

Dorset HealthCare University NHS Foundation Trust

Annual Report and Accounts

2018/19

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Presented to Parliament pursuant to Schedule 7, paragraph 25(4)(a) of
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A Review of the Year

Chairman's Statement

Welcome to our Annual Report for 2018/19

I have been extremely proud of what the Trust has achieved over the last year.

I have visited many of the Trust services over the last year and, without exception, I have been impressed by the commitment and pride that staff have shown in their work and in providing the very highest standards of patient care. The dedication which staff have demonstrated has made me very proud to be the Chairman of Dorset HealthCare.

The Trust has continued to focus on further improving the quality of our services and patient outcomes. Our most important objective is the quality of care that we provide. The Trust has continued to make a considerable investment in service quality and the infrastructure of the organisation and this resulted in some of our services being recognised nationally. I am particularly pleased with the progress made in implementing the outcome of the Mental Health Acute Care Pathway Review.

I am delighted with the progress that we have made in delivering our quality priorities for the year. Chapter 3 of the report provides much more detail on our achievements in this area.

I am pleased with the continued improvement we are making as reflected in the national staff survey results. The results in 2018/19 placed us third nationally in the group of similar trusts.

More widely, the Trust has continued to play a full part as a partner in the nationally recognised Dorset Integrated Care System. Considerable progress has been made by partners on how we can work together for the benefit of Dorset residents.

Looking forward to 2019/20, whilst the coming year will no doubt bring us many challenges, together with the Board I am excited by the opportunity to set a new strategy for the Trust, by the prospect of ever better integration of our services in local hubs in the County and by joint working with our partners in Dorset to deliver better health outcomes for Dorset residents.

I would like to thank all our staff, volunteers, partners and the many other organisations and individuals who we work with for their contribution in making 2018/19 a successful year for the Trust.



Andy Willis
Chairman

Who We Are

Dorset HealthCare is the principal provider of community and mental health services across Dorset. We serve a population of almost 800,000 people, employing around 5,000 staff covering a range of expertise and specialisms. The Trust's income is approximately £266 million.

The Trust has a large and geographically spread estate, providing services from over 300 sites ranging from village halls and GP surgeries to small, medium-sized mental health in-patient hospitals to single ward community hospitals located in market towns. The services provided by the Trust are diverse and constantly evolving to meet the changing needs of the local population.

We run Dorset's 12 community hospitals and minor injuries units - as well as providing adult and children's community and mental health services, specialist learning disability services, community brain injury services.

Our community health services encompass: district nurses, health visitors, school nursing, end of life care, sexual health promotion, safeguarding children, diabetes education, audiology, speech and language therapy, dermatology, podiatry, orthopaedic services, wheelchair services, anti-coagulation services, pulmonary rehab, early discharge stroke services, Parkinson's services, community oncology and breastfeeding support services.

Dorset HealthCare became a Foundation Trust on 1st April 2007. We are regulated by NHS Improvement which authorises and regulates NHS Foundation Trusts and supports their development, ensuring they are well-governed and financially robust.

The arrangements by which the Trust is governed are reviewed in section 2.1 of this Report.

Our Achievements in 2018/19

The Trust has continued to invest in services over the course of the year. In this section we highlight some of these achievements.

During the year we have continued to invest in new facilities for patients and staff including:

Douglas House

A £1.36 million pound investment to relocate services from the Seastone building on the Alumhurst Road site to Douglas house has been completed. The ground floor Child and Adolescent Mental Health team will benefit from a new sensory room, clinical consulting rooms and conference facilities. A mixture of individual and open plan office spaces will accommodate Health visitors and District nurses.

The building is the first of its kind to benefit from the installation of a photo voltaic system generating up to 20kw of free electricity. LED lighting has been installed throughout, together with a state of the art heating system with intelligent controls that can be accessed remotely.

Hillcrest

Part of the Hillcrest site has undergone a complete transformation to enable the Early Intervention team to relocate from Alumhurst Road. New offices, staff meeting room and welfare facilities have been provided together with energy efficient lighting and heating.

Improved Radiology Services at Swanage Hospital

Construction works commenced in January 2019 to refurbish the X-ray department at Swanage Hospital. New digital X-ray equipment is being installed together with a complete refurbishment of existing clinical spaces, ultrasound room, along with a private changing facility.

Weymouth Hospital

A £650k project to upgrade the three ventilation systems and cooling system to Weymouth Hospital is nearing completion. The design has addressed previous issues of poor environmental conditions and overheating. A new building management system has been integrated into the project to allow more accurate control of the space temperature together with hygienic cleaning of all ductwork.

In summary, it has been a successful year for the Trust with the quality of services, patient outcomes and patient experience improving, and the operational financial performance of the organisation remaining strong.

Other service highlights during the year included:

- joining forces with The Patients Association to carry out a study aimed at giving a better understanding of how it feels to be a patient using mental health services;
- a visit from Japanese health professionals who travelled thousands of miles to see a pioneering Dorset initiative which provides education and training for people affected by mental health problems;
- Patients and staff at Alderney Hospital enjoying tasty, nutritious meals full of locally-sourced ingredients thanks to a joint initiative between Trust staff and students at Bournemouth University;
- The designation of Weymouth Community Hospital as one of the first 150 NHS Urgent Treatment Centres (UTCs) operating across the country;
- The award of Disability Confident Employer status to the Trust, showing a commitment to improving the way it attracts, recruits and supports people with a disability;
- A national award for a series of popular podcasts which explore the emotional and physical health problems faced by young people in Dorset and across the country;
- The award of Gold Standard Framework (GSF) accreditation to two Trust wards at Alderney Hospital in Poole for their work in helping elderly dementia patients spend their final days in dignity and peace. The award-to Herm and St. Brelades wards- are the first elderly care mental health units in the country to earn the status;
- The award of an MBE to Andy Gritt, who leads Dorset HealthCare's Armed Forces Community Health and Wellbeing Team in the New Years' Honours List;
- The Armed Forces Community Health and Wellbeing Team winning the national award for mental health in the NHS70 Parliamentary Awards

- The ranking of the Trust, in the Care Quality Commission's national Community Mental Health Survey, as one of the top four NHS trusts in the country in providing an extremely high level of care for people with mental illness;
- The Trust Criminal Justice and Liaison Service winning the national mental health award at the Health Service Journal Patient Safety Awards;
- The establishment of a dedicated team of community support to provide short term care to frail and vulnerable people living in the most remote parts of North Dorset;
- Being awarded £75,000 from a national fund to help lead a national drive to develop volunteering programmes in support of the NHS. Dorset HealthCare was one of just 12 trusts selected to take part, and will receive funding from NHS England to enable local volunteers to play a bigger part in end-of-life care.

Our Performance in 2018/19

This section of the report explains how the Trust has performed against key national and local targets in each of our main service areas.

Mental Health & Learning Disability Services

The National Planning guidance for 2018/19 focussed on the delivery of a number of Mental Health targets:

- Estimated Diagnosis rate for people with Dementia
- Improving access to psychological therapies (IAPT) Roll out
- IAPT Recovery Rate
- IAPT Waiting Times – 6 Weeks
- IAPT Waiting Times – 18 Weeks
- Psychosis treated with a National Institute for Health and Care Excellence (NICE) approved package within two weeks of referral
- Improving Access Rate to Children & Young People's Mental Health Services
- The proportion of children and young people with estimated diagnosis (routine cases) that wait four weeks or less from referral to start of NICE approved treatment
- The proportion of children and young people with estimated diagnosis (Urgent cases) that wait one week or less from referral to start of NICE approved treatment
- Out of Area Placements

The Trust performed well against the agreed performance trajectories despite increases in demand.

Year on year there has been an increase in referrals and contacts across all areas of mental health, learning disability and Steps to Wellbeing Services:

Service	Referrals 17/18 YTD	Referrals 18/19 YTD	Growth Referrals Acuta	Growth Referral %
AMH	19,853	20,891	1,038	5.23%
Asperger's Service	670	720	50	7.46%
CYPMH	4,281	4,126	-155	-3.62%
Learning Disability Service	1,429	1,339	-90	-6.30%
OPMH	6,150	6,294	144	2.34%
MH & LD Total	32,383	33,370	987	3.05%
Steps 2 Wellbeing	27,823	32,052	4,229	15.20%
Total	60,206	65,422	5,216	8.66%

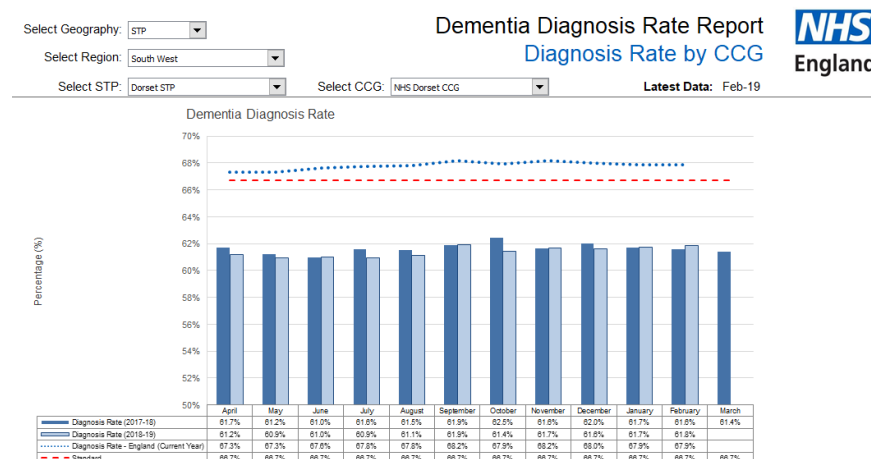
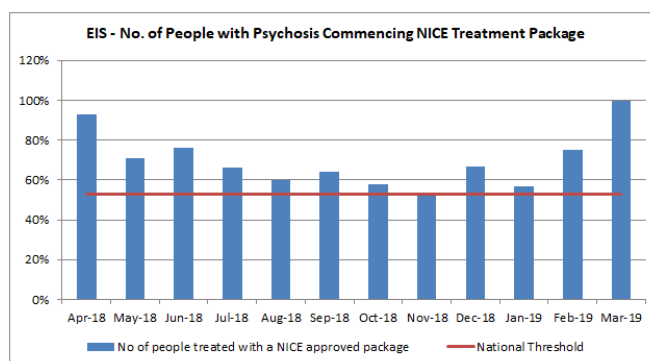
Service	Contacts 17/18 YTD	Contacts 18/19 YTD	Growth Contacts Acuta	Growth Contacts %
AMH	119,817	120,095	278	0.23%
Asperger's Service	1,430	1,526	96	6.71%
CYPMH	29,286	32,765	3,479	11.88%
Learning Disability Service	23,082	23,096	14	0.06%
OPMH	52,195	55,223	3,028	5.80%
MH & LD Total	225,810	232,705	6,895	3.05%
Steps 2 Wellbeing	154,168	170,119	15,951	10.35%
Total	379,978	402,824	22,846	6.01%

Despite the continued growth, access and waiting time indicators have been met for nearly all services. Detailed plans are in place to address access waiting times for those services where targets were not met- Children & Young People's Mental Health Services and Adult Eating Disorder Services.

Estimated Dementia Diagnosis rate for people aged 65+

The national threshold for the estimated diagnosis rate for people with dementia is 66.7%. During 2017/18 & 2018/19 Dorset has consistently averaged 61% compliance. This is a target for the whole healthcare system in Dorset.

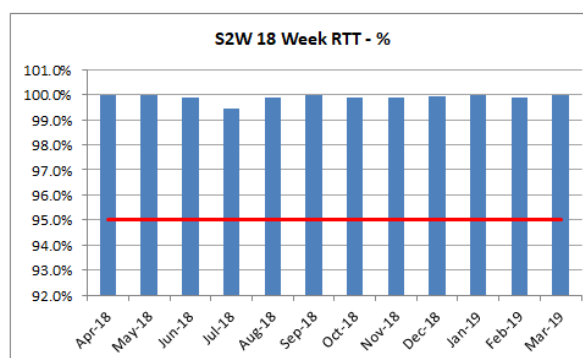
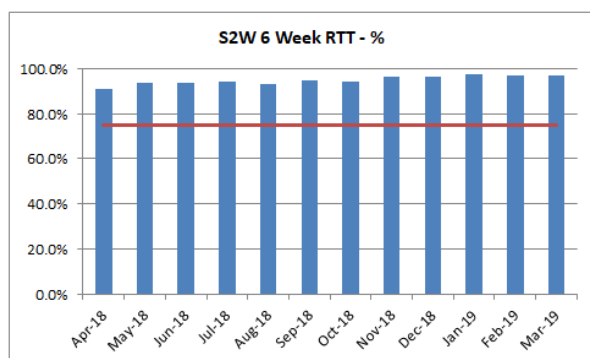
As at February 2019, Dorset has the 5 highest dementia diagnosis rate in the South West Region:



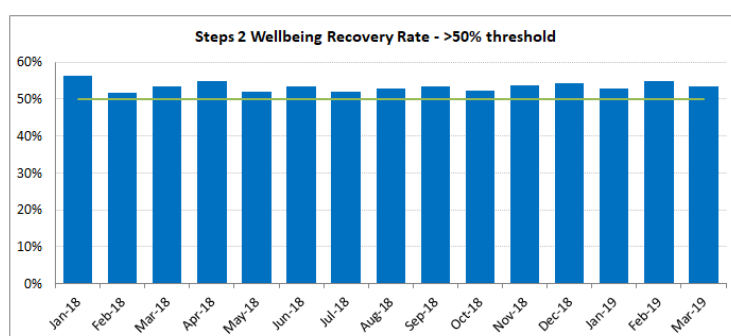
IAPT Roll Out, IAPT Recovery Rate, IAPT Waiting Times – Six Weeks & IAPT Waiting Times – 18 Weeks

The IAPT service is continuing to expand to meet growing demand.

The service saw 97% of patients within the six week target (against a national target of 75%) and all patients within 18 weeks (against a target of 95%):



The service continues to achieve excellent recovery rates and is in the top quartile of performance nationally:



Psychosis treated with a NICE approved package within two weeks of referral

This measures the number of referrals to and within the Trust of patients with suspected first episode psychosis or “at risk mental state”, and that start a NICE Recommended package of care in the reporting period within 2 weeks of referral.

The Trust has consistently met the required threshold month on month for 2018/19.

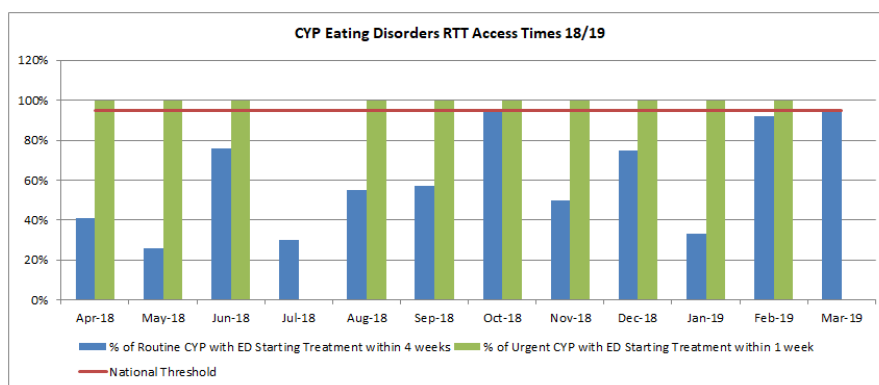
Improving Access Rate to Children & Young People’s Mental Health Services

The national indicator is designed to measure increases in access to children and young people’s mental health services. The indicator aims to ensure at least 35% of children and young people with a diagnosable mental health condition receive treatment from an NHS-funded community mental health service by 20/21. The required target was to achieve 32% in 2018/19 across the Dorset system. The Trust was able to see 30% (3,348 patients) of patients within the target time.

- (a) *The proportion of children and young people with estimated diagnosis (Routine cases) that wait four weeks or less from referral to start of NICE approved treatment*
- (b) *The proportion of children and young people with estimated diagnosis (Urgent cases) that wait 1 week or less from referral to start of NICE approved treatment*

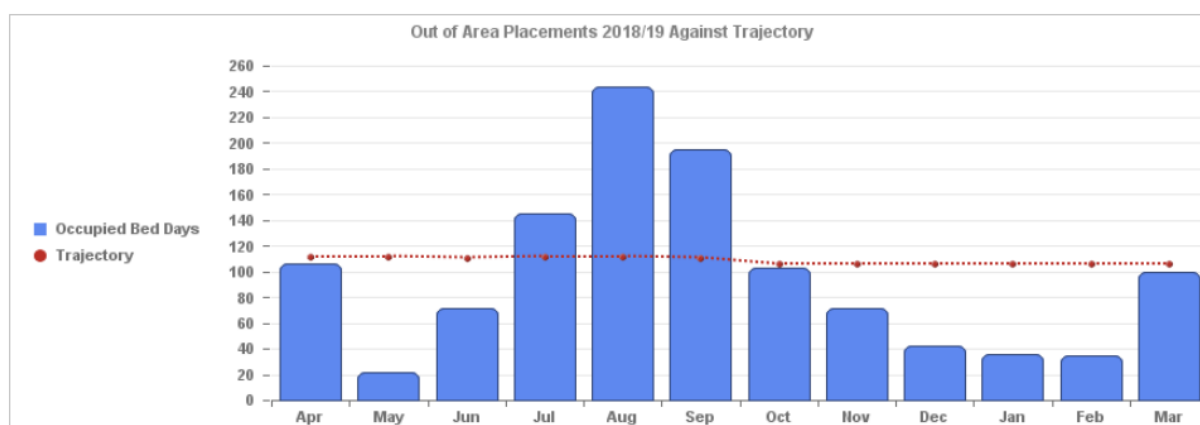
Compliance for urgent cases starting treatment within one week of referral has consistently been achieved (100%) during 18/19.

Increasing demand has made the achievement of the four week target more challenging. Recruiting more staff resulted in the target being achieved in March 2019 and a plan has been agreed to achieve the target on a consistent basis in 2019/20:



Out of area placements – The Trust is committed to eliminating out of area placements which are not in the best interests of patients. Plans are in place to achieve a year-on-year reduction. The demand for services has made this challenging to achieve on a consistent basis. However, the introduction of an additional 16 adult acute mental beds in Dorset by 2020/21 will make a significant contribution:

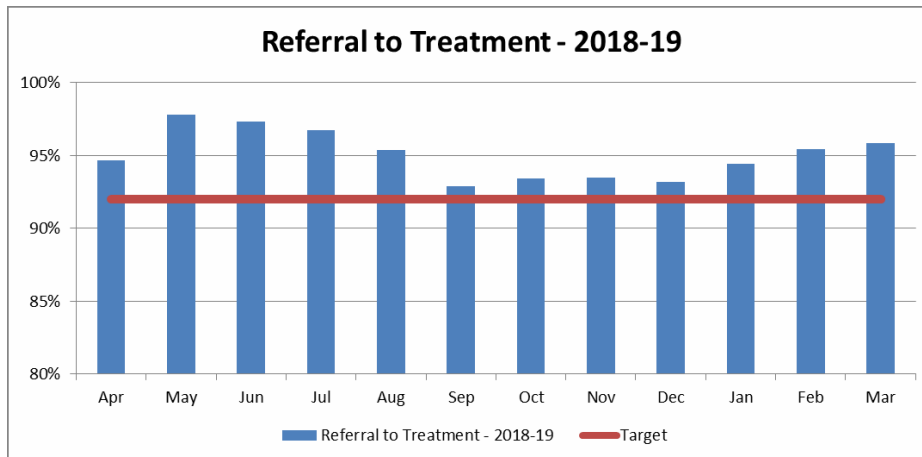
Fiscal Year	18/19	18/19	18/19	18/19	18/19	18/19	18/19	18/19	18/19	18/19	18/19	18/19	18/19
Month Name	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Occupied Bed Days	106	22	72	145	244	195	103	72	42	36	35	100	1172
Occupied Bed Days Trajectory	112	112	111	112	112	111	106	106	106	106	106	106	1306



Integrated Community Services

Referral to Treatment

The percentage of patients waiting less than 18 weeks for Consultant-led treatments at each month-end during 2018-19 was above the national target of 92% in each month:



Consultant-Led services which contribute to this target include:

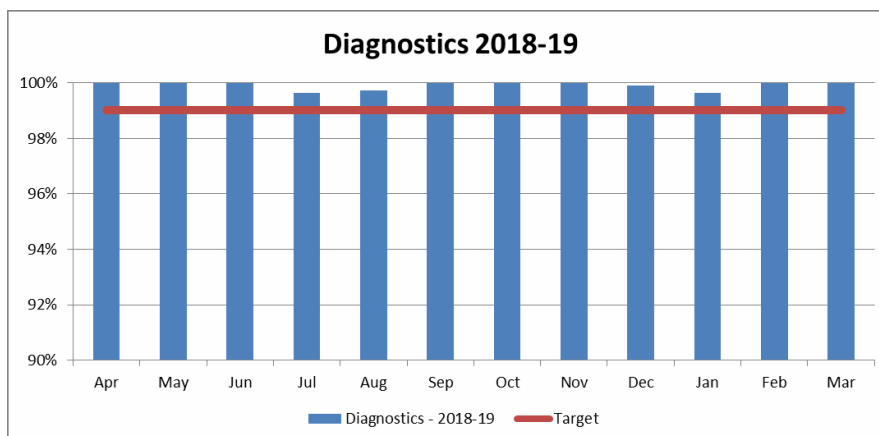
- General Surgery
- Urology
- Trauma & Orthopaedic
- Ear Nose & Throat
- Ophthalmology
- General Medicine
- Cardiology
- Rheumatology
- Elderly Medicine
- Gynaecology
- Podiatric Surgery

Many of these services see relatively small numbers of patients each month. Any individual patients who wait longer than 18 weeks will have a significant impact on the percentage.

Consultant-led services usually rely on arranging sessions in our Community Hospitals that utilise Consultants from acute hospitals on service level agreements. The lower performance from September to December 2018 was due to shortages of Consultant time in Ophthalmology.

Diagnostics

The percentage of patients waiting less than six weeks for diagnostics tests at each month-end during 2018/19 was above the national target of 99% in each month:



Diagnostics services consist of:

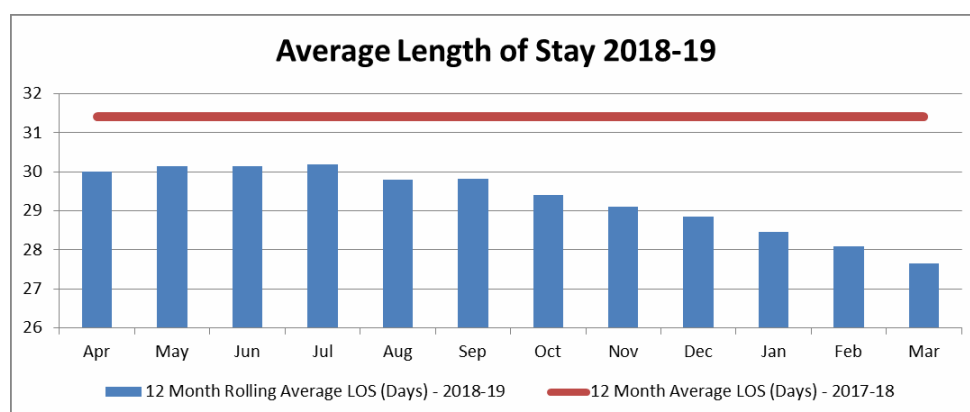
- Ultrasound
- Audiology
- Cardiology
- Urodynamics
- Endoscopy

Of these services, Audiology and Ultrasound see the most patients.

In eight of the 12 months there were no patient breaches.

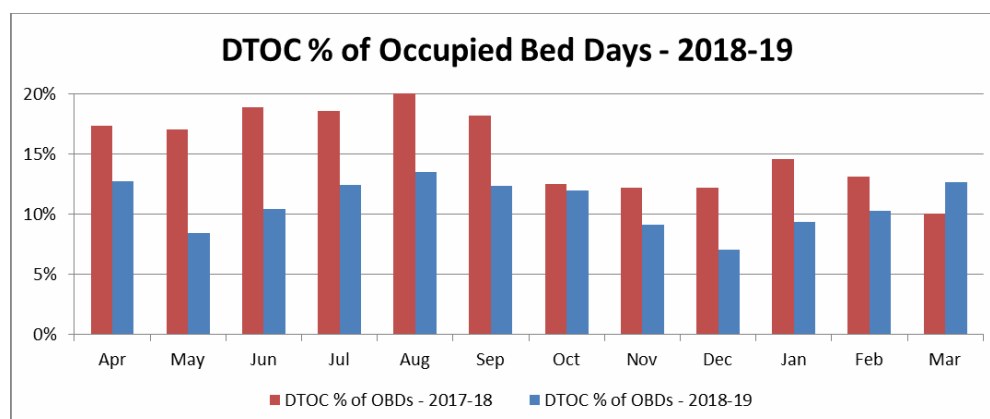
Community Hospital Inpatient Average Length of Stay and Delayed Transfers of Care (DTOC)

The 12-month rolling average length of stay for Community Hospital inpatients has reduced consistently during the year from an average 31.4 days in 2017/18:



There are real benefits for patients from a reduced length of stay, both for the individual patient being able to return home earlier and because more patients can receive care in Community Hospitals in a year.

Considerable effort that has been made in partnership with Dorset local authorities to reduce delays in discharge of patients from Community Hospitals. This has included setting expected discharge dates early on admission and undertaking regular reviews with patients and carers involving medical, nursing, therapy and social care staff, who all contribute to the progress of the patient to a safe discharge:

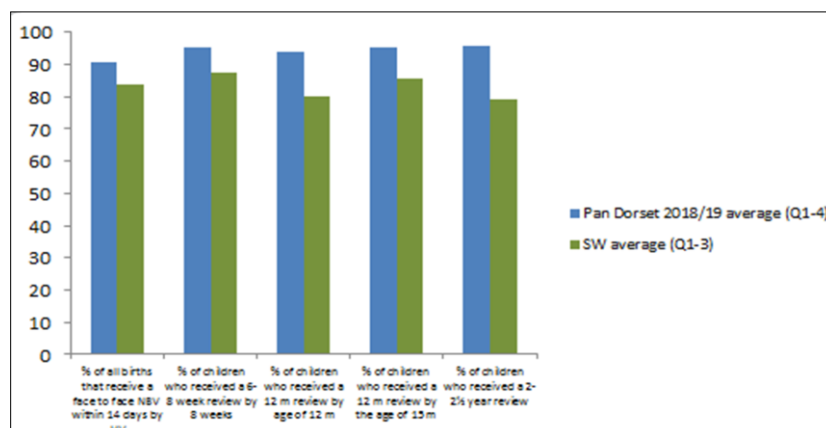


The percentage of days lost to delayed transfers of care in 2018/19 averaged 10.9% compared to 15.7% in 2017/18. The Trust has implemented a number of initiatives to improve flow through Community Hospitals based on good practice guidance issued by NHS Improvement.

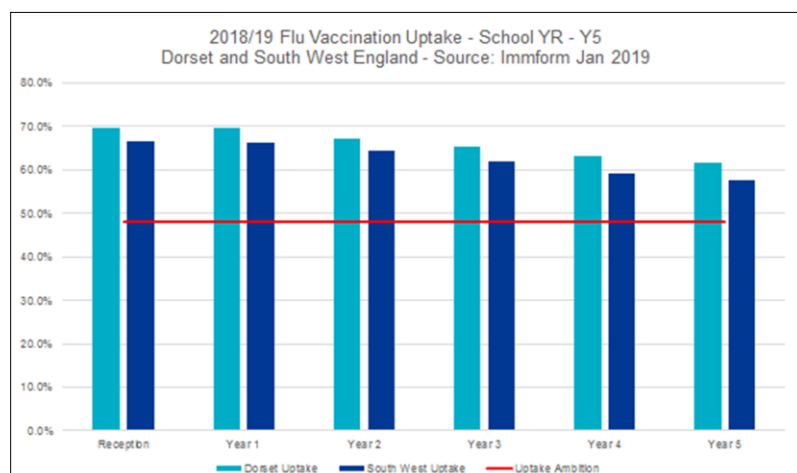
Children, young people and Families services

Children and their families are supported by a number of Trust services with an emphasis on giving children the best start in life. The Health Visiting service delivers a universal programme of visits which are available to all children and the service consistently exceeds the South West average performance achievement.

Health Visiting Service mandated visits



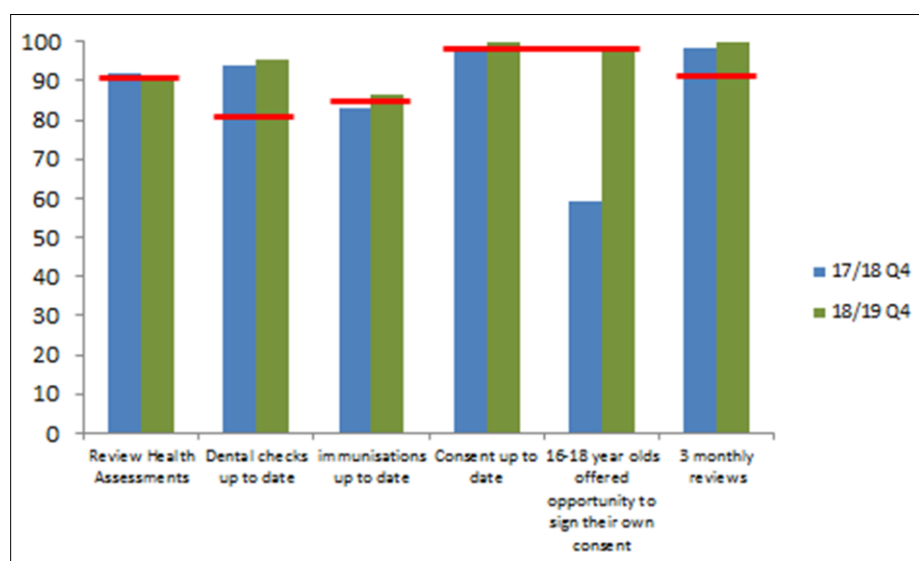
This support is continued by the DHC School Nursing team when a child reaches school age, which includes delivery of immunisations. In the most recently completed programme the Trust exceeded NHS England's minimum threshold target for delivering the flu vaccine, and exceeded the South West uptake rates:



Source: NHS England

Effective support is also provided to Looked after Children (LAC) and performance in delivering regular reviews for all children on the LAC caseload. For these reviews performance was at or above target by the end of the year, providing assurance that all children on the LAC caseload receive regular monitoring and checks.

Looked after Children performance compared to target



Sustainability Report

Sustainability has become increasingly important in all aspects of life, helping to reduce harmful impacts on our own environment and reducing the economic impact of high energy costs. The impact of what we do affect people and the Trust acknowledges the responsibility to patients, staff, local community and environment by striving to reduce its carbon footprint.

As part of the local NHS, public health and social care framework, and as a spender of public funds, the Trust has an obligation to work in a way that has a positive effect on the community. Sustainability enables the delivery of the Trust carbon reduction commitments and contributes to the ambitious targets to reduce the NHS and Social Care carbon emissions by 34% from a 1990 baseline by 2020.

Demonstrating that the Trust considers the social and environmental impacts ensures that the legal requirements in the Public Services (Social Value) Act (2012) are met.

In order to fulfil these responsibilities the Trust has a Board approved Sustainable Development Management Plan (SDMP).

The Trust also completed the Sustainability Development Assessment Tool (SDAT) in Autumn 2018. The SDAT is a self-assessment tool to help organisations understand their sustainable development work, measure progress and help make plans for the future. It uses four cross cutting themes 'Governance and Policy', 'Core responsibilities', 'Procurement and Supply chain' and 'Working with Staff, Patients & Communities'. The tool provides an overall score, as a percentage, which the Trust will use as a baseline for subsequent assessments and to benchmark against other organisations. The Trust score in 2018/19 was 36%.

The Trust arranges running awareness campaigns that promote the benefits of sustainability to our staff. Examples this year included "Turn it Off" and the Warp It reuse and recycle portal.

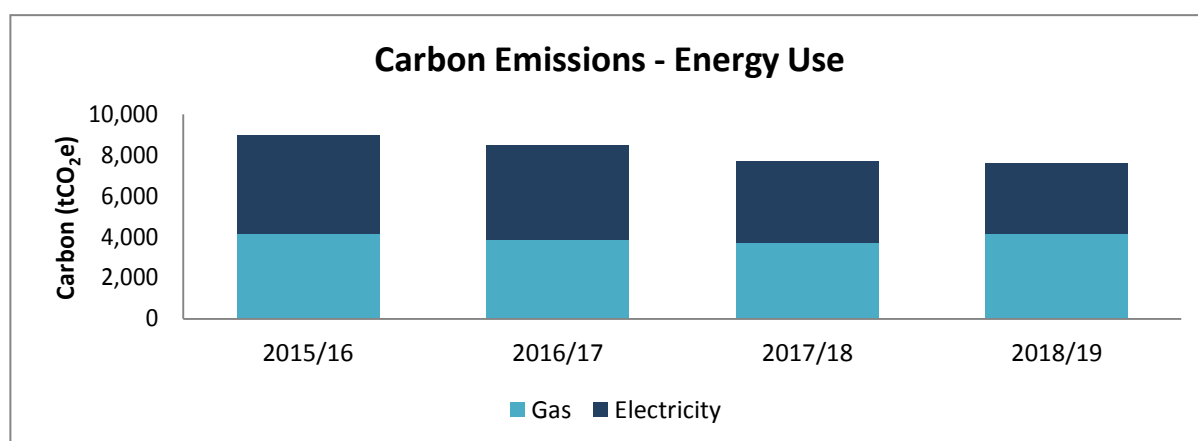
Climate change brings new challenges to our business both in direct effects to the healthcare estates, but also to patient health. Examples of recent years include the effects of heat waves, extreme temperatures and prolonged periods of cold, floods, droughts etc. The Trust seeks to develop effective measures to address and adapt the delivery of the

organisation's activities and infrastructure to meet climate change and adverse weather events. During 2018 the Trust responded to two extreme weather events in the form of "Storm Emma" and the "Beast from the East" followed shortly after by a heatwave. Summer 2018 was the joint hottest summer for UK and the joint hottest summer on record for the UK as a whole, and the hottest ever for England temperature highs experienced were tied with those of 1976, 2003 and 2006 for being the highest since records began in 1910

The Trust is proud of its cook fresh facilities provided at a number of the Community Hospitals. Staff who work within these teams have won awards in regional and National competitions including the Hospital Caterers Association (HCA) 2019 awards. The awards publicly acknowledge the commitment and contributions from HCA members over the last 12 months. Iain Robertson, Hotel Services Manager at St Ann's Hospital, won the prestigious Hospital Caterers Association "Chef of the Year" award.

Energy

Energy is one of Trust's largest areas of expenditure. The chart below shows the CO₂ emissions from our energy usage over the last four financial years. It is positive to see a downward trend despite the cold spell in Spring 2018 followed by the Summer 2018 heatwave. These temperature extremes inevitably cause greater energy usage.



The chart below shows energy consumption over the last four years. The energy costs increased in 2018/2019. Further energy cost rises will be experienced in forthcoming years due to the abolition of the Carbon Reduction Credit (CRC) scheme and its replacement by Climate Change Levy (CCL) which will be applied to each unit of energy purchased. Electricity consumption has reduced and Gas consumption increased in the last year. This resulted in a Total Energy CO₂ emission increase over previous years. Over the last four years the Trust has experienced a 20% Total Energy CO₂ emission reduction.

Resource		2015/16	2016/17	2017/18	2018/19
Gas	Use (kWh)	19,810,463	18,399,530	17,653,590	19,577,160
	tCO ₂ e	4,156	3,851	3,689	4,151
Electricity	Use (kWh)	7,827,861	8,052,599	7,805,206	7,750,736
	tCO ₂ e	4,848	4,630	4,006	3,455
Total Energy CO ₂ e		9,004	8,480	7,695	7,605
Total Energy Spend		£ 1,544,853	£ 1,142,263	£ 1,444,401	£ 1,773,338

The work undertaken at the largest 13 Trust sites (in the main the Community Hospitals) to reduce energy consumption is now paying off and demonstrated in these figures. In addition, the new Building Environmental Management System (BEMS) being rolled out at a number of sites is giving greater control of energy usage. The boiler plant replacement schemes commenced a few years ago must also be factored into these reductions. The new equipment is more compact, uses less energy and is cleaner and more efficient.

In early 2019 the Trust opened a refurbished building called Seascape House. This is fitted with a Solar PV array which will generate 24047kWh of electricity per annum avoiding electricity needing to be purchased from grid and will be consumed by users of the building. A carbon saving of over 7 tonnes per annum will be made by this initiative.

During 2019 the Trust intends to install Solar PV to 4 sites which will create an annual power generation of 182,535 kWh of electricity. An annual carbon saving of 51 tonnes will be made. The power created will be used at the installed sites. This enterprise will reduce the amount the Trust spend on grid energy.

Replacement LED light fittings are being installed across the Estate as part of Capital works and when light fittings reach the end of life. The LED lights use less energy, emit less heat, are maintenance free for at least 5 years and provide a better environment due to the light emitted by them. An LED bulb uses 67% less power than an equivalent fluorescent bulb. In early 2019 the Trust bid for and was awarded a grant from the national NHS Energy Efficiency Fund (NEEF) to install LED lighting across 10 Trust sites. This will lead to annual energy savings of £376k and carbon reductions of 824,000kg/CO₂.

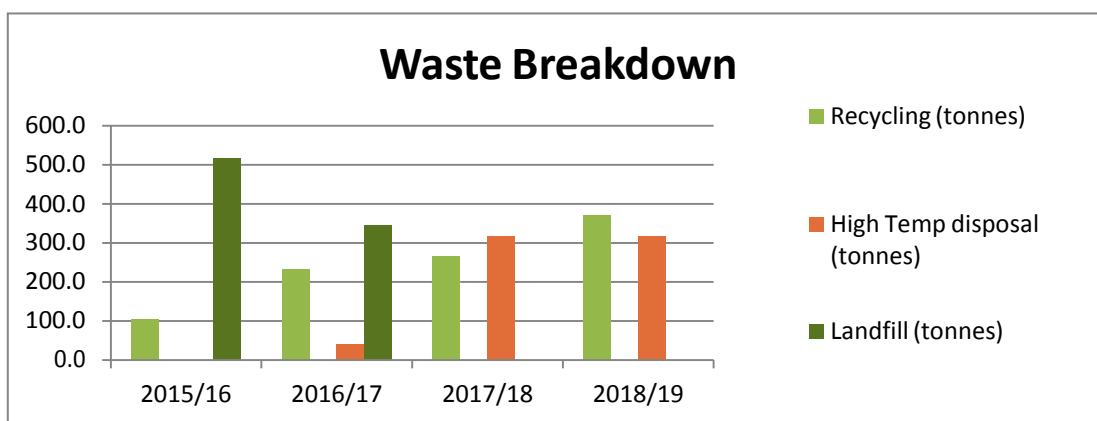
Reuse and Recycling

The Trust launched the Warp It reuse and recycling portal in autumn 2017 on a pilot basis and this has been very well received. The organisation can now access and make use of the portal which is reached by the Intranet. Details of surplus equipment is entered on Warp It with a picture and staff seeking equipment search the system and then claim items needed. This avoids the cost of buying new items, their associated raw material, manufacturing and distribution costs. To date nearly £105,000 has been saved in new items purchase costs, over 43930kg of CO₂ emissions saved through manufacturing and distribution of new items, 18068kg of existing reused items that may have become “waste” equipment requiring disposal for which we would have been required to pay for to remove. This is the equivalent of planting 66 trees.

The Trust now recycles over 53% of its waste and this figure has been growing steadily over the last few years. The waste compounds now in evidence at most of our larger sites have enabled economies of scale that derive greater benefits from recycling material.

Waste

Just over two years ago the Trust achieved “Zero to Landfill”-waste is either recycled or sent for disposal and used to create energy. Over 370 tonnes of waste is now recycled representing a 53% recycling rate:



The Trust sends food waste for processing at a local anaerobic digestion facility. The waste food is turned into methane which is converted into power and sent to the National Grid. The organic material remaining after the process is made available to local farmers for use in their agricultural processes. The fact this all takes place locally also reduces the travel footprint.

Waste		2015/16	2016/17	2017/18	2018/19
Recycling	(tonnes)	105.00	232.00	266.00	370.00
	tCO ₂ e	2.21	4.64	5.59	8.05
High Temp disposal	(tonnes)	0.00	40.00	316.00	315.00
	tCO ₂ e	0.00	8.76	69.52	69.30
Landfill	(tonnes)	515.00	345.00	0.00	0.00
	tCO ₂ e	125.88	84.32	0.00	0.00
Total Waste (tonnes)		620.00	617.00	582.00	685.00
% Recycled or Re-used		17%	38%	46%	54%
Total Waste tCO ₂ e		128.08	97.72	75.11	77.35

Finite Resource Use – Water

The Trust has reduced by almost one quarter the water usage over the last four years:

Water		2015/16	2016/17	2017/18	2018/19
Mains Water	m ³	118,269	94,076	79,656	91,108
	tCO ₂ e	108	86	73	83
Water & Sewage Spend		£ 302,317	£ 308,417	£ 240,791	£ 320,693

Travel

Trust travel-business mileage from staff using their own vehicles and staff commuting, as shown in the table below-is a large part of the Trust carbon footprint:

Category	Mode	2015/16	2016/17	2017/18	2018/19
Patient Transport	miles	158,842	142,659	138,965	126,452
	tCO ₂ e	57.69	51.59	50.22	45.06
Staff commute	miles	5,218,075	5,422,686	4,483,065	5,570,621
	tCO ₂ e	1,917.27	1,961.04	1,620.23	1,984.95
Business travel and fleet	miles	6,402,971	5,361,522	4,755,668	5,755,177
	tCO ₂ e	2,352.64	1,938.92	1,718.75	2,050.71

The Trust is pursuing a range of approaches to reduce travel related CO2- a cycle to work scheme, investment in secure bike shelters and the development of an agile working project to reduce staff travel to work and for work.

Biodiversity and Green Space

As part of the capital planning process the Trust gives consideration to creating green and outdoor space for patients and staff. It is recognised as having substantial therapeutic and health benefits which are essential to the human recovery process. There are environmental benefits to this also including support to local ecology and flora & fauna.

Procurement

A Sustainable Procurement Policy has been developed which raises awareness amongst suppliers and potential suppliers to the Trust of the sustainable impact of procurement and supply chain

Financial Performance

One of the key challenges and risks identified for the year was the delivery of the financial plan. The Trust delivered a surplus of £7.2 million. This was ahead of the planned deficit of £2.1 million. This performance includes the benefit of receiving £7.9 million of Provider Sustainability Funding.

The Trust's financial performance history for the past three years is summarised below:

Year	Total Income £m	Surplus/(Deficit) £m	%age of Turnover
2018/19	266	7.2	2.71
2017/18	247	6.0	2.43
2016/17	261*	(1.3)	(0.49)

Notes:

Total Income includes interest received

**includes discontinued operations*

In terms of regulatory financial performance, the finance and use of resources theme within NHS Improvement's Single Oversight Framework is based on the scoring of five measures from '1' to '4' where '1' reflects the strongest performance. The Trust achieved the highest Use of Resources score of 1 throughout the year as set in table below (this is covered in more detail in section 2.5 of this report):

2018/19	Metric	01 score	02 score	03 score	04 score
Financial sustainability	Capital service capacity	1	1	1	1
	Liquidity	1	1	1	1
Financial efficiency	I&E margin	1	1	1	1
Financial controls	Distance from financial plan	1	1	1	1
	Agency spend	1	1	1	1
Overall Use of Resources Score		1	1	1	1

The Trust has been fully engaged in preparation for a possible 'no deal' in respect of the UK's withdrawal from the European Union.

The Trust has implemented a Brexit plan in accordance with the national priorities set out by the Department of Health and Social Care. These cover -supply of medicines and vaccines , supply of medical devices and clinical consumables , supply of non-clinical consumables , goods and services, workforce shortages, reciprocal healthcare , research and clinical trials and data sharing, processing and access. Preparations have also been made on planning for identified local risks

Going Concern

The progress that the Trust has made and the commitment of our staff gives every confidence that services of high quality will continue to be provided now and into the future. On this basis, after making enquiries , the Directors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the 'going concern' basis in preparing the accounts .

Post Balance Sheet Events

In the opinion of the Directors of the Trust, there are no Post Balance Sheet events .

Signed



Eugene Yafele, Chief Executive

22 May 2019

2. Accountability Report

2.1 Directors' Report

Board of Directors; Composition; Committees, Interests

Board Composition

The Board of Directors is responsible for managing the Trust, ensuring delivery of financial performance, quality of services and ensuring all standards are achieved and targets are met.

The Trust has a unitary Board, comprising the

- Chair
- Seven other independent Non-Executive Directors (NEDs)
- Seven Executive Directors

Upon appointment to the Board of Directors, Board members receive a comprehensive induction. Director training is reviewed and undertaken to ensure the Board is regularly refreshed and Directors update their skills and knowledge.

The figure below summarises the formal roles of the Directors as part of a unitary Board and when acting collectively in the Boardroom or undertaking distinctive Executive/Non-Executive roles outside of formal meetings:

<u>All directors acting collectively as a unitary Board</u> Establish and communicates the values and behaviours underpinning organisational culture. Determine the organisation strategy from amongst options provided by the Executive. Allocate resources using budgets. Monitor performance. Hold the Executive to account.	
<u>Executives / Executive Groups</u> Establish the operational controls by which organisational objectives are met. Hold management to account.	<u>NEDs / Non-Executive-led Assurance Committees</u> Using a risk based approach, acquire and scrutinise assurances that the operational controls are designed well and operating effectively.

Directors participate in a variety of activities, such as visits to service areas, and learn about the Trust in multiple ways. This provides content, insight and triangulation of information to support evidence-based decision making.

The Board meets at least six times per year in formal Board meetings and also undertakes other activities. The Board generally holds its meetings in public but there are some occasions when the public are excluded from a 'Part 2' meeting in which matters of a confidential nature are discussed. Regular reports from the Chief Executive and other Executives are provided to ensure that the Board has an accurate and balanced assessment of the Trust's position and progress towards its objectives.

Workshops are held in most months throughout the year to raise Board effectiveness and to discuss the development of strategic opportunities and challenges. Non-Executive Directors also meet together from time to time without the Executive Directors present.

Careful consideration has been given to the composition of the Board and the experiences required for managing an NHS Foundation Trust. This resulted in specific experience, values and competencies being sought when appointments were made to the Board during the year. This is to ensure that the Board of Directors is balanced and has the skills needed to meet the objectives of the Trust. Currently our Non-Executive Directors have a wide range of experiences including healthcare governance; strategy; social care, finance and technology, which match the Trust's needs well.

The Board regularly assesses its performance and its development needs. During the course of the year the Board commenced a self-assessment against the Well-Led Framework. This will be used as a basis for commissioning an external governance review later in the year and to support an externally facilitated workshop.

The Board establishes an annual development programme. This is supported by development plans for individual directors.

Board Committees review their performance annually by way of self-assessment against best practice criteria, such as – in the case of the Audit Committee – the toolkit in the NHS Audit Committee Handbook published by the Healthcare Financial Management Association.

All of the Trust's Non-Executive Directors are free of any connection to the Trust which might be perceived to be likely to bias their judgement in their roles.

The Chair is responsible for the leadership of the Board of Directors and Council of Governors. He ensures the effectiveness in all aspects of their roles whilst at the same time ensuring they work together effectively and constructively. The Chair reports to the Board the views expressed by Governors and by the Council as a whole.

The Chair is also responsible for ensuring that both the Board and Council receive accurate, timely and clear information to enable them to undertake their roles and responsibilities. The Chair has disclosed his other interests which could impact on his time available to perform the role which requires about three days a week of his time. These are set out, along with those of all Directors, in the register of interests, which appears later in this chapter.

All Directors have signed declarations to abide by the Trust's Code of Conduct for Directors. They have each also made declarations as to compliance with NHS's *fit and proper persons* criteria.

The Board takes seriously the duties and responsibilities of its members, both individually and collectively. Annual appraisals of the Chair, other Non-Executive Directors and Executive Directors are carried out to review and develop performance.

Board Members

Andy Willis - Non-Executive Director (Chair)

(Appointed as Chair in April 2017)

Andy has a wealth of experience in non-executive roles for organisations in the health, housing, education and third sectors.

A corporate lawyer by background, Andy specialises in corporate governance and leadership development. He works both in the private sector and with organisations such as The King's Fund and the NHS Leadership Academy, focusing on developing leadership skills, improving governance and supporting change.

Andy has served on NHS boards in Bristol, Somerset and Southampton.

David Brook OBE, Non-Executive Director, Quality Governance Committee Chair
(First appointed January 2014, reappointed for a second term of office until January 2020)

David joined the RAF in 1982 and held early roles as an Engineering Officer. He served in the UK, the Middle East and Sierra Leone.

After completing his MA in Defence Studies, David led the formulation and development of RAF engineering strategy and policy, including Quality Management.

In 2004, David was appointed to RAF Odiham as Officer Commanding Forward Support Wing. Two years later, David moved to HQ Strike Command where he was responsible for the procurement of technical accommodation, upgrade of runways and aircraft operating services, security systems, domestic accommodation, upgrade of electrical, water and drainage systems for a major upgrade to a front line flying station.

In 2007 he joined the RNLI as Engineering and Supply Director. As a member of the Executive Team he led the technical department of over 400 personnel dispersed throughout the UK and Republic of Ireland.

In 2015 David became the Managing Director and Bursar of Canford School.

John McBride, Non-Executive Director, Deputy Chair of the Trust and Audit Committee Chair
(First appointed 1 August 2014, reappointed for a second term of office until July 2020)

John trained and qualified in accounting with Broxtowe Borough Council. He progressed through a number of financial roles, including within treasury, before then taking on wider leadership roles including Chief Accountant at the City of York. In the mid-80s he was appointed Deputy Chief Executive of West Dorset Council in 1990. John then joined Poole Council as Policy Director and was appointed Chief Executive in 2002. John has now retired from the Council.

Sarah Murray, Non-Executive Director, Chair Mental Health Legislation Assurance Committee and the Charitable Funds Committee
(First appointed 1 August 2014, reappointed for a second term of office until July 2020)

Sarah began her career as a lawyer working for major London firm, Clifford Chance within property and wider corporate areas. She then moved to a smaller firm in Bristol before relocating to Brussels with her husband. On returning to the UK, Sarah set up her own software/events business which she ran successfully for a number of years. Alongside this work, Sarah was Chair of Hampshire Ambulance Service from 1998 to 2003 and a member of the Prison Service Review Body from 2004 to 2008. Sarah is currently a lay member of the Royal College of Surgeons Independent Review body and of the Society for Cardiothoracic Surgery. She is also the Events Coordinator for the European Maritime Law Organisation.

Nick Yeo, Non-Executive Director, Senior Independent Director
(First appointed 1 August 2014 until reappointed for a second term of office until July 2020)

Nick joined the NHS as a management trainee and spent a number of years moving through management and director level roles with the NHS and the Department of Health. He took on his first Chief Executive role with North Surrey PCT in 2002 and then moved over to East

Sussex PCT and then Hampshire Partnership NHS Trust, a mental health and social care service provider. Nick's final role in the NHS was as Director of Provider Development for NHS South of England.

Heather Baily - Non-Executive Director

(Appointed 1 October 2017)

Heather has more than ten years' experience in senior executive roles in policing. She has held senior management posts in the Metropolitan Police Service as Head of Training and Borough Commander for Hammersmith and Fulham before joining Hertfordshire Constabulary as an Assistant Chief Constable where she was the lead for collaboration with Bedfordshire and for protective services which included counter terrorism and serious and organised crime. She was later promoted to Deputy Chief Constable and led a number of strategic initiatives including improved performance and organisational culture. A passionate supporter of those people who work for us, she led a national mentoring project for senior women in policing. She has extensive experience of partnership working across the public sector and with Government. On leaving Hertfordshire, she took up a senior post with the Garda inspectorate in Dublin, inspecting policing and partnership arrangements across Ireland. She has more recently been a member of the Police and NCA Remuneration Review bodies for three years, advising Government on pay and remuneration across policing nationally. She is also currently a Non-Executive Director with the Department of Justice, Northern Ireland and her voluntary work has included working with SSAFA the Armed Forces Charity, across Dorset.

John Carvel - Non-Executive Director

(Appointed 1 October 2017)

John is a former journalist for The Guardian. He retired from the paper in 2009 after 36 years' service. His many roles included education editor (1995-2000) and social affairs editor, specialising in health and social care (2000-2009). He was until recently a member of the Healthwatch England national committee, which champions the interests of patients and service users. He continues to serve on the Panel of the National Data Guardian, Dame Fiona Caldicott and previously sat as a Lay Member on the Department of Health's National Leadership Council. Since 2009 he has provided consultancy and writing, mainly for public sector health organisations.

Belinda Phipps - Non-Executive Director

(Appointed 1 October 2017)

Graduating with a BSc Hons in Microbiology, Belinda joined Glaxo Pharmaceuticals becoming UK Marketing Manager. Whilst completing an MBA at Ashridge Management College she joined the Blood Transfusion Service as Chief Executive with a view to leading a merger. After a period managing a Medical Publishing company she became Chief Executive of an NHS Trust. Belinda joined the National Childbirth Trust (NCT) as Chief Executive in 1999. She became Chief Executive of the Science Council in 2015 and is Chair of the Fawcett Society. She is also Chair of the NMC Appointments Board, PipUK Patron and trustee for Pro Bono Economics. Belinda was most recently the first female Chief Executive of the British Medical Association (in an interim role).

Eugene Yafele, Chief Executive Officer

(Appointed as on 1 February 2019)

Eugene was the appointed Chief Executive on 1 February 2019. Prior to that he held the roles of Chief Operating Officer and Locality Director (Bournemouth/Christchurch).

Eugene completed his MBA at Warwick Business School in 2013 and has significant clinical leadership and operational management experience gained in both the NHS and the independent sector. He has broad experience of partnership working and the development of new models of care and clinical pathways to improve the experience of people using health and social care services.

Matthew Metcalfe, Director of Finance and Strategic Development

(Appointed September 2016)

Matthew initially worked at University College London Hospitals when he entered the healthcare industry in 2008. Since then he has had several finance director roles, with both providers and suppliers. Prior to Dorset HealthCare Matthew was Director of Finance at Homerton University Hospital, an acute and community services provider in East London.

Educated at King's College London, Matthew went on to qualify as a Chartered Accountant with Arthur Andersen. Moving into Corporate Finance, Matthew became a director at Rothschild, where he advised a variety of large organisations on strategic development and corporate transactions.

Nicola Plumb, Director of Organisational Development and Participation

(Appointed in March 2014, became a voting Board member in April 2017)

Nicola is passionate about the NHS and has spent her career in the public sector since graduating from Durham University with a Politics degree in 2000.

Nicola has held a variety of communications and development roles in the NHS and Department of Health including working at NHS Bournemouth and Poole, Communications Advisor to the NHS Chief Executive and most recently, working as Head of Brand for NHS England.

Colette Priscott, Director of Human Resources

(Appointed November 2017)

Colette is a Fellow of the Chartered Institute of Personnel and Development (CIPD), and brings with her vast experience in senior HR roles within the NHS and the wider public and private sector.

In her previous job, Colette was Deputy Director of HR at Great Western Hospitals NHS Foundation Trust for three years, having previously worked at LiveWell South West for around ten years in various senior HR OD and learning and development roles.

Dr Stephen Tomkins, Medical Director

(Appointed 1 May 2018)

Steve qualified as a doctor from Southampton University in 1992. He spent the early part of his career experiencing medicine in different cultures, from sports medicine in Australia to rural clinics in Thailand. On his return to the UK he worked in hospital medicine for a few years before becoming a GP and establishing his own practice.

Since becoming a GP, he has been part of many innovative projects within the NHS.

Dawn Dawson, Director of Nursing, Therapies & Quality
(Appointed April 2018)

Dawn is a nurse with an extensive clinical background having worked in acute, community and the mental health sector; most recently she has held a number of senior positions in an integrated mental health and community trust.

Dawn has a broad academic background, which includes psychology, law, and post-compulsory education. Her focus on high quality patient care combined with workforce development led to Dawn working strategically across an STP footprint successfully heading up a national test site for the Nurse Associate Programme

Other Board Attendee:

Fiona Myers, Interim Chief Operating Officer

Fiona was appointed March 2019. She attends Board meetings but is not a member of the Board.

Board members who left in the year:

Ron Shields,

Ron was Chief Executive from October 2013 until he retired on 31 January 2019.

Fiona Haughey,

Fiona was Director of Nursing Therapies and Quality from February 2014 until her retirement on 31 March 2018.

Nick Kosky,

Nick was the Medical Director from July 2015 until his retirement in April 2018.

Attendance at Board of Directors' Meetings

The table which follows shows the number of meetings attended by each Board Member and the maximum number of meetings that they could have attended:

Name	Title	Attendance / maximum attendance
Directors in post as at 31 March 2019		
Andy Willis	Non-Executive Director, Chair	8/8
Heather Baily	Non-Executive Director	6/8
David Brook	Non-Executive Director	7/8
John Carvel	Non-Executive Director	7/8
John McBride	Non-Executive Director	8/8
Sarah Murray	Non-Executive Director	6/8
Belinda Phipps	Non-Executive Director	7/8
Nick Yeo	Non-Executive Director	6/8
Eugene Yafele	Chief Executive Officer	7/8
Matthew Metcalfe	Director of Finance and Strategic Development	6/8
Colette Priscott	Director of Human Resources	6/8
Steve Tomkins	Medical Director	7/7
Dawn Dawson	Director of Nursing, Therapies & Quality	8/8
Nicola Plumb	Director of Organisational Development and Participation	7/8
Directors no longer in post as at 31 March 2019		
Ron Shields	Chief Executive Officer	6/7
Nick Kosky	Medical Director	0/1

Board Committees

The Board has identified a number of topics only it will make decisions on. These include the power to set the vision, strategic aims, objectives and budget for the Trust.

Other matters are delegated to Board committees, which operate within defined terms of reference. Details are set out below.

Audit Committee

This Committee comprises independent Non-Executive Directors. It provides the Trust with an independent and objective review of all internal control systems and risk management. The Committee considers reports from management and from independent sources. The Trust recently appointed BDO to provide the Internal Audit service and KPMG to provide the External Audit service. The Committee also receives a report from Local Counter Fraud services.

Attendance at the Committee meetings is shown below:

Audit Committee Attendance	
Member	Attendance/maximum attendance
John McBride (Committee Chair), Non-Executive Director	5/5
Nick Yeo, Non-Executive Director	4/5
Heather Baily, Non-Executive Director	5/5
Belinda Phipps, Non-Executive Director	5/5

The significant issues that the Audit Committee considered during the year related to:

- Review Assurance as to Compliance with the NHS foundation Trust's Code of Governance.
- Review Assurance as to Compliance with the Trust Provider Licence.
- Annual Review of the Effectiveness of Internal Audit, local counter-fraud services and the external auditors. The Committee agreed it was satisfied with the work undertaken.
- Board Assurance Framework (BAF) was reviewed regularly and recommendations made to continue its strengthening.
- Annual Report and Annual Governance Statement 2017/18 considered by the committee prior to being submitted to the Board of Directors for final approval.
- Quality Report 2017/18, noted by the committee prior to being submitted to the Board of Directors for final approval.
- Statutory Financial Statements and Accounts 2017/18 received and considered by the committee prior to being submitted to the Board of Directors for approval.
- Internal Audit Annual Report 2017/18, including the Head of Internal Audit Opinion received and noted. The report found reasonable assurance on the Trust's system of internal controls
- External Audit Annual Governance Report with respect to the Trust's use of resources received and noted.
- Plans for internal Audit, External Audit and Counter Fraud Work were examined and agreed.
- Internal Audit Progress Reports received, reviewed and noted (all meetings)
- External Audit Progress Reports received and noted (all meetings).
- Local Counter Fraud Services progress reports received and noted (all meetings).
- Audit Committee meeting forward plan and timetable received and noted .
- Action Tracker was reviewed (all meetings).
- The committee reviewed the Scheme of Delegation and Reservation of Powers to the Board.
- The Committee has routinely monitored Single Tender waivers.
- The Committee satisfied itself with regard to the production of NHS Reference Costs.
- The Committee receives the minutes of the Quality Governance Committee and feels this is a useful cross-check to ensure that risks are being covered.
- The Going Concern assumptions were examined and recommended for approval

- The Chair represents the Committee on a small group which examines issues relating to the Trust's Freedom to Speak Up policies. Their work is reported to the Committee and Board.

More information about the Committee's role is given in the Annual Governance Statement later in this Annual Report.

Quality Governance Committee (QGC)

The Committee acquires and scrutinises assurances that the organisation has a combination of structures and processes at and below Board level that equip it to deliver high-quality clinical services.

Attendance at the Committee meetings in 2018/19 was:

Quality Governance Committee Attendance	
Member	Attendance/maximum attendance
David Brook (Committee Chair), Non-Executive Director	5/6
Nick Yeo, Non-Executive Director	6/6
Sarah Murray, Non-Executive Director	5/6
John Carvel, Non-Executive Director	6/6
Belinda Phipps, Non-Executive Director	5/6
Eugene Yafele, Chief Executive Officer attended the Committee meetings when he was Chief Operating Officer	4/5
Dawn Dawson Director of Nursing, Therapies & Quality	5/6
Steve Tomkins, Medical Director	3/5
Nicola Plumb, Director of Organisational Development and Participation	5/6
Nick Kosky, Medical Director	1/1

The Trust's quality governance structure and performance for the year is explained in depth within our Quality Report in chapter 3 of this Annual Report.

The framework within the Trust for overseeing 'well-led' quality governance is set out below.

The Board retains ultimate responsibility for service quality and quality governance in the Trust. The Board receives an integrated dashboard including a quality dashboard covering all three domains of quality: patient experience, patient safety and clinical effectiveness. This is alongside reports from the QGC.

The QGC provides further scrutiny of the quality of services. This Committee has been supported by the Executive Quality and Clinical Risk Group, which meets monthly to examine the internal quality and clinical processes and provide an in-depth review of data in order to ensure the effectiveness of the systems operated by the organisation.

Mental Health Legislation Assurance Committee and Mental Health Act Panel Members

This Committee is a specialist arm of the Quality Governance Committee.

The Trust operates a clear separation of the Non-Executive role in acquiring and scrutinising assurances as to quality governance in mental health services (by the Committee) and that of conducting the review process for detained patients in accordance with the required provisions of Mental Health legislation, undertaken by Mental Health Act Panel Members. Four Non-Executive Directors have been trained, alongside other independent lay people, in mental health legislation, and will act as a pool, from which a panel of three will be drawn to consider any individual case.

Attendance at the Committee meetings during the year was:

Mental Health Legislation Assurance Committee	
Member	Attendance/maximum attendance
Sarah Murray (Committee Chair), Non-Executive Director	4/4
Heather Baily, Non-Executive Director	4/4
John Carvel, Non-Executive Director	1/1
John McBride, Non-Executive Director	4/4
Dawn Dawson, Director of Nursing, Therapies & Quality	3/4
Steve Tomkins, Medical Director	3/3
Nick Kosky, Medical Director	1/1

Appointments and Remuneration Committee

Details of the role and membership of the Committee are set out in section 2.2 of this Annual Report.

Charitable Funds Committee

The Board is the Corporate Trustee of the Trust charity. The Charitable Funds Committee has been established by the Board to make and monitor arrangements for the control and management of the Charitable Fund investments of the Trust and to allocate funds to appropriate projects.

Attendance at the Committee meetings during the year was:

Charitable Funds Committee	
Member	Attendance/maximum attendance
Sarah Murray (Committee Chair), Non-Executive Director	3/3
Matthew Metcalfe, Director of Finance & Strategic Development	1/3
John Carvel, Non-Executive Director	1/1
Heather Baily, Non-Executive Director	3/3
Nicola Plumb, Director of Organisational Development and Participation	3/3

Register of Directors and their interests 2018/19

Name	Interests Declared
Heather Baily Non-Executive Director	<ul style="list-style-type: none"> • Director of Colfosco Consulting Ltd • Branch Publicity Officer, SSAFA Dorset
David Brook Non-Executive Director	<ul style="list-style-type: none"> • Managing Director & Bursar, Canford School
John Carvel Non-Executive Director	<ul style="list-style-type: none"> • Panel Member – National Data Guardian for Health and Care
Dawn Dawson Director of Nursing Therapies & Quality	<ul style="list-style-type: none"> • Daughter is an HR Business Partner in Somerset CCG
John McBride Non-Executive Director	<ul style="list-style-type: none"> • Elected Council Member of the RNLI in an advisory and voluntary role • Audit Committee member at RNLI
Matthew Metcalfe Director of Finance & Strategic Development	<ul style="list-style-type: none"> • None
Sarah Murray Non-Executive Director	<ul style="list-style-type: none"> • Lay reviewer: Independent Review Process of the Royal College of Surgeons • Lay advisor: Society for Cardiothoracic Surgery • Lay representative: National Adult Cardiac Surgery Audit • Lay representative: College of Clinical Perfusionist Scientists

Belinda Phipps Non-Executive Director	<ul style="list-style-type: none"> • Company Director, Artisan Solutions Ltd • Holds a small number of shares in GSK • Chair Fawcett Society, • Chair Appointments Board NMC • Patron PiP Uk • Sister works for the Macular Society • Voluntary Trustee for a charity Pro Bono Economics • Interim CEO BMA (British Medical Association)
Nicola Plumb Director for Organisational Development and Corporate Affairs	<ul style="list-style-type: none"> • Partner is a Director at Salisbury Hospital • Trustee, EDAS,(Essential Drug and Alcohol Services)
Colette Priscott Director of HR	<ul style="list-style-type: none"> • Husband (Bank/Professional Register)
Stephen Tomkins Medical Director	<ul style="list-style-type: none"> • Director of Platinum Skies Living Limited – registered provider of social housing • On bank contract for RBH to work within their IAGPS service when required
Andy Willis Trust Chair & Non-Executive Director	<ul style="list-style-type: none"> • Director, Legal Skills Development Limited • Director of Cilex Law School Limited • Chair United Communities • Director, Chair of Audit Committee, Green Square Group • Windsor House – Leadership Fellow • Leadership Associate, The King's Fund • Associate, Hay Group • Works with the NHS Leadership Academy
Eugene Yafele Chief Executive Officer	<ul style="list-style-type: none"> • Wife is employed as a Nurse practitioner in the Trust
Nick Yeo Non-Executive Director	<ul style="list-style-type: none"> • Son-in-law is a Management Trainee at Dorset CCG

Council of Governors

Composition of the Council of Governors

At the end of 2018/19 the Council of Governors comprised 26 Governors under the leadership of the Trust Chair and the elected Lead Governor:

- 14 Public Governors:
 - 8 from Dorset/Rest of England Constituency
 - 3 from Bournemouth Constituency
 - 3 from Poole Constituency
- 5 Staff Governors
- 7 Partner Governors.

The role of the Council is set out in the law, in the Constitution and in the Trust's own Governance Manual.

The Council annually assesses its own performance.

Council Roles and Responsibilities

The Council of Governors has a number of statutory responsibilities:

- Appointing and if required removing the Trust Chair
- Appointing and if required removing the other Non-Executive Directors
- Approving the appointment of the Chief Executive
- Appointing and if required removing the Trust's External Auditors
- Holding the Non-Executive Directors to account for the performance of the Board
- Representing the interests of Members
- Receiving the annual report and accounts
- Approving any amendments to the Constitution
- Approving any significant transactions
- Approving any plans to increase the Trust's non-NHS income by more than 5%.

Nominations and Remuneration Committee

The Council has a Nominations and Remuneration Committee which advises on the appointment and remuneration of Non-Executive Directors.

The Committee periodically reviews the numbers, structure and composition of Non-Executive Directors, to reflect the expertise and experience required, and then makes recommendations to the Council of Governors. The Committee also develops succession plans for Non-Executive Directors, taking into account the challenges and opportunities facing the Trust. It keeps the leadership requirements of the Trust under review, to ensure the continued ability to provide cost effective, high quality and appropriate health services.

The attendance of members of the Committee during the year were:

Member	Attendance
Andy Willis, Trust Chair	4/4
Jan Owens, Lead Governor	3/4
Karen Parker, Partner Governor	3/4
Scottie Gregory, Public Governor	4/4
Pat Cooper, Staff Governor	2/4
Alison Fisher, Public Governor	4/4

The Committee met in the year to:

- Oversee the appraisal of the Chair and Non-Executive Director;

- Agree how the Council of Governors would be engaged in the recruitment process for a Chief Executive; and
- Undertake the annual review of the remuneration of the Chair and Non-Executive Directors

Lead Governor

Jan Owens was re-elected as the Lead Governor for a second term until October 2019. The Lead Governor can serve for a maximum of three terms in total.

The Trust has developed a role description for the Lead Governor which goes above and beyond the 'point of contact' role described in the NHS Foundation Trust Code of Governance. At Dorset HealthCare the role also includes:

1. Encouraging positive engagement by Governors to respond to Board reports, plans, consultations and proposed actions when required;
2. Building trust and confidence within the Council of Governors;
3. Ensuring there are effective systems to welcome and induct new governors, in conjunction with Dorset HealthCare;
4. Encouraging all governors to engage in training and development;
5. Working with the Chair, ensuring that all Governors are aware of their collective responsibilities;
6. Representing the views of the Council of Governors where necessary and provide constructive challenge to the Chair and other Non-Executive Directors;
7. Preparing for meetings of the Council of Governors with the Chair and Trust Secretary to ensure agendas are appropriately focussed;
8. Working with the Senior Independent Director in collating the input of Governors to the performance appraisal of the Chair;
9. Working with the Trust Chair in collating the input of Governors to the Performance Appraisal of Non-Executive Directors;
10. Being a member of the Nominations and Remuneration Committee in the process of appointing the Chair and other Non-Executive Directors;
11. Acting as point of contact with NHS Improvement where it would not be appropriate for other channels to be used;
12. Raising with NHS Improvement any Governor concerns that the Foundation Trust is at risk of significantly breaching the terms of its authorisation, having made every attempt to resolve any such concerns locally.

Links with the Board of Directors

The Board and Council have agreed a policy for engagement which sets out how the Council will hold the Board to account, the communication flow between the two bodies and the process for managing disagreements. During the year there have been no substantive areas of disagreement between the Board and the Council.

Governor Elections and Appointments

UK Engage acts as the Returning Officer for all of the Trust's Staff Governor and Public Governor Elections.

Elections to the Council were held in 2018 and the following Governors were elected for a three year term of office. The following Governors were re-elected:

- Dr. David Dickson (Dorset and the Rest of England and Wales Constituency)

- Scottie Gregory (Dorset and the Rest of England and Wales Constituency)
- Celia Millar (Poole Constituency)
- Anne Hiscock (Staff)
- Helen Lawes (Staff)

There were no candidates in the Bournemouth Constituency.

Meetings of the Council of Governors

The Council of Governors meets a minimum of four times a year on a quarterly basis. The meetings are held in public and are advertised on the Trust website.

The table below lists all the Governors in 2018/19 and the number of meetings attended from the maximum they could have attended, depending upon time of appointment or leaving the Council.

Governor	Meetings attended/maximum possible
Judith Adda	0/3
Becky Aldridge	6/6
Bill Batty Smith	2/6
Paul Boseley	2/5
Ray Bryan	1/6
Stephen Churchill	6/6
Steve Cole	4/6
Pat Cooper	4/6
Bobbie Dove	0/6
Alison Fisher	6/6
Joy Ford	5/6
Scottie Gregory	6/6
Vishal Gupta	2/6
Sue Howshall	5/6
Pete Kelsall	6/6
Ken Lavery	2/6
Karen Loftus	2/5
Andrew Mayers	2/6
Celia Millar	1/6
Jan Owens	6/6
Karen Parker	5/6
Scott Porter	3/6
Terry Purnell	3/6
Phil Redford	2/5
Anna Webb	6/6
Jack Welch	4/6

Register of Governors' Interests 2018/19

Governors are required to declare their interests in a Register of Interests at the time of their appointment and at the end of the financial year. Any changes during the year are notified to the Trust Secretary. The Register is available for inspection by members of the public and is available via the Trust website. All Governors have signed declarations to abide by the Trust's Code of Conduct for Governors.

Name	Interest Declared
Celia Millar Public Governor, Poole	Mother, Sarah Varley, Head of Estates, Borough of Poole
Scott Porter Public Governor, Poole	Employed as a Project manager at Southern Health NHS Foundation Trust
Anna Webb Public Governor, Poole	Employed by Dorset Mental Health Forum
Dr Andrew Mayers Public Governor, Bournemouth	Patron and Trustee, Dorset Mind Principal Academic, Bournemouth University
Terry Purnell Public Governor, Bournemouth	None
Jan Owens Lead Governor, Public Governor (Dorset RoEW)	Trustee of Dorset Mental Health Forum CCG – Dementia care Review and Urgent Treatment Centre Project Group and CCG Public Engagement Group
Scottie Gregory Public Governor (Dorset RoEW)	Member of the Dorset STP Public Participation Group Member of Christchurch Helpful neighbours Committee
Sue Howshall Public Governor (Dorset RoEW)	Public and Patient representative (voluntary on two committees of the CCG Dorset:- Dorset Medicines Advisory Group (DMAG) Dorset Medicines Optimisation Group (MOG)
David Dickson Public Governor (Dorset RoEW)	Trustee on Board of British Pregnancy Advisory Service (BPAS) Director Dover Croft Ltd providing Anaesthetic Service Friends of Wimborne Hospital – Trustee Group Anaesthetic Services
Alison Fisher Public Governor (Dorset RoEW)	Governance Partner, Dorset Mental Health Forum
Jack Welch Public Governor (Dorset RoEW)	None
Kenneth Lavery Public Governor (Dorset RoEW)	Director of Lyme Forward, a CIC Company.
Joy Ford Public Governor (Dorset	None

RoEW)	
Stephen Churchill Staff Governor	None
Anne Hiscock Staff Governor	None
Pat Cooper Staff Governor	None
Peter Kelsall Staff Governor	Wife – Kay Kelsall is Mental Health Act Panel member at Dorset Healthcare
Helen Lawes Staff Governor	None
Bobbie Dove Partner Governor, Local Government, Bournemouth Borough Council	Trustee of Dorset Children's foundation which funds operations and therapy not provided by Dorset HealthCare.
Bill Batty-Smith, Partner Governor, Local Government, District Councils	Dorset County Council Health Scrutiny
Ray Bryan, Partner Governor, Local Government, Dorset County Council	Elected member of Dorset County Council Elected member of East Dorset District Council
Vishal Gupta, Partner Governor, Local Government, Poole Borough Council	None
Karen Parker, Partner Governor, Bournemouth University	Employee of Bournemouth University with which the Trust has a MoU. My role as partner governor is a university 'appointment'.
Steve Cole League of Friends	Member of the Island and Royal Manor of Portland Rotary Club Chairman of the Friends of Blandford Hospital
Becky Aldridge, Partner Governor, Dorset Mental Health Forum	Chief Executive of Dorset Mental Health Forum

The Trust Membership: Public and Staff Constituencies

The table below shows the number of members in each constituency area:

Membership sub/constituency	31 March 2018	31 March 2019
Poole	876	924
Dorset /rest of England and Wales	2174	2460
Bournemouth	1054	1142
Total	4104	4526
Staff Members	6966	6281
Grand total	11070	10807

The Trust recognises a 'ladder of engagement' amongst its Members, starting with the passive receipt of information sent out by the Trust and, at its height, being exemplified by an active, representative, committed elected Staff or Public Governor. In between there are those who respond to information and surveys; some who come to meetings and events or vote in elections; others who express an interest in nominating themselves for election.

The Trust aims to increase the number of Public Members it has. A Membership Strategy and an engagement plan are in place, overseen by a Membership Committee. The members of the Committee are Jan Owens, Sue Howshall, Karen Loftus, Karen Parker, Terry Purnell, Anna Webb, Stephen Churchill, Steve Cole and Scottie Gregory

To increase membership the Committee held recruitment events at Bournemouth University and at the Trust sites. It has also been asking staff leavers to join the public membership.

Canvassing the opinion of the Trust's Members

The Trust uses its corporate resources and the Governors themselves to collect information by way of surveys, listening to staff, patients, carers and other stakeholders; participation in multi-organisation forums and using established and newer social media channels to understand what members want.

We encourage our members to make contact with their elected Governors through the membership office and our website. Opportunities to make contact on specific areas of potential interest to members are made available through the publication of the quarterly newsletter produced for all Trust members.

Council of Governors meetings are open to the public and members have the opportunity to talk with Governors and also observe the meeting's business. The formal link for members who wish to contact their representative Governors, or the members of the Board is via the Trust Secretary, who can be contacted on 0808 100 3318 or via email: membership@dhft.nhs.uk.

To become a member of the Trust, visit the Trust website: www.dorsethealthcare.nhs.uk

Alternately, write to us at:

FREEPOST RTGL-YAKR-CLGZ
Dorset HealthCare
4-6 Nuffield Road
Nuffield Industrial Estate
Poole BH17 0RB

Directors' Report Disclosures and Statements

The Trust is required to include in this report certain statements and disclosures. These are set out below:

Material Inconsistencies

There are no material inconsistencies between the Annual Governance Statement, the Corporate Governance Statement, Quality Report, Annual Report and reports from the Care Quality Commission

Political Donations

The Trust made no political donations in 2018/19.

Better Payment Practice Code

The Better Payment Practice Code requires the payment of undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later for 95% of all invoices received by the Trust. The Trust has fallen short of the 95% target in 2018/19.

Non-NHS Trade Creditors

Measure of Compliance	Number	£000s
Total Non-NHS trade invoices paid in year	49,355	59,390
Total Non-NHS trade invoices paid within target	41,513	51,856
Percentage of Non-NHS trade invoices paid within target	84.11%	87.31%
2017-18 comparable figures	95%	94%

NHS Healthcare Creditors

Measure of Compliance	Number	£000s
Total NHS trade invoices paid in year	1,281	57,015
Total NHS trade invoices paid within target	732	50,043
Percentage of NHS trade invoices paid within target	57.14%	87.77%
2017-18 comparable figures	78%	98%

Total Creditors

Measure of Compliance	Number	£000s
Total trade invoices paid in year	50,636	116,405
Total trade invoices paid within target	42,245	101,899
Percentage of trade invoices paid within target	83.43%	87.54%
2017-18 comparable figures	95%	96%

The Late Payment of Commercial Debts (Interest) Act 1998

The Trust was required to make payments of interest under the Late Payment of Commercial Debts (Interest) Act 1998 as follows:

	Total Liability to Pay Interest by virtue of failing to pay invoices within the 30 day period where obligated to do so	Total Amount of Interest Actually Paid
	£'000	£'000
NHS Healthcare	49	0
Non-NHS Trade	53	1

Income disclosures required by Section 43(2A) of the NHS Act 2006

The Trust's income for 2018/19 was £266 million (2017/18: £247 million) arising from the main contracts with Dorset Clinical Commissioning Group, NHS England and Dorset County Council.

Income received for activities other than the provision of healthcare services amounted to 6.9% of total income (2017/18: 5.5%). The Trust has met the requirement, as set out in Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012), that the income from the provision of goods and services for the purposes of the health service in England must be greater than income from the provision of goods and services for any other purposes. This income has had a negligible impact on the Trust's provision of goods and services for the purpose of health services.

Cost Allocation and Charging Guidance

The Trust has complied with the cost allocation and charging guidance issued by HM Treasury.

Statement as to the Disclosure to Auditors

For each individual who is a Director at the time this report is approved:

- So far as the Director is aware, there is no relevant audit information of which the NHS foundation trust's auditor is unaware and
- The Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the NHS foundation trust's auditor is aware of that information.

The Board has done this through:

- making enquiries of fellow Directors and of the Trust's auditors for that purpose
- taking such other steps (where required) as are required as a Director of the Trust to exercise reasonable care, skill and diligence.

The Annual Governance Statement in section 2.7 of this Report set out the risks to the business and our future developments.

The Chief Executive, as Accounting Officer, is responsible for the regularity and propriety of the Trust's financial management. These responsibilities and the responsibilities for the

financial accounts are detailed in the Statement of Accounting Officers Responsibilities set out elsewhere in this Annual Report. The Directors are responsible for preparing the Annual Report and Accounts in accordance with laws and regulations under directions issued by Monitor. The financial statements meet the accounting requirements of NHSI's NHS foundation trust annual reporting manual 2018/19. The accounting policies follow International Financial Reporting Standards (IFRS), HM Treasury's Resource Accounting Manual and Department of Health and Social Care Group Accounting Manual 2018/19, to the extent that they are meaningful and appropriate to the NHS. The accounts represent a true and fair position of the Trust.

The Directors 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 NHS Foundation Trust's performance, business model and strategy.

2.2 Remuneration Report

The Remuneration Report is not subject to audit, except the elements specifically identified as being subject to audit.

This remuneration report is prepared in compliance with the relevant sub-sections of the Companies Act 2006 s420-422; Regulation 11 and Parts 3 and 5 of Schedule 8 of the Large and Medium Sized Companies and Group (Accounts and Reports) Regulations 2008; Parts 2 and 4 of Schedule 8 of those Regulations as adopted by NHS Improvement within the NHS Foundation Trust Annual Reporting Manual 2018/19 and also, elements of the NHS Foundation Trust Code of Governance.

The Remuneration Report discloses information on those persons in senior positions having authority or responsibility for directing or controlling the major activities of the Trust. The Board has determined that such persons are those who routinely attend Board meetings and which, at the end of the year under review, comprise the Chair, seven Non-Executive Directors, and seven Executive Directors. All are identified in section 2.1.

A new Director of Nursing, Therapies and Quality commenced in April 2018 and a new Medical Director in May 2018 (both appointments having been made in 2017/18).

The Remuneration Report comprises three sections:

- Annual statement on remuneration by the Appointments and Remuneration Committee Chair
- Senior managers' remuneration policy
- Annual report on remuneration (of which some information is subject to audit).

Annual statement on remuneration by the Appointments and Remuneration Committee Chair

The Committee has made four major decisions during the course of the year:

- Cost of Living Award for Executive Directors

At the Appointments and Remuneration Committee in March 2019, the Committee agreed that that a flat rate uplift of £2,075 a year be awarded to Executive Directors, as the cost of living award for 2018/19, backdated to 1 April 2018. This was based on national advice from NHS Improvement.

- Appointment of a Deputy Chief Executive

The Committee agreed, in June 2018, to appoint Eugