence rate		2.98%		2.97%
Vacancy rate		8.82%		11.74%
Turnover rate		15.02%		14.21%
Appraisal rate		75%		77%

Average number of employees by group (whole time equivalent)	Total	Permanent
Medical and dental	964	961
Administration and estates	1,734	1,734
Healthcare assistants and other support staff	1,562	1,555
Nursing, midwifery and health visiting staff	2,317	2,302
Scientific, therapeutic and technical staff	1,164	1,162
Agency and contract staff	408	0
Bank staff	621	0
Total average numbers	8,770	7,714

Staff engagement

As a major employer, Frimley Health 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 was extended to cover staff at Heatherwood and Wexham Park during the year. 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
- 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. Work is almost complete on a new single trust intranet that will be rolled out in the first quarter of 2017-18.
- 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%.

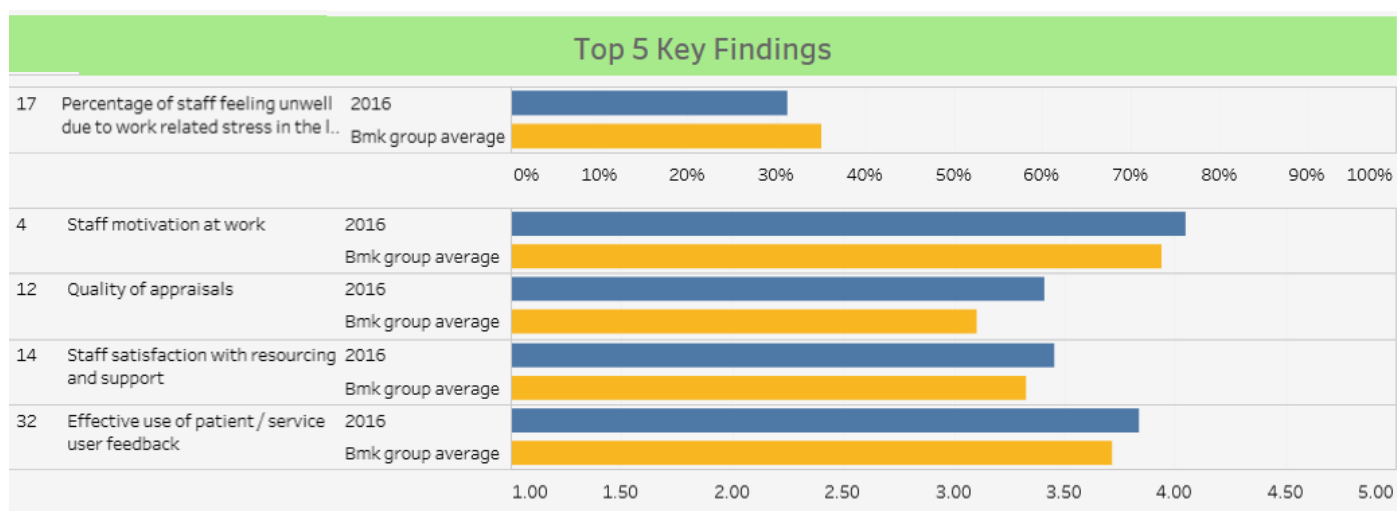
Results for Frimley Health

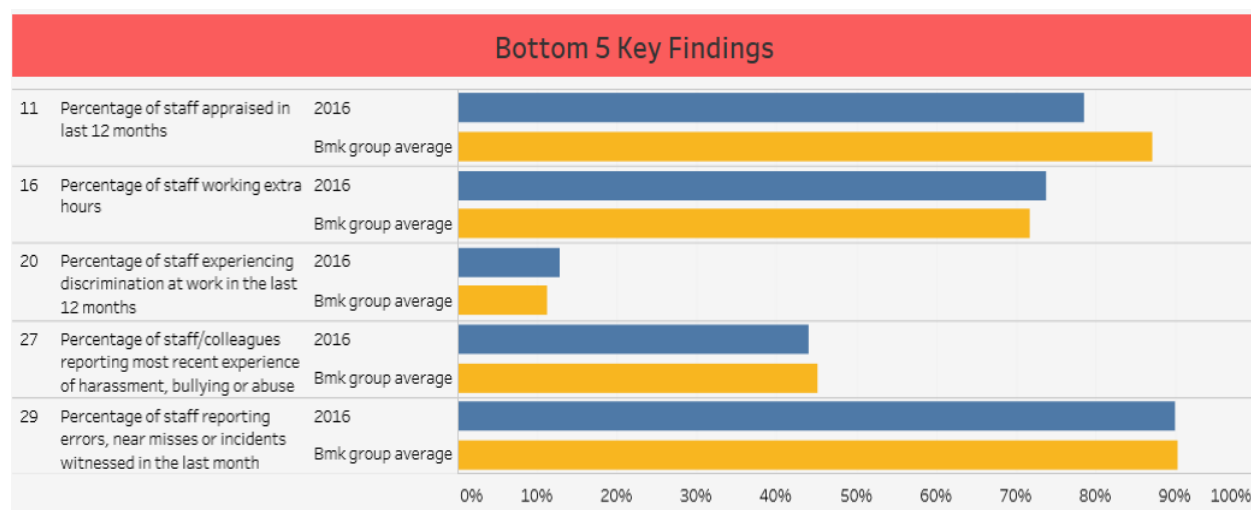
This was the second NHS Staff Survey for Frimley Health as an enlarge Trust and the first year we were able to compare a full year's results with the previous year. The 2016 findings represented an improvement on the previous year which was in itself a strong performance. The Frimley Health results were the 12th best out of 97 acute trusts in England, as compiled by Optimise. FHFT staff engagement scores and the percentage of staff recommending the Trust as a place to have treatment and to work were in the best 20% of trusts.

The 32 key findings of the Trust's 2016 Staff Survey results compared to other acute hospitals are:

Position	2015	2016
Top 20%	12	17
Better than average	9	7
Average	3	5
Worse than average	5	2
Worst 20%	4	1
Improvements	No comparative data	3
Deterioration	No comparative data	0

The best and worst comparative key findings from the survey are outlines below





Future priorities and targets

Overall the results were encouraging and showed an improvement on 2015, which itself represented a good set of results. No key areas saw deterioration in our results. Only one area remained in the bottom 20% and just two were below average.

There are three areas in which the Trust has consistently scored below average in recent years so this is where we are focusing our efforts in our rolling action plan. The plan will include the following:

- Improving completion of appraisals
- Eliminating discrimination at work
- Reducing unpaid extra working hours

Staff absence rate

The rate of absence for Frimley Health for 2016-17 was almost unchanged from the previous year at 2.98%, which compares well against other large acute trusts in the NHS. Although national end of year figures are not yet available, the national rate of absence reported by NHS iView for large acute trusts in November 2016 was 5.03% (the Frimley Health result for that particular month was 3.18%). 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 signed up to meeting the requirements of the Disability Confident Kitemark in November 2016. Disability Confident is the successor to 'Positive About Disabled People' and the Trust will continue to:

- Actively look to attract and recruit disabled people
- Provide a fully inclusive and accessible recruitment process

- Offer an interview to disabled people who meet the minimum criteria for the job
- Exercise flexibility when assessing people so disabled job applicants have the best opportunity to demonstrate that they can do the job
- Proactively offer and make reasonable adjustments as required
- Encourage our suppliers and partner firms to be 'Disability Confident'
- Ensure employees have appropriate disability equality awareness

In the year to 31 March 2016, Frimley Health received 496 applications for jobs from disabled applicants. Of these, 189 disabled applicants were shortlisted and 34 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 at all 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, or the 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 2016 throughout the year is shown in the table below:

	Medical staffing: whole time equivalent posts	Medical staffing: headcount
April 2015	1,003.3	1,052
May 2015	1,008.6	1,059
Jun 2015	1,004.1	1,056
Jul 2015	1,008.3	1,061
Aug 2015	1,026.3	1,079
Sep 2015	1,018	1,071
Oct 2015	1,025.1	1,075
Nov 2015	1,043.7	1,094
Dec 2015	1,050.7	1,100
Jan 2016	1,038	1,085
Feb 2016	1,035.5	1,086
Mar 2016	1,040.5	1,094

Occupational Health and Safety

As part of the process of bringing occupational health service at Wexham and Heatherwood back in house a new cross-site electronic staff health computer management system has been introduced. All paper records have been scanned and are held electronically, which will allow rapid access to staff health records and much improved monitoring and reporting of staff health and sickness absence.

The Trust remains committed to staff health and wellbeing. A self-assessment form linked to annual appraisal has been developed on the staff intranet and the Trust launched new plans to address government quality standards for staff health and wellbeing. A number of schemes were introduced to encourage staff fitness and the Trust took part in the 'Get Berkshire Active' and 'Fit Surrey' programmes. As a result, the Trust was awarded Get Berkshire Active's 'workplace of the year'.

Musculoskeletal injuries are one of the most common causes of staff sickness in the NHS. The occupational health and physiotherapy departments have developed a fast-track process for referring staff with such injuries to help reduce absence rates.

In order to manage the incidence of influenza as far as possible the annual vaccination programme for staff started in October 2016 and by March 2017 3,871 staff were vaccinated, 3,577 of them staff that come into contact with patients.

In light of recent international events, the occupational health and safety team have worked alongside the local police counter-terrorism unit to ensure the hospital site at Frimley is as resilient as far as reasonably practical to attack. A comprehensive training session for directors and senior management was also run to familiarise managers with what to do in case of serious incident. Further work on this is planned in the forthcoming year to look to other Trust sites.

A new cross-site security incident reporting (SIRS) system has been introduced to allow effective management and follow up of security incidents on all Trust sites.

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.

Expenditure on consultancy and exit packages

Between 1 April 2016 and 31 March 2017 the Trust spent £3.6m on consultancy costs. For exit packages, see section 4.2 of the Trust's Annual Accounts 2016-17.

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 met. 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 2017 for more than £220 per day and that last for longer than six months

Number of existing engagements as of 31 March 2017	2016-17 number of engagements
12, Of which:	
Number that have existed for less than one year at the time of reporting	4
Number that have existed for between one and two years at the time of reporting	3
Number that have existed for between two and three years at the time of reporting	0
Number that have existed for between three and four years at the time of reporting	0
Number that have existed for four or more years at the time of reporting	5
Confirmation:	
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 2016 and 31 March 2017, for more than £220 per day and that last for longer than six months

	2016-17 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	4
Number for whom assurance has been requested	4
Of which:	
Number for whom assurance has been received	4
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 2016 and 31 March 2017

	2016-17 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. This figure includes 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

	Audit Committee	Nominations Committee	Performance and Remuneration Committee
Chairperson of committee:	Rob Pike (to Sept) Dawn Kenson (from Oct)	Pradip Patel	Andrew Prince
Non-executive director members:	Mike O'Donovan Mark Escolme to Sept) Dawn Kenson (to Sept) Rob Pike (from Oct)	Thoreya Swage Andrew Prince	Pradip Patel Thoreya Swage
Executive directors in attendance:	Sir Andrew Morris Martin Sykes Helen Coe Lisa Glynn	Sir Andrew Morris Janet King	Sir Andrew Morris
Total number of executive and non-executive directors (including Chairman)	8 (4 non-executive directors; 4 executive directors)	5 (3 non-executive directors; 2 executive directors)	4 (3 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 Governors' meetings.

All Board Members (executive directors and non-executive directors) are invited 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. Two working groups of governors recommended an increase to the number of Council of Governors' meetings to four per year.

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, the 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 quarterly 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
- 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 (under 'About us' – 'Publications').

Membership of the Council of Governors

In 2016-17 the membership of the Council of Governors comprised 37 governors:

- There have been 37 members of the Council of Governors from 1 November 2016
- Seven non-executive directors and seven executive directors (including the Chief Executive) also attended the Council of Governors meetings by invitation.

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 October 2015 Robert Bown, public governor for Surrey Heath & Runnymede, has been the 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 2017, there were 27 elected public governors.

Staff governors are elected by way of self-nomination and constituency voting. As at 31 March 2017, there were three staff governors as there was one in-year resignation.

Stakeholder governors are appointed by partnership or stakeholder organisations. As at 31 March 2017, 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 2017 is detailed below.

Constituency	Number of governors
Bracknell Forest & Wokingham	4
Chiltern, South Buckinghamshire & 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 & Maidenhead	4
Adult Safeguarding	1
Medicine, Elderly Care, Pharmacy & 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

Governor elections

Throughout September and October 2016, Frimley Health NHS FT held elections for public governors in four constituencies (Chiltern, South Bucks and Wycombe, Bracknell Forest and Wokingham, Slough and Windsor and Maidenhead) in accordance with its Constitution.

Nominations for elections opened between 12 August 2016 and 12 September 2016. Elections ran from 4 to 27 October 2016 and results were declared the following day.

Frimley Health's elected public governors as at 31 March 2017

Constituency	Governor	Date elected⁹	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 Nov 16	31 Oct 19	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
Bracknell Forest and Wokingham	John Lindsay	1 Nov 16	31 Oct 19	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 Jan 15	31 Oct 17	1st
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	Sharon O'Reilly	1 Jan 15	31 Oct 17	1st
Slough	Tamoor Ali	1 Nov 16	31 Oct 16	1st
Slough	Graham Leaver	1 Jan 15	31 Oct 19	2nd
Slough	Robert Miles	1 Nov 16	31 Oct 19	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	Robin Maiden	1 Nov 16	31 Oct 19	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.

Frimley Health's elected staff governors as at 31 March 2017

Constituency	Governor	Date elected	End of tenure	Term of office
Frimley Park	Udesh Naidoo	1 Apr 14	31 Oct 17	1st
Frimley Park	VACANY	-	-	-
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

⁹ Where a governor has been re-elected, this column will show the date of the original appointment.

Stakeholder governors appointed as at 31 March 2017

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	3rd	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	4th	
Stakeholder: Buckinghamshire County Council	Trevor Egleton	1 Jan 15	1st	
Stakeholder: Jointly appointed by Slough Borough Council and Windsor and Maidenhead Borough Council	David Hilton	18 May 16	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, are detailed in the table below. Of the five meetings held in 2016-17, one was an extraordinary meeting convened to approve the extension of the Terms of Office of three of the non-executive directors: Mark Escolme, Rob Pike and Mike O'Donovan.

Governors' attendance at the Council of Governors' meetings in the year ended 31 March 2017

Constituency	Governor	Total
Public: Bracknell Forest & Wokingham	Rachel Addicott	1/2
Public: Bracknell Forest & Wokingham	Jan Burnett	5/5
Public: Bracknell Forest & Wokingham	Richard Lloyd	3/5
Public: Bracknell Forest & Wokingham	Victoria Browne	5/5
Public: Chiltern, South Buckinghamshire & Wycombe	John Ager	1/2
Public: Bracknell Forest & Wokingham	John Lindsay	3/3
Public: Chiltern, South Buckinghamshire & Wycombe	Paul Henry	5/5
Public: Guildford, Waverley & Woking	Michael Maher	3/5
Public: Guildford, Waverley & Woking	Sylvia Thompson	3/5
Public: Hart & East Hampshire	Denis Gotel	5/5
Public: Hart & East Hampshire	Jill Walker	5/5
Public: Hart & East Hampshire	Bill Shambrook	4/5
Public: Outer Catchment Area (Rest of England)	Chris Waller	4/5
Public: Rushmoor	Kevin Watts	5/5
Public: Rushmoor	Ian Wilder	5/5
Public: Rushmoor	Michelle White	3/5
Public: Slough	Margaret Woodley	5/5
Public: Slough	Julia Long	1/2
Public: Slough	Sharon O'Reilly	2/5
Public: Slough	Tamoor Ali	2/5
Public: Slough	Graham Leaver	5/5
Public: Surrey Heath & Runnymede	Peter Fraser-Dunnet	3/5
Public: Surrey Heath & Runnymede	Mary Probert	4/5
Public: Surrey Heath & Runnymede (Lead Governor from Oct 2015)	Robert Bown	4/5
Public: Windsor & Maidenhead	Rod Broad	5/5
Public: Windsor & Maidenhead	Karen Saunders	0/5
Public: Windsor & Maidenhead	Fiona Dent	3/3
Public: Windsor & Maidenhead	Tony Monk	2/2
Stakeholder: Surrey County Council	Chris Pitt	1/5
Stakeholder: Ministry of Defence	Stuart Millar	2/5
Stakeholder: Hampshire County Council	John Wall	4/5
Stakeholder: Buckinghamshire County Council	Trevor Egleton	0/5
Stakeholder: Jointly appointed by Slough Borough Council and Windsor & Maidenhead Borough Council	Zaffar Ajaib	0/2
Stakeholder: Jointly appointed by Bracknell Forest Council and Wokingham Borough Council	Sarah Peacey	4/5
Staff: Frimley Park: Medicine, Elderly Care, Pharmacy and Accident & Emergency	Udesh Naidoo	2/5
Staff: Frimley Park: Adult Safeguarding	Mel Martin (previously Fish)	1/2
Staff: Heatherwood and Wexham Park: Surgical	Bob Soin	2/5
Staff: Heatherwood and Wexham Park: Resuscitation	Alex Saunders	3/5

*Attendance by executive and non-executive directors at the Council of Governors meetings for the year
(note, Board members attend by invitation and are not required to attend)*

Name	Position	Total
Pradip Patel	Chairman; Chair of Council of Governors	5/5
Mark Escolme	Independent non-executive director; Deputy Chairman	2/5
Andrew Prince	Independent non-executive director; Senior Independent Director	5/5
Rob Pike	Independent non-executive director	4/5
Dawn Kenson	Independent non-executive director	5/5
Thoreya Swage	Independent non-executive director	5/5
Mike O'Donovan	Independent non-executive director	5/5
Sir Andrew Morris	Chief Executive	3/5
Martin Sykes	Director of Finance and Strategy; Deputy Chief Executive	5/5
Janet King	Director of HR and Corporate Services	3/5
Nicola Ranger	Director of Nursing and Quality	3/5
Helen Coe	Director of Operations, Frimley Park Hospital	5/5
Dr Timothy Ho	Medical Director	4/5
Lisa Glynn	Director of Operations, Heatherwood and Wexham Park Hospitals	4/5

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.¹⁰
- liaison with the Non-Executive Performance and Remuneration Committee concerning the Chairman and non-executive director appointments and terms of office.¹¹
- agreeing any appointment panels¹² 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 Committee¹³ 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.

¹⁰ To avoid conflict of interest, the Chief Executive or other executive directors are asked to leave the meeting where matters of discussion relate to them.

¹¹ To avoid conflict of 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).

¹² To include governors in the case of the recruitment of the Chairman and non-executive directors.

¹³ 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 a 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 Executive¹⁴ 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 2017

During 2016-17 this committee was involved in the process of appointing two non-executive directors who will commence their terms from 1 April 2017 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.

¹⁴ 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 (CQC). 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 Committees¹⁵.
- 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 – KPMG

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

After a retendering exercise the Council of Governors appointed KPMG to be the Trust's external auditors for a five-year period commencing 1 April 2016.

Internal auditor

During the year ended 31 March 2017, the Trust's internal audit function was carried out by TIAA Ltd, an independent business assurance provider delivering services to the 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. However, in the 2016-17 financial year the Trust did not engage KPMG to provide any additional services over and above the undertaking of external audit of financial statements and assurance work on the Quality Report.

KPMG 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 2016-17 were £4,924 (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 are 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 2017

The Audit Committee met on five occasions during the year ended 31 March 2017. At its meeting in May 2016, the Audit Committee received the annual audit report from the Trust's outgoing external auditors Pricewaterhouse Coopers and recommended the Annual Report and Accounts and Quality Report 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 2015-2016 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, accounts receivable, cash management, payroll and budgetary control, and financial reporting) to audits on aspects directly relating to patient care (safe staffing and rostering, cardiology stock, medical devices incidents and safeguarding of Deprivation of Liberty Standards). Some other audits included integration funding, medical staff sickness and use of temporary medical staff, estates procurement and estates management, Information Management and Technology Strategy, Information Management and Technology and Disaster Recovery Planning.

Following the year end, the Audit Committee considered the draft Annual Report and Accounts 2016-2017 and received the ISA 260 Report from KPMG.

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

- Property, Plant and Equipment: Land and Buildings – Completeness, Existence and Valuation of Land and Buildings
- NHS Income and receivables – Completeness, Existence and Accuracy of NHS Receivable and Accrued Income

During 2016-17, 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 Chief Informatics Officer, Deputy Director of Nursing and Quality, Director of Human Resources and Corporate Services, Deputy Director of Human Resources and Director of Estates and Facilities) 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.
- 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. We achieved 27,462 comprising 15,206 public and 12,256 staff members on 31 March 2017.

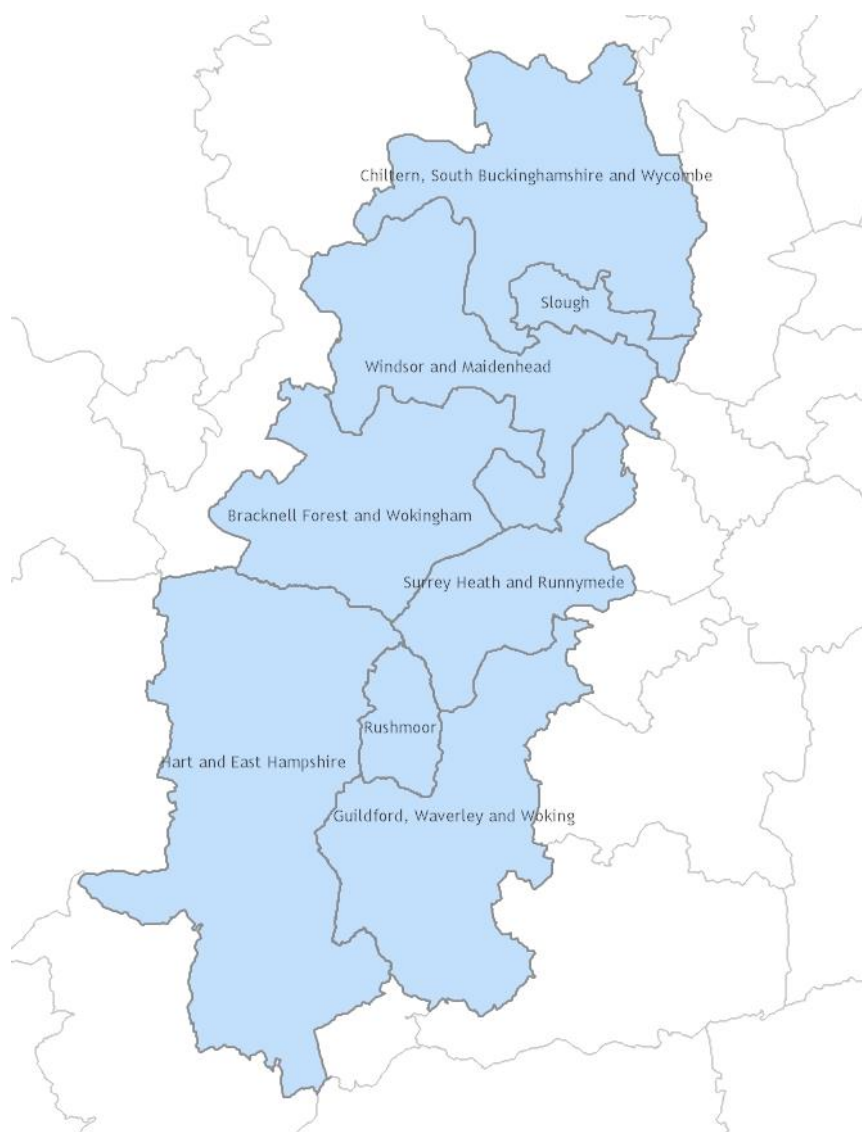
We also aimed to increase representation in the Berkshire and South Buckinghamshire constituencies.

Constituency meetings (local health events)

Local constituency meetings offer members the opportunity 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 website and through local media.

Membership catchment map for Frimley Health NHS Foundation Trust as at 31 March 2017



**Members can contact
Governors or Directors via:**

Foundation Trust Office
Frimley Health
Freepost G1/2587
Portsmouth Road
Frimley
GU16 5BR
01276 526801
foundation.trust@fhft.nhs.uk

Membership per local authority public constituency at 31 March 2017 (not including staff)

Constituency	Population per constituency aged over 16	Number of members 31 March 2017	% who are members 31 March 2017
Bracknell Forest and Wokingham	179,509	1,218	0.68%
Chiltern, South Buckinghamshire and Wycombe	128,228	472	0.37%
Guildford, Waverley and Woking	169,771	1,436	0.85%
Hart and East Hampshire	123,829	2,136	1.72%
Rushmoor	94,710	2,863	3.02%
Slough	145,195	1,599	1.10%
Surrey Heath and Runnymede	104,632	2,868	2.74%
Windsor and Maidenhead	148,225	1,060	0.72%
Rest of England	NA	1,554	NA

Membership of staff constituency at 31 March 2017

Constituency	Number of members 31 March 2017
Frimley	8,769
Wexham and Heatherwood	3,487
Total	12,256

Ethnicity

The Trust continues to need to increase BME (black or 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 2015 in March 2017 from 2,004 in March 2016. 939 members chose not to state their ethnicity. The data are regularly updated to capture population movement.

Ethnicity	% composition of catchment population	Public membership (as % in brackets) March 2017	Public membership (as % in brackets) March 2016	Public membership (as % in brackets) March 2015
White	82.0%	12,252 (80.6%)	12,551 (80.7%)	12,595 (81.2%)
Mixed	2.3%	234 (1.5%)	241 (1.5%)	233 (1.5%)
Asian	12.5%	1,329 (8.7%)	1,359 (8.7%)	1,327 (8.6%)
Black	2.5%	346 (2.3%)	354 (2.3%)	338 (2.2%)
Other	0.7%	106 (0.7%)	110 (0.7%)	106 (0.7%)
Not specified		939 (6.1%)	947 (6.1%)	903 (5.8%)
Total	100%	15,206	15,562	15,595

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 Council of Governors.

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 a Trust director directly can do so via Trust membership manager Sarah Waldron on 01276 526801 or email 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.
- 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
25 May 2017

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, while 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 to 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 2017, 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 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 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 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 and 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 is the trust-wide lead for pharmacy and the Director of Operations for FPH is the trust-wide lead for therapy services and private patients as well as community services.

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 development of 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 is 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. Appendix 1 sets out the key risk management functions and internal control responsibilities of the Board and committees that relate to it.

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, adverse 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 Quality Assurance Committee to provide the Board with assurance on performance and quality across the enlarged organisation. During 2016-17, a Finance Assurance Committee was added which provides an objective view of the financial performance and financial strategy of the Trust.

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 Assurance Framework
 - 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 trust-wide Quality and Performance report which is reviewed monthly 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.

The Board of Directors has undertaken a self-assessment against Monitor's Quality Governance Framework which 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 2017-2018 include:

- Failure to achieve medium term financial sustainability - Frimley Health had an underlying deficit at the start of 2016-17 of about £30m, after business-as-usual cost improvement programme (CIP). While the Trust has four years of agreed deficit support to cover the majority of this gap, it will need to deliver savings above the national CIP target to return to a sustainable financial position.
- Risk to foundation trust regulator governance rating due to failure to deliver A&E four-hour target, potential 12-hour breaches 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.
- Recognition of deteriorating patient – risk of poor outcome through failure to recognise a patient with a deteriorating condition. To ensure all clinical staff have the right skills, knowledge and tools to recognise and deliver timely treatment to the deteriorating patient.
- Bed capacity – risk to patient experience due to potential for lack of sufficient bed capacity to meet demand.
- Critical care capacity – risk of poor outcome through failure to provide sufficient flow out of critical care and to generate increased level 2 capacity outside of critical care, potentially impacting on flow out of A&E.
- Picture Archiving and Communication System/Radiology Information System Wexham Park Hospital - the current PACS/RIS system at HWPB is running on unsupported software and obsolete hardware, exposing the Trust to significant risk in the event of a failure. There is no disaster recovery in place so, if the system fails the service will not be operational (there will be no access to PACS images throughout the Trust and the Radiology department processes will slow down) and the supplier has confirmed that extending any support will be on a best endeavours basis only.
- Nursing 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.
- Medical staff capacity – risk of insufficient appropriately-trained staff, particularly middle and junior grades in the emergency department and middle grade surgeons, and difficulty in recruiting with the potential to impact on and cause delays to patient diagnosis and treatment and to lead to clinical cancellations, gaps in the on-call rota, lack of immediate urgent speciality support and compromises to patient care.
- Procedures of lower clinical value - risk to Trust reputation and finances/activity due to clinical commissioning group (CCG) change in process around procedures of lower clinical value and threshold procedures.
- 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 and appraisals statistics need to be viewed in the context of Trust-wide performance.
- Failure/breakdown of radiology/computer tomography (CT)/ultrasound equipment – risk of delay in diagnostic radiology for patients due to CT scanner at Wexham Park Hospital site experiencing frequent breakdowns.
- Electronic document management system – there is a risk that non-information management and technology (IM&T) staff do not have sufficient IT skills to support an electronic patient record and that the organisation is not ready to move to an electronic solution, for example having multiple manual systems and forms that may need to be streamlined before going electronic.

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 approximately 27,462 members as at the end of March 2017. 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 where 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 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 employment-related policies.

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 control of staffing levels
- 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 to incorporate 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 Information Governance 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 IG toolkit was 76% at the end of March 2017, which represented a satisfactory rating. To maintain this level of IG assurance across the Trust a comprehensive work programme has been developed for 2017-18.

The Trust reported four serious untoward incidents involving personal data in 2016-17. A summary of data-related incidents reported during the year is shown below:

SUMMARY OF SERIOUS INCIDENT REQUIRING INVESTIGATIONS INVOLVING PERSONAL DATA AS REPORTED TO THE INFORMATION COMMISSIONERS OFFICE IN 2016-2017				
Date of incident (Month)	Nature of incident	Nature of data involved	Number of data subjects potentially affected	Notification Steps
May 2016	Hard drive sent to auction company to be sold containing patient information	Patient information had not been removed from hard drive	1,150	ICO, Department of Health notified
January 2017	Excel spreadsheet containing patient information sent to council in error	Patient information hidden in excel spreadsheet	4,345	
March 2017	Excel spreadsheet containing patient information was disclosed to the CCG in error	Patient information was sent via insecure means	94	
March 2017	Excel spreadsheet containing patient information was sent to the CCG in error	Patient information was sent via insecure means	102	
Further action on Information risk All incidents rated level 2 or above during 2016-17 are outlined in this table above. The Trust has thoroughly investigated every incident to establish the root causes. 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.				

Number of incidents across the Trust in 2016-17 (1 April 2016 – 31 March 2017)

Code	Description	Frimley Health
A	Corruption or inability to recover electronic data	0
B	Disclosed in error	102
C	Lost in transit	2
D	Lost or stolen hardware	1
E	Lost or stolen paperwork	7
F	Non-secure disposal – hardware	1
G	Non-secure disposal – paperwork	0
H	Uploaded to website in error	1
I	Technical security failing (including hacking)	1
J	Unauthorised access/disclosure	22
K	Other	18
Total		155

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. NHS Improvement 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 2016-17 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 which include 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 Quality Assurance Committee which is attended by all executive directors and some non-executive directors. All data and information within the Quality Report is reviewed through this committee 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 Overview and Scrutiny Committee and the Patient Experience and Involvement Group of the Council of Governors.

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 has 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'
- HSJ Patient Safety Awards 2016 'Best Organisation'
- CEO named by the Health Service Journal as the best NHS hospital chief executive in England in 2017
- Health Business Award for Patient Safety 2016
- Dr Foster NHS Hospital Trust of the Year for South of England (Frimley Park)
- Clinical Pathology Accreditation
- Picker National Patient Survey and patient feedback questionnaires
- Patient Experience Network National Award Team of the Year
- Medicines and Healthcare Products Regulatory Agency MHRA 'Good Clinical Practice' inspection
- Deanery and college inspections
- Joint Advisory Group (JAG) inspection endoscopy (FPH and WPH)
- JAG accreditation Heatherwood Hospital
- The work of the Clinical Audit and Effectiveness Committee
- Programme of work undertaken by internal and external audit and Audit Committee
- TIAA Internal Audit of Frimley Health Board Assurance Framework 16-17 providing substantial 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 2016 & March 2017
- 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 core 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 actions that it sees fit to ensure that this can be achieved.
- **Financial Assurance Committee** - Providing an objective view of the financial performance, and financial strategy of the Trust, together with an understanding of the risks and assumptions within the Trust financial plans and projections.

Auditor's assessment of overall control

Substantial 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 2016-2017.

Conclusion

There were no control issues of major consequence in 2016-17



Sir Andrew Morris

Chief Executive

25 May 2017

Frimley Health
NHS Foundation Trust

Quality Report
2016-2017

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1. Achievements in Quality

Statement on quality from the Chief Executive

Our vision is for Frimley Health NHS Foundation Trust 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.

2016/17 has been a year of great success for Frimley Health NHS Foundation Trust. Our journey to deliver and maintain outstanding services across all three of our hospitals continues, but has not been without some challenges along the way. In line with national trends, our hospitals have experienced some of the most unprecedented pressures on their services on record.

Our staff are committed to providing excellent care to every patient every time. We know that staff who enjoy their work have pride in providing patients with excellent care. We are therefore pleased that our staff scored the Trust highly in the Staff Friends & Family Test (FFT) with 89% of staff saying that “if a friend or relative needed treatment, they would be happy with the standard of care provided by us”.

Feedback from our patients shows us that Frimley Health continues to provide a positive patient experience. 95% of inpatients say they would definitely recommend the hospital to family and friends and 90% of inpatients who responded to our local Trust survey rate their care as very good or excellent.

Our performance against key standards continues to be strong – however, we have not consistently met the operational standard that 95% of patients in our Emergency Department (ED) will be seen within 4 hours. At the end of 2016/17, compliance was 91.5% against the 95% target. Although below target, this figure remains higher than the national average, with our 4 hour performance being 45th best out of 140 trusts in England with type 1 A&E services. Patients’ high level of clinical need, combined with delays in discharging patients who are medically fit to leave hospital, has been mirrored at hospitals around the country. We achieved all our other targets such as referral to treatment within 18 weeks and the 62 day cancer target.

This year we have been working on the development of our quality improvement strategy for the next three years (2017-2020). The quality strategy sets out our overarching ambition to be a trail-blazing organisation in delivering safe, 'Outstanding' care for our patients, both nationally and locally. We hope that this aligns with the content of this report, which clearly reflects our collaborative approach to quality improvement which has yet again yielded impressive results.

We are proud that our infection rates have continued to be amongst the best in the country. There was no increase in our cases of Methicillin-Resistant *Staphylococcus Aureus* bacteraemia (MRSA) blood stream infection and we maintained low C-difficile occurrence with 33 cases reported at the end of 2016/17 which is a 20% reduction compared to the previous year.

Keeping patients safe is a fundamental and long standing commitment for the Trust and reducing avoidable harm has always been a key quality ambition. Therefore, we were proud to report an average 80% reduction in harm to patients between 2013-16. Over the last year, we have managed to further reduce avoidable harm to our patients across seven patient safety indicators by 53%. Great strides have been made as a result of the work done through the national 'Sign up to Safety' campaign which the Trust signed up to in September 2015. The ambition was to halve avoidable harm in the NHS over the next three years. As part of the campaign, FHFT has made five Sign up to Safety pledges which closely align with the content of the Quality Report and are included in Part 3 of the report. FHFT developed an action plan and quarterly review process for monitoring progress over the next three years which is published on the Trust's website.

Medication errors resulting in harm have significantly reduced by 60% since 2015/16. This is due to the extensive work that has been undertaken around medicines safety to reduce harm from drug errors. Further detail regarding this work can be found in Part 3 of this report.

Our work to reduce mortality rates continues to show significant benefits. Frimley Park Hospital has consistently reported one of the lowest mortality rates in the NHS, which means fewer people die in our hospital than could reasonably be expected.

We are pleased to confirm that the Trust Board has reviewed the 2016/17 Quality Report and we are satisfied that it is a true and fair reflection of our performance. We are extremely 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.

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

Sir Andrew Morris
Chief Executive
25 May 2017

Summary of our quality achievements in 2016/17

2016/17 was another busy and challenging year for the Trust. We saw our emergency department activity increase from 230,609 (2015/16) to 237,509 (2016/17) attendees, we admitted 97,973 elective patients and 86,888 emergency admissions, which is 7,959 more admissions than the previous year, and we saw 871,695 in our outpatient departments. We also helped to deliver 9,994 babies.

We are determined to be a centre of excellence and, in that regard, this year has seen some significant achievements in the following areas:

Patient Experience & Safety

- Keeping patients safe and ensuring they are properly cared for and listened to are the key priorities for our nurses and midwives over the next two years.

Frimley Health's *Nursing & Midwifery Strategy 2016-2018* was launched on 16th May 2016 and reflects the views of staff and patients.

The document is divided into four sections, focusing on uniforms, safety, care and listening. It states that nurses and midwives will promote professionalism and trust by ensuring their uniforms reflect the standards patients expect.

Under the banner of safety, the strategy details how patients should not only be safe, but feel safe. The strategy commits to caring for staff as well as patients. It calls for kindness and compassion and says patients, their relatives and carers should be involved in decisions about treatment. The final section of the strategy commits staff to listening to patients and colleagues to ensure they feel valued and are treated with respect and dignity.

- Frimley Health was crowned Best Organisation in the 2016 Patient Safety Awards. The Trust was chosen from a shortlist of top healthcare providers from across the country in the awards run by the Health Service Journal and the Nursing Times. Judges said naming Frimley Health as Best Organisation was a "unanimous decision" and praised our "courageous approach" to improving safety. We impressed the panel with improvements

made at Wexham Park Hospital since 2014 which have seen it go on to be rated 'good' by the Care Quality Commission (CQC) and praised for its strong patient safety culture.

- Frimley Health celebrated another award for our continuing work to improve the safety of patients in our hospitals. We were victorious in the Patient Safety category at the recent **Health Business Awards**. The award recognises hospitals which have made great strides in providing a safe environment for patients and taken action to reduce hospital-acquired infections and mortality rates.
- The National Early Warning Score (NEWS) is used throughout the NHS to identify patients showing early signs of deterioration. The new system was brought in at Frimley Park Hospital in May 2016 to replace the Medical Emergency Team (MET) system and was introduced at Wexham Park and Heatherwood hospitals in September 2016. At Wexham and Heatherwood it replaced the EDOD (Early Detection of Deterioration) score. More details around NEWS can be found in Part 2 of this report. Alongside the introduction of NEWS, Frimley Park Hospital saw the relaunch of the early warning system for flagging up signs of deterioration in pregnant women and those who have recently delivered. The Modified Early Obstetric Warning System (MEOWS) observation charts are specifically designed towards pregnancy and the early postnatal period and are more sensitive than other early warning systems.
- The Voluntary Services Team won the Patient Experience Network Awards 'Team of the Year' 2016.
- Our hospitals have been shining a spotlight on sepsis as part of a global campaign raising awareness of the condition. We marked World Sepsis Day on 13th September by highlighting new NICE guidelines for recognising and managing patients with this potentially deadly infection. Sepsis develops when the body's immune system goes into over-drive as it tries to fight an infection. If untreated, it can lead to multiple organ failure and even death. Every year around 100,000 people in the UK are admitted to hospital with sepsis and more than 30,000 die as a result of the condition.

Around 260 staff visited an event in Frimley Park's Postgraduate Education Centre where there were various stands relating to sepsis and the Trust's Advanced Nurse Practitioner delivered hourly presentations. At Wexham Park members of the clinical education and resuscitation teams held a series of road shows, walking the wards and spreading the sepsis message. A new Frimley Health music video asking staff to *"Think: Could It Be Sepsis?"* was also launched on the day.

- Both sites took part in *National Carers Week* from 6-10th June, highlighting the groups and services people who care for others can draw on. Hospital staff visited wards over a week in May 2016 at the Wexham and Frimley sites to spread the word about the support available to carers. At each hospital the quality teams visited wards with carer boxes containing information about the help available. Support groups such as Macmillan, Stroke Support and Shelter were present in the main hospital entrances talking to carers and discussing options. At Wexham the quality team also called for carers' champions on each ward – a friendly face who carers can approach for information about support.
- Staff are being encouraged to keep their eyes up and look out for patients and visitors in need. A new campaign, called *'Eyes Up'*, has been running across all three hospital sites since the end of January 2017. The campaign urges staff to make eye contact with visitors and patients and to welcome them with a smile. The key campaign message is that this can help our staff quickly establish whether someone needs assistance.
- The Trust has sustained high levels of *patient satisfaction* month on month, with 90% of patients surveyed consistently rating their care as good, very good or excellent and 95% of patients who would recommend our hospitals to their family and friends. In addition to this our performance has improved in other areas, particularly in 82% of patients reporting that they and their families/carers have been involved in planning for their discharge. This is a 12% increase when compared with 2015/16.

Staff Engagement

The Trust's values of committed to excellence, working together and facing the future were the driving force behind adopting a positive corporate culture across Frimley Health. These are fully implemented and embedded within Human Resources, communication systems, leadership development and other training programmes and within the Trust's branding. Mechanisms to communicate the Trust's vision and ambitions are also in place.

There are two pieces of evidence which demonstrate that the shared vision, values and ambitions have been successfully implemented.

1. The Care Quality Commission's report of February 2016 about Wexham Park Hospital noted that the culture had improved markedly and was much more open at all levels with an incident reporting culture which provided opportunities for continual learning. Staff were aware of a clear vision and set of values and behaviours and said that action was taken to tackle staff who did not demonstrate the values expected. During the inspection, patients gave positive feedback that staff were enthusiastic, professional and considerate, going the extra mile to ensure patients received the care they would want their families to receive.
2. The Investors in People 'IIP' review in July 2016 noted that the indicator (Living the Organisation's Values and Behaviours) was at an advanced level within Frimley Health. This is equivalent to Investors in People Gold Standard.

The 2016 IIP survey results also showed that:

- 79% responded positively on leaders communicating the organisation's vision and objectives
- 91% said they share the same values as the Trust
- 89% said behaviour reflects the values
- 81% said the values guide the way the organisation operates and makes decisions.

- The latest *Staff Friends and Family Test* results show that 89% of staff who responded to the fourth quarter survey would recommend the Trust as a place for care or treatment. This is a 4% improvement compared with the 2015 results and a 13% improvement against the 2014 results. 72% of staff would recommend the Trust as a place to work. This is a 6% increase when compared to 2015 and a 9% increase on the 2014 results. The survey was open to 10,162 staff across all Frimley Health sites and 1,837 members of staff responded, giving a response rate of 18.1%. This is a 5.5% increase when compared with the response rate at the end of the previous year.
- The *National Staff Survey* is an important quality indicator for us to determine how our staff rate the organisation as a place to work and as a place for treatment. The 2016 survey was undertaken in the third quarter of 2016/17, with 3,096 members of staff completing the questionnaire (out of an eligible 8,294), giving a response rate of 37.3% (national average 44%). Frimley Health was identified as being in the best 20% in 17 key areas. These include:
- Overall staff engagement
 - Staff motivation at work
 - Quality of staff appraisals
 - Staff satisfaction with quality of work and patient care they can delivery
 - Effective use of patient/service user feedback
 - Staff confidence and security in reporting unsafe clinical practice

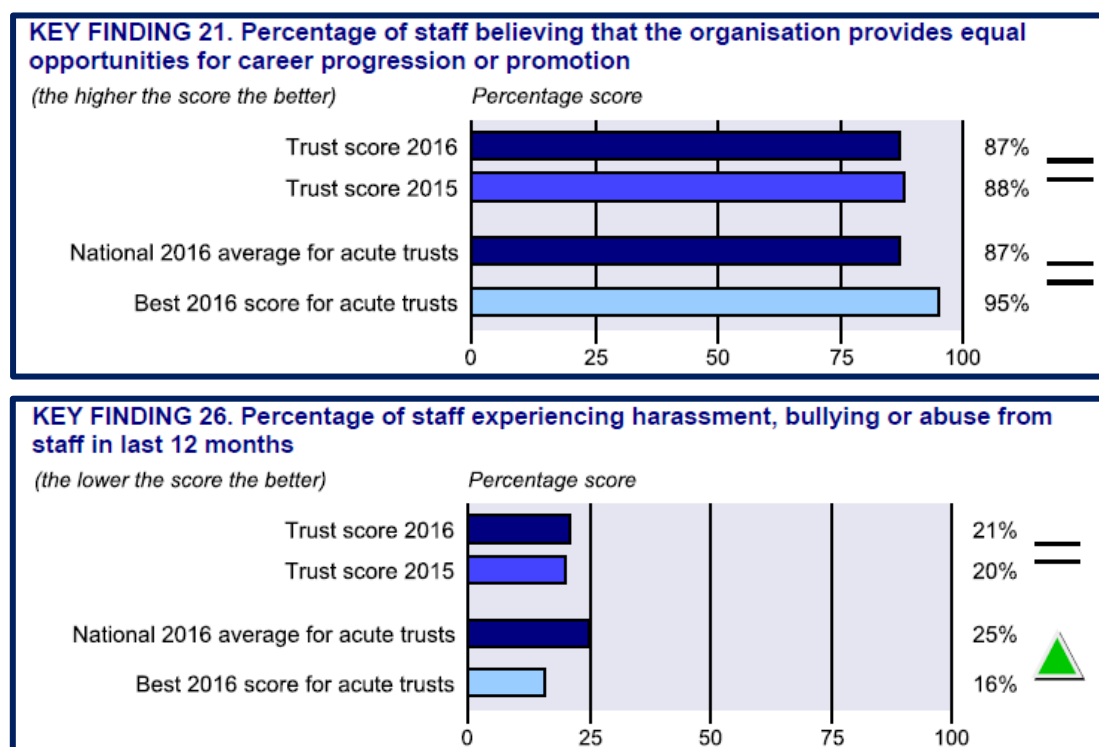
The areas we recognise we need to focus on over the next year are around ensuring our staff are fully appraised every twelve months, that any extra working hours are eradicated and that discrimination and bullying is eradicated.

There has been no change to the appraisal system since implementation across the whole organisation in January 2015. 284 new appraisers attended appraisal training in 2016. Two new programmes were implemented in 2016; appraisal refresher training and a workshop for appraisers.

The Trust switched to using the Electronic Staff Record system (ESR) to record appraisal uptake in September 2016 and this is currently showing appraisal uptake at 55%. This is

likely to be a recording issue rather than appraisal not taking place. The National Staff Survey usually indicates that around 77% of FHFT staff have been appraised. This continues to be on the low side in comparison with other acute trusts (the average is 86% according to the National Staff Survey).

Additionally, we are required to report on the below two key findings as part of the requirements for this Quality Report. Frimley Health is within the national average for acute Trusts for Key Finding 21 but within the best 20% for Key Finding 26 (see below).



- The Trust has continued to implement its formal recognition arrangements. Around 80 staff received a **Long Service Award** during 2016 for 25 years' service and about 100 staff were recognised for demonstration of the values at the Trust's **Praise and Recognition Ceremony** in April 2016. Local recognition arrangements are in place in some directorates, for example within Human Resources and Organisational Development. "Thank you" cards continue to be in use and are successful. There was some feedback on reward and recognition arrangements, in particular, around the need for more publicity. As a result, there have been more communications put out this year than ever before.

- The dedication and achievements of hospital staff were celebrated during Frimley Health's *annual staff awards ceremony* in March 2016. Nurses, care assistants, medical secretaries and transport managers were among those honoured at the Royal Berkshire Hotel near Ascot. The awards were presented against our core values: committed to excellence, working together and facing the future. Thirty awards were presented on the night, with a further 14 colleagues receiving certificates of achievement.
- The Trust picked up two top honours for an initiative to better engage with our staff and thereby improve patient care and safety. We were the overall winner at the *Chartered Institute of Personnel and Development (CIPD) People Management Awards*.

We also won the *Best Employee Engagement Initiative* for our campaign to bring about a change in organisational culture at Wexham Park and improve performance. The organisation put in place a programme of strategies spanning a range of areas, from culture and leadership to reward and customer service. These led to improved perceptions in staff surveys, better staff turnover and sickness levels, improved performance and increased patient satisfaction, a higher rating from the Care Quality Commission and recognition from Investors in People. These awards are a tribute to the hard work of staff across Frimley Health who have helped to share the Trust's vision and values across all hospital sites, creating strong, capable leadership and an engaged workforce. This has helped us to create a positive staff culture at Wexham Park which in turn improves the hospital experience for our patients and visitors.

- The Trust continues to seek to increase levels of employee well-being by actively supporting the *health and well-being of employees* through initiatives such as 'Workout @ Work Day', 'Sport England's Workplace Challenge', 'September Shake-Up' and by pedometer challenges, staff health days, well-being audits, and continuing with subsidised gym and exercise classes. As a result of our commitment to staff well-being, we were awarded *Workplace of the Year* by 'Get Berkshire Active'.
- This year we have reduced our vacancy rate to 8.8% from 11.7% the previous year. We worked hard to address the national challenges around *recruitment* by setting up a number of initiatives to support our recruitment plan. This included the introduction of a

new careers website and recruitment system, careers clinics and better use of online advertising. Gaps were also filled by international recruitment.

- We continue to provide an extensive development programme including a refresh of the leadership development programme as well as providing an extensive range of development opportunities both on and off the job.
- The Trust also won **Project Team of the Year** at the 2016 Allocate Software Awards for our electronic rostering system for temporary staff.
- The **Listening into Action (LiA)** initiative was instigated in 2015 across Frimley Health to encourage staff to share their ideas about how practical measures can be taken to improve services and processes. Every year the Listening into Action National Team produce a league table to show the ranking of acute trusts against their peers. For 2016, Frimley Health ranked 12th of 97 acute trusts which means that staff have rated our leadership and culture above average performance over the past year.
- Colleagues were encouraged to take part in the **NHS 'Fab Change Day'** on 19th October. Staff visited the Postgraduate Medical Centre at Wexham and the Atrium at Frimley Park to make a pledge to change one thing in their work (however big or small), post a thank you to a colleague who has gone the extra mile, or sign up to take part in a 'randomised coffee trial'. The trial paired staff up to meet for coffee with a Trust colleague who they might never have met otherwise.
- Two champions have been appointed to support the work of the Trust's new '**Freedom to Speak Up' Guardian**: One of the Trusts' safeguarding leads who used to be a governor representative for Frimley Park based staff and a Trust employee engagement manager who has worked for many years at Wexham Park and led the Listening into Action project. Mr Bruce Montgomery was appointed Frimley Health's Freedom to Speak Up Guardian last year after working for many years as a Urology Consultant at the Trust. His role is to promote a culture of safety and to encourage an atmosphere where anyone who has concerns can raise them confidently. The champions act as advocates for the work and 'listening ears' for anyone who wants to highlight safety issues.

Effectiveness

- A review of the 4 hour A&E standard and the re-organisation of regional stroke services were all some of the key focuses for the Trust at the end of 2016. In summary, the Trust continues to perform well against most standards. However, we fell short of the A&E benchmark in Quarter 3 with 91.4% of patients being seen, treated and admitted or discharged within four hours (the standard is 95%).

We exceeded the target in September 2016, achieving 95.9% - but missed it by just 0.1% in October 2016. By the end of the year, in Quarter 4, our performance was 91.5%. However, we are still performing well above the national average of 80% and only four Trusts in England are consistently achieving the 95% standard. In March 2017, we were ranked 45th best out of 140 trusts in England with type 1 A&E services.

Nationally, emergency departments have been under extreme pressure due to increased activity, higher attendances, more people being admitted and vast issues regarding social care which delay patient discharges. In light of the national struggles, the NHS has now launched a review of the 4 hour A&E standard and Frimley Health has been asked to contribute ideas. It is hoped that the review will focus on the acuity of patients and ensure that those needing urgent review are made a priority. The review could also call for all emergency departments to have a senior decision maker on the front door to ensure patients are correctly categorised on arrival. Delays in ambulance handovers at A&E are also likely to be looked at, with bigger financial penalties for failures. The review will take place early this year with the Health Secretary expected to make an announcement in April.

- **Stroke services** across the region have been reorganised. Frimley Park is taking on additional stroke workload since the cessation of acute services at the Royal Surrey County Hospital (RSCH) in Guildford. Acute services were removed from Wexham Park and have now been moved to Wycombe. Wexham Park now houses a twelve bed stroke rehabilitation unit. More in-depth detail regarding our performance against national and local indicators for stroke can be found in Part 3 of this report.

Service expansion and improvement

Vanguard programme and community services

- An innovative national **Vanguard programme** is enabling health and social care professionals in North East Hampshire and Farnham to speed up plans to develop new ways of providing and paying for support and services for local people.

This ambitious programme aims to keep people happy, healthy and at home. It will see local people supported to improve their own health and wellbeing and, when they are ill or need support, they will receive the best possible joined-up care.

This will be achieved by focusing on:

- Prevention and self-care - helping people to self-manage their own health conditions, empowering them to make choices about their care, and ensuring the right services are available to all communities
- Integrated teams of specialist health and social care professionals - establishing teams comprised of community nurses, occupational therapists, physiotherapists, social workers, a psychiatric nurse, a lead psychiatrist, a pharmacist, a geriatrician, GPs, the voluntary sector, and specialists in palliative care and domiciliary care. They will ensure joined-up care for patients, especially those who are vulnerable or have complex needs. As of the 1st January 2017, these teams have been located in Farnham, Aldershot, Farnborough, Fleet and Yateley
- Enhanced community services - for people in their own homes, in GP surgeries and local, community hospitals
- Access into and out of specialist inpatient care - in community hospitals (such as in Farnham and Fleet) as well as Frimley Park Hospital.

This new model of health and social care has been designed by health and care professionals with local people and will look and feel different. The key benefits will:

- result in better outcomes and experience for local people – helping them to be happy, healthy and, wherever possible, supported at home

- provide safer discharges - with comprehensive information handed over to provide the community health services with all they need to know
- provide better value for money, helping to close the gap between the available resources and the costs of providing services to meet need.

The way services are commissioned and the way organisations are set up to provide the services will also be reshaped to best support the new model of care.

The Vanguard programme is made up of clinicians and services managers from NHS North East Hampshire and Farnham Clinical Commissioning Group, Frimley Health NHS Foundation Trust, Southern Health NHS Foundation Trust, Surrey and Borders Partnership NHS Foundation Trust, Virgin Care, South East Coast Ambulance NHS Foundation Trust, North Hampshire Urgent Care and Hampshire and Surrey County Councils. They will also work with patients, the public, voluntary organisations and other service providers as partners to help shape, develop and continually improve the way services are provided.

➤ Frimley Health was delighted to welcome 137 new members of staff to the Trust on 1st January when it took on all adult physical health community services from North East Hants. The move will be a twelve month pilot that is part of the wider 'Happy Healthy at Home' initiative to improve patient care by bringing hospital and community services together and removing boundaries between organisations. Staff such as district nurses, rapid response teams, community physiotherapists, occupational therapists and Fleet's inpatient team all transferred from Southern Health NHS Foundation Trust. The initiative is in line with the community-wide STP which is described in more detail on page 21 of this report.

➤ The ***Integrated Referral and Information Service (IRIS)*** has brought together organisations and services across Surrey and Hampshire that provide and coordinate care for patients needing support to leave hospital. Plans to implement the service in Berkshire are underway.

IRIS will help us to provide a better service for our patients by streamlining our referral and discharge process. It aims to:

- Coordinate referrals for patients needing ongoing support to leave hospital
- Manage the transfer of patients to adult community beds in Fleet and Farnham
- Provide a single access point for community health colleagues

- Act as a facilitator of improved communication between the ward and Integrated Care Teams (ICTs), seamlessly sharing information regardless of patient locality
 - Echo the work of the integrated hubs that are funded as part of the STP & the Vanguard.
- The **non-commissioned pathway** is a programme to support patients who do not need to be in hospital for 4-6 weeks in the community with health care needs, rather than social care needs. The initiative works in collaboration with our clinical commissioning group partners and has been established to support patient flow in the winter months.
- The **Enhanced Recovery and Support at Home** initiative lead by the Frimley Outreach & Rehabilitation Team (FORT) and Rapid Response (South), has been secured by funding from the Vanguard programme. Its aim is to ensure admission avoidance by facilitating discharge for patients across Surrey, Hampshire and Berkshire. The teams work in collaboration with the ICTs and GP hubs and provide a 100% increase in capacity across a spectrum of patients' needs.
- A big push to ease the pressure on beds at Frimley and Wexham identified new ways of working that could help our hospitals in the future. **Spring to Green** events were held at both sites from 4th January 2017, focusing on ward-by-ward bed statuses and the prompt, safe discharge of patients who were medically fit to go home.

Control centres were set up at the Seminar Room in Frimley's C-block Atrium and the Ops Centre in the tower block at Wexham. Ward managers delivered regular status reports and flagged up any issues that were delaying appropriate discharges and there were ongoing reviews of medical outliers and admissions for elective surgery.

Each hospital also benefited from ward liaison officers – volunteers from the trust's non-clinical staff who could carry out administrative tasks so that nurses could concentrate on patient care and discharges.

The event, which ran for a week at Wexham and a few days longer at Frimley, coincided with a period of intense pressure at NHS hospitals across the country. At one point the number of medical outliers at Frimley peaked at 72, but thanks to the efforts of everyone involved this was halved to 36 in just four days.

At the bed meetings, rather than just reporting a number of expected discharges, the wards were asked to bring the names of the patients too. These were sent to pharmacy so they could get a head-start on take-home prescriptions. This helped to facilitate prompt discharges.

The hospital's discharge lounge at Frimley Park also proved crucial. During our 'Spring to Green' event in 2015 the discharge lounge was not utilised much, peaking at around nine patients per day. Since then, staffing levels and opening hours have increased, the room has been reconfigured and there is better access to patient transport. This year 200 patients passed through the discharge lounge over ten days – which is an average of 20 patients per day.

The control centre also had a single point of contact for support services, such as portering or IT, to enable quick responses.

At Wexham Park, some of the hospital's most senior staff visited every ward, discussing each patient's needs with ward managers to learn what they needed to move to the next stage of care or discharge. They were constantly looking at ways to make the system more responsive.

If a patient was waiting for a cardiac review, for example, they would try to arrange for that to be done sooner than it may previously have been.

'Spring to Green' gave us an opportunity to look at how people pass through the hospital, and taking the time out to truly understand that was very helpful. The overall impact was that while some hospitals nationally had to go to the highest state of alert, we did not. It worked very well as a preventative exercise.

Acute Medicine

➤ Since October 2016, one of our Acute Medical Consultants has been working in the Emergency Department (ED) providing support and advice regarding medical admissions and discharges. The benefits of this role have been:

- The rate of patients admitted to a hospital bed has reduced from 22.3% to 20.5%

- The percentage of patients where a decision to admit them to a hospital bed from the ED is made in less than three hours has increased by 9% since this liaison role has been in place.
- The newly built **Ambulatory Emergency Care (AEC) unit** opened at Frimley Park hospital on 20th February this year. The new unit houses five assessment rooms, a treatment room with three spaces for patients needing infusions, and one trolley space where procedures can be undertaken. It is designed to treat patients who do not need to be admitted to hospital for an overnight stay. Adopting the national approach towards management of acute medicine, the AEC unit provides a clinically effective way of managing our patients without admitting them to a bed overnight. We follow standard agreed pathways for treatment where possible, ensuring safety, and all patients receive a senior review by either a Consultant or Registrar.

The most common groups of patients that are seen in the AEC unit include elderly patients with dementia, patients with cellulitis that are usually managed at home, and patients who are returning daily for antibiotics. Avoiding admission for these patients means that they are not exposed to the same risks that are associated with an inpatient's stay such as falling and infections. It is a better environment to treat dementia patients and for their families.

Establishment of the AEC unit has improved patient experience by ensuring they are seen within 4 hours. It allows patients to return for follow-up appointments at times that suit them. The brand new unit offers bright, dedicated space with an improved environment and equipment.

In the last year, there has been a 37% increase in the number of patients who have not required admission to a hospital bed as a result of being treated in the AEC unit.

- The ongoing drive to provide the best possible services for our patients continued in October 2016 with the showcasing of two key developments at Wexham Park. The expanded and refurbished **day unit for cancer patients undergoing chemotherapy** was opened. Meanwhile, former patients, staff and guests were welcomed to look around the extended and revamped **children's critical care ward**.

The Eden Day Unit has been more than doubled in size as part of the £440,000 upgrade. Its eight chemotherapy chairs have been replaced with 16 state-of-the-art reclining seats and there are new chemotherapy pumps, bright, white walls, televisions, water coolers, a quiet area where patients can read, doze or chat quietly and a waiting area for relatives.

The number of beds on the unit has risen from two to five, and there are four bedrooms for families to stay in. This improved level of facilities means more local children will be able to be cared for nearer to home.

Future developments

The Sustainability and Transformation Plan

Delivering a more efficient healthcare strategy that cuts spending and eases pressure on our hospitals is a key challenge for the NHS locally. As healthcare funding flat-lines in real terms, Frimley Health is leading one of 44 new planning 'footprints' created by NHS England.

The health service spends £113 billion a year and last year, for the first time ever, it overspent by £2.5 billion. Frimley Health spent £1.2 billion on healthcare locally and our challenge is to try to keep within the resources that we have. The Trust has been tasked with bringing resources back into balance over the next five years.

In light of this, a five-year vision to create a more efficient and sustainable local health service has been unveiled. The strategy, drawn up by a partnership of care organisations, including Frimley Health, aims to balance healthcare spending against rising demand and flat NHS funding.

The STP was published in November 2016. It covers a population of 750,000 in five clinical commissioning group (CCG) areas and encompasses a variety of community, mental health and social care services. Sir Andrew Morris is the lead for this five-year strategy.

Priorities include:

- Improving wellbeing
- Increasing prevention and self-care
- Improving the management of frailty and long-term conditions
- Redesigning urgent care
- Reducing variation and health inequalities.

One key initiative is the creation of a network of decision making GP hubs, open from 8am-8pm, which will aim to better manage patients and reduce the need for hospital referrals. Emergency referrals from Surrey Heath into Frimley Park's Emergency Department stand at approximately 3%. In contrast, in North East Hampshire, the CCG next door, Emergency

Department referrals are up approximately 10%. There are lots of people who come to our emergency departments who could be managed in a different way.

Other initiatives include transforming the social care market to speed up discharges and better care for patients away from a hospital setting, and the creation of a shared patient record that can be viewed by healthcare professionals across the system. The Trust is confident that many of these changes will make a real difference.

Development Programme

At the beginning of 2016, Sir Andrew Morris presented the details of Frimley Health's £130m development programme.

New emergency department and maternity service upgrade at Wexham

Plans were unveiled concerning the £59m investment at Wexham Park to build a new emergency department and upgrade maternity services. The maternity service upgrade, which includes en-suites in all delivery rooms, a new bereavement suite and separate waiting areas for Maternity and Gynaecology, started in October 2016. The hope is that the new facilities will bring a higher standard of care to more families in the Slough area and beyond.

The £49m proposals to build a new emergency department and assessment centre on the site of one of the hospital's current car parks was approved by Slough Borough Council at the end of 2016. The ground floor is planned to house the emergency department itself, with separate paediatric and minor injuries units as well as 36 individual rooms for major injuries. Plans for the first floor include a 34-bed combined assessment and ambulatory care centre for up to 24 hour stay and the second floor will contain short stay accommodation. for up to 72 hours.

Redevelopment of Heatherwood Hospital

The Trust's vision for the £90m redevelopment of Heatherwood Hospital was also publicised at the start of 2016. It was reported that the redevelopment would be part-funded by land sales. The only current building to remain will be the mental health unit which will potentially house corporate services staff. The new hospital building is due to include six operating theatres, 48 inpatient beds, 16 day case beds and outpatients and diagnostics. The redevelopment will help ease pressure at the Frimley Park Hospital site as it will take away some elective activity. There are also plans in place to refurbish the existing mental health building to house a number of corporate services. The move is necessary to create more clinical space at Frimley Park. GPs will also operate from this building and almost 300 colleagues from Wexham and Frimley are likely to move there in the autumn of 2017; this will allow teams who are currently split across the sites to be located together at Frimley Park. In August 2016 an engagement event was held for the public and staff to share their thoughts regarding the development plans for Heatherwood Hospital. More than 200 people, mostly local residents, attended an event at Ascot Racecourse to find out more about the plans. Visitors offered feedback, with most supporting the overall proposals. This feedback was used to help finalise plans which were presented before the Royal Borough's planning committee on 25th January 2017.

Information Management & Technology

Electronic Document Management System (EDMS Evolve)

It has been a long journey, with a lot of time and energy invested across the Trust to get us nearer to becoming a 'paper-lite' organisation. Hundreds of staff have been involved with working groups or offering feedback during testing and training periods.

EDMS Evolve will ensure we can drive continual improvements in patient experience and reduce fragmentation of care by giving access to consistent and coherent information across care providers and locations. We will no longer need to cancel or delay a patient's visit to hospital because their case notes are not available. All of the information we know about our patients will be readily available on screen, giving them confidence that we are working on their care in a joined-up way.

The efforts of all staff in making this significant cultural and technological change work for Frimley Health have been recognised and will contribute to the overall improved efficiency and safety we can provide our patients.

This system will be key to developing joined-up processes across the Trust and digitised case notes will form part of an overall electronic patient record - a single source of patient information.

2. Priorities for improvement and statements of assurance from the Board

Progress against 2015/16 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 we would continue to strive for excellence in delivering outstanding services to our patients across all three of our hospitals. 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 2016/17:

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

Progress against each of these priorities has been monitored by the Board of Directors, Quality Assurance Committee, Council of Governors, and the Quality Committee and Patient Safety Committees. 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 2015/16. This includes performance in 2016/17 against each priority and, where possible, the performance in previous years.

Priority 1: Identification and management of the deteriorating patient

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 intensive care, if required.

Why we chose to monitor progress against this?

- Clinical concerns regarding management of deteriorating patients continue to be identified via incident reporting and by clinicians during mortality and morbidity reviews
- We made significant progress in identifying and managing deteriorating patients in 2015/16 and were able to review our progress across the Trust and identify areas for improvement
- We implemented the National Early Warning System (NEWS) across all 3 hospital sites to ensure cross-site monitoring and alignment for escalation.

National Early Warning Score (NEWS)


NEWS is a Track and Trigger system that offers a graded response to patients with abnormal physiological observations who become acutely unwell.

A multi-disciplinary approach to the deteriorating patient provides a framework to act quickly and intervene at the bedside of the patient, facilitating escalation to a higher level of care for the patient's individual medical and nursing needs.

NEWS was launched in May 2016 on the Frimley Park site and in September 2016 on the Heatherwood & Wexham Park sites. This replaced the previous Medical Emergency Team (MET) and Early Detection of Deterioration (EDOD) systems that have been in place on both sites.

Good implementation and training support has been provided by the Resuscitation team with an online training package to supplement the education of NEWS.

Audit compliance

Objective:	Obtain a baseline for NEWS against which we will monitor and improve compliance
Action:	Audit the NEWS system across Frimley Health
By when:	December 2016 (baseline) February 2017 (repeat audit)
Outcome:	Audit results provided below
Status:	Achieved 

A baseline audit was completed in November 2016 across Frimley Health looking at the NEWS scores for 100 people. Following analysis of the results an action plan was put in place to address the areas requiring improvement. The key findings of the audit were as follows:

Good practice:

- Accuracy of NEWS score
- Completeness of NEWS score
- Observations in the nursing notes are being signed for.

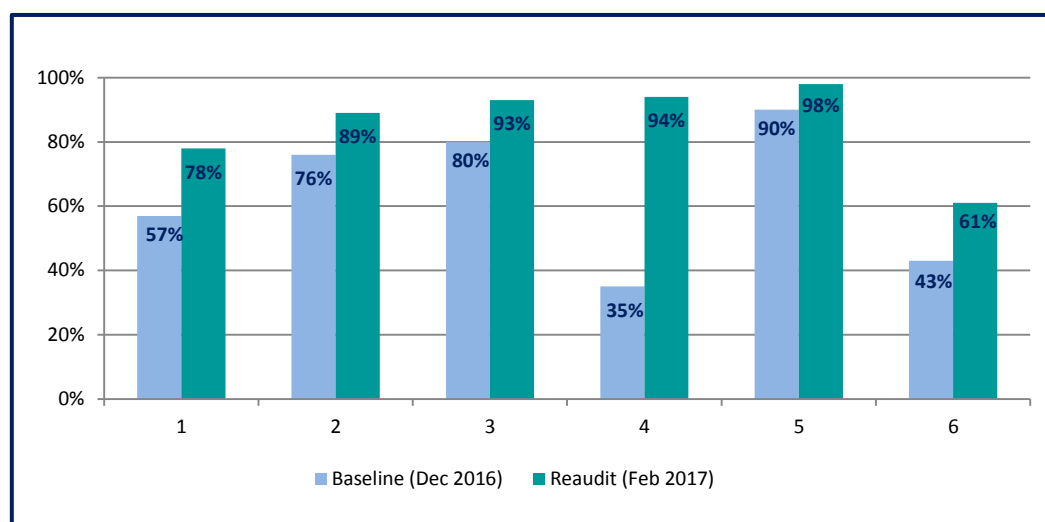
Areas requiring improvement:

- The frequency of observations were not always appropriate to the patient's level of care and in keeping with the NEWS algorithm
- Escalation to Night Nurse Practitioner (NNP) / Outreach as per NEWS protocol did not always take place
- There was often little or no documentation on the action chart to support the NEWS score.

These key messages were shared and reinforced at all forums and training sessions.

The audit was then repeated in February 2017 to establish whether improvements had been made. The re-audit was carried out by the Lead Nurse for Deteriorating Patients & Resuscitation and the Senior Resuscitation Practitioner on both the main sites over a week in February. 300 patients in total were used in the audit sample.

The graph below shows a comparison of results between the initial audit and the repeat audit.



Source: Trust data

1	Frequency of observations	4	Escalation to Outreach/NNP
2	Accurate NEWS score	5	Observations signed for
3	NEWS score complete	6	Documentation on the action chart to support the NEWS score

It is clear to see from the results that in less than three months there has been a significant improvement in all areas of compliance. More importantly, the most significant progress has been demonstrated in those areas identified in the initial audit as having the poorest compliance.

- **21% increase** in the frequency of observations being appropriate to the patient's level of care and in keeping with the NEWS algorithm
- **59% increase** in appropriate escalation to the NNP/ Outreach
- **18% increase** in the documentation on the supporting action chart

This is a testament to the hard work and commitment of the Resuscitation Team who have been the driving force behind implementation of NEWS, but more importantly in supporting staff to recognise and manage patients who become acutely unwell. It is also extremely reassuring to see that education and training is being received well and the learning and feedback from key safety workstreams is filtering through to the clinical staff.

Training effectiveness

Objective: Monitor training effectiveness

Action: Measure the number of staff trained against the training needs analysis

By when: March 2017

Outcome: Since April 2016, 2,463 members of staff have been trained across the organisation in Level 2 adult Basic Life Support (BLS) Resuscitation, including the management and recognition of the deteriorating patient (FPH=1,435; WPH=1,028)

Status: Ongoing

The table below shows the number of staff trained in Level 2 Adult BLS Resuscitation broken down by staff type.

	FPH	WPH
Nurses & Midwives	1051	720
Doctors	313	275
Operating Department Practitioners	55	21

Source: Extracted from Mandatory and Statutory Training System

The Level 2 training statistics for adult BLS Resuscitation have been diluted as the Healthcare Assistants were included in the group with the registered nurses and Operating Department Practitioners.

We have also now changed the time on the Wexham site to facilitate and release staff to attend (following feedback given by the Ward Sisters as a result of discussions at their meetings).

Additional training regarding the recognition and management of the deteriorating patient is included in the joint Sepsis and Acute Kidney Injury (AKI) session now included as part of the Annual Patient Safety update and in NEWS training.

Learning from incidents

Objective: Design and influence training programme with learning from incidents

Action: Incorporate learning/feedback from incidents into training

By when: March 2017

Outcome: Incidents are fed into Annual Patient Safety Training, Alert and Immediate Life Support scenarios and at induction. Face-to-face training is supported by the online training package

Status: Achieved



The Resuscitation team is an integrated part of the Clinical Education Team and liaises closely with the Patient Safety Committee and the wider Patient Safety Team. Key messages regarding learning and feedback are disseminated via the Director of Nursing bulletin and the Patient Safety Committee bulletin. There is a clinical presence across all sites to identify issues related to deteriorating patients and feedback any learning.

Some of the key themes highlighted as a result of the investigations undertaken following incidents are:

- Early escalation and planning
- Decisions regarding 'Do Not Attempt Cardio Pulmonary Resuscitation' (DNACPR)
- Fluid balance, observations, plans
- Electrolytes.

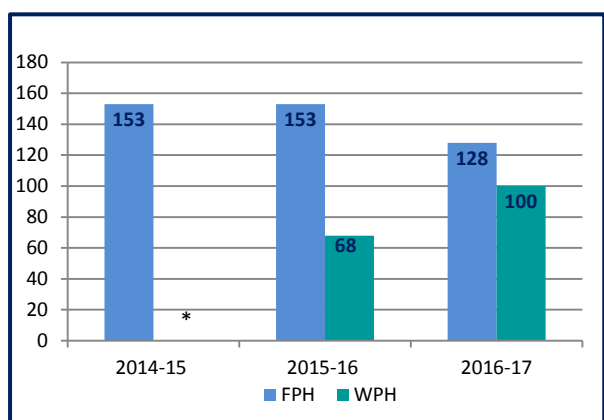
Cardiac arrests

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.

All cardiac arrests are investigated by a Resuscitation Practitioner who escalates areas of concern and any trends or themes to the Patient Safety Team and Resuscitation Clinical Advisory Groups which are site-specific. The themes are also shared at the Mortality Review Groups.

Extensive work is carried out by the Resuscitation Team to support the wards and clinical areas to ensure fewer patients have cardiac arrests because they receive prompt review and treatment. This is achieved by holding lunchtime learning sessions on the wards, undertaking daily patrols on the wards and offering clinical guidance to staff.

One of our key objectives for 2016/17 was to ensure standardised data collection continued across both sites. In July 2015 Wexham Park hospital aligned their data collection methods for cardiac arrests to replicate the process used by Frimley Park hospital. Therefore, we have our first full year of data for both sites. The results are shown in the graph below.



Source: Trust data

*Data collection for cardiac arrests at WPH was instigated by the Trust in July 2015

The National Cardiac Arrest Audit report shows that the survival to discharge rate for patients who had an in-hospital cardiac arrest at FHFT between April - December 2016 was an impressive 33% against the national average of 18%.

Emergency trolleys

In last year's Quality Report we said that emergency equipment across all sites was in the process of being standardised. We are delighted to say that all emergency trolleys are now standardised across all three hospital sites and the process for checking this equipment is the same. Frimley Park hospital's compliance with emergency trolleys has been above the 90% target since April 2016. Compliance at Wexham Park hospital has also been predominantly above 90%. However, there are five wards/units where compliance just falls short of the target and, therefore, more targeted training will be undertaken to ensure improved practice in these areas.

Sepsis

Sepsis is a life-threatening illness caused by the body overreacting to an infection. The body's immune system goes into overdrive, setting off a series of reactions that can lead to widespread inflammation (swelling) and blood clotting in the body.

In our 2015/16 Quality Report, as part of the deteriorating patient work stream and with the rationale of reducing preventable harm, we agreed to continue monitoring compliance against relevant indicators, but specifically in relation to screening for sepsis, administration of antibiotics within one hour and compliance with the six components of the sepsis care bundle.

The table below shows quarterly compliance for the Trust over the year against the components of the sepsis care bundle.

FRIMLEY HEALTH		
Sepsis 6 component	July 2016	Dec 2016
Use of oxygen	88%	96%
Blood cultures	92%	89%
Antibiotics within 1 hour	58%	72%
Use of lactate	96%	82%
Use of fluids	83%	97%
Urine output	92%	95%
Antibiotic review carried out in 24hrs	100%	92%

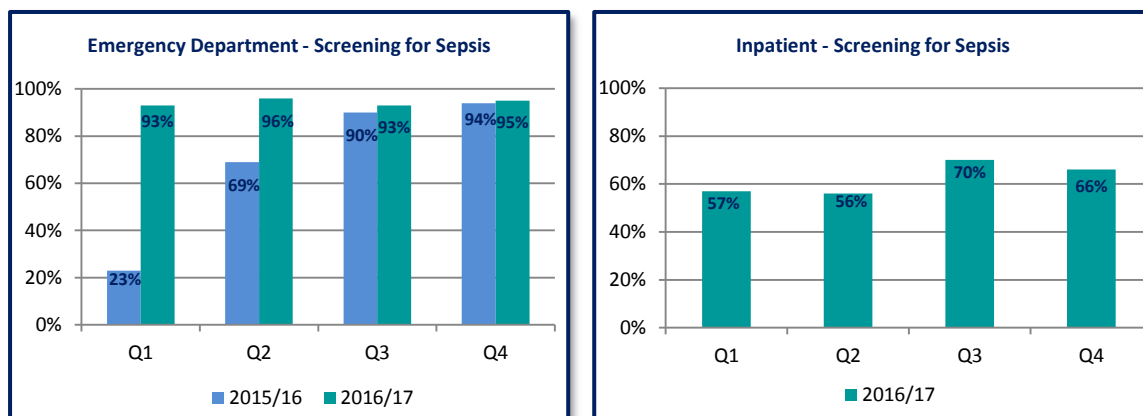
Source: Trust data

Sepsis is part of the national Commissioning for Quality and Innovation (CQUIN) programme which focused on two elements in 2016/17.

1. The first standard relates to the screening of patients for sepsis within both the emergency admission and inpatient areas. (Monitoring the screening of patients for sepsis in inpatient settings is new for 2016/17.)

During 2016/17 we consistently achieved above the 90% CQUIN target for sepsis screening in the emergency admission areas (94% end of year compliance). Compliance with screening of inpatients was at 60% by the end of the year which is a significant improvement compared to the beginning of the year.

The graphs overleaf show the improvements we have made in the screening of sepsis over the last two years.

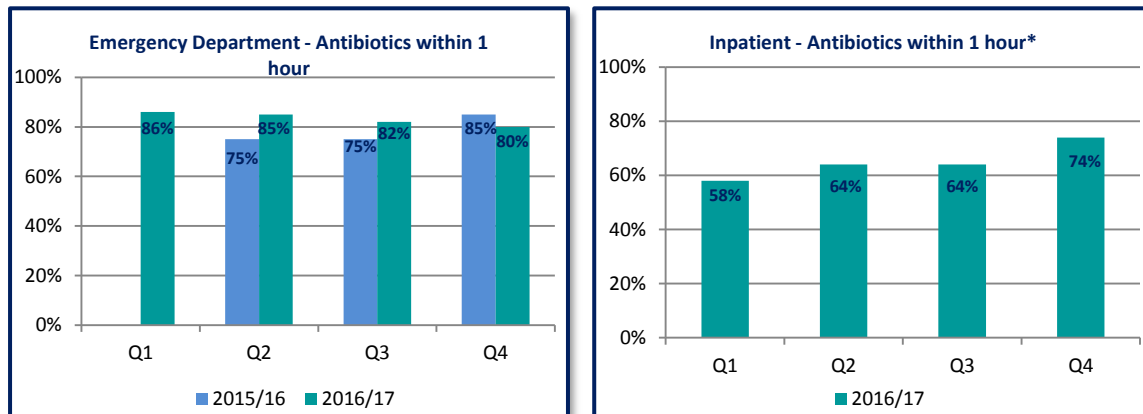


Source: Trust data submitted as part of the CQUIN

2. The second standard sets out that patients who are diagnosed with severe sepsis within emergency admission and inpatient areas should receive antibiotics within one hour. (Monitoring the administration of antibiotics within one hour for sepsis in inpatient settings is new for 2016/17.)

By the end of 2016/17 we achieved 83% compliance with this element of the CQUIN in the Emergency Department and 65% in inpatient areas.

The following graphs show our performance with giving antibiotics within 1 hour in both settings.



Source: Trust data submitted as part of the CQUIN

*In 2016/17, review of antibiotics within 72 hours was included

Actions we took to improve practice:

- continued meetings of the sepsis group
- continued training programme (included on Patient Safety update training) with targeted training sessions to relevant wards and stands at the “Clinical Skills Blitz” days
- AKI & Sepsis specialist nurse role introduced at Frimley Park hospital in 2016 to support staff with education training and best practice
- Implementation of the new National Institute of Clinical Excellence (NICE) guidelines on the recognition and management of Sepsis following its publication in 2015. This included a revised sepsis bundle for Frimley Health which was launched in December 2016 in line with National Sepsis Campaign.

Acute Kidney Injury

Acute Kidney Injury is a rapid loss of kidney function.

The national CQUIN for AKI was introduced in 2015/16 which focussed on the percentage of patients with AKI treated in an acute hospital whose discharge summary to their GP included each of the following 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 following table shows our performance against the AKI CQUIN during 2016/17 and the previous year as a comparison.

AKI – CQUIN Results				
	Q1	Q2	Q3	Q4
2015/16	26%	35%	60%	83%
2016/17	78%	81%	76%	76%

Source: Trust data submitted as part of the CQUIN

Over the course of 2016/17, the Trust has maintained steady compliance in the completion of the above information on patient discharge summaries, thus ensuring a safer transfer of care for our patients.

There has been a significant amount of work undertaken to ensure the correct information reaches the discharge summaries. This work has led to far more robust systems being implemented to identify, treat and manage AKI and, ultimately, has resulted in a positive impact on patients and their safety and care.

Good practice was identified in the following areas:

- AKI patient information leaflets have been distributed to all inpatient ward areas to inform patients and relatives/carers about kidney health awareness
- A monthly focus group has been in place since November 2015 and is attended by ward staff including representatives from pharmacy and junior doctors. These meetings are used for teaching and cascading information on the quality improvement projects including CQUINs. AKI has been a regular topic discussed at the focus group including updates on the bundle and audit results for individual audits. Wards are represented by either a senior sister or a sister to ensure key messages and learning is disseminated to the ward staff
- A “Clinical Skills Blitz” took place in April 2017 and AKI discharge was featured. These events are held regularly to raise awareness of clinical issues such as Sepsis, catheter care and pressure ulcer management

- Trainings sessions have been developed and delivered in a number of ways to junior doctors, ward teams, 1-1 sessions and Patient Safety Training days
- Both of the main hospital sites have Consultant Leads who are passionate in driving this workstream forward
- The CQUIN lead and AKI Specialist Nurses link into ward meetings to update staff on changes in practice
- AKI/Sepsis Specialist Nurses are in post on both sites who undertake regular ward walks with the renal Pharmacist
- Progress has been made to update and improve the e-learning module for staff across the organisation
- AKI bundles are easily accessible on all the wards. Wards are open to new initiatives and the bundles will be displayed either in boxes, folders or wall mounted holders
- HWPH have developed excellent working relationships with a National Lead for AKI who supports and works alongside the team
- HWPH is well supported by the Renal/Nephrology team from the Royal Berkshire Hospital, Reading with patient clinics and referral/review system Monday – Friday.

Next steps

- Continue education for clinical staff, focussing on the top 3 risk factors
- Continue to provide education for patients and relatives/carers
- Review the AKI care bundle and agree the areas of standardisation
- Continue updates at doctors' induction and other regular training sessions
- Enhance the existing care home relationships and discuss AKI presentation/information sharing at local care home forums
- Share baseline data and audit results to the ward sisters, matrons, Chiefs of Service and Heads of Nursing
- Maintain and update organisational improvement plan to include all areas identified.

Priority 2: Good discharge planning, involving patients and their families and/or carers

Frimley Health is committed to improving the safety and timeliness of discharges across all three of its hospitals. People's physical and mental ability and independence can decline if they are spending time in a hospital bed unnecessarily. They are also at risk of developing hospital-acquired infections. In addition, acutely ill or planned elective patients may not be able to access services if beds are occupied by other patients whose care can be safely managed in another setting.

Why we chose to monitor progress against this?

- Discharge planning has been identified as an issue for the Trust based on feedback from our patient surveys, feedback from stakeholders, complaints received and Patient Advice & Liaison Service (PALS) records.
- Discharge planning is linked to our 'Sign up to Safety' campaign priorities and is also a national priority and challenge.
- We chose discharge planning as one of our transformation projects for 2016/17 in order to improve patient experience and support families and carers and ensure patients and carers are fully briefed on discharge and arrangements made for ongoing treatment following discharge. An improved process around discharge planning will enable improved patient flow, optimised length of stay and control capacity across the Trust.

Identifying the barriers and engaging staff

Objective: Identify barriers to good discharge and engage medical staff and multi-disciplinary teams

Action: Review NICE guidance
Monitor attendance at Strategic Discharge Group

By when: Sept 2016

Outcome: Strategic Discharge Group established involving medical staff and mutli-disciplinary staff. Action plan implemented.

Status: Achieved



The Trustwide Strategic Patient Discharge Group was set up in July 2016 to pull together the various strands of discharge work going on across the Trust at different levels and by different staff groups.

In the first six months a benchmarking exercise was conducted which identified the barriers to good discharge from which an improvement plan was developed. The actions included in the plan apply to all hospital sites and are specific where necessary, as the local demographics, social care and local authority landscapes differ across the region. All actions are reviewed and updated on a monthly basis. An additional action has been included to help support the ambulance service contractual requirement of 33% of patients requiring transport to be booked the day before discharge.

A baseline assessment tool was implemented across all of the Trust sites and analysis has taken place of all NICE recommendations.

Work is still ongoing to map the extensive discharge work across the Trust which will feed into this Strategic Group. A further group is being developed which will be clinically-led with the specific remit of improving the discharge summaries and aligning them across sites.

The pilot of the implementation of the SAFER care bundle has been successfully piloted in the Medical Directorate at Wexham Park. The Hospital Executive Board will receive a paper in May outlining the plan to roll this out to the rest of the Trust. Following this, a big launch is planned with an extensive communication plan in place to ensure it reaches staff at all levels and patients and their carers.

Training and education

Objective: Increase training and education in discharge planning

Action: Monitor the number of staff attending training programmes

By when: March 2017

Outcome: Total number of staff trained to date
(NIC masterclass)
FHFT = 459
(FPH = 266; WPH = 193))

Status: Achieved



We have also delivered a condensed Nurse In Charge (NIC) session which is incorporated into the Preceptorship study days to give exposure to the NIC role expectations and standards the Trust aspires to.

Frimley and Wexham hospital sites delivered 459 Nurse in Charge/Midwife (MIC) training sessions over 2016. These sessions are targeted at any Registered Nurse or Midwife fulfilling the role of being in charge of a shift (inpatient or outpatient settings). All attendees then complete a competency assessment within six weeks of attending a 'masterclass'. Sessions are sometimes just a refresher for a nurse/midwife who has already been practicing in the 'in-charge' capacity.

The individual sessions within the 'masterclass' cover safety handover, risk management, bed management and discharge planning/flow management, workforce/safe staffing, and

PALS/complaint handling. All sessions are aimed at ensuring a nurse or midwife in charge of the shift are suitably skilled in improving the safety, quality and experience of our patients and workforce.

Excellent progress has been made since the introduction of these 'masterclasses' although there are still outstanding numbers of nurse and midwives who need to attend a session cross-site and complete their competency. Dates for cross-site masterclasses have been organised and circulated until December 2017.

Preceptees who are newly qualified are also now being exposed to the nurse or midwife in charge masterclass by way of a condensed teaching session as part of their Preceptorship period. They are not expected to complete the competency but are aware of the expectations within the nurse in charge role through the session being delivered. It gives them space and time to consider how they can support the nurse in charge, but also helps them to identify what skills they need to develop to fulfil this role in the coming months.

The sessions have had excellent feedback from those attending, scoring an average of 4.5/5 on both content/delivery of the sessions. "I have enjoyed and gained so much from the sessions which I can utilise in practice' has been a common theme from narrative feedback from the nurses/midwives attending".

The Complaints Team have also developed a training film based on discharge issues fed back by patients.

Estimated Date of Discharge (EDD)

Setting an estimated date of discharge for patients during their admission reflects good management of the patient journey. It also supports patient flow throughout the organisation and promotes good practice in discharge planning.

In 2015/16, progress with the setting of EDDs was steady but we made a commitment to further improve this quality indicator to improve the setting and reviewing of the expected

date of discharge for patients as a commitment to support our patients' journey through their time in hospital.


Objective: Improve overall compliance of EDD setting

Action: Measure % patients that have an:

- EDD set within 24 hours of admission
- EDD that is the date of discharge

By when: March 2017

Outcome: Overall reduction in compliance

Status: Behind plan 

The overall compliance of setting the EDD within 24 hours of admission is 37.7%. The cause of the drop in EDDs being recorded is due to the lack of ability to use this information in a meaningful way in the currently out-dated version of the patient flow management system (RealTime). It has, therefore, resulted in alternative manual methods of managing EDDs. This means that, although compliance has reduced, it does not accurately reflect the good clinical practice by staff and, anecdotally, the feedback from patients.

Performance against the setting of EDDs is shown in the table below

Indicator	Q1	Q2	Q3	Q4
EDD set within 24 hours of admission	39.7%	39.8%	38.4%	37.7%
Discharges on the Expected Date of Discharge	17.7%	16.1%	16.0%	17.7%

Source: Trust data extracted from RealTime system

We recognise that there is still much work to do to improve the setting of EDDs. Early in the financial year the Trust made a significant investment to upgrade the patient flow solution

across the Trust in order to align the system. Unfortunately, there have been a number of supplier related delays.

Once in place, this will positively impact EDD setting as the new system will align with the SAFER discharge bundle, including alignment of terminology e.g. clinically fit for discharge dates. This will also then enable the clinical staff to analyse and act on their performance indicators.

The new solution should be in place by 31st May 2017 across the Trust. It has not been possible to implement the change sooner due to supplier issues.

Involving patients and/or carers in discharge planning

Historically, the Trust has faced key challenges in succinctly capturing the experience of carers. However, over the last two years the Trust volunteers, Dementia Care Specialist Teams and Nurse Specialists on all sites have spent a lot of time and effort gathering patient and carer feedback about the services we provide. We receive feedback through a range of different methods, including surveys, patient stories and patient experience surveys all of which provides us with pivotal information regarding improvement.

During 2016/17 we received 5,468 responses (over 6000 in 2015/16) from patients/carers specifically related to their involvement in planning for discharge.

One of our objectives for 2016/17 was to make improvements in compliance with the inpatient survey question that specifically asks,

“Do you feel that you and your family/carers have been involved in planning for your discharge from hospital?”

At the end of 2015/16, only 70% of patients who were surveyed agreed with this. We ended this year with 82% of those surveyed saying that they and their family/carers had been involved in the planning of their discharge. This not only exceeds our internal stretch target of 75% but is also a 12% increase on the previous year's results.

Objective: Increase the number of patients and/or carers who feel they have been appropriately involved in discharge planning/ home circumstances reviews (target $\geq 75\%$)

Action: Monitor results from the patient experience tracker

By when: March 2017

Outcome: 82%

Status: Achieved 

The following work has been carried out over the last year to ensure these improvements could be made:

- Clear and concise documentation of regular conversations/updates and involvement of family
- Early identification for additional requirement of support from Pharmacy to optimise medication
- Improved information/recommendations and advice provided on the discharge summaries
- Enhanced communication with the community settings

Next steps

- 'Supporting Safe and Proactive Discharge' will be a national CQUIN for 2017/18. The aim will be to increase the number of patients who are discharged to their usual place of residence within 3 to 7 days (applicable to patients aged 65 years and above). This will involve mapping and streamlining existing discharge pathways across acute, community and NHS care home settings and rolling out protocols in partnership across local whole systems.
- The Trustwide policy for the safe and timely discharge of patients from hospital will be implemented in May 2017. It is designed to ensure patients receive the right care in the right place at the right time, and that Trust staff understand their role and responsibilities when working with external health and social care partners. The policy

recognises the importance of commencing the planning process at the earliest opportunity, identifying associated risks, involving the patient and their carer's at all stages in the process.

Priority 3: Improving the quality of End of Life care

Achievement of a person's preferences for end of life care (EOLC) is a moral and policy imperative. As a Trust, we aim to support and increase the numbers of patients receiving care in their preferred place of care (PPC).

We believe that Individualised care planning should focus on the following aspects of patient care:

- **goal of the patient**
- **quality of life and death**
- **involvement of the people who are important to them with honest discussions and planning**
- **responsive and timely support**
- **addressing the patient's and carer's emotional, physical, spiritual and practical needs**

Why we chose to monitor progress against this?

- 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
- 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.

Preferred place of care (PPC) achieved

One of our key objectives for the year was to determine the number of end of life patients who are known to the palliative care team who achieve their preferred place of care.

In order to ascertain how many patients reach their PPC, an audit was undertaken between July - September 2016 to establish a baseline for the data. The results demonstrated that in 87% of cases, PPC was achieved where patients/families were able to identify and record their wishes.

The internal barriers to achieving PPC were identified and an improvement plan put in place to address the issues. This forms part of the Commissioning for Quality and Innovation (CQUIN) requirements that we are obliged to adhere to.

The key challenge for the palliative care team is that the volume of referrals they receive has increased significantly and continues to do so. This has had a significant impact on the capacity of the team as they do not have sufficient capacity to cope with the increased complex workload. There are currently no vacancies on either site. However, there are significant challenges in recruiting staff with the appropriate specialist skills when vacancies do arise.

Objective: Determine the number of end of life patients who are known to the palliative care team who achieve PPC and identify any internal barriers

Action: Undertake baseline audit and develop improvement plan

By when: September 2016

Outcome: 93%

Status: Achieved



Root cause analysis (RCA)

All cases where patients did not achieve their PPC were reviewed in depth using RCA techniques. Below are some of the key themes/ issues that were identified as part of this investigation:

Themes:

1. Delays in referral to the palliative care team by the treating team
2. Delays in discharge planning on the ward, particularly in ascertaining PPC
3. Reliance on the palliative care team to have discussions around PPC or preferred place to die (PPD)

Actions:

1. Palliative care patients needing health care funded discharge support may experience some delays due to the capacity in the palliative care team and discharge team to complete lengthy required documentation
2. Ongoing education of ward staff on mandatory training regarding benefits of early discussion regarding PPC
3. Enhanced communication skills training programme provided across the Trust. Two additional facilitators trained to support the current programme and additional course will be available in 2017.

Plans to submit a bid for the Sage & Thyme Licence for Frimley Health -communication skills training for junior non-clinical and clinical staff.

Objective: Carry out RCA on patients who did not achieve PPC and act on themes and issues

Action: Undertake root cause analysis

By when: September 2016

Outcome: Themes identified and actions taken to minimise future occurrence

Status: Achieved and ongoing



Trustwide End of Life care plan

A Trustwide care plan to support individualised care of the dying patient, which addresses their cultural, spiritual and psychological needs, was introduced to all wards across the Trust in August 2016. 'My Care Plan' was implemented alongside an ongoing education programme Trustwide, including both medical and nursing staff.

Objective: Support individualised care of the dying patient, which addresses their cultural, spiritual and psychological needs

Action: Introduce a Trustwide EOLC care plan and audit its usage

By when: August 2016 (care plan)
December 2016 (audit)
March 2017 (re-audit)

Outcome: Good practice and areas for improvement identified

Status: Achieved and ongoing



An audit of the care plan was completed to establish baseline data. The findings are shown below.

Good practice:

- Reasons why the treating team had identified the person as likely to die in the coming hours/days were documented in full/partially in all cases
- The patient's own understanding of the clinical situation and their required level of involvement was documented in full/partially in all cases
- There was documentation of the conversation involving the patient in 84% of cases
- The family's understanding of the clinical situation and care plan was documented in 88% of cases
- The family's agreement with the patient's priorities of care and clinical plan was documented in full/partially in 88% of cases

- The patient's/family's wishes and discussions around artificial hydration and nutrition were documented in 80% of cases.

Areas for improvement:

- The level of information wanted by the patient was documented in only 24% of notes
- The preferred place of death was documented in 56% of care plans
- The patient's wishes and preferences for future care were only fully documented in 24% of care plans with spiritual/religious needs documented fully in only 1 care plan
- The patient's specific needs at or after death were only documented fully/partially in 12% of care plans. With family's wishes and requirements at time of death similarly recorded in only 12% of documents
- The nurses initial holistic care plan was only completed in approximately 60% of care plans
- Following the repeat audit in March 2017, there has been **22% improvement** in documentation of End of Life care for Quarter 4.

End of Life Steering Group

Both main sites have well established EOLC steering groups with multi-professional membership. There is also Board representation at the meetings.

A comprehensive action plan is reviewed and monitored at each meeting.

Joint cross site meetings are held annually in June and an EOL Conference is taking place in October 2017.

Patient feedback

During 2016/17, we continued to monitor feedback received from our patients via complaints, incident reporting, the patient experience tracker, and national and local surveys.

All complaints are reviewed by the EOLC chair and themes and highlights are discussed at every meeting as part of the EOLC steering group agenda.

The local Palliative care survey has been implemented on both main hospital sites and we are currently launching a survey for bereaved relatives.

Memorial services are currently held at both Frimley Park and Wexham Park hospital sites. Future dates for 2017 have now been agreed.

Next steps

- Submit the bid for the Sage & Thyme Licence at Frimley Health to improve communication skills for non-clinical and clinical junior staff
- Additional capacity to support the timely discharge of patients to their PPC
- Enhance further our working relationships with primary care and the voluntary sector to provide a seamless service for local patients and families.

Quality priorities for improvement in 2017/18

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.

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
(Implementation of the National Safer Discharge Bundle)

Priority 3: Mental health within the non-specialist ward setting

Priority 1: Identification and management of the deteriorating patient

Why have we chosen this as a priority for the coming year?

Over the last year, we have made significant progress in identifying and managing deteriorating patients and have been able to review our progress across the Trust and identify areas for improvement.

Implementation of the new, cross site monitoring system (NEWS) last year enabled alignment for escalation. Therefore, we feel it is essential to continue monitoring progress and compliance with the system.

Clinical concerns regarding the management of deteriorating patients continue to be identified via incident reporting, soft intelligence gathered from the Resuscitation teams

and their on-going interaction with the Outreach teams and the Night Nurse Practitioner (FPH only) also by clinicians during the mortality screening process and incidents that are discussed and then escalated with the Resuscitation Committee Cross site chair.

We recognise that this is an area where we need to continue carrying out further education and training to build staff's confidence in responding appropriately.

How will we monitor progress?

- We will repeat the audit of the NEWS system once it has been in place for a year on both sites (May 2017 at FPH and September 2017 at WPH). The next Frimley Health audit will be in September 2017, to ensure the high level of compliance with each element is maintained.
- We will continue to monitor training effectiveness by measuring the number of staff trained against the training needs analysis. This will include a different approach to how we collect the data of staff that have attended an Advanced Life Support courses external to Frimley Health.
- Continue to design the training programme around the learning and feedback from incidents.

Priority 2: Good discharge planning, involving patients and their families and/or carers

Why have we chosen this as a priority for the coming year?

Discharge planning continues to be an issue for the Trust as shown through our patient experience tracker, Friends and Family Test, feedback from stakeholders, complaints and Patient Advice and Liaison Service (PALS) records.

The Safer Discharge Bundle was piloted at Wexham in Medicine and has shown improvements. The decision has been made to move forward with a Trustwide launch once a paper has gone to the Trust Board to get support and we have the upgraded version of the electronic system for capturing admissions, discharges and transfers (ADT) in place. This is reflected in the Discharge CQUIN report for Quarter 4 following the last strategic group meeting. The bundle will allow us to identify red and green days (?) to understand where the delays are in the system.

An updated version of the electronic system used to capture the estimated date of discharge (RealTime) for patients is due to be implemented by 31st May 2017. This will allow us to capture the data more efficiently and ensure the data is reported in the same way across all three sites.

How will we monitor progress?

- Following implementation of the National Safer Discharge Bundle, a baseline will be obtained against which we will monitor and improve compliance with the specific elements of the bundle.
- Develop and review a quarterly progress report which monitors the uptake of all wards that have been given access to the upgraded version of ADT.
- We will continue to increase our training and education in discharge planning. This includes the nurse in charge masterclasses which focus on estimated discharge dates, effective ward round, pre-operative improvements and patient awareness. This will be measured by the number of staff attending the training programme.

Priority 3: Mental health within the non-specialist ward setting

Why have we chosen this as a priority for the coming year?

The number of incidents related to patients with mental health issues, or who are confused or suffering delirium has increased. Therefore, we are developing the skills and confidence of our staff by providing training in recognising and de-escalating challenging behaviours and ensuring that our patients have access to rapid specialist mental health assessment and treatment.

The Deputy Director of Nursing has established a multi-specialty and multi-agency Acute Mental Health Crisis group to drive improvements. An improvement plan is in place based on the requirements of the Mental Health Concordat and the principles of Parity of Esteem.

The Frimley Health and Care STP places a strong focus on supporting good mental health and physical health and will support our work around Mental Health and our local transforming care plans for people with learning disabilities. The delivery of the STP requires mental health and learning disabilities to be integrated throughout the plan.

How will we monitor progress?

- We will continue to work with colleagues from across the STP footprint focussing on the following four areas of mental health:
 - prevention and self-care
 - support workforce
 - integrated care decision making hubs
 - GP transformation.
- We will continue to monitor the number of incidents relating to challenging behaviour in patients with either mental health concerns or who experiencing periods of confusion to identify and act on the key themes and issues.
- We will aim to ensure that all relevant staff in high risk areas receive appropriate training. The number of staff trained will be measured.
- This will include:
 - Working in conjunction with Broadmoor Hospital

- Development of a training DVD to raise awareness of the roles and accountabilities of the nursing, clinical and security staff when managing challenging behaviour.

Statements of assurance from the Board

Review of services

During 2016/17, Frimley Health NHS Foundation Trust provided and/or sub-contracted services for 7 categories of healthcare provision¹.

Frimley Health NHS Foundation Trust has reviewed all the data available to them on the quality of care in all 7 healthcare provision categories.

The income generated by the relevant health services reviewed in 2016/17 represents 100% of the total income generated from the provision of relevant health services by Frimley Health NHS Foundation Trust for April 2016 – March 2017.

Participation in clinical audits

During 2016/2017, 43 national clinical audits and 4 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 table on page 56-57 shows:

- The national clinical audits and national confidential enquiries that Frimley Health Foundation Trust was eligible to participate in during 2016/17
- The national clinical audits and national confidential enquiries that Frimley Health Foundation Trust participated in during 2016/17
- The national clinical audits and national confidential enquiries that Frimley Health NHS Foundation Trust participated in, and for which data collection was completed during 2016/17, are listed below, 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.

¹ It is surprisingly difficult to accurately define the services we provide into individual services as there are many cross overs and a holistic view of service provision is what we are aiming for.

National Clinical Audit/ Enquiry	Eligible	Participated	% of cases submitted
Acute			
Case Mix Programme (CMP) Intensive Care National Audit & Research Centre (ICNARC)	✓	✓	100%
National Emergency Laparotomy Audit (NELA)	✓	✓	FPH 100% HWP 93.7%
National Joint Registry (NJR)	✓	✓	FPH 98% (2016); 100% (2017 to date) HWH 99% (2016); 99% (2017 to date) WPH 85% (2016); 80% (2017 to date)
Major Trauma (Trauma Audit & Research Network (TARN))	✓	✓	FPH 82-96% (Apr-Dec 2016) HWP 62%
National Comparative Audit of Blood Transfusion programme: Use of blood in haematology	✓	✓	100%
National Comparative Audit of Blood Transfusion programme: Patient blood management in scheduled surgery	✓	✓	100%
RCEM Severe Sepsis and Septic Shock	✓	✓	100%
RCEM Asthma	✓	✓	100%
RCEM Consultant Sign-Off	✓	✓	100%
Cancer			
Bowel Cancer (NBOCAP)	✓	✓	100%
Lung Cancer (NLCA)	✓	✓	99%
National Prostate Cancer	✓	✓	FPH 100% HWP 98%
Oesophago-gastric Cancer (NAOGC)	HWP only	HWP only	HWP 60%
Heart			
Acute coronary syndrome or acute myocardial infarction (MINAP) public report analysis	✓	✓	100%
Cardiac Rhythm Management (CRM)	✓	✓	FPH 100% HWP Not yet available
Coronary Angioplasty	✓	✓	FPH 100% HWP 100% (Jan-Dec 2016); Not yet available (Jan- to date 2017)
National Cardiac Arrest Audit (NCAA)	✓	✓	100% Data submission is still in progress and figures relate to most recent figures available for Q1-Q3
National Heart Failure Audit	✓	✓	FPH 100% HWP Not yet available
National Vascular Registry	FPH only	FPH only	100%
Long Term Conditions			
Diabetes National Foot Care Audit	✓	✓	100%
Diabetes National Inpatient Audit	✓	✓	100%
Diabetes National Pregnancy in Diabetes (NPD)	✓	✓	100%
Diabetes National Core Audit	✓	✓	Data submission for 2016/17 due end of July 2017
Diabetes (Paediatric) (NPDA)	✓	✓	FPH 100% HWP Not yet available
Inflammatory bowel disease (IBD) programme	✓	X	On 1 st March 2017, the IBD Audit Programme transitioned to a Registry and we are currently scoping an internal IT solution to be able to submit data for this audit

National Clinical Audit/ Enquiry	Eligible	Participated	% of cases submitted
National Chronic Obstructive Pulmonary Disease (COPD) Audit Programme	✓	✓	100% Continuous audit currently in progress (commenced in Feb 2017)
UK Cystic Fibrosis Registry: Adult	FPH only	FPH only	100%
Medical and Surgical Clinical Outcome Review Programme (NCEPOD)			
Acute Non-Invasive Ventilation	✓	✓	Study still open and figures have not been finalised
Child Health Clinical Outcome Review Programme: Chronic Neurodisability	✓	✓	Study still open and figures have not been finalised
Child Health Clinical Outcome Review Programme: Chronic Young People's Mental Health	✓	✓	Study still open and figures have not been finalised
Cancer in Children, Teens and Young Adults	✓	✓	Study still open and figures have not been finalised
Older people			
Falls and Fragility Fractures Audit Programme (FFFAP) – National Hip Fracture Database	✓	✓	FPH 100% HWPB Not yet available
Sentinel Stroke National Audit Programme (SSNAP)	✓	✓	FPH 100% HWPB 99% Data submission and validation is still in progress and data quality / completeness is subject to change
Other			
Elective Surgery (National PROMs Programme)	✓	✓	April-Sept 2016 Primary THR 98 Revision HR 7 Primary TKR 63 Revision KR 4 Varicose veins 6 Groin hernia 113
National Ophthalmology Audit: Adult Cataract Surgery	FPH only	FPH only	100%
Adult Asthma (BTS)	✓	✓	FPH 80% HWPB 100%
Endocrine and Thyroid National Audit	✓	✓	Not yet available
Learning Disability Mortality Review Programme	✓	✓	To be rolled out in South England in 2017
National Audit of Dementia	✓	✓	100%
Nephrectomy Audit	✓	✓	FPH 91.3% HWPB % not available (2 cases submitted)
Percutaneous Nephrolithotomy	FPH only	FPH only	FPH 100% HWPB % not available (5 cases submitted)
Stress Urinary Incontinence Audit	✓	✓	FPH 100% HWPB % not available (2 cases submitted)
Women's and Children			
Paediatric Pneumonia (BTS)	✓	✓	FPH 98% HWPB 99%
Maternal, Newborn and Infant Clinical Outcome Review Programme (MBRRACE-UK)	✓	✓	100%
Neonatal Intensive and Special Care (NNAP)	✓	✓	100%

National clinical audit

The reports of 52 national clinical audits were reviewed by the provider in 2016/17 and Frimley Health NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:

Mothers and Babies: Reducing Risk through Audits and Confidential Enquiries (MBRRACE)

Frimley Health has bereavement support on both sites that support staff and mothers. Gap and Grow protocol on both sites. A multidisciplinary management review of all cases was commenced on the Wexham Park site from April 2016.

National emergency laparotomy audit (NELA)

- In April 2016 the NELA performance on the Wexham site was reported as red at 5.7% for the estimated cumulative percentage of cases entered. The Clinical Audit team undertook a review of the process within the Anaesthetics Department and identified areas of improvement. The team continued to work with the Consultants closely and, since March 2017, Wexham Park hospital has achieved 100% compliance. The work will be continuing between the two teams and the surgical teams to ensure these results are sustained
- There is very good practice regarding preoperative risk assessment and post-operative admission to critical care
- A quarterly poster is prepared demonstrating audit results and improvements to help raise profile and awareness of audit to staff on the Frimley Park site and will be rolled out on the Wexham Park site during 2017/18
- Frimley Park Hospital is part of the Emergency Laparotomy Collaborative which is a regional quality improvement project funded by the Health Foundation comprising of 28 hospitals. Wexham Park site will be joining during 2017/18. The Emergency Laparotomy Collaborative has been nominated and shortlisted for a Health Service Journal Patient Safety Award in 2017 for 'Patient Safety in Surgical Care'
- Elderly Care referrals are an issue for those patients who would benefit from the referral peri-operatively. This is due to a national shortage of elderly care physicians which has been challenging to recruit to for the hospital.

Cardiac Rhythm Management

The Cardiology department participated in the Cardiac Rhythm Management audit and as a result was recognised by NHS England as having a 'very robust' patient pathway and as being 'an area of best practice'. The Wexham Park hospital report was also circulated by NHS England to highlight the Cardiology team as an example to be followed.

National Diabetic Foot Audit

The hospital's multidisciplinary team was formed in 2012 and is led by a consultant physician. Since then it has reduced the major amputation rate in the east of the county from 0.9 per 1,000 diabetic patients to 0.5. The 23-strong Wexham Park team, which includes podiatrists, a microbiologist, vascular and orthopaedic consultants, orthotists, plaster technicians and radiologists, among other specialist nurses, works with community specialists to ensure patients get the right treatment at the right time.

The foot pathway has been a major focus of our improvement work over the course of the last year. Our results in the National Inpatient Audit shows that 100% of patients admitted with active foot disease were seen with 24 hours of admission and there has been a reduction in patients admitted with active foot disease.

BTS Smoking Cessation Audit

On the Wexham Park site the smoking cessation audit demonstrated poor identification of smokers admitted to the Trust and poor knowledge of the Smoking Cessation services available. Awareness raising and the introduction of Smoking Cessation advisors onto the wards are aiming to improve this.

BTS Adult Asthma

The asthma audit highlighted many aspects of good care but areas requiring improvement including better assessment of peak flow, Arterial Blood Gas (ABGs), inhaler technique and provision of an asthma plan. The new 'AIR' team has been set up on the Wexham Park site which will address these areas.

Rheumatoid and Early Inflammatory Arthritis (EIA)

Following participation in the National Clinical Audit of Rheumatoid and EIA the Rheumatology department at Wexham Park presented at a GP meeting to increase GP awareness and also improved the EIA referral pathway by creating new slots for EIA in 3 clinics.

BTS Paediatric Asthma

As a result of this audit we have a better discharge plan for asthma patients admitted to our

ward. We have better documentation of follow-up, whether it is in hospital, by the GP, or by the asthma nurse. We also have improved community follow-up with dedicated paediatric asthma nurses. The asthma nurses continue to do home visits of the patients for advice and medication review. There are GP training days and focus/ support groups for teenagers. These dedicated nurses continue engaging in the Health Promotion days.

7 Day Service

Frimley Health demonstrated excellent results in the National bi-annual audit against the 4 key priorities. Comparison of results within the region saw us performing above average. There has been an intense campaign to support the improvement of documentation standards to ensure Consultant reviews and involvement of patients/family/carers can be evidenced. Further work will be undertaken within specialties to ensure job planning will support 7 day services and the Sign up to Safety lead will be facilitating work to improve the handover process.

Local clinical audit

The reports of 300 local clinical audits were reviewed by the provider in 2016/17 and Frimley Health NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:

Length of stay on paediatric assessment unit – Standard < 4 hours (Wexham Park)

We have changed the Paediatric middle grade rota. The middle grades are now allocated a twilight shift. This allows for better decision making on the Paediatric Assessment Unit and better flow of patients through the unit. The triage nurses are also empowered to initiate initial management for the patient for example salbutamol nebulisers and x-rays requests.

Management of Gastroenteritis (Paediatrics) (Wexham Park)

As a result of this audit we have changed our fluid management for inpatients that have been admitted with gastroenteritis. The maintenance IV Fluids have been changed from 0.45% saline 5% dextrose to 0.9% saline and 5% dextrose in line with NICE guidance. We also have changed to using more NG tubes for fluids. This is more physiological for children and generally tolerated very well. With NG fluid management this means less blood test for

children.

Emergency Department (Wexham Park)

A quality improvement project was carried out which aimed to improve pre-alert communication between South Coast Ambulance Service (SCAS) at Wexham Park's Emergency Department. Following the findings the Emergency Department put actions into place which included redesigning the pre-alert form using the ATMIST acronym for format, moving to a clinician led pre-alert and teaching to the pre-hospital personnel and hospital personal and training of new doctors/nurses. Another action which was implemented was the introduction of a whiteboard to capture information, and is taken to the receiving area in preparation for the patient. This enabled the ambulance staff to know where the patient was being received. A re-audit has since been carried and has shown improved documentation of pre-alert calls, an initial improvement in the communication over pre-alert calls when clinician led, and good use of the whiteboard and increased preparation of nursing staff to receive patients. Additionally, a qualitative feedback form revealed that ambulance staff prefer the clinician led approach as it allows them more time to focus on the care of patient in an ambulance and can allow them the opportunity to give accurate information.

End of Life Care Plans Q3 (Frimley Park)

Audit results showed there was a reliance on Specialist Palliative Care Team to have discussions around Preferred Place of Care/Death (PPC/PPD). Therefore, we have developed a Trustwide enhanced communication skills training programme and have appointed 2 additional facilitators to support the current programme, with additional courses now being provided.

There were also delays in patients waiting for hospice beds after referral. To help address this there has been increased flexibility in admission times at Phyllis Tuckwell Hospice.

Colposcopy Patient Satisfaction Survey (Frimley Park)

Annual survey required by the Quality Assurance Reference Centre highlighted that the procedure was well-tolerated but many patients would prefer not to wait with maternity patients. Following this feedback screens are now in use to divide the waiting area.

Outpatient Hysteroscopy Patient Survey (Frimley Park)

A patient survey was undertaken to ascertain if hysteroscopy should be offered as an outpatient appointment under Local Anaesthetic rather than patients coming in and having General Anaesthetic

100% (31/31) found the whole experience acceptable – only 6% would have preferred General Anaesthetic. In light of this Frimley Park hospital continues to offer outpatient procedure under Local Anaesthetic where appropriate, ensuring all patients receive an information leaflet prior to their appointment.

Non-elective Caesarean Section (Frimley Park)

Further awareness was required regarding categorisation, documentation of reasons for delays and awareness of breach times. Risk management reviews now take place when delays occur.

Enteral Feeds on Stroke Unit (Frimley Park)

In general, stroke patients with swallowing difficulties are receiving NG feed within the recommended 24-hour period, but there is room for improvement regarding feed, fluids and NG placement.

- Proposed mandatory FPH-based NG training for all nurses new to Stroke Unit, in addition to training on wards
- Structured learning implemented on wards
- Mandatory Dietetic shadowing to be included as part of nurse induction on Stroke Unit.

Occupational Therapy Complex Discharges (Frimley Park)

It was evident that the complex discharge guideline was not being followed consistently. Actions to address this were:

- Guideline to be reviewed and updated
- Manual Handling Lead to include updated guideline in presentation to new therapists
- Department in-service training to be undertaken once guideline updated.

Staff Satisfaction with Occupational Therapy (OT) Service on Bourne Ward (Frimley Park)

Dedicated ward OT has had a perceived positive impact on referrals, communication and

discharge planning. In light of this is, it was recommended to continue OT cover for Bourne Ward in Farnham Hospital.

Patients known to Community Palliative Care Team presenting acutely at Occupational Therapy (Frimley Park)

Communication between patients/carers/MDT teams required improvement:

- Patients are offered opportunity to participate in Advanced Care Planning (where appropriate) and encouraged to share this with carers and other healthcare professionals
- Hospice patients identified as being at high risk of deterioration, or with complex needs, will have details loaded onto an electronic database (with consent) to improve joint decision-making between emergency care services and Specialist Palliative Care Team (SPCT)
- At first contact, Community SPCT will provide all patients/carers with contact details for the team, including out of hours numbers.

AquaGym (Hydrotherapy) Patient Survey (Frimley Park)

Satisfaction survey results were very positive, but there is a long waiting list. To help address this, a new morning time slot was agreed, and patient leaflet is being updated.

Physiotherapy Compliance with new NICE Back Pain Guideline (Frimley Park)

Many standards are being met, and patients are routinely given appropriate advice, but not all documentation is consistent. Therefore, a low back pain initial assessment proforma has been introduced incorporating a tick box treatment plan, updated body chart, past medical history chart, appropriate information and advice topics, consideration of start back and back to fitness class.

Speech and Language Therapy Videofluoroscopy Outcomes (Collated from 4 local acute Trusts in Surrey and Hampshire) (Frimley Park)

Findings highlighted that both Videofluoroscopy and Fibreoptic Endoscopic Evaluation of swallowing should be available in all Speech and Language Therapy Departments. The results were shared with all leads at participating hospitals, and summarised in the Royal College of Speech and Language Therapy Journal.

Participation in clinical research

The number of patients receiving relevant health services provided or sub-contracted by Frimley Health NHS Foundation Trust in 2016/17 that were recruited during that period to participate in research approved by a research ethics committee was 1,401.

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 216 clinical research studies in 20 medical specialties (Anaesthetics; Cardiology; Colorectal; Dermatology; Diabetes; Emergency Care; Haematology; ENT; Gastroenterology; Neurology; Nursing; Obstetrics & Gynaecology; Oncology; Ophthalmology; Orthopaedics; Paediatrics; Respiratory; Stroke; Urology; Vascular) during 2016/17.

Commissioning for Quality and Innovation (CQUIN) payment framework

A proportion of Frimley Health NHS Foundation Trust income in 2016/17 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 2016/17 and for the following 12 month period are available electronically at: <https://www.fhft.nhs.uk/about-us/publications>

During 2016/17, Frimley Health NHS Foundation Trust recovered income of £9,482,000 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 2015/16 was £8,841,865.

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 2016/17.

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

Following the CQC Inspection at Wexham Park Hospital in October 2015 when a number of recommendations were made, an action plan was developed to address these. All the actions identified have been completed and have been subject to a CQC Process & Registration audit by TIAA Internal Audit for which the Trust received 'substantial assurance'.

Frimley Park Hospital (August 2014)

Overall rating	Inadequate	Requires improvement	Good	Outstanding
Are services				
Safe?	Good			
Effective?	Good			
Caring?	Outstanding			
Responsive?	Outstanding			
Well led?	Outstanding			

Wexham Park Hospital (October 2015)

Overall rating	Inadequate	Requires improvement	Good	Outstanding
Are services				
Safe?	Good			
Effective?	Good			
Caring?	Good			
Responsive?	Good			
Well led?	Outstanding			

Heatherwood Hospital (February 2014)

Overall rating	Inadequate	Requires improvement	Good	Outstanding
Are services				
Safe?	Requires improvement			
Effective?	Good			
Caring?	Good			
Responsive?	Requires improvement			
Well led?	Good			

Data quality

Clinicians and managers require ready access to accurate and comprehensive data to support the delivery of high quality care. Improving the quality and reliability of information is therefore a fundamental component of quality improvement. At Frimley Health NHS Foundation Trust we monitor the accuracy of data in a number of ways including a monthly data quality review group, coding improvement and medical records improvement groups.

NHS number and General Medical Practice Code Validity

Frimley Health NHS Foundation Trust submitted records during 2016/17 to the Secondary Uses Service (SUS) 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:

- **99.0%** for admitted patient care;
- **99.5%** for outpatient care; and
- **98.0%** for accident and emergency care

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

- **99.9%** for admitted patient care;
- **99.9%** for outpatient care; and
- **99.9%** for accident and emergency care

Frimley Health NHS Foundation Trust will be taking the following actions to improve data quality:

- Continue to identify areas of activity that have not yet been captured on electronic

systems or where activity is incomplete, to ensure accurate recording of patient activity and to retrieve appropriate income

- Continue to meet on a monthly basis at operational and strategic levels to raise and address new areas of concern with regards to data quality
- Continue with recruitment and training plans for the clinical coding team to ensure coding is appropriately detailed, accurate and complete
- Work with the training team of the electronic data capture systems to ensure that users know how to record telephone non-face-to-face patient appointments
- Improve NHS number capture and start a project to merge duplicate patient records in preparation for the merging of patient administration systems
- Implement recommendations from recent audit of consultant allocation to admitted activity.

Information Governance Toolkit attainment levels

The Information Governance Toolkit (IGT) provides an overall measure of the quality of data systems, standards and processes. The score a Trust achieves is therefore indicative of how well it has followed guidance and good practice.

The Frimley Health NHS Foundation Trust Information Governance Assessment Report overall score for 2016/17 was 76% and was graded as **satisfactory**.

Clinical coding error rate

Frimley Health NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during the reporting period by the Audit Commission².

² **NHS Improvement comment from the detailed requirements:** References to the Audit Commission are now out of date because it has closed. From 2014 responsibility for coding and costing assurance transferred to Monitor and then NHS Improvement. From 2016/17 this programme has applied a new methodology and there is no longer a standalone 'costing audit' with error rates as envisaged by this line in the regulations. It is therefore likely that providers will be stating that they were not subject to "the Payment by Results clinical coding audit" referred to above during 2016/17.

Reporting against core indicators 2016/17

Since 2012/13, NHS foundation trusts have been required to report performance against a core set of indicators using data made available by NHS Digital. The following table shows our performance for the last three reporting periods and, where the data is made available by NHS Digital, 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 hospitals are shown separately due to the timeframes for reporting which were pre-acquisition. Full-year data is presented for Frimley Health NHS Foundation Trust.

Domain	Indicator	2016/17	National Average	Best Performer	Worst Performer	Trust Statement	2015/16	2014/15
<p>Preventing People from dying pre- maturely</p> <p>Enhancing quality of life for people with long-term conditions</p>	Summary Hospital-level Mortality Indicator (SHMI) value and banding	SHMI value= 0.938 <i>As expected (Jul 2015 – Jun 2016)</i>	1.00 As expected	0.694	1.171	<p>Frimley Health NHS Foundation Trust considers that this data is as described for the following reasons. FHFT has robust processes in place for clinical coding and review of mortality data. Therefore, we are confident that the data is accurate.</p> <p>Frimley Health NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services, by:</p> <ul style="list-style-type: none"> Developing a Trust-wide morbidity and mortality (M&M) process to oversee, monitor, review and report on the findings of the Specialty M&M reviews. Trust M&M review group chaired by a consultant patient safety lead on behalf of the Medical Director. The clinical issues identified through the M&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. Ensuring well-established M&M groups in each main hospital site with identified chairpersons. Using learning and sharing best practice as a key driver for improving quality across our three main sites. Two consultant leads for M&M coordinate the work and improvements across the Trust for the Medical Director. This work includes review of the M&M and Copeland's Risk Adjusted Barometer (CRAB) data and reports in to the Quality Committee with assurance via the Medical Director. As part of the national initiative to prevent avoidable deaths, we have a review process to investigate deaths within the Trust. 	0.926 As expected	0.9281 As expected
	% deaths with palliative care coded at either diagnosis or specialty level for the Trust	48.6% <i>(Jul 2015 – Jun 2016)</i>	29.2%	54.8%	0.6%	<p>Frimley Health NHS Foundation Trust considers that this data is as described for the following reason. The Trust has a very well established Palliative Care Team, who provides care to patients in all areas of the hospital.</p> <p>Frimley Health NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of its services, by continuing to focus on palliative care as a key quality priority for our patients.</p>	41.6%	36.5%

Domain	Indicator	2016/17	National Average	Best Performer	Worst Performer	Trust Statement	2015/16	2014/15
Helping people recover from episodes of ill health or following injury	Patient reported outcome measure (PROM) for groin hernia surgery	0.091 (Apr 2015 – Mar 2016)	0.088	0.157	0.021	Frimley Health NHS Foundation Trust considers that this data is as described for the following reason. PROM 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.	FPH: 0.058 HWP/PH: 0.050	FPH: 0.088 HWP/PH: 0.089
	Patient reported outcome measure for varicose vein surgery	*	0.095	0.149	0.018		*	*
	Patient reported outcome measure for hip replacement surgery	0.437 (Apr 2015 – Mar 2016)	0.438	0.510	0.320	Frimley Health NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services, by continuing to audit and monitor PROMs outcomes in order to identify and rectify any issues.	FPH: 0.458 HWP/PH: 0.424	FPH: 0.435 HWP/PH: 0.428
	Patient reported outcome measure for knee replacement surgery	0.297 (Apr 2015 – Mar 2016)	0.320	0.398	0.198		FPH: 0.312 HWP/PH: 0.288	FPH: 0.305 HWP/PH: 0.300
	30 day readmission rate for patients aged 0-15**	8.62% (Apr 2016 – Jan 2017)	9.23%	3.33%	15.19%	Frimley Health NHS Foundation Trust considers that this data is as described for the following reason. The data has been extracted from the Hospital Evaluation Data (HED) system. Readmission data is reviewed by specialties monthly and ultimately becomes the source of HED data.	8.28%	9.22%
	30 day readmission rate for patients aged 16 or over**	9.32% (Apr 2016 – Jan 2017)	7.67%	4.29%	11.21%		7.53%	7.63%

* PROMS: Denotes a low number of records, the exact count having been suppressed by NHS Digital on the advice of NHS England.

**Readmissions: The publications for emergency readmissions to hospital within 28 days of discharge on NHS Digital has not been updated since 2012. Therefore, we have extracted the above data from the Hospital Evaluation Data (HED) system. The figures relate to emergency readmissions to hospital within 30 days of discharge. 2016/17 data is from 1st April 2016 to 31st January 2017.

Domain	Indicator	2016/17	National Average	Best Performer	Worst Performer	Trust Statement	2015/16	2014/15
Ensuring people have a positive experience of care	Responsiveness to the personal needs of patients	72.1% (Apr 2015 – Mar 2016)**	69.6%	86.2%	58.9%	Frimley Health NHS Foundation Trust considers that this data is as described for the following reason. The data 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 rate, and so the quality of its services, by developing and monitoring local action plans based on patient and carer feedback.	73.1%	FPH: 73.3% HWPB: 63.3%
	% of staff who would recommend the Trust to their family or friends	77% (2016 Staff Survey)	71%***	95%***	48%***	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. Frimley Health NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services, by: <ul style="list-style-type: none"> Embedding the values through systems such as recruitment, induction, appraisal and staff recognition awards - the Care Quality Commission's report February 2016 about Wexham Park Hospital noted that the culture had improved markedly and was much more open at all levels with an incident reporting culture that provided opportunities for continual learning. Staff were aware of a clear vision and set of values and behaviours and said that action was taken to tackle staff who did not demonstrate the values expected. Focusing on the role of the leader and ensuring the guiding principles of the Code of Conduct (EMPOWER) are embedded across the Trust. Implementing and delivering the three cohorts of our revised Leading People Programme and leadership induction for new leaders. Continuing to deliver customer care training. Delivering and monitoring the quality and clinical governance agenda leading to improved patient services. 	75%	FPH: 89% HWPB: 50%

**National Inpatient Survey results are published annually by the Care Quality Commission in the April of the following year.

***Average, maximum and minimum values are derived from acute trusts, combined acute and community trusts and acute specialist trust.

Domain	Indicator	2016/17	National Average	Best Performer	Worst Performer	Trust Statement	2015/16	2014/15
Treating and caring for people in a safe environment and protecting them from avoidable harm	% of admitted patients who were assessed for venous thromboembolism	98% (Apr 2016- Sept 2016)	96%	100%	72%	Frimley Health NHS Foundation Trust considers that this data is as described for the following reasons. 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.	98%	FPH: 98% HWPB: 92%
	Rate per 100,000 bed days of cases of C.difficile infection reported	9.2 (Apr 2015 – Mar 2016)	14.9	0.0	66.0	<p>Frimley Health NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services, by continuing to monitor performance for this indicator via the Trust VTE Committee and through training and education. Our performance with VTE risk assessment continues to be excellent.</p> <p>Frimley Health NHS Foundation Trust considers that this data is as described for the following reasons. 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.</p> <p>Frimley Health NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services, by:</p> <ul style="list-style-type: none"> • Making infection control one of our highest priorities and ensuring all staff are fully compliant with mandatory training with antiseptic non-touch technique. • 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. • 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. 	7.6	FPH: 7.4 HWPB: 15.0

Domain	Indicator	2016/17	National Average	Best Performer	Worst Performer	Trust Statement	2015/16	2014/15
Treating and caring for people in a safe environment and protecting them from avoidable harm	Rate of patient safety incidents per 1,000 bed days reported within the Trust (Prior to 2014/15 rate was based on 100 admissions)	27.2 Number of incidents = 6,210 (Oct 2015 – Mar 2016)	39.6	14.8	75.9	Frimley Health NHS Foundation Trust considers that this data is as described for the following reasons. All data is validated prior to submission to the National Reporting & Learning 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 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.	26.60 Number of incidents= 5,850 (Oct 2014 – Mar 2015)	FPH: 5.24 HWPB: 7.79 Number of incidents= FPH: 2361 HWPB: 2985 (Oct 2013 – Mar 2014)
	Rate of patient safety incidents that resulted in severe harm or death per 1,000 bed days (Prior to 2014/15 rate was based on 100 admissions)	0.11 Number of incidents = 26 (Oct 2015 - Mar 2016)	0.16	0.00	0.97	Frimley Health NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services, by: <ul style="list-style-type: none"> Continuing to reinforce the incident reporting process across Frimley Health. Reviewing and aligning reporting categories across Frimley Health. Embedded the Frimley Health incident reporting policy and processes for investigation, learning and implementation of changes in practice. Continuing to identify work streams from the incident reporting profile to improve practice. 	0.18 Number of incidents= 40 (Oct 2014 – Mar 2015)	FPH: 0.04 HWPB: 0.15 Number of incidents= FPH: 16 HWPB: 56 (Oct 2013 - Mar 2014)

3. Quality Overview-a review of our performance in 2016/17

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 previous years the Trust has focused on improving practice in a number of patient safety areas and has completed a significant number of improvement projects with the aim of reducing preventable harm.

We have always set ourselves ambitious goals to reduce avoidable harm over the years. In our previous Quality Strategy for 2013-2016 the Trust set out to reduce preventable harm by a further 15% over the three years (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) and actually reduced harm by an average of 80% against key patient safety indicators. In our drive to strive for excellence and to become the safest NHS hospital we will continue to aim to reduce preventable harm over the next three years.

FRIMLEY HEALTH FOUNDATION TRUST						% reduction in harm to patients over 4 years	
PATIENT SAFETY INDICATORS	Baseline Data 2012-13	2013-14	2014-15	2015-16	2016-17 YTD		
Methicillin-Resistant Staphylococcus Aureus (MRSA)	1	5	2	2	2	0%	→
Clostridium difficile (C.diff)	44	46	33	41	33	25%	↓
Pressure ulcers: Grade 2	307	181	240	143	148	52%	↓
Pressure ulcers: Grade 3	32	21	18	6	4	88%	↓
Pressure ulcers: Grade 4	4	1	2	0	0	100%	↓
Falls resulting in significant injury: occurrences per 1000 bed days	40	29	41	28	20	50%	↓
Medication errors with harm (low/mod/severe)	*	*	*	60	28	53%	↓
REDUCTION IN AVOIDABLE HARM TO PATIENTS				Average reduction		53%	

Source: Trust data
**The reporting processes on both sites were different pre-acquisition. Since the acquisition, the reporting processes have been aligned and a significant amount of work undertaken to reduce medication errors with harm. Therefore the reduction in harm is shown over the past year.*

The data in the table on page 75 shows that we have achieved an average harm reduction of 53% over the last four years against seven key patient safety indicators.

It also shows that our performance over the last twelve months has improved or been maintained in the following areas in comparison to the previous year:

- MRSA cases – **no increase** in the number of cases
- C.diff cases – **20% reduction**
- Grade 3 pressure ulcers – **33% reduction**
- Grade 4 pressure ulcers – **zero cases** since 2014
- Falls with significant injury – **29% reduction**
- Medication errors with harm – **53% reduction**.

The following pages outline in more detail the work undertaken to improve practice and reduce avoidable harm in key patient safety areas.

Sign up to Safety

Frimley Health launched our Sign up to Safety campaign in 2015/16 where we committed to listen to patients, carers and staff, learn from what they say when things go wrong and take action to improve the safety of our patients. The campaign encourages organisations to play their part in reducing avoidable harm in the NHS by 50% and save 6,000 lives over a three-year period. As a Trust, we are committed to delivering harm-free care for every patient, every time, everywhere and we promote a culture of openness and honesty, whilst supporting our staff to improve patient safety.

We have created and shared a Safety Improvement Plan that sets out how we plan to reduce harm to patients over the three years. This Safety Improvement Plan builds on existing quality improvement work.

Communications

We have a communications and engagement plan in place and are using a range of different

channels to promote the campaign including staff newsletters, intranet sites, the Trust website, which includes a quarterly blog from the Director of Nursing, our 'Top 10 Safety Tips' patient information leaflet, Twitter and 'Topic of the Week'.

Staff & public engagement

Since we launched the campaign, we have received over 1300 personal pledges from staff. In December 2016 we returned the pledges to staff and asked them to reflect on what they said they would commit to doing to improve patient safety. This also gave them an opportunity to celebrate their successes and learn from their experiences. Staff have been asked to make new pledges for 2017.

The Sign up to Safety team attend the Trust's constituency events every month to engage with members of the public to gain their views on what they think we could do 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 positive and informative.

Collaboration

We participated in 'National Kitchen Table Week' at the end of March 2017. The kitchen table represents a place of warmth, safety and trust. A place where we are able to have open and honest conversations which, when done right, can lay the foundations for a stronger safety culture.

During the week, we invited all colleagues to visit our very own 'kitchen table' and have a chat about what they know about keeping patients and staff safe. There were events held at both Frimley and Wexham hospitals. The Director for the National Sign up to Safety campaign attended the event at Frimley Park.

The event was very exciting and great to be involved in. We were able to engage with a variety of staff and hear how they were feeling, their concerns and what makes them feel valued. The top overarching themes involved conversations around acknowledgement & recognition, morale & attitude, staffing & skill mix and feedback & support. Each theme had a mixture of both positive and negative comments.

We will also be hosting a patient safety conference called 'Let's Talk 2017' in May at Wexham Park Hospital. The aim of the event will be to showcase the Trust's work in safety improvement and we

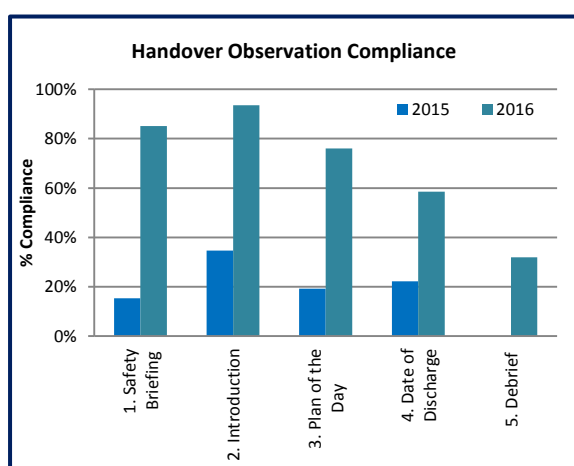
have confirmed guest speakers coming to present on topics such as human factors in healthcare, Healthcare Quality Improvement Partnership (HQIP), safety in the oil and gas industry and the Regional Lead for Sign up to Safety will be presenting an update on the national perspective.

Our three focus areas are progressing well and some of the activities we participated in during 2016/17 are listed below:

Clinical handover

Over the last year a significant amount of work has been undertaken with specific wards to develop the Safety SBAR (communication tool) handover process. Priority was given to those areas that had an increase in patient safety incidents such as falls or pressure ulcers, or that proactively asked for assistance in developing their handover process. The work has been led by the Trust's Handover Matron and the aim has been to ensure that the standardised model of handover is embedded into the daily routine of the wards and to ensure local ownership of handover.

An observation audit was commenced in November 2016 to measure how effectively the Safety SBAR model had been implemented. This is now completed and the results, which can be seen in the graph below, show improvement across all the key measures compared to the previous year.



Source: Trust data taken from observational audit

Routine handover observations will be carried out over the next year by the Sign up to Safety team to check that these improvements are sustained. Feedback will be provided to the nurse in charge at the time and ward leaders afterwards.

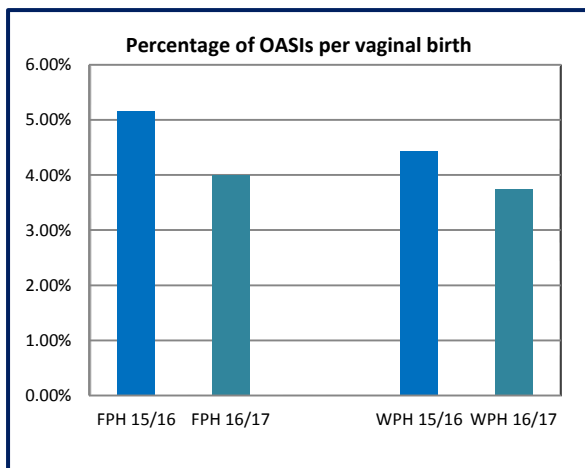
Next Steps

- Focus on key wards/departments to support the complete implementation of Safety SBAR handover including satellite wards such as Bourne Ward at Farnham hospital
- Present completed internal transfer policy to Nursing and Midwifery Board for ratification in May 2017
- Visit Royal Surrey County Hospital to observe hospital at night handover
- Matrons and Senior Sisters to deliver handover training for preceptorship groups and Nurse in Charge masterclasses as part of the long term sustainable solution to improve handover
- Support the IM&T and EDMS teams in selecting a unified electronic solution for specialist referrals including acceptable time limits and confirmation of transfer of care.

Management of the perineum during labour

At Frimley Park the hands on practice and use of perineal scissors to prevent tears during labour is now well embedded. Therefore, the focus of the project has shifted to Wexham Park to concentrate on education and the implementation of the perineal scissors. We have not seen any detrimental effects at Frimley Park since moving most of the Sign up to Safety resource for this project to Wexham Park.

This is demonstrated in the graph overleaf which shows a marked reduction in the percentage of obstetric anal sphincter injuries (OASIs) across both our maternity units over the last year.



Source: All figures extracted from Euroking and CMIS data

To improve practice amongst the midwifery students we now have management of the perineum focused education sessions with all universities who send student midwives to Frimley Health, including the University of Surrey and the University of West London.

The lead midwife for perineal management at Frimley Health was successfully seconded into a role with the Royal College of Gynaecology (RCOG)/Royal College of Midwifery (RCOM) in September 2016 as the lead midwife for the national OASI project. The aim of the project is to reduce incidents of OASI with the introduction of a national care bundle and the lead midwife will support the delivery of the training programme. This is a great opportunity for us to ensure our local Sign up to Safety workstream is aligned with national and international regulations and promote awareness at high profile events across the country.

Next steps

- Complete patient literature in relevant languages for Wexham Park patients
- Re-audit Frimley Park site OASIs
- Continue teaching at both sites and all universities.

Patient Consent

In July 2016, a review of our claims, Never Events and serious incidents data confirmed that Obstetrics & Gynaecology, Trauma & Orthopaedics and General Surgery were the three key areas

which generated claims relating to consent. The review also identified that the three main reasons for claims being made due to consent issues were:

- failure to obtain consent for additional procedures undertaken
- failure to inform the patient of the inherent risks associated with surgery, which then materialised
- alternative treatment options not considered

As a result of these findings, it was agreed that the Sign up to Safety Consent Lead would work closely with the Clinical Lead for Consent in each of these three areas to focus on their top five high risk/most common procedures to produce the following for each:

- Pre-populated consent forms which describe the risks and benefits of the procedure
- Patient information leaflets with up-to-date and relevant literature which meets the standards of the Trust guidance on producing patient information.

To date, the work with Obstetrics and Gynaecology has been completed and there are pre-populated consent forms with corresponding patient information leaflets for the following five procedures:

- Elective Caesarean Section
- Hysteroscopy
- Laparoscopy
- Surgical Management of Miscarriage
- Laparoscopic management of Ectopic Pregnancy.

Next steps

We will start to monitor the effectiveness of the pre-populated consent forms and patient information leaflets by carrying out audits and peer reviews once they have been fully embedded into practice.

Work has commenced in Trauma & Orthopaedics to identify their top five procedures and begin developing the relevant consent forms and patient information.

Local Safety Standards for Invasive Procedures (LocSSIPs)

Over the last twelve months a significant amount of work has been undertaken to develop and implement LocSSIPs within the Trust. In January 2017 we appointed a clinical project lead to drive the LocSSIP agenda within the organisation. This nationally mandated directive was first issued by NHS England (now NHS Improvement) in September 2015 to create local safety standards that would harmonise practice across the Trust ensuring a consistent approach to the care of our patients. This means that all surgical and interventional procedures performed in operating theatres, outpatient treatment areas, labour ward delivery rooms, and other procedural areas within the organisation requires a set of safety standards specifically designed by the multi-disciplinary procedural teams.

Radiology and Theatres have developed LocSSIPs for their areas which are currently awaiting final ratification prior to them being implemented.

Work is currently under way to develop LocSSIPs with the following areas:

- Haematology
- Vascular Access
- Intensive Care
- Maternity
- Paediatrics
- Neonates
- Emergency Department
- Resuscitation Team.

A pathway for intentionally retained products is currently being developed to account for all items intentionally left within a patient following a procedure for removal at a later date. This will ensure that there is standardised documentation and a plan in place for all products intentionally retained in a patient, including details for planned date and method of removal.

The World Health Organisation (WHO) safety checklists used in Theatres have been reduced and standardised across all three sites to ensure compliance with the LocSSIPs requirements. The forms have been reduced from twelve on the Frimley site and two on the Wexham site to just three standardised forms for the organisation. This is in line with the uniform workings of the

safety checklist within theatres and to prevent the misuse of the previous surgery specific forms.

Next steps

- Aim for all LocSSIPs for key areas to be developed by September 2017 with clear implementation plans in place
- Audit and review effectiveness and governance of LocSSIPs by the end of 2017/18
- Use LocSSIPs to provide evidence that the Trust is meeting high patient safety standards.

Top 10 tips patient safety leaflet

In December 2016, the Trust launched a new information leaflet for patients. The aim of the leaflet is to provide safety advice to patients about their stay in hospital in an attempt to reduce avoidable complications – such as blood clots, pressure ulcers, or falls.

Based on the concept of safety advice given on aeroplanes before they take off, patients can watch a short briefing film on their bedside televisions and will be provided with a safety leaflet to read.

It is important for patients to know that they can also play their part so we hope that this will provide them and their families and/or carers with some important tips for keeping themselves safe whilst they are in hospital.

The advice focuses on the following areas:

- Falls prevention
- Blood clots
- Nutrition and hydration
- Infection prevention
- Medicine safety
- Pressure ulcer avoidance
- Correct personal information
- Understanding care and treatment
- Speaking to staff if patients have any problems or questions
- Discharge from hospital

Never Events

Never Events are serious, largely preventable patient safety incidents that should not occur if the available preventative measures have been implemented.

Each type of Never Event has the potential to cause serious harm to patients or even result in death. These incidents include wrong site surgery, retained instrument post-surgery and wrong route administration of medication/ chemotherapy.

Nationally, between April 2016 and March 2017 there were 380 (provisional data from NHS England website) Never Events. During that same period, Frimley Health had four Never Events.

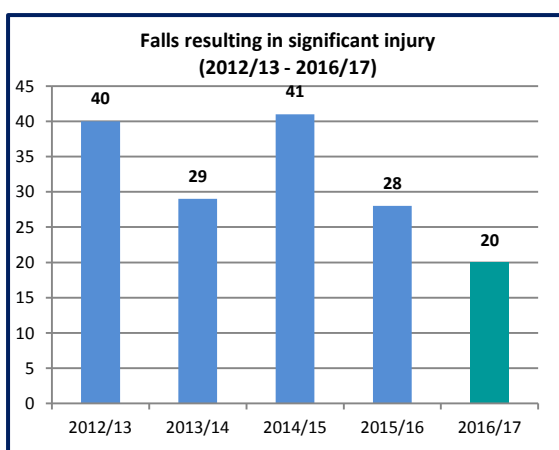
A full investigation is undertaken for each incident and the key actions taken as a result were as follows:

- Radiology – adapted their WHO safety checklist which is initiated before, during and after a procedure
- Theatres - Introduced the 'Stop Before You Block' initiative which is aimed at reducing the incidence of inadvertent wrong-sided nerve block during regional anaesthesia

Inpatient falls resulting in significant harm

A fall is an unintentional loss of balance causing one to make unexpected contact with the ground or floor. Falls can result in significant harm such as severe head injury or broken bones.

Our aim this year was to reduce the percentage of falls resulting in significant harm against the total number of inpatients treated in our hospitals (our overall activity). We reported 20 falls resulting in significant injury, which set against overall activity, gives a rate of 0.04. This is a reduction of 29% when compared to 2015/16 when we reported 28 falls and a rate against activity of 0.06. There has been a significant overall reduction of 50% in the total number of falls since 2012/13 (baseline). This is a fantastic achievement which proves how highly committed our staff are to improving the safety of our patients.



Source: Trust data

Each fall resulting in significant harm was subject to a root cause analysis review and some actions taken as a result of the findings are:

- Ensuring correct systems are in place for moving and handling of patients following a fall
- Ensuring all interventions are put in place once a patient has been identified at risk of falling

A post-falls pathway was implemented in December 2016 in order to provide consistent nursing and clinical review of patients after they have fallen. The pathway includes a sticker which is used to identify these patients. This was based on the recommendations from a National Patient Safety Alert (NPSA) in 2011, aimed at improving care after a patient has suffered a fall in a clinical setting.

Although, there has been a reducing trend in the number of falls at Heatherwood and Wexham Park over the past year, there has been a small increase of 6% in the total number of falls for Frimley Health compared to the same time period last year.

There were two falls with significant injury reported at Wexham Park Hospital between October – December 2016. There were no themes identified in relation to patient care. However, there was an increased focus on the assessment of the clinical areas in which the falls took place.

Frimley Health, particularly on the Wexham Park site, has identified a clinical need to mitigate the rate of falls and the level of harm as a result of a fall. Therefore, a more focussed approach will be undertaken with Ward 3 (care of the elderly), Ward 10 (general surgery) and Ward 1 (orthopaedics). Each ward has a mixed patient cohort.

Many of the care bundle components used in 'FallSafe' bundles can be found in the Trust's policies and protocols regarding falls prevention. However, these preventative measures are not being delivered to patients nearly as often as they should or as a "packaged innovation" solution. Therefore, there is a plan in place to work with the Oxford Academic Health Science Network (AHSN) in a falls prevention program which is anticipated to have a positive impact on reducing inpatient falls. The Oxford AHSN will support Frimley Health to implement the 'FallSafe' care bundles and/or improve utilisation rates where 'FallSafe' care bundles have already been implemented.

Falls resulting in significant harm definitions are governed by standard national definitions.

Venous thromboembolism

Venous Thromboembolism (VTE) is a condition in which a blood clot (thrombus) forms in a vein/blood vessel which can lead to pain and swelling. If the blood clot becomes dislodged it can travel in the bloodstream (embolism) and can potentially block vital arteries which can be fatal. When the embolism blocks a vital artery to the lung it is called a Pulmonary Embolism (PE).

VTE has been a top clinical priority for the NHS since the 2011/12 operating framework was published. In 2011/12 the Commissioning for Quality and Innovation (CQUIN) payment framework made a proportion of our income conditional on a VTE-related requirement which is also supported by the relevant NICE quality standard.

The aim for 2016/17 was to continue to assess at least 95% of patients for their VTE risk in every month of the year. We are proud to say we achieved above 95% every month. This means that patients at risk of developing a VTE are identified and, where appropriate, prophylaxis measures are put in place as a preventative measure.

Over the year, we undertook two VTE audits and we also undertook in-depth reviews for every hospital-acquired PE and deep vein thrombosis (DVT).

The Trust reported 99 PE cases (90 were unpreventable; 9 could have been prevented) and 27 DVT cases (25 were unpreventable; 2 could have been prevented). Each was subject to an in-depth review which showed that the majority of VTE cases were found to be unpreventable.

Actions undertaken to improve practice further during 2016/17 were:

- Review and alignment of the Trust VTE Policy
- Feedback of audits to all specialities and discussed at VTE committee and the Quality Committees.
- All preventable PE cases are reviewed at a root cause analysis meeting led by the medical director.
- An in-depth review was undertaken with the orthopaedic team which also included a review of current guidelines for VTE risk assessment and prophylaxis for patients discharged with plaster casts in place.

The VTE risk assessment is governed by standard national definitions.

Pressure ulcers

A pressure ulcer (also known as a pressure sore or bed sore) is an ulcerated area of skin caused by irritation and continuous pressure on part of the body. Pressure ulcers are categorised in four grades which are linked to severity. Patches of discoloured skin are categorised as a Grade 1 and the most severe grade is 4. They are more likely to occur in people who are under or overweight or have a poor nutritional status and/or poor vascular functions.

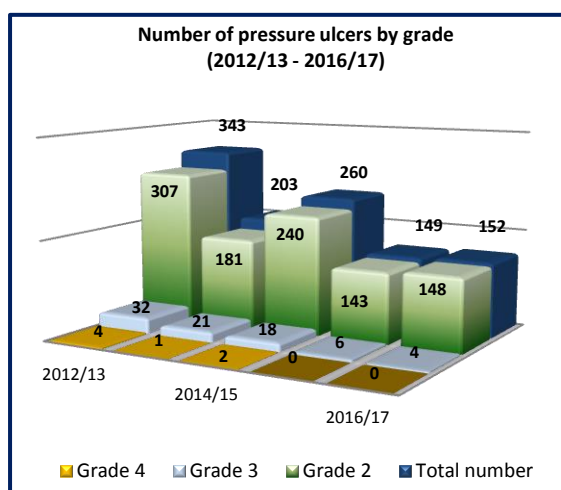
One of the key patient safety workstreams focuses on preventing hospital-acquired pressure ulcers. Extensive work was carried out during 2016/17 to ensure that pressure ulcer prevention remained a top patient safety priority for the Trust.

Some of the actions we took to improve practice and reduce the prevalence of pressure ulcers are:

- root cause analysis of all Grade 2 pressure ulcers by clinical matrons and ward managers
- all Grade 3 pressure ulcers were subject to a multi-disciplinary in-depth review with a summary report of the investigation and actions taken submitted to the Board

- as a result of the reviews we identified some common themes around the incorrect securing of the mattresses to the bed-frame; additional training for staff has been introduced with regard to correct usage of the mattresses
- training and awareness included in the annual patient safety training updates and in the monthly “Clinical Skills Blitz” days
- The Tissue Viability Team (TVT) has been integrated into the Trust’s wider patient safety team. The key priority will be to review the current training and education programmes being provided across the Trust. Training has already been implemented as part of basic skills training.

The graph below shows our performance since 2012/13. The data clearly demonstrates that there has been an overall reduction of 56% in the total number of Grade 2, 3 and 4 pressure ulcers over the last four years and there have been no Grade 4 pressure ulcers since 2014.



Source: Trust data

Pressure ulcer definitions are governed by standard national definitions.

Medications safety

A medication error is any preventable event that may cause or lead to inappropriate medication use or patient harm while the medication is in the control of the healthcare professional, patient or consumer.

Our aim over the last year has been to continue monitoring all drug-related incidents to identify areas of improvement or changes in practice. This is done via the Trust's Safer Medications Committees which meet monthly to review medication errors.

Revised medication competencies were implemented in 2016 for all new staff nurses and any nurse involved in a drug error to complete. These competencies are now well embedded and offer continued support regarding learning and feedback from incidents.

Over the last four years, the Trust has seen a considerable reduction in the total number of medication errors resulting in harm to patients. In 2016/17 we reported 28 drug errors resulting in harm. This is a 53% reduction when compared to the 60 cases reported in 2015/16. This is a momentous achievement which demonstrates our dedication to reducing harm to and improving the safety of our patients.

As of April 2017, the Trust will be launching a medications safety campaign with a key focus on reducing medication errors in high risk areas. The aim of the campaign will be to raise awareness and integrate medication practices across the organisation, whilst improving reporting and learning systems.

Duty of Candour

Frimley Health 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 and 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.

The duty of candour is important legislation that requires us to be open with patients when things go wrong (in cases where the harm is moderate or greater). It is also our duty to share the findings of any investigations with patients and their families. This builds on our current policy of being open and transparent.

Our duty of candour policy outlines the steps that staff should take and the principles are now embedded across the organisation. The Patient Safety Team offer resources and advice at training sessions.

We have worked very hard to ensure that our staff are aware of their obligations under the duty of candour and have put systems in place to support and enable them in these circumstances. The Trust carries out regular monitoring to ensure we are compliant with the requirements and the number of duty of candour cases is included in the Trust Quality and Performance Report which is discussed at the Quality Committee on a monthly basis.

Overall compliance is good and our next steps will be to look at the quality of the communications and written confirmation of the conversations with patients and their families.

Clinical Effectiveness

The Trust builds on the established culture of monitoring clinical outcomes and learning from best practice examples to improve the quality of health outcomes for our patients. Our information system, Hospital Episode Database (HED), allows us to compare our specialty clinical outcomes nationally to identify areas where there is room for improvement.

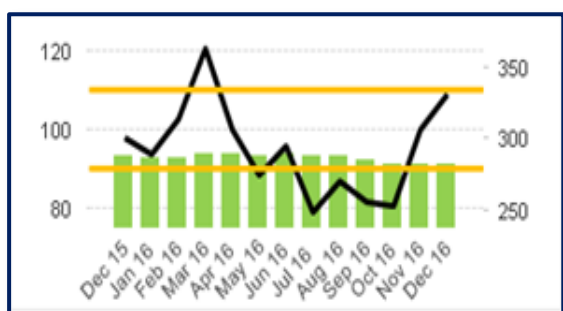
Specialty-specific quality dashboards have been developed; these enable clinical specialties to monitor their performance closely and anticipate issues during a period of significant transformation, implementation of new information technologies, and stretching financial targets.

The CQUIN scheme for dementia is also monitored as part of clinical effectiveness.

Summary hospital-level mortality indicator (SHMI)

The SHMI reports on mortality at trust level across the NHS in England. The SHMI is the ratio between the actual number of patients who die following hospitalisation at the trust and the number that would be expected to die on the basis of average England figures, given the characteristics of the patients treated there.

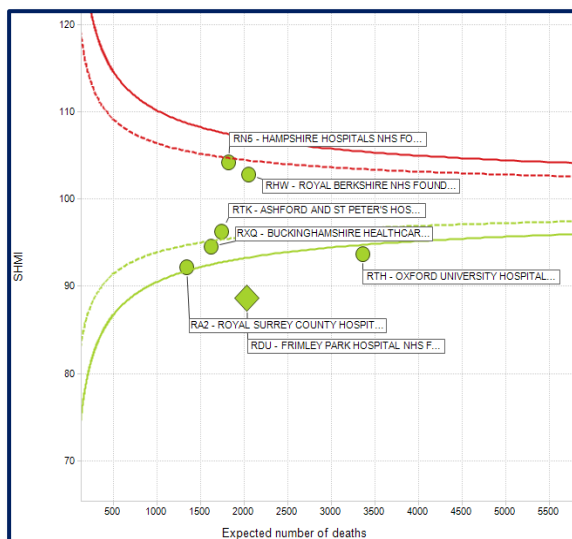
Overall, the Trustwide SHMI is within the expected range (91.1: 12 months rolling number December 2015 – December 2016).



Source: Hospital Evaluation Data system (HED)

There has been a gradual increase in elective SHMI over the last twelve months but the numbers are small and still within the expected range. There is continued monitoring of all data and a case note review of deaths of patients admitted electively.

The graph below shows that Frimley Park Hospital has the best (lowest) mortality rates amongst its peers (neighbouring Trusts of similar size).



Source: Hospital Evaluation Data system (HED)

Mortality data is governed by standard national definitions.

Transient Ischaemic Attack & Stroke

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 usually fully resolved within 24 hours.

Stroke & TIA have been a key focus and priority for the Trust since 2009. Since then, there have been vast improvements to our Stroke & TIA services.

Stroke services across the region were reorganised in January 2017. Despite the extreme bed pressures across the organisation, Frimley Park Stroke Unit has agreed to take additional patients from the Royal Surrey County Hospital (RSCH) catchment as a result of interim stroke service arrangements. The aim is to provide 72 hours of stabilisation before patients are returned to Guildford. We had been expecting 60% of the RSCH workflow, with the remaining 40% going to St. Peter's Hospital (SPH). However, so far, we have received all of the RSCH activity.

A summary of the additional interim activity between January and March 2017 is as follows:

- 2.04 (167 total) additional arrivals received in ED per day
- 1.17 (96 total) additional admissions to Stroke Unit per day
- 20-30% increase in overall activity
- 3-4 days average length of stay
- 85% of patients conveyed by South East Coast Ambulance (SECAMB) service
- 45% of patients required repatriation by SECAMB.

In order to manage this process effectively and safely, weekly meetings are taking place with RSCH, SPH and the SECAMB service to discuss patient flow and address any identified issues.

Direct links have been established with RSCH stroke ward, with its stroke consultant physician and stroke nurse consultant both spending time at Frimley Park Hospital. Excellent communication between therapies and nursing at both sites has been maintained.

In our drive for excellence we have continued to focus on achieving the national targets for Stroke and TIA. We have specifically focused on achieving the national and local stretch targets for the following indicators:

- $\geq 80\%$ of patients directly admitted to the stroke unit within four hours (2016/17 April – March 72% YTD)
- $\geq 50\%$ of patients scanned within one hour of arrival (2016/17 April – March 64% YTD)
- $\geq 90\%$ of patients receive an assessment of their swallowing ability within four hours of arrival (2016/17 April – March 81% YTD)

As part of our commitment to 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 overleaf shows the Trust's performance in achieving the national targets for Stroke and TIA. This data only includes Frimley Park Hospital as Heatherwood & Wexham Park Hospitals do not provide a Hyper Acute Stroke pathway.

Indicator	2011/2012	2012/2013	2013/2014	Apr-Sep 2014	Oct 2014– Mar 2015	2015/2016	2016/2017 *
80% of patients spend 90% of their inpatient episode on the stroke unit (New 2013/14)	New	New	89%	94%	85%	86%	91%**
50% of [all] patients receive brain imaging within one hour of arrival	31%	45%	54%	49%	63%	56%	64%
60% of eligible patients receiving thrombolysis <60 minutes of arrival (door to needle)	56%	49%	66%	46%	73%	74%	67%
90% of patients receiving brain imaging within 12 hours of arrival (New 2013/14)	New	New	96%	98%	96%	95%	98%
95% of patients receiving a swallow screen within four hours of admission to stroke team	New	95%	98%	83%	86%	76%	80%
90% of direct admission to acute stroke unit within four hours of arrival	New	72%	83%	74%	76%	65%	71%
40% of patients discharged under the Early Supported Discharge (ESD) team	35%	36%	36%	30%	45%	39%	42%
70% high risk TIA patients treated within <24 hours of first contact	59%	75%	78%	63%	78%	70%	77%

Source: Sentinel Stroke National Audit Programme (SSNAP)

*2016/17 data is the most up to date as at 7th April 2017; however, this will need to be refreshed for the next quality report as the deadline for stroke submissions for the full financial year is 2nd May 2017.

**90% of stay on the stroke unit is accurate as of Nov-16; this measure is in arrears

To improve our services we have undertaken the following actions over the last year:

- Appointed a Stroke Nurse Consultant who has a significant presence in the Emergency Department and the admission areas of the hospital to provide support and specialist treatment. The role also oversees the six week follow up clinics and TIA clinics
- Introduced the role of Stroke Care Pathway Co-ordinator. This is a vital role as the main aim is to support patients from the time of admission right through to when they are discharged back into the community. The Stroke Care Pathway Co-ordinator plays a key role in supporting patient flow throughout the hospital and provides important information to relatives and carers, signposting them to other organisations in the voluntary sector
- Collaborative working with the Royal Surrey County Hospital has allowed one of their Stroke Consultants to come and work at Frimley Park for two days a week and there are plans for their Stroke Specialist Nurse to spend time there as well

- A Stroke Service Improvement Manager has been appointed to oversee the redesign of the Stroke Service
- Physiotherapists (PTs), Occupational Therapists (OTs) and Speech & Language Therapists (SALTs) provide a six day service for stroke patients and the Early Supported Discharge Team have set up good communication links to discharge patients over the weekend. PTs and OTs have commenced joint training sessions to ensure improved links for pathway management and implementing evidence based practice.

Cardiology

Acute Myocardial Infarction

Acute Myocardial Infarction (AMI) 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 have continued to focus on improving performance. The focus has been 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 below 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	FHFT 2016/2017
85% of eligible patients receive treatment; call to balloon within 150 minutes	90%	91%	91%	FPH: 90% HWP: 86%	93%	92%
85% of eligible patients receive treatment; door to balloon within 60 minutes	79%	86%	87%	FPH: 89% HWP: 66%	91%	92%
85% of eligible patients have an ECG performed within 15 minutes of arrival	95%	97%	97%	FPH: 96% HWP: **	95%	98%
30% of eligible patients receive a PCI as a day case	-	24%	50%	FPH: 61% HWP: 27%	47%	50%
40% of eligible patients receive a pacemaker as a day case	-	39%	48%	FPH: 65% HWP: 53%	38%	34%

Source: MINAP & Trust Performance data

*Full year data is presented for HWP

**Data not collected in this format. Data aligned for 2015-16

Dementia

Dementia is a syndrome (a group of related symptoms) that is associated with an ongoing decline of the brain and its abilities.

One in three people over 65 will have go on to develop 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 undertaken significant work over the years to improve the services for people with a diagnosis of dementia. During 2016/17, our commitment to delivering a high quality dementia service for patients and their families and/or carers continued to be a focus area for us.

The indicators in the table below were monitored as part of Frimley Health's CQUIN scheme during 2016/17. This data is not governed by standard national definitions.

Indicator	FPH 2012/2013	FPH 2013/2014	FPH Apr-Sept 2014	*FHFT Oct 2014- Mar 2015	FHFT 2015/2016	FHFT 2016/2017
90% of all admitted patients (75+) screened for Dementia (within 72 hours)	93%	100%	99%	FPH: 99% HWP: 92%	95%	96%
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: 92%	97%	96%
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%	100%

Source: Trust data

*Part year data is presented for HWP

To improve our services we have undertaken the following actions over the last year:

- In October 2016, an Associate Practitioner in Dementia was appointed on the Frimley Park site to assist the Dementia Lead Nurse in delivering care and raising awareness. The post was vacant for ten months before we appointed to this role

- Frimley Health took part in the National Dementia Audit which lasted for 8 months. This included data collection from case notes, staff satisfaction surveys and the carers' survey. The report is due to be published in July 2017
- Mandatory dementia training was delivered throughout the year for all hospital staff
- "Specials" training in dealing with challenging behaviour continued to be delivered on a quarterly basis.

Patient Experience

The fundamental purpose of any hospital is treating the clinical condition of patients. However, excellent care is much more than that. The experience of our patients is of equal importance to their health outcomes and is central to our mission to provide high quality care which is the main rationale for the work we do. The Trust has been utilising a combination of qualitative (subjective/opinion) and quantitative (objective/factual) patient feedback/intelligence over a number of years.

Examples are patient surveys, feedback from social media (Twitter, Facebook, NHS Choices and the Trust direct email to the Chief Executive "Ask Andrew"), complaints and compliments, as well as national surveys and patients and carer experience events. We use hand-held devices in both inpatients and outpatient areas to enable "real time" feedback.

The Trust continues to work collaboratively with patients and the public including seven local Healthwatch organisations and CCG Lay members to improve patient experience through listening to our patients, learning from feedback and working in coproduction.

The Trust has welcomed visits this year from the NHS England Patient Experience Team and from Jason Wolf. President of the Beryl Institute, USA. The Beryl Institute is the global community of practice dedicated to improving the patient experience through collaboration and shared knowledge. Jason's "On the Road" series shares patient experience journeys from hospitals around the globe. You can read about the visit here:

<http://www.theberylinstitute.org/?page=ONTHEROAD0716>

Frimley Health conducts two Trustwide surveys into the patient experience. These are a local Patient Experience Tracker (PET) and the nationally mandated Friends and Family test (FFT).

Patient Experience Tracker (PET)

The PET survey was introduced in January 2014 and is conducted among the inpatient cohort at the patient bedside. The survey asks questions about different aspects of the patient experience and covers areas such as respect and dignity, various aspects of communication, the care received and preparation for discharge among others.

The survey asks both quantitative and qualitative questions. Most of the quantitative questions – and response options – are copied directly from the National Patient Survey for inpatients in order to ensure that validated questions are being asked. Most of the quantitative questions are followed by a qualitative question in an effort to understand **why** the patient gave the response they did.

Results are circulated to the wards on a weekly basis and reported to the hospital board.

The survey is refreshed annually to ensure the questions remain relevant, and the feedback is useful and appropriate to the Trust's overall strategy.

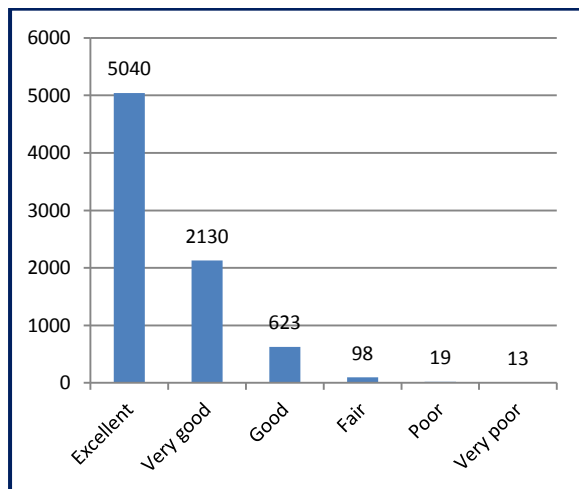
Over the course of 2016/17, over **8,000** patients were surveyed for the PET Survey. We have, therefore, continued to monitor our performance against the indicators below. These were monitored as part of Frimley Health Foundation Trust's PET survey and are not governed by standard national definitions.

Patient Survey Question	2015/2016	2016/2017
Overall, did you feel you were treated with respect and dignity whilst in hospital?	96%	96%
Do you have confidence and trust in the doctors treating you?	92%	92%
If you needed it, did you get enough help from staff with eating and drinking?	88%	90%
Do you feel that you and your family/carers have been involved in planning for your discharge from hospital? *	70%	81%
Did the doctors clearly explain the treatment plan? *	New	91%
Within the first couple of days of admission did a member of staff ask you about your home situation? *	New	83%

Source: Trust local survey data

*Not included in the 2015/16 Quality Report under this section. However, these have been key quality priorities and indicators for the Trust during 2016/17.

In 2016/17 90% of patients surveyed rated their experience as either “Excellent” or “Very Good”.



Source: Trust local survey data

Below are some examples of the ways in which wards across the Trust have made use of the qualitative feedback over the past year:

Ward G2B (Frimley Park):

- **You said:** “There is too much noise at night...”
- **We:** ...bought soft-close bins.

Antenatal/Gynaecology Clinic (Frimley Park):

- **You said:** *"It is so upsetting to sit next to someone that is pregnant when I'm here for a Gynaecology appointment"*
- **We:***"separated the waiting areas to provide privacy and dignity for all patients"*

Ward 9 (Wexham Park):

- **You said:** *"The garden is untidy and is used by smokers..."*
- **We:** ...cleared the garden and had the doors alarmed which has stopped the smoking outside.

Ward 21 (Ante-natal Wexham Park):

- **You said:** *"There's nowhere for friends and family to get a drink..."*
- **We:** ...installed a water cooler.

National Friends and Family Test (FFT)

This is a nationally mandated measure for patient experience as part of healthcare providers' contracts. The question is: "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 options:

- Extremely likely;
- Likely;
- Neither likely nor unlikely;
- Unlikely;
- Very unlikely; and
- Don't know.

The Trust has fully embraced and embedded the FFT which is reflected in its 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 2016/17 the percentage of patients that would recommend individual services and departments was measured both internally and nationally and data is governed by national standards.

Over the course of 2016/17, responses were collected from over **96,000** patients broken down by the following cohorts:

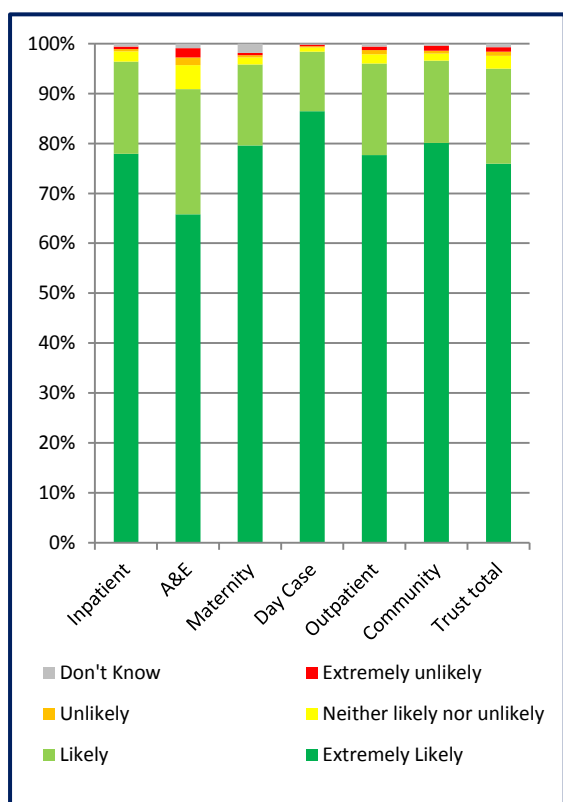
- 22,000 inpatients
- 20,700 outpatients
- 29,000 emergency department attendees
- 9,400 maternity service users
- 17,000 day case patients
- 5,900 patients accessing trust services in the community.

The table below shows the overall score for the full year by service/department. Overall, 95% of patients would recommend the Trust to friends and family if they needed similar treatment.

Patient Group	FHFT 2015/2016	FHFT 2016/2017
A&E department	90%	91%
Inpatient	97%	96%
Day case unit	99%	98%
Outpatients	95%	96%
Community services	98%	97%
Maternity services	95%	96%
All services/departments	95%	95%

Source: Trust data reported to National Unify system

The following table shows the breakdown of responses by service/department for 2016/17.



Source: Trust data reported to National Unify system

Complaints

In 2016/17 we received a total of 920 formal complaints to the Trust which was 155 more than 2015/16. This increase has been driven by an increase in complaints at Frimley Park Hospital. However, the number of complaints received as a percentage of the overall activity levels in the organisation remains on target at 0.07%.

The Trust has continued to demonstrate a focus on providing the complainant with a quality and proportionate response in line with the good practice guidelines from the Ombudsman. This is demonstrated in the low numbers of reopened complaints and referrals onto the Ombudsman where complainants remain dissatisfied with the response received from the Trust.

The Patient Advice and Liaison Service (PALs) teams on both sites provide an invaluable frontline resource to assist patients and their families/carers with early resolution to any concerns.

The CCG undertook a Quality Visit to the Complaints and PALs team at Wexham Park Hospital in February 2017 which resulted in a positive outcome.

Themes from complaints in 2016/17 were identified under the categories as clinical treatment and communication. Changes in practice from complaints are logged centrally and shared for learning at the Trustwide Patient Experience Forum. The outcome and learning from complaints is also discussed within the directorates to ensure changes in practice are made and embedded wherever necessary.

Patients and their families' stories are recorded to share learning through different forums in the Trust. These are also shared on a quarterly basis, with consent, with our commissioners.

Volunteers

The Trust recognises the invaluable contribution of volunteers to improving both patient and staff experience. There are currently 308 active volunteers across the organisation who contribute that little bit extra to improving the experience of care. New roles have been developed and include examples such as the introduction of the buggy driving service at Wexham Park to reduce the walking distance for patients and visitors.

Relationships have also been developed with a number of colleges and schools in the Frimley area including Farnborough 6th Form College, Farnborough College of Technology and Salesian College. The relationship with Slough Employability has continued and there are now three volunteers placed by Slough Employability who volunteer at Wexham Park every week.

Awards

The Voluntary Services Team is very proud to have been nominated for three awards during Quarter 4. At the Patient Experience National Network Awards in Birmingham they were awarded Team of the Year. At the Thames Valley and Wessex Leadership Academy Recognition Awards, they were shortlisted in The Team of the Year category. They also received a Trust Staff Award. The Director of Nursing said "I am delighted that the outstanding work of our voluntary services team has been recognised with these awards. Our patients are at the heart of everything we do and our voluntary services team gets the best out of our fabulous volunteers to ensure people being treated in our hospitals are as comfortable as possible.

Carer/relative experience for patients with a diagnosis of dementia

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 following are some of the actions we have undertaken over the last year to improve our services for carers:

- Frimley Health has signed up to be part of “John’s Campaign”. This is a national initiative to support carers with visiting times and being able to stay longer with their loved ones whilst they are in hospital
- On 20th October 2016 the Trust held a Dementia session for the volunteers of a local church and for the families and carers of patients with dementia
- On 5th September 2016 the Trust led a carers’ group locally in Hampshire.
- In January 2017 the ‘Alzheimer’s Café’ was opened for carers and patient’s with dementia.

In light of this, we are proud to say that the results of our local Trust survey show that:

- 100% of carers/friends/family of patients would recommend our services to friends and family
- 100% of carers/friends/family of patients scored the care received by their relative/friend between 8 and 10 (higher = better).

National Patient Survey Results

Please note that the results of the 2016 National Inpatient Survey are not yet available. They will be published from the CQC in June/July 2017.

Performance against key national priorities 2016/17

NHS Improvement is the health sector regulator who monitors performance against set national objectives as part of their assessment of governance for NHS providers. As part of this Quality Report, we are required to report on the following national indicators:

Indicator	NHS Improvement Threshold	FHFT 2016/17
Maximum time of 18 weeks from point of referral to treatment (RTT) in aggregate – patients on an incomplete pathway (1) (A)	>=92%	92.6%
A&E: maximum waiting time of four hours from arrival to admission/transfer/discharge (2) (A)	>=95%	91.6%
All cancers: 62-day wait for first treatment from: <ul style="list-style-type: none"> Urgent GP referral for suspected cancer NHS Cancer Screening Service referral Radiotherapy 	>=85% >=90% >=94%	Q4: 89.3% Q4: 98.2% N/A*
Clostridium Difficile (C. diff) – Total cases (Number due to lapses in care)	- (31)	29 (4)

(A) = Audited by KPMG

*The Trust does not provide Radiotherapy

(1) The reported 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.

4. Annex 1: Statements from commissioners, governors, local Healthwatch organisations, and Overview & Scrutiny Committee

Frimley Health Patient Experience and Involvement Group

The draft Quality Report has recently been circulated to the Patient Experience and Involvement Group, a working group of the Council of Governors, to obtain feedback on the contents of the report. It is recognised by the chair of that group and the Chairman of the board's Quality Assurance Committee, who also sits on the group, that the content reflects the good work of the organisation over the past year. While no formal statement from the group has been provided, the chair of the group has co-ordinated feedback on behalf of the group. Overall, the response showed a positive outcome upon which to build future progress. However, the Trust should not feel complacent or stop trying to improve patient care and experience

Mary Probert

Chairman, PEIG

24 May 2017

Commissioner Response on behalf of Bracknell & Ascot CCG, Chiltern CCG, North East Hampshire & Farnham CCG, Slough CCG, Surrey Heath CCG, and Windsor Ascot & Maidenhead CCG.

Note: The current QA draft has incomplete sections on Sign up to Safety, SIs, Safeguarding, Independent Auditors assessment. We cannot fully comment on these aspects until completed.

Statement

The Clinical Commissioning Groups (Bracknell & Ascot CCG, Chiltern CCG, North East Hampshire & Farnham CCG, Slough CCG, Surrey Heath CCG, and Windsor Ascot & Maidenhead CCG) are providing this response to the Frimley Health NHS Foundation Trust Quality Account for 2016/17.

Quality Account 2016/17

The Quality Account provides information and a review of the performance of the Trust against quality improvement priorities set for the year 2016/17 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 continue to 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. The CCGs also note and appreciate the leadership role being taken by the Trust in forging ahead with the Sustainability and Transformation Partnership (STP) for the Frimley Health geographical footprint.

Reviewing the quality account the CCGs confirm that as far as it can be ascertained it 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
- The CCGs are satisfied with the accuracy of the quality account, as far as they can be based on the information available to them in the draft reviewed prior to publication.

We commented on last year's Quality Account that we were delighted that the Trust had been recognised by the Care Quality Commission (CQC) for the significant and substantial improvements made to services at Heatherwood and Wexham Park Hospitals following the acquisition by Frimley Health. We are pleased to be able to say that the Trust as a whole has continued to commit itself to excellence and improvement since the CQC report was published, and has been effective in its action planning to address areas for further improvement highlighted in the CQC's report.

Throughout the year, we have undertaken both formal assurance visits and informal visits to the Trust's services and have continued to see a positive approach and friendly atmosphere created for patients and visitors, a commitment to strong clinical performance, and real transparency about challenges and risks. Clinical performance, seen through our formal monitoring framework, has remained generally strong, and the Trust has been active in identifying areas for improvement and targeting resources towards improvement actions. This approach is now enshrined in the Trust's new Quality Improvement Strategy 2017-2020.

In terms of patient safety, we have seen (as reflected in the Quality Account) an overall reduction in harm to patients, and reductions in the following areas:

- Medication errors resulting in harm
- *Clostridium difficile* numbers
- Falls resulting in significant injury
- Pressure Ulcers (Grades 2, 3 and 4).

The Trust has also continued to deliver of frank and detailed investigations into Serious Incidents (SIs), and to engage in honest and searching reviews of SIs in a monthly joint panel with the CCGs. While there have been several Serious Incidents of the 'Never Event' category reported by the

Trust, we have seen a strong response with the implementation of National and Local Safety Standards for Invasive Procedures. These will enhance safety standards particularly around invasive procedures conducted outside of theatres. The Trust took the winning prize at the 2016 National Patient Safety Awards (organised by the Health Service Journal and Nursing Times); a huge plaudit for the Trust and one on which we congratulate them warmly. This achievement reflects a Trust that not only strives for excellence in patient safety but also sees its own weaknesses, identifies safety risks and tackles them with positive actions. This transparency exists within the corporate body, but also between the Trust and its commissioners.

In terms of patient experience, we have seen the Trust continue to enhance transparency towards patients and their families and carers whilst actively seeking feedback through a variety of different channels. Particularly notable are the improvements made to carer engagement and the improved feedback scores from family and carers with regard to their involvement in discharge planning. The consolidation of the Trust's Complaints and PALS functions has shown benefits both in the maintenance of an overall reduced number of complaints, as well as a reduction in the numbers of re-opened complaints; a good indicator of the quality of complaints investigations. We acknowledge that there have been challenges in the resourcing of the complaints function which has at times slowed response rates, but we recognise that the quality of responses been maintained throughout. The importance of this has been emphasised by the Ombudsman. We are pleased to note that the Trust has maintained high levels of patient satisfaction, as evidence through both its internal surveys and the national Friends and Family Test.

We mentioned in last year's statement that there was a noticeable improvement in organisational culture in the expanded Trust, and it is evident that the Trust places high importance on the wellbeing of its staff. Evidence of this can be seen in the positive scores achieved in the National Staff Survey. This is also an area in which the Trust recognises scope for improvement, more of which below.

The Trust continues to operate a strong clinical audit function which underpins its improvement programme, and we acknowledge the engagement and efforts that have gone into participation in national audits alongside a broad local clinical audit programme. The Trust uses these audits to learn more about the clinical effectiveness of its services and to drive improvement work.

The CCGs acknowledge the Trust's achievement in 2016/17 of the thresholds relating to the key national priorities overseen by NHS Improvement, with the exception of the A&E 4-hour target (see below for further discussion).

The CCGs also acknowledge the work undertaken by the Trust in relation to its 'Sign up to Safety' pledges; Clinical Handover, Patient Consent, and the Management of Perineum during Labour. *[However we cannot comment on achievements until this section of the Quality Account has been completed – it is missing in the current draft].*

The Trust has performed well with its CQUIN incentivised work programmes in 2016/17 (at the time of writing we are only able to comment on achievements up to the end of Quarter 3). The commissioners continue to work with the Trust to implement the new programme of National CQUINs for 2017/18.

Notable Achievements 2016/17

In addition to the key priorities for 2016/17 which are discussed further below, and notwithstanding some of the other positive achievements mentioned in this statement, the CCGs acknowledge and commend notable achievements in the following areas:

- STP leadership: As mentioned above, the Trust has taken on leadership of the STP within the Frimley Health geographical footprint
- Development of facilities: A substantial renovation and expansion of the Maternity Unit at Wexham Park. An exciting new build for Wexham Park's Emergency Department. The planned redevelopment of the Heatherwood Hospital site to provide a range of 'cold' services and Primary Care. Achievement overall of cancer performance standards
- The continuing work of the Vanguard Scheme in Hampshire and Surrey
- The implementation of the IRIS scheme at Frimley Park Hospital
- The expansion of Ambulatory Care facilities and services at Frimley Park
- The renovation and expansion of the Eden Unit, a day unit for chemotherapy at Wexham Park
- The refinement of the Trust's Mortality Review process to meet the new NHS England requirements on reviewing and reporting on avoidable deaths
- Seven Day Service: Positive benchmarking nationally in 2016/17

- A successful change in stroke service provision with Wexham Park reconstituted as a rehabilitation unit while Frimley Park functions as one of the main area Highly Acute Stroke Units
- A reduction in agency usage and expansion of internal bank staffing
- Improved carer engagement
- Winners of best Trust at the National Patient Safety Awards.

Challenges in 2016/17 and Beyond

All Trusts have their challenges and risks, and as mentioned above, we believe that FHFT is good at identifying and exploring these areas and addressing them with remedial or mitigating actions. The CCGs note the following areas which are particular challenges and will required the focus of the Trust and commissioners in 2016/17:

- **A&E 4-Hour Target:** The Trust has not met the 95% target in 2016/17 but it must be stressed that this is a national issue, with demands on hospital capacity at unprecedented levels. In relative terms, the Trust has done well, and is meeting the interim target agreed nationally. It is hoped that the STP will succeed in alleviating some of the pressures that make it so difficult for hospitals to maintain timeliness of admissions via A&E.
- **Delayed Discharges:** This is another widespread issue, the solutions to which do not sit within the bounds of any one organisation. There is more discussion of this topic below.
- **Electronic Document Management:** The availability of joined-up electronic clinical records is important to so many aspects of the Trust's work and we acknowledge progress with the planned implementation the required technology. This is a big undertaking and must be classed as one of the major challenges facing the Trust in the coming year; nevertheless it is one the Trust is approaching with energy and technical expertise.
- **Electronic Referral System (ERS) / Appointment Slot Issues:** Another big challenge for the Trust, commissioners and Primary Care is the total implementation and effective running of ERS. While the Trust has made significant progress in making its services available on the system, full implementation requires careful co-ordination with Primary Care. One of the aims within this process is to extend appointment slot availability and reduce the numbers of patients referred into the Trust via ESR for whom appointment slots are not available. This work is being incentivised as part of the 2017/18/19 CQUIN scheme.

- **Falls:** While the Trust has done well in reducing overall numbers of falls resulting in significant harm, there are still areas where improvement is needed, notably at the Wexham Park site. The Trust is undertaking a project with Oxford Academic Health Sciences in 2016/17 which we are confident will deliver improvement.
- **Safeguarding and PREVENT Training:** The CCGs have expressed concern at training figures over the past year; we acknowledge that this has been hampered by problems with the availability of data from the training system operated by the Trust. The data issues have been addressed and we have received an improvement plan from the Trust which we hope delivers on its aims to achieve compliance with contractual requirements.
- **Cancer Improvement Plans:** While the Trust's cancer services have delivered commendable overall performance in the past year, there is still work to be done to improve performance in certain tumour groups. The Trust has shared its improvement plans for these groups and we are confident that consistency across all tumour groups can be achieved. We are also seeking at Senate level more movement on tertiary pathways and the availability of radiotherapy facilities at the Wexham Park site.
- **Staffing:** This is clearly one of the biggest risk areas for the Trust which, in common with other Trusts across England, faces significant challenges in recruiting to its nursing establishment. We commend the Trust on its progressive recruitment strategy and its oversight of safe staffing levels to mitigate the impact of vacancies. We also applaud the reforms the Trust has achieved to its agency usage and the development of its internal bank staffing. Nevertheless, we continue to share the Trust's concerns about the short supply of nursing staff to fill vacancies. Medical staffing is also problematic in certain pockets, not least at Wexham Park A&E, and we would like to see progress with a Medical workforce strategy.
- **Learning Disabilities:** The care and treatment of patients with learning disabilities in hospital settings, particularly unscheduled admissions, continues to be an area of focus. An SI in 2016/17 highlighted risks and scope for improvements. The Trust has produced a comprehensive action plan which is in progress, aimed at ensuring these patients receive the best possible care and that treatment decisions are made with patient, carer and multidisciplinary input. We look forward to seeing further progress in 2017/18 to ensure that excellent care is given to all patients with learning disabilities.

- **Maternity:** Work has been undertaken by the Trust and CCGs to analyse factors behind still births at Wexham Park. While the Trust is not an outlier in terms of still births rates (according to the latest available Integrated Assurance Framework data), we believe that further work can be done to reach out to certain ethnic groups to encourage ante-natal engagement with healthcare services.

Priorities for the Past Year 2016/17

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 2016/17. The CCGs have the following comments:

- 1. Identification and management of the deteriorating patient.** The CCGs acknowledge the work that has gone into implementing the National Early Warning Score (NEWS) on a Trust-wide basis, including staff training and revision of escalation protocols. We have shared the Trust's concern at the increased numbers of Serious Incidents involving the identification and management of deteriorating patients and welcome the Trust's commitment to producing a thematic report and action plan in relation to these incidents. We are conscious that increased reporting can sometimes be an effect of the raising of expected clinical standards and the closer monitoring of adherence to those standards. The CCGs also acknowledge the maintenance of improved performance in screening for Sepsis and Acute Kidney Injury (AKI), but also recognise the scope for further improvement in adherence to Sepsis and AKI treatment standards, areas which have been subject to CQUIN incentives. In light of the above, we are pleased to see this priority is being carried over into 2016/17.
- 2. Good discharge planning, involving patients and their families and/or carers.** We are pleased to see the work done by the Trust in carrying out a gap analysis on its discharge planning arrangements and setting up a strategic group to address internal barriers. Clearly, there is much more work to be done by all partners in the health and social care economy to improve hospital discharges and this will continue to be a priority for the Trust and the wider health economy in the coming year. The Trust is committed to continuing to pursue better liaison with care homes, including 'trusted assessors' and discharging to assess, as well as continuing its efforts to speed up the availability of medicines on discharge and advance booking of patient

transport. At a system-wide level, STP work aims to have a significant impact on both hospital capacity and throughput.

- 3. End of Life Care.** The Trust has made significant progress, incentivised by the CQUIN programme, towards maximising achievement of patients' preferred place of care (PPC) at end of life. The Trust is now able to produce accurate reports on PPC achievement rates, and is addressing internal barriers. We acknowledge the challenges to the capacity of the Palliative Care Team, whilst noting the positive impact of the introduction of a new Trust-wide End of Life Care Plan in tandem with work on improving staff communication with patients, families and carers.

Priorities for 2017/18

The CCGs fully support the Trust's chosen priorities for 2017/18:

- 1. Identification and management of the deteriorating patient.** As mentioned above, whilst the Trust has achieved much in the past year with the implementation of NEWS, auditing of compliance and transparency in investigating adverse incidents, there is still significant work to be done to achieve consistency of practice. We therefore welcome the inclusion of this topic as a priority for 2016/7.
- 2. Good discharge planning, involving patients and their families and/or carers (Implementation of the National Safer Discharge Bundle).** As discussed above, improving hospital discharges is pivotal to the viability of the healthcare economy, so it is good to see this remain within the Trust's key priorities for 2016/17. This area will again be subject to CQUIN incentives and we will work with the Trust throughout the year to seek achievement of the CQUIN aims. The implementation of the National Safer Discharge Bundle is to be welcomed.
- 3. Mental health within the non-specialist ward setting.** This is another priority that aligns with both CQUIN and STP work. The Trust has discussed its concerns about the welfare of mental health patients in non-specialist settings during the past year and, like discharge planning, it is an issue that does not sit squarely within the bounds of a single organisation; so it is good to see that, alongside the upskilling of its own staff, the Trust is working in tandem with other local agencies for the good of these patients.

Summary

We are pleased, once again, to be able to give positive comments on the Trust's Quality Account, and we fully support the Trust's chosen priorities for the coming year. We look forward to continuing an excellent relationship with the Trust, especially in the new context of the Sustainability and Transformation Partnership; collaborating, supporting, challenging and being challenged to achieve the very best services for our local populations.

Healthwatch Bracknell Forest

(based on version 8)

Thank you for providing us with the opportunity to comment on your Quality Report 2016-2017. The report highlights a number of great initiatives relating to patient experience, safety and staff.

People report to us that they stay longer in hospital than they feel they need to, joining up services to enable integrated teams of health professionals to be able to work more closely with people at home should help to overcome some of the issues faced at discharge. We are pleased to see that this work is being extended into our area.

It is positive to see a 12% increase in the number of families and carers being involved in discharge planning but at 82% there is still some way to go. We are therefore pleased to see that good discharge planning involving patients and or carers will continue to be a quality priority for 2017/2018.

People tell us and your data backs up that the Accident and Emergency Department continues to be extremely busy, we are pleased to read that one proposal to aid this situation is to have decision makers on the door. It will be important to communicate to the public why this is being implemented and the benefits this will bring to patients in a true emergency.

Healthwatch Bracknell Forest would like to see more clear explanation of how patient and public involvement is currently being considered from STP board level down throughout the work streams and clearer explanation to the public what the STP is and how it is being delivered system wide.

We look forward to continuing our work with Frimley Health in the coming year.

Healthwatch Surrey

As the independent consumer champion for health and social care, Healthwatch Surrey is committed to ensuring the people of Surrey have a voice to improve, shape and get the best from their health and social care services by empowering local people and communities.

For several years now, local Healthwatch across the country have been asked to read and comment on Quality Accounts produced by NHS providers, as required by the legislation. In Surrey this involves at least nine Quality Accounts working to similar deadlines, often to tight timescales. Each document is lengthy and involves many hours work by our staff and volunteers to digest and comment in a meaningful way. Last year we attempted, with the help of volunteers, to comment on the Quality Accounts and to provide a perspective based on the evidence we collect from the public, however we are not convinced that it was a good use of our resources. We do not believe that this process is an effective way of getting our information out to the public; nor an effective way of using our evidence to improve services.

This year our Board has decided that we will not get involved in commenting on the Quality Accounts. With limited resources we do not believe this is the best way to use our time to make a difference for the people of Surrey. We know that this issue is under discussion at a national level and that other local Healthwatch are adopting a similar approach. We have chosen to concentrate this year on ensuring we feed back what we've heard on NHS and social care services to commissioners on a regular basis; and that we have the processes and relationships in place to escalate any cases of particular concern to the providers involved and seek outcomes.



Kate Scribbins

**Chief Executive
Healthwatch Surrey**

Bracknell Forest Council's Health Overview & Scrutiny Panel

(based on version 5)

General comments

1. We welcome the opportunity to comment on the Trust's Quality Accounts (QA) Report for 2016-17. This shows that – despite various challenges and an increased workload - the Trust has been innovative, energetic and successful throughout the year, enabling it to sustain its outstanding performance record. We note particularly the exceptionally good feedback from patients on the quality of care they received (page 79). On behalf of the residents of Bracknell Forest, the Panel thanks the Trust for its very high quality services.
2. We appreciate that the production of the QA involves a lot of data collection and other work, to a demanding timescale. The early draft QA sent to us in April (in order that we could meet your response deadline) has numerous pieces of very important information yet to be inserted, particularly on the Trust's forward plans. Consequently, our comments are incomplete and provisional. We would ask for earlier availability of a complete QA, so that we can provide full comments before your deadline for Overview and Scrutiny comments.
3. The Health Overview & Scrutiny Panel appreciates the continuing good dialogue with the Trust. This has included a regular meeting at least every two years with the Trust's Chief Executive, in public, to review the Trust's performance and plans. Most recently, this has concentrated on the redevelopment of Heatherwood Hospital.
4. With the national focus on the adequacy of resourcing of the NHS, it would be helpful if the QA gave some indication of whether the Trust is adequately resourced going forward, and if not, what measures are to be taken. We note that on page 17 there is a statement that says that the overspend must be reduced and the books balanced, but the figure of the overspend is not given.

5. The Trust does seem to have lots of good initiatives to empower staff and also to commend them publicly. The Trust also recognises the importance of staff well-being and listens to its staff and welcomes their suggestions on improvements.

Specific comments

6. It is understandable that the Trust under-achieved the 95% target for timely treatment of people presenting at the Emergency Department, given the huge increase in demand. It would be helpful if the QA could expand on what a realistic target would be, alternatively how and when the 95% target will be met (pages 3 and 14).
7. The Panel congratulates the Trust on its awards and advances in the all-important aspect of patient safety (pages 5-7), and in embedding an improved culture across all the Trust's staff (pages 9-10).
8. It would be helpful if the report could state the consequences of (the significant number of) staff appraisals not having been completed. For example, good performance may not always be recognised, whereas under-performance may go unnoticed and uncorrected (page 10)?
9. The Trust compares favourably to the average NHS Trust concerning staff reporting that they have experienced harassment, bullying or abuse from other staff (page 11). Nevertheless, we regard the 21% rate to be unacceptably high in any organisation, and feel sure that this must be harming staff morale and performance. It would be helpful if the report stated what action the Trust will be taking on this. We suggest that the QA should describe how the Trust will bring the rate down. For example, do the whistleblowing and staff support arrangements need to be improved, and how often is the grievance procedure invoked and acted upon?
10. The substantial reduction in the staff vacancy rate (page 12) is commendable, given the difficulties in recruitment and retention experienced by the NHS - and hence the heavy reliance on agency staff - particularly in southern England.

11. We congratulate the Trust on its achievement of most of its quality priorities in 2016/17 (Section 2, page 21 onward), which had a strong bearing on patient care and on the efficient running of the three hospitals. We particularly commend the Trust's sensitive and valuable handling of end of life care (pages 35 - 38).
12. We commend the 11% increase reported on involving carers with discharge (page 33). The work to start progressing for discharge as soon as the patient enters the hospital is also to be commended.
13. We support the Trust's Quality Priorities for 2017-18 (page 39 onwards). We would welcome some more information in the QA on the partnership work with local authorities relating to patient discharge.
14. We commend the Trust's performance in reducing avoidable harm to patients (pages 54- 56), particularly the 'Sign up to Safety' campaign (page 58), and the minimisation of medication errors (page 69). Serious Untoward Incidents/ 'Never Events' are prime learning opportunities for any NHS Trust. We would welcome an assurance in the QA that the Trust approaches these with an open mind and candour, and is not over-defensive in looking for lessons to be learnt.
15. We are impressed by the very fast treatment on strokes (page 72) and Acute Myocardial Infarction (page 75), which must make the difference between life and death for some patients.
16. The Panel is concerned that only 41% of complaints were answered within the national target of 25 days (page 81), and consider that this requires some explanation and remediation. We also think it would be helpful if the report included details of how many complaints were made to the Health Service Ombudsman, and offer some examples of learning from complaints.

17. There have been media reports of inadequate follow-up of mental health patients' well-being after discharge from hospital. It would be helpful if the QA could comment on that, including whether it is the responsibility of the hospital or the Community Mental Health team, and what is being done to improve any inadequacies in the follow-up process.

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.

NHS Improvement 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 take steps to satisfy themselves that:

- The content of the Quality Report meets the requirements set out in the NHS foundation trust annual reporting manual 2016/17 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 2016 to April 2017 (the period);
 - Papers relating to quality reported to the board over the period April 2016 to April 2017;
 - Feedback from commissioners dated 12th May 2017 (Bracknell & Ascot, Chiltern, North East Hampshire & Farnham, Slough, Surrey Heath, and Windsor Ascot & Maidenhead CCGs);
 - Feedback from governors dated 24th May 2017;
 - Feedback from local Healthwatch organisations dated 8th May 2017 (Surrey) and 15th May 2017 (Bracknell Forest);
 - Feedback from Overview and Scrutiny Committee dated 24th May 2017;
 - The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated January 2017;
 - The latest national patient survey December 2016;
 - The latest national staff survey January 2017;
 - The Head of Internal Audit's annual opinion of the trust's control environment dated May 2017;
 - CQC inspection report dated 2nd February 2016.

- The Quality Report presents a balanced picture of the NHS foundation trust's performance over the period covered
- The performance information reported 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 reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review and
- The Quality Report has been prepared in accordance with NHS Improvement's annual reporting manual and supporting guidance (which incorporates the Quality Accounts regulations) as well as the standards to support data quality for the preparation of the Quality Report.

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 'Nandip Attili'.

Chairman

25 May 2017

A handwritten signature in blue ink, appearing to read 'Andrew Morris'.

Chief Executive

25 May 2017

Annex 3: External audit limited assurance report

Independent auditor's report to the Council of Governors of Frimley Health NHS Foundation

Trust on the 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 2017 (the 'Quality Report') and certain performance indicators contained therein.

Scope and subject matter

The indicators for the year ended 31 March 2017 subject to limited assurance consist of the following two national priority indicators (the indicators):

- percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period; and
- A&E: maximum waiting time of four hours from arrival to admission, transfer or discharge;

We refer to these national priority indicators collectively as the 'indicators'.

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 criteria set out in the *NHS Foundation Trust Annual Reporting Manual* issued by NHS Improvement.

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 is not prepared in all material respects in line with the criteria set out in the *NHS Foundation Trust Annual Reporting Manual* and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in the *Detailed requirements for quality reports for foundation trusts 2016/17* ('the Guidance'); and
- the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the *Detailed Requirements for external assurance for quality reports for foundation trusts 2016/17*.

We read the Quality Report and consider whether it addresses the content requirements of the NHS Foundation Trust Annual Reporting Manual 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:

- Board minutes and papers for the period April 2016 to May 2017;
- papers relating to quality reported to the board over the period April 2016 to May 2017;
- feedback from commissioners, dated 12 May 2017;
- feedback from governors, dated 5 to 14 May 2017;
- feedback from local Healthwatch organisations dated 8 May 2017 (Surrey) and 15 May 2017 (Bracknell Forest)
- feedback from Overview and Scrutiny Committee, dated 24 April 2017;

- the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009;
- the 2015 national inpatient survey, dated June 2016;
- the 2016 national staff survey, dated January 2017;
- Care Quality Commission Inspections: Frimley Park Hospital (August 2014); Wexham Park Hospital (October 2015) and Heatherwood Hospital (February 2014)
- the 2016/17 Head of Internal Audit's annual opinion over the trust's control environment, dated May 2017

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.

We are in compliance with the applicable independence and competency requirements of the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics. Our team comprised assurance practitioners and relevant subject matter experts.

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 the 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 2017, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicator. 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, except 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'). Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicator;
- making enquiries of management;
- testing key management controls;
- limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation;
- comparing the content requirements of the NHS Foundation Trust Annual Reporting Manual to the categories reported in the Quality Report; and
- reading the documents.

A limited assurance engagement is smaller 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 affect 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 of these criteria, may change over time. It is important to read the quality report in the context of the criteria set out in the *NHS Foundation Trust Annual Reporting Manual* and supporting guidance.

The scope of our assurance work has not included governance over quality or the non-mandated indicator, which was determined locally by Frimley Health NHS Foundation Trust.

Conclusion

Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2017:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in the Guidance; and
- the indicator in the Quality Report subject to limited assurance has not been reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the Guidance.



KPMG LLP
Chartered Accountants
15 Canada Square, London, E14 5GL

25 May 2017

Annex 4: External data quality definitions

The following information includes the definitions of the quality indicators which were subject to the external assurance process:

18 Weeks RTT

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

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

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:

$$(\text{Total number of unplanned A\&E attendances}) - (\text{Total number of patients who have a total time in A\&E over 4 hours from arrival to admission, transfer or discharge}).$$

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 (see Annex B: NHS Constitution Measures)

Indicator format: Reported as a percentage.

5. Appendix A: 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
NHS Digital	Previously known as 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
MET	Medical Emergency Team
NHS Improvement	NHS Improvement (previously known as 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

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Independent auditor's report

**to the Council of Governors of Frimley Health
NHS Foundation Trust only**

Opinions and conclusions
arising from our audit

**1. Our opinion on the financial statements is
unmodified**

We have audited the financial statements of Frimley Health NHS Foundation Trust for the year ended 31 March 2017 set out on pages 1 to 45. In our opinion:

- the financial statements give a true and fair view of the state of the Trust's affairs as at 31 March 2017 and of the Trust's income and expenditure for the year then ended; and
- the Trust's financial statements have been properly prepared in accordance with the Department of Health's Group Accounting Manual 2016/17.

Overview

Materiality:	£10m
Financial statements as a whole	1.6% of income from operations

Risks of material

Recurring risks	Completeness, existence and valuation of land and buildings
2	Recognition of NHS and non-NHS income and valuation of doubtful debt provision

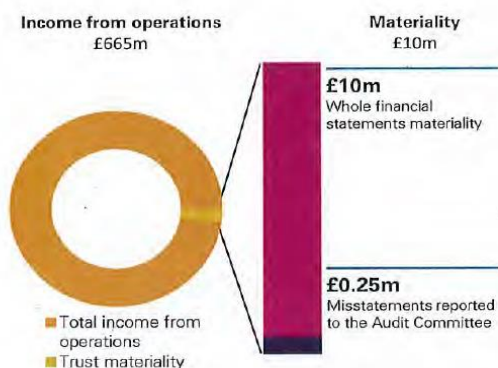
2. Our assessment of risks of material misstatement

In arriving at our audit opinion above on the financial statements, the risks of material misstatement that had the greatest effect on our audit, in decreasing order of audit significance, were as follows:

The risk	Our response
<p>Property, Plant and Equipment: Land and Buildings</p> <p>(£318 million; 2015/16: £336 million)</p> <p><i>Refer to page 15 (accounting policy) and page 32 (financial disclosures).</i></p>	<p>Completeness, Existence and Valuation of Land and Buildings:</p> <p>Land and buildings are required to be held at fair value. As hospital buildings are specialised assets and there is not an active market for them they are usually valued on the basis of the cost to replace them with an equivalent asset.</p> <p>When considering the cost to build a replacement asset the Trust may consider whether the asset would be built to the same specification or in the same location. Assumptions about changes to the asset must be realistic.</p> <p>Valuation is completed by an external expert (District Valuer) engaged by the Trust using construction indices and so accurate records of the current estate are required. Full valuations are completed every five years, with interim desktop valuations completed in interim periods. Valuations are inherently judgmental, therefore our work focused on whether the valuer's methodology, assumptions and underlying data, are appropriate and correctly applied.</p> <p>Frimley Health NHS Foundation Trust last had a full valuation undertaken at 31 March 2015, and a desktop valuation performed at 31 March 2017 resulted in a £40 million decrease in the value of the land and buildings balance.</p> <p>Our procedures included:</p> <ul style="list-style-type: none"> — Test of asset records: We assessed the accuracy of the estate base data provided to the valuer to complete the desktop valuation to ensure it accurately reflected the Trust estate; — Critical assessment of the Trust's valuer: We assessed the scope, qualifications, experience and independence of the Trust's valuer and the overall methodology of the valuation performed to identify whether the approach was in line with industry practice and the Trust's accounting policies. — Test of valuation: We critically assessed the assumptions used in preparing the desktop valuation completed of the Trust's land and buildings to ensure they were appropriate; We also reviewed the basis on which any revaluations and impairments had been recognised in the financial statements and agreed the appropriateness of any amendments made by management to the information received from the valuer before incorporation into the financial statements. — Existence test: We confirmed the existence of the Trust's land and buildings through sample testing of the asset register by physical inspection of the asset; and — Additions to assets: For a sample of assets added during the year we agreed that an appropriate valuation basis had been adopted when they became operational and that the Trust would receive future benefits.
<p>NHS income and receivables</p> <p>Income: (£607 million; 2015/16: £572 million)</p> <p>Receivables: (£35 million; 2015/16: £38 million)</p> <p><i>Refer to pages 13 and 20 (accounting policy) and pages 26 and 34 (financial disclosures).</i></p>	<p>Completeness, Existence and Accuracy of NHS Income AND Valuation of NHS Receivables and Accrued Income</p> <p>Of the Trust's reported total income, £544 million (2015/16, £522m) came from commissioners (Clinical Commissioning Groups (CCG) and NHS England). Two CCGs and NHS England make up 37.3% of the Trust's income. The majority of this income is contracted on an annual basis, however actual achievement is based on completing the planned level of activity and achieving key performance indicators (KPIs). If the Trust does not meet its contracted KPIs then commissioners are able to impose fines, reducing the level of income achievement.</p> <p>In 2016/17, the Trust received transformation funding from NHS Improvement. This is received subject to achieving defined financial and operational targets on a quarterly basis. The Trust was allocated a potential total of £22m of transformation funding. Additional funding is available if targets are achieved.</p> <p>An agreement of balances exercise is undertaken between all NHS bodies to agree the value of transactions during the year and the amounts owed at the year end. 'Mismatch' reports are available setting out discrepancies between the submitted balances from each party in transactions and variances over £250,000 are required to be reported to the National Audit Office to inform the audit of the Department of Health consolidated accounts.</p> <p>The Trust also continues to receive funding in respect of its acquisition of Heatherwood and Wexham Park Hospitals NHS Foundation Trust in 2014, including transaction funding from the Department of Health for improving the operational and financial difficulties encountered by the legacy Trust prior to absorption.</p> <p>Our procedures included:</p> <ul style="list-style-type: none"> — Contract agreement: For the seven largest commissioners of the Trust by activity we agreed signed contracts were in place; — Income Billing: We agreed that invoices had been issued in line with the contracts signed and sought explanations from management to ensure significant variations had been agreed; — Patient spells in progress: We assessed the judgements made in accounting for incomplete spells with key commissioners to determine whether income has been recognised in the appropriate period; — Other NHS Income: We analysed the movement in material other NHS income balances and obtained explanations for significant variances; — Acquisition and transaction funding: We agreed all income recognised in relation to the Heatherwood and Wexham Park Hospitals NHS Foundation Trust was in line with the conditions of funding agreements. — Agreement of balances: We inspected the outcome of the agreement of balances exercise with CCGs and other NHS providers. Where there were mismatches above £250k in value we challenged management's assessment of the level of income they were entitled to and the receipts that could be collected; — Transformation funding: We assessed the Trust's calculation of performance against the financial and operational targets used in determining receipt of transformation funding to confirm evidence exists for the judgement reached. We agreed the amounts recorded in the accounts to our calculation; and — Provision for receivables: We assessed the approach to impairing receivables to ensure appropriate judgement and accounting in line with the Trust's policy.

3. Our application of materiality and an overview of the scope of our audit

The materiality for the financial statements was set at £10 million, determined with reference to a benchmark of income from operations (of which it represents approximately 1.5%). We consider income from operations to be more stable than a surplus-related benchmark. We report to the Audit Committee any corrected and uncorrected identified misstatements exceeding £250,000, in addition to other identified misstatements that warrant reporting on qualitative grounds.



4. Our opinion on other matters prescribed by the Code of Audit Practice is unmodified

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2016/17; and
- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

5. We have nothing to report in respect of the matters on which we are required to report by exception

We are required to report to you if, based on the knowledge we acquired during our audit, we have identified information in the Annual Report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

In particular, we are required to report to you if:

- we have identified material inconsistencies between the knowledge we acquired during our audit and the directors' statement that they consider that the Annual Report and financial statements taken as a whole is fair, balanced and understandable; or
- the Audit Committee's commentary on page 63 of the Annual Report does not appropriately address matters communicated by us to the Audit Committee.

Under the Code of Audit Practice we are required to report to you if, in our opinion:

- the Annual Governance Statement does not reflect the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2016/17, is misleading or is not consistent with our knowledge of the Trust and other information of which we are aware from our audit of the financial statements.
- the Trust has not made proper arrangement for securing economy, efficiency and effectiveness in its use of resources.

In addition we are required to report to you if:

- any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006.
- any matters have been reported in the public interest under Schedule 10(3) of the National Health Service Act 2006 in the course of, or at the end of the audit.

We have nothing to report in respect of the above responsibilities.

6. We have completed our audit

We certify that we have completed the audit of the accounts of Frimley Health NHS Foundation Trust in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice issued by the National Audit Office.



Scope and responsibilities

As described more fully in the Statement of Accounting Officer's Responsibilities on page 70 the accounting officer is responsible for the preparation of financial statements that give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the UK Ethical Standards for Auditors. A description of the scope of an audit of financial statements is provided on our website at www.kpmg.com/uk/auditscopeother2014. This report is made subject to important explanations regarding our responsibilities, as published on that website, which are incorporated into this report as if set out in full and should be read to provide an understanding of the purpose of this report, the work we have undertaken and the basis of our opinions.

The Trust is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. Under Section 62(1) and Schedule 10 paragraph 1(d), of the National Health Service Act 2006 we have a duty to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively. We have undertaken our review in accordance with the Code of Audit Practice, having regard to the specified criterion issued 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.

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust as a body, for our audit work, for this report or for the opinions we have formed.



Neil Thomas for and on behalf of KPMG LLP
Chartered Accountants and Statutory Auditor
15 Canada Square, Canary Wharf, London, E14 5GL

26 May 2017



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 and are presented to Parliament pursuant to Schedule 7, paragraph 25 (4) (a) of the National Health Service Act 2006.

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

Signed: Sir Andrew Morris, Chief Executive

Date: 26 May 2017

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 March 2017


	NOTE	2016/17 £000	2015/16 £000
Operating income	2	665,235	624,188
Operating expenses	3-4	<u>(630,035)</u>	<u>(613,264)</u>
OPERATING SURPLUS		35,200	10,924
Finance costs			
Finance income		139	188
Finance expenses - financial liabilities	6	(139)	(118)
Finance expenses - unwinding of discount on provisions	14	0	(1)
Gains/(losses) of disposal of assets		565	0
Public Dividend Capital dividends payable		<u>(10,581)</u>	<u>(9,999)</u>
Net finance costs		(10,016)	(9,930)
SURPLUS FOR THE YEAR		<u>25,184</u>	<u>994</u>
Other comprehensive income/expense:			
Revaluation gain on property, plant and equipment	10	4,174	26,103
Impairment loss on property, plant and equipment	10	(43,572)	(793)
TOTAL COMPREHENSIVE (EXPENSE)/INCOME FOR THE YEAR		<u>(14,214)</u>	<u>26,304</u>

The following notes 1 to 22 form part of these accounts.

STATEMENT OF FINANCIAL POSITION AS AT 31 March 2017

		31 March 2017	31 March 2016
	NOTE	£000	£000
Non-current assets			
Intangible assets	8	3,988	1,618
Property, plant and equipment	10	318,143	335,543
Total non-current assets		322,131	337,161
Current assets			
Inventories	11	3,265	3,438
Trade and other receivables	12	61,474	55,144
	9	0	1,950
Cash and cash equivalents	16	86,654	71,958
Total current assets		151,393	132,490
Current liabilities			
Trade and other payables	13	(57,885)	(67,666)
Tax payable	13	(8,247)	(6,675)
Other financial liabilities	13	(287)	(511)
Other liabilities	13	(11,244)	(9,404)
Provisions for liabilities and charges	14	(383)	(605)
Total current liabilities		(78,046)	(84,861)
Total assets less current liabilities		395,478	384,790
Non current liabilities			
Other financial liabilities	13	(1,749)	(1,863)
Provisions for liabilities and charges	14	(51)	(120)
TOTAL ASSETS EMPLOYED		393,678	382,807
FINANCED BY:			
TAXPAYERS' EQUITY			
Public dividend capital		226,915	201,830
Revaluation reserve		111,389	153,344
Income and Expenditure Reserve		55,374	27,633
TOTAL TAXPAYERS' EQUITY		393,678	382,807

The financial statements on pages 7 to 45 were approved by the Board of Directors and signed on its behalf by



Sir Andrew Morris, Chief Executive

26 May 2017

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 March 2017

	2016/17 £000	2015/16 £000
Cash flows from operating activities		
Operating surplus	35,200	10,924
Depreciation and amortisation	19,177	17,830
Impairments	630	1,203
Non cash donations credited to income	(249)	(77)
Decrease/(Increase) in Inventories	173	(375)
(Increase) in Trade and other receivables	(6,330)	(3,053)
(Decrease)/Increase in Trade and other payables	(9,451)	14,764
Other movements in operating cash flows	(3)	(7)
(Decrease)/Increase in Provisions	(291)	25
Net cash generated from operating activities	38,856	41,234
Cash flows from investing activities		
Interest received	139	188
Purchase of intangible assets	(2,825)	(155)
Purchase of Property, Plant and Equipment	(38,214)	(24,492)
Sale of Property, Plant and Equipment	2,515	0
Net cash used in investing activities	(38,385)	(24,459)
Cash flows from financing activities		
Public dividend capital received	25,085	10,150
Public dividend capital repaid	0	(3,000)
Other loans received	194	8
Other loans repaid	(41)	(80)
PDC dividend paid	(10,386)	(10,481)
Capital element of finance lease rental payments	(489)	(448)
Interest element of finance leases	(138)	(111)
Net cash generated from financing activities/(used in financing activities)	14,225	(3,962)
Increase in cash and cash equivalents	14,696	12,813
Cash and cash equivalents at 1 April	71,958	59,145
Cash and cash equivalents at 31 March	86,654	71,958

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2017

	Total	Revaluation Reserve	Income and Expenditure Reserve	Public Dividend Capital
	£000	£000	£000	£000
Taxpayers' equity as at 1 April 2016	382,807	153,344	27,633	201,830
Surplus for the year	25,184	0	25,184	0
Revaluation gain on property, plant and equipment	4,174	4,174	0	0
Impairment loss on property, plant and equipment	(43,572)	(43,572)	0	0
Transfer from reval reserve to I&E reserve for impairments arising from consumption of economic benefits	0	(2,557)	2,557	0
Public dividend capital received	25,085	0	0	25,085
At 31 March 2017	393,678	111,389	55,374	226,915

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
At 31 March 2016	382,807	153,344	27,633	201,830

Revaluation Reserve - any gains/(losses) on property, plant and equipment are recorded in the revaluation reserve.

The Income and Expenditure Reserve - records any surplus or deficit on a non-profit-seeking concern.

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 IAS 32.

NOTES TO THE ACCOUNTS

1 Accounting policies and other information

NHS Improvement (NHSI), in exercising the statutory functions conferred on Monitor, is responsible for issuing an accounts direction to NHS foundation trusts under the NHS Act 2006. NHSI has directed that the financial statements of NHS foundation trusts shall meet the accounting requirements of the Department of Health Group Accounting Manual (DH GAM) which shall be agreed with the Secretary of State. The following financial statements have been prepared in accordance with the DH GAM 2016/17. 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, following the submission of a two-year operating plan to NHSI projecting income and expenditure surpluses for both years and with £87m of cash holding as at 31/3/17.

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

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

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

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of scheme liability as at 31 March 2017, is based on valuation data as 31 March 2016, updated to 31 March 2017 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. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

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

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012. The Scheme Regulations allow for the level of contribution rates to be changed 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.

The next actuarial valuation is to be carried out as at 31 March 2016. This will set the employer contribution rate payable from April 2019 and will consider the cost of the Scheme relative to the employer cost cap. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the Scheme changes by more than 2% of pay. Subject to this ‘employer cost cap’ assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health after consultation with the relevant stakeholders.

1.3 Expenditure on Employee Benefits (continued)

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.

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.

1.6 Property, plant and equipment (continued)

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
- 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 2017 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 2015/16.

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 80 years. Buildings across the sites are deemed to have a useful economic life ranging from 14 years to 77 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 income.

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 Berkshire and Surrey Pathology Service, which incorporates Ashford and St. Peter's Hospitals NHS Foundation Trust and Royal Surrey County Hospital NHS Foundation Trust (RSCH) and Royal Berkshire Hospital NHS Foundation Trust (RBH). 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 Berkshire and Surrey Pathology Services, identified in accordance with the Pathology service agreement. Accordingly both the RSCH and Ashford and St. Peter's Hospitals NHS Foundation Trust, and RBH 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)

They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as long-term liabilities.

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, thereafter the asset is accounted for as an item of property plant and equipment 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 0.24% (2015/16 1.37%) 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. The dividend thus calculated is not revised should any adjustment to net assets occur as a result of the audit of the annual accounts.

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 Corporation Tax

There is no liability for corporation tax.

1.19 Foreign exchange

The functional and presentational currencies of the Trust are 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.

1.20 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.

1.21 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.

1.22 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.

1.22 Critical accounting estimates and judgements (continued)

The Maternity work in progress is calculated using the department of health technical accounting guidance on part payments for antenatal care that often spans more than one financial year. The methodology used is consistent with previous years and has been agreed with the commissioners.

The Trust has included within the accounts £11.2m 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 2017 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.

1.23 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 2016/17 Accounts. The unaudited value of the Charitable Funds reserves as at 31 March 2017 is circa £4.0m (2015/16 £3.1m), income received during the year was £1.7m (2015/16 £1.1m) and expenditure was £0.8m (2015/16 £0.5m).

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 DH GAM does not require the following Standards and Interpretations to be applied in 2016/17. These standards are still subject to HM Treasury FReM adoption, with IFRS 9 and IFRS 15 being for implementation in 2018/19, and the government implementation date for IFRS 16 still subject to HM Treasury consideration.

- IFRS 9 Financial Instruments - Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted.
- IFRS 15 Revenue from Contracts with Customers - Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted.
- IFRS 16 Leases - Application required for accounting periods beginning on or after 1 January 2019, but not yet adopted by the FReM: early adoption is not therefore permitted.
- IFRIC 22 Foreign Currency Transactions and Advance Consideration - Application required for accounting periods beginning on or after 1 January 2018.

2. Operating Income

2.1 Operating Income	2016/17 £000	2015/16 £000
Commissioner requested services		
Elective income	103,233	97,780
Non elective income	192,284	177,982
Outpatient income	92,439	85,745
A&E income	32,565	31,207
Other type of activity income	122,999	129,332
Total Commissioner requested services	543,520	522,046
Non-Commissioner requested services		
- Private patient income	9,786	10,062
- Overseas patients (non-reciprocal)	734	538
- Additional income for delivery of healthcare services	0	3,000
- NHS Injury Scheme	1,826	1,371
Non-Commissioner requested services	12,346	14,971
Non-Commissioner requested services - Other Income		
Education and training	12,661	12,096
Non-patient care services to other bodies	13,528	13,441
Research and development	1,409	1,426
Car Parking	4,031	3,361
Catering	2,450	1,996
Charitable and other contributions to expenditure	249	77
Staff accommodation	556	796
Clinical Excellence Award	257	369
Creche	634	588
Clinical tests	894	907
Support from Department of Health for mergers	27,490	34,621
Sustainability and Transformation Fund income	24,103	0
Other operating income	21,107	17,493
Non-Commissioner requested services - Other income	109,369	87,171
Total Operating Income	665,235	624,188

Commissioner Related Services are those that if withdrawn might significantly impair the health of the local population and / or significantly increase health inequalities. For the year to 31 March 2017 the Trust has treated the provision of all services provided to NHS patients to fall within that definition.

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 £6.9m (2015/16 £7.4m) in respect of integration funding received from the commissioners, note 7 refers.

2.2 Operating Income by category	2016/17 £000	2015/16 £000
Commissioner requested services		
Income from activities	543,520	522,046
Non-Commissioner requested services		
- Private patient income	9,786	10,062
- Additional income for delivery of healthcare services		3,000
- Overseas patients (non-reciprocal)	734	538
- NHS Injury Scheme	1,826	1,371
Total Income from activities	555,866	537,017
Other income	109,369	87,171
Total operating income	665,235	624,188

2.3 Overseas patients (non-reciprocal)	2016/17	2015/16
	£000	£000
Income recognised this year	734	538
Cash payments received in-year	364	110
Amounts added to provision for impairment of receivables	558	226
Amounts written-off in year	109	303

3. Operating Expenses

3.1 Operating expenses comprise	2016/17	2015/16
	£000	£000
NHS expenditure on non healthcare services	2,317	5,214
Purchase of healthcare from non-NHS bodies	7,183	4,943
Non-executive directors' costs	163	176
Executive directors' costs	1,411	1,406
Staff costs	395,488	378,630
Drug costs	59,868	56,531
Supplies and services - clinical (excluding drug costs)	65,086	64,794
Supplies and services - general	7,473	11,126
Establishment	7,409	7,297
Transport	1,911	1,944
Premises	30,214	26,096
(Decrease)/increase in bad debt provision	1,002	(1,003)
Depreciation	18,722	17,197
Amortisation on intangible assets	455	633
Property, plant and equipment impairment	630	1,203
Audit Fees - statutory audit	68	178
Other auditor remuneration (external auditor only)	14	84
Internal audit fees and local counter fraud service	80	173
Clinical negligence	21,989	19,880
Rentals under operating leases	1,219	2,755
Consultancy costs	3,607	7,520
Other expenses	3,726	6,487
	630,035	613,264

3.2 Auditor's remuneration

The Council of Governors appointed KPMG as the external auditors from 1 April 2016, the table below shows the fees for KPMG for 2016/17, with the predecessor auditors fees being shown for 2015/16.

The table below sets out the fee for the audit in accordance with the Audit Code issued by NHSI, formerly Monitor in March 2017.

Audit Services - Statutory Audit	2016/17	2015/16
	£(exc. VAT)	£(exc. VAT)
Audit of the financial statements	52,480	115,500
Additional procedures performed for the NAO, as appointed auditors of the consolidated foundation trust accounts	3,980	3,500
Total	56,460	119,000

3.2 Auditor's remuneration (continued)

Non Audit fees	2016/17 £(exc. VAT)	2015/16 £(exc. VAT)
1. the auditing of accounts of any associate of the trust	0	0
2. audit-related assurance services	12,000	29,000
3. taxation compliance services	0	99,963
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.	0	50,000
Total	12,000	178,963

Non audit fees in 2016/17 consist of assurance on the Quality Report (£12,000).

KPMG is the external auditor of Frimley Health Charitable Funds, of which the Trust is the Corporate Trustee. The fees in respect of this engagement are £5k (excl VAT).

The engagement letter signed on 10th June 2016, states that the liability of KPMG, its members, partners and staff (whether in contract, negligence or otherwise) shall in no circumstances exceed £2m, 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**

	2016/17 £000	2015/16 £000
Payments recognised as an expense	1,219	2,755
	1,219	2,755

3.3.2 Future minimum lease payments due

	2016/17 £000	2015/16 £000
Annual payments on leases:		
Not later than one year	1,021	2,304
Later than one year and not later than five years	1,352	2,446
Later than five years	0	0
	2,373	4,750

4. Staff Costs**4.1 Staff costs**

	2016/17 Total	Permanently Employed and Bank	Other	2015/16 Total
	£000	£000	£000	£000
Salaries and wages	299,771	299,771	0	285,875
Social Security Costs	30,423	30,423	0	22,579
Employer contributions to NHSPA	35,107	35,107	0	32,810
Termination benefits	0	0	0	854
Agency/contract/MOD staff	32,547	0	32,547	38,686
Recoveries from other bodies	(949)	(949)	0	(768)
	396,899	364,352	32,547	380,036

Costs for MOD staff shown above were £1,091k (2015/16 - £1,312k), staff are employed on the Frimley site under contract from the MOD.

4.2 Staff exit packages

	2016/17 Compulsory redundancies	2016/17 Cost of compulsory redundancies £000s	2015/16 Compulsory redundancies	2015/16 Cost of compulsory redundancies £000s
	Number		Number	
<£10,000	2	7	0	0
£10,001 - £25,000	3	52	3	58
£25,001 - £50,000	0	0	5	170
£50,001 - £100,000	0	0	3	280
£100,001 - £150,000	0	0	3	346
	5	59	14	854

Exit packages granted to staff during 2016/17 were in respect of restructuring as part of the Frimley Health synergies.

4.3 Monthly average number of persons employed

	2016/17 Total	2016/17 Permanently Employed and Bank	Other	2015/16 Total
	Number	Number	Number	Number
Medical and dental	964	961	3	892
Administration and estates	1,734	1,734	0	1,565
Healthcare assistants and other support staff	1,562	1,555	7	1,486
Nursing, midwifery and health visiting staff	2,317	2,302	15	2,222
Scientific, therapeutic and technical staff	1,164	1,162	2	890
Bank staff	621	621	0	482
Agency staff	408	0	408	440
	8,770	8,335	435	7,977

4.4 Early retirements due to ill health

During 2016/17 there were 7 early retirements from the Trust agreed on the grounds of ill-health at a cost of £427k (2015/16 - 3 at a cost of £80k).

5. Better Payment Practice Code

5.1 Better payment practice code - measure of compliance

	2016/17		2015/16	
	Number	£000	Number	£000
Total bills paid in the year	149,847	298,343	134,665	254,349
Total bills paid within target	107,191	196,355	112,850	205,905
Percentage of bills paid within target	72%	66%	84%	81%

Under the better payment practice code the Trust aims to pay all valid NHS and 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 £3k has been included within finance costs arising from claims made under this legislation (2015/16 - £7k).

6. Finance Expenses - Financial Liabilities

	2016/17	2015/16
	£000	£000
Finance leases	136	111
Interest on late payment of commercial debt	3	7
	<u>139</u>	<u>118</u>

7. Acquisition Funding

Since the acquisition of Heatherwood and Wexham Park Hospitals NHSFT (H&WPH) by Frimley Health NHSFT in October 2014, a five year integration plan has been 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 that existed at the H&WPH 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 2016/17 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 £20m of income in 2016/17 (2015/16 £19.2m). 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 H&WPH 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 which £5m was received for 2016/17 (2015/16 £10m) in addition to the £20m referred to above.

With respect to the costs of transformation and integration, the Trust has recognised £2,128k (2015/16 £5,421k) 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, £6,900k of income has been recognised in 2016/17 (£7,419k 2015/16) 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 2016	15,828	7,960	7,868
Additions - purchased	2,825	2,825	0
Derecognition	(7,868)	0	(7,868)
Gross cost at 31 March 2017	10,785	10,785	0
Accumulated amortisation at 1 April 2016	14,210	6,342	7,868
Provided during the year	455	455	0
Derecognition	(7,868)	0	(7,868)
Accumulated amortisation at 31 March 2017	6,797	6,797	0
NBV - Purchased at 31 March 2016	1,618	1,618	0
NBV total at 31 March 2016	1,618	1,618	0
NBV - Purchased at 31 March 2017	3,988	3,988	0
NBV total at 31 March 2017	3,988	3,988	0

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 2016	1,950	1,950
Less assets sold in year	(1,950)	(1,950)
Net Book Value of non-current assets for sale at 31 March 2017	0	0
	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	1,950	1,950

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 and completion achieved on the 30 March 2017.

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 2016	440,132	35,270	287,284	3,551	3,096	81,213	135	19,677	9,906
Additions - purchased	41,101	0	13,345	0	14,142	5,821	0	6,937	856
Additions - leased	0	0	0	0	0	0	0	0	0
Additions - donated	249	0	0	0	0	249	0	0	0
Revaluations	100	100	0	0	0	0	0	0	0
Impairments/surpluses charged to revaluation reserve	(43,572)	(4,160)	(39,412)	0	0	0	0	0	0
Impairments recognised in operating expenses	(630)	0	(630)	0	0	0	0	0	0
Reclassifications	0	0	4,117	(2,628)	(1,489)	0	0	0	0
Disposals/Derecognition	(489)	0	0	0	0	(485)	0	0	(4)
Cost or valuation at 31 March 2017	436,891	31,210	264,704	923	15,749	86,798	135	26,614	10,758
Accumulated Depreciation at 1 April 2016	104,589	0	29,774	103	0	55,862	124	13,257	5,469
Provided during the year	18,722	0	9,565	22	0	6,374	0	1,840	921
Accumulated depreciation written out upon revaluation	(4,074)	0	(4,052)	(22)	0	0	0	0	0
Disposals/Derecognition	(489)	0	0	0	0	(485)	0	0	(4)
Depreciation at 31 March 2017	118,748	0	35,287	103	0	61,751	124	15,097	6,386
Net book value									
- Purchased at 1 April 2016	323,205	35,270	249,114	2,628	3,096	22,229	11	6,420	4,437
- Finance Leases 1 April 2016	2,963	0	0	820	0	2,143	0	0	0
- Donated at 1 April 2016	9,375	0	8,396	0	0	979	0	0	0
Total as at 1 April 2016	335,543	35,270	257,510	3,448	3,096	25,351	11	6,420	4,437
Net book value									
- Purchased at 31 March 2017	306,867	31,210	221,709	0	15,749	22,299	11	11,517	4,372
- Finance Leases at 31 March 2017	2,593	0	0	820	0	1,773	0	0	0
- Donated at 31 March 2017	8,683	0	7,708	0	0	975	0	0	0
Total at 31 March 2017	318,143	31,210	229,417	820	15,749	25,047	11	11,517	4,372

Land and Buildings were revalued effective 31 March 2017 by the District Valuer, based on a desktop valuation in accordance with the MEA Valuation method, the Heatherwood site had been previously valued under MEA but at an optimised valuation, both Frimley and Wexham sites for 2017 have also now been optimised. The impact of this is an impairment of £43,572k which has been charged to the revaluation reserve.

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 £630k.

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 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
Cost or valuation at 31 March 2016	440,132	35,270	287,284	3,551	3,096	81,213	135	19,677	9,906
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
Depreciation at 31 March 2016	104,589	0	29,774	103	0	55,862	124	13,257	5,469
Net book value									
- 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
Total at 1 April 2015	305,695	35,270	234,763	3,273	171	23,244	3	5,093	3,878
Net book value									
- 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
Total at 31 March 2016	335,543	35,270	257,510	3,448	3,096	25,351	11	6,420	4,437

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.

10.3 Assets held at open market value

Of the totals at 31 March 2017 and 31 March 2016 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**

	Total	Dwellings	Plant and Machinery
	£000	£000	£000
NBV as at 31 March 2017	2,593	820	1,773
	£000	£000	£000
NBV as at 31 March 2016	2,963	820	2,143

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

	Total	Dwellings	Plant and Machinery
	£000	£000	£000
Depreciation as at 31 March 2017	391	22	369
	£000	£000	£000
Depreciation as at 31 March 2016	334	21	313

11. Inventories

	31 March 2017	31 March 2016
	£000	£000
Materials	3,265	3,438
	3,265	3,438

All inventories held relate to Pharmacy stock. During the year £43k (2015/16 £62k) of Pharmacy stock had expired and was written off to Statement of Comprehensive Income as an expense, £18k (2015/16 £13k) of breakages were also expensed.

12. Trade and Other Receivables**Note 12.1 Amounts falling due within one year:**

	31 March 2017	31 March 2016
	£000	£000
NHS receivables	35,110	38,468
Provision for impaired receivables	(1,544)	(824)
Prepayments	6,389	4,440
Accrued Income	5,125	866
Other receivables	13,296	9,426
NHS injury scheme income	4,928	4,553
NHS injury scheme provision	(1,830)	(1,785)
	61,474	55,144

Included within NHS receivables is an accrued sum of £4.3m relating to partially completed spells of clinical activity (2015/16 £4.3m).

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 2017	31 March 2016
	£000	£000
At 1 April	824	2,244
Increase in Provision	1,268	679
Amounts utilised	(282)	(417)
Unused amounts reversed	(266)	(1,682)
At 31 March	1,544	824

* Transfer by absorption excludes NHS injury scheme provision

Increase/(decrease) in bad debt provision (charged to Operating Expenses)

	31 March 2017	31 March 2016
	£000	£000
Increase in provision	1,268	679
Unused amounts reversed	(266)	(1,682)
Charged to Operating Expenses	1,002	(1,003)

Note 12.3 Ageing of impaired receivables

	31 March 2017	31 March 2016
	£000	£000
Up to three months	223	57
In three to six months	83	15
Over six months	1,238	752
Total	1,544	824

Note 12.4 Ageing of non-impaired receivables past their due date

	31 March 2017	31 March 2016
	£000	£000
Up to three months	29,176	18,694
In three to six months	2,934	305
Over six months	3,087	1,810
Total	35,197	20,809

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 2017.

13. Trade and other payables**13.1 Trade and other payables at the statement of financial position date are made up of:**

	31 March 2017	31 March 2016
	£000	£000
Current liabilities		
NHS payables	8,276	11,587
Capital payables	3,795	908
Accruals	22,958	24,715
PDC payable	267	72
Other payables	22,589	30,384
Trade and other payables	57,885	67,666
Tax payable (including social security costs)	8,247	6,675
Obligations under finance leases and hire purchase contracts	228	492
Other loans	59	19
Other liabilities: deferred income	11,244	9,404
	77,663	84,256
Non current liabilities		
Obligations under finance leases and hire purchase contracts	1,594	1,823
Other loans	155	40
	79,412	86,119

The deferred income includes a balance of £4.0m in respect of maternity pathway income. (31 March 2016 £4.0m)

13.2 Finance lease obligations

2016/17	Total	Plant and Machinery	Dwellings
Payable:	£000	£000	£000
Within one year	337	315	22
Between one and five years	1,180	1,137	43
After five years	814	814	0
	2,331	2,266	65
Less finance charges allocated to future periods	(509)	(496)	(13)
	1,822	1,770	52
not later than one year	228	210	18
later than one year and not later than five years	876	842	34
later than five years	718	718	0
2015/16	Total	Plant and Machinery	Dwellings
Payable:	£000	£000	£000
Within one year	629	606	23
Between one and five years	1,278	1,187	91
After five years	1,079	1079	0
	2,986	2,872	114
Less finance charges allocated to future periods	(671)	(627)	(44)
	2,315	2,245	70
not later than one year	492	474	18
later than one year and not later than five years	894	842	52
later than five years	929	929	0

13.3 Future finance lease obligations

	Plant and Machinery	Dwellings
	2016/17	2016/17
Minimum number of payments	101	12
Number of years of commitment	9	4
	Plant and Machinery	Dwellings
	2015/16	2015/16
Minimum number of payments	113	16
Number of years of commitment	10	4

Plant and Machinery finance lease obligations consist of a managed service for PACS/RIS which comprises equipment and service elements this was taken out during 2015/16.

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

	Total	Pensions - other staff	Other legal claims	Other
	£000	£000	£000	£000
At 1 April 2016	725	219	156	350
Arising during the year	58	0	58	0
Utilised during the year	(291)	(84)	(12)	(195)
Reversed unused	(58)	0	(58)	0
Unwinding of discount	0	0	0	0
At 31 March 2017	434	135	144	155
Expected timing of cash flows:				
Within one year	383	84	144	155
Between one and five years	51	51	0	0
After five years	0	0	0	0
	434	135	144	155

14.1 Provisions for Liabilities and Charges 2015/16

	Total	Pensions - other staff	Other legal claims	Other
	£000	£000	£000	£000
At 1 April 2015	699	182	235	282
Arising during the year	559	120	88	351
Utilised during the year	(438)	(84)	(71)	(283)
Reversed unused	(96)	0	(96)	0
Unwinding of discount	1	1	0	0
At 31 March 2016	725	219	156	350
Expected timing of cash flows:				
Within one year	605	99	156	350
Between one and five years	120	120	0	0
After five years	0	0	0	0
	725	219	156	350

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.

	£000
Injury benefit scheme	155
Total other provisions	155

15. Clinical negligence liabilities

	2016/17 £000	2015/16 £000
Amount included in provisions of the NHSLA in respect of Clinical Negligence liabilities of the Trust.	266,416	234,760

16. Cash and Cash Equivalents

	31 March 2017 £000	31 March 2016 £000
At 1 April	71,958	59,145
Net change in year	14,696	12,813
At 31 March	86,654	71,958
Broken down into:		
Cash at commercial banks and in hand	1,256	1,517
Cash with the Government Banking Service	85,398	70,441
Cash and cash equivalents in Statement of Cash Flows	86,654	71,958

17. Contractual Capital Commitments

Commitments under capital expenditure contracts at the statement of financial position date were £46,029k (2015/16 - £9,386k) these are in respect of building work being undertaken for major capital projects including the EDAR scheme at Wexham Park, and the 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:

	2016/17 Income £000	2016/17 Expenditure £000	31/3/2017 Receivables £000	31/3/2017 Payables £000
Ashford and St Peter's Hospitals NHS Foundation Trust	402	67	1,037	45
Royal Berkshire NHS Foundation Trust	2,385	1,581	2,414	312
Royal Surrey County Hospital NHS Foundation Trust	2,681	3,412	1,305	1,854
NHS Bracknell And Ascot CCG	54,686	125	110	667
NHS Chiltern CCG	50,004	0	2,379	271
NHS Guildford And Waverley CCG	4,988	0	293	7
NHS Hillingdon CCG	1,970	0	10	11
NHS North East Hampshire And Farnham CCG	123,606	2	920	965
NHS North Hampshire CCG	6,276	0	54	16
NHS North West Surrey CCG	8,651	0	0	447
NHS Slough CCG	85,076	145	3,951	1,242
NHS South Eastern Hampshire CCG	2,227	0	23	0
NHS Surrey Heath CCG	56,588	0	1,249	405
NHS Windsor, Ascot And Maidenhead CCG	70,750	206	4,038	649
NHS Wokingham CCG	6,114	0	355	32
Health Education England	14,904	46	98	17
Department of Health	27,591	0	9,197	0
NHS England - Core	27,731	0	8,661	9
NHS England - South Central Local Office	15,522	0	618	0
NHS England - South East Local Office	1,981	0	419	0
NHS England - South West Commissioning Hub	2,542	0	639	0
NHS England - Wessex Commissioning Hub	62,190	0	298	0
NHS Litigation Authority	0	22,005	0	6
NHS Property Services	0	2,908	0	2,486
HM Revenue & Customs	0	30,423	0	8,247
NHS Pension Scheme	0	35,107	0	4,970
NHS Blood and Transplant	0	1,972	0	74

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 £249k relating to PPE additions. (2015/16 £77k).

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 the

19.1 Related Party Transactions 2015/16

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 the 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 40,481 as at 31 March 2017 (2015/16 39,645).

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

	Carrying Value £000
Financial assets	
Denominated in £ sterling	138,641
Gross financial assets at 31 March 2017	<u>138,641</u>
Denominated in £ sterling	119,894
Gross financial assets at 31 March 2016	<u>119,894</u>

	Carrying Value £000
20.1.2 Financial liabilities	
Denominated in £ sterling	59,921
Gross financial liabilities at 31 March 2017	<u>59,921</u>
Denominated in £ sterling	70,040
Gross financial liabilities at 31 March 2016	<u>70,040</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 £6,389k (2015/16 - £4,440k) are not considered to be financial instruments.

Other tax and social security payables amounts of £8,247k (2015/16 - £6,675k) and deferred income of £11,244k (2015/16 - £9,404k) 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
Assets as per statement of financial position		
NHS receivables	35,110	35,110
Provision for impaired receivables (as at 31 March 2017)	(1,544)	(1,544)
Accrued income	5,125	5,125
Other receivables	13,296	13,296
Cash and cash equivalents	86,654	86,654
Total at 31 March 2017	138,641	138,641
Assets as per statement of financial position	£000	£000
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
Total at 31 March 2016	119,894	119,894

20.3 Financial liabilities by category

	Total	Other financial liabilities
	£000	£000
Liabilities as per statement of financial position		
Trade and other payables (NHS)	8,276	8,276
Trade and other payables	22,589	22,589
Accruals	22,958	22,958
Capital payables	3,795	3,795
Finance lease obligations	1,822	1,822
PDC dividend payable	267	267
Other loans	214	214
Total at 31 March 2017	59,921	59,921
Liabilities as per statement of financial position	£000	£000
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
Total at 31 March 2016	70,040	70,040

20.4 Fair values	31 March 2017 Book Value £000	31 March 2017 Fair Value £000
Financial assets	138,641	138,641
	138,641	138,641
Financial liabilities		
Payables over 1 year - Finance Lease obligations	1,594	1,594
Other	58,327	58,327
	59,921	59,921
	31 March 2016 Book Value £000	31 March 2016 Fair Value £000
Financial assets	119,894	119,894
	119,894	119,894
Financial liabilities		
Payables over 1 year - Finance Lease obligations	1,823	1,823
Other	68,217	68,217
	70,040	70,040

As at 31 March 2017 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

	31 March 2017 £000	31 March 2016 £000
Less than one year	58,327	68,217
In more than one year but not more than five years	876	894
In more than five years	718	929
Total	59,921	70,040

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 £6,256 cash and cash equivalents at 31 March 2017 (31 March 2016 - £4,069) 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 329 cases of losses and special payments (2015/16 - 925 cases) totalling £231,000 (2015/16 - £503,000) approved during 2016/17.

There were no clinical negligence cases where the net payment exceeded £100,000 (2015/16 - 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 (2015/16 - nil).

There were no personal injury cases where the net payment exceeded £100,000 (2015/16 - nil).

There were no compensation under legal obligation cases where the net payment exceeded £100,000 (2015/16 - nil).

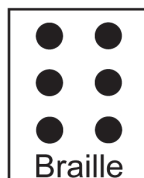
There were no fruitless payment cases where the net payment exceeded £100,000 (2015/16 - nil).

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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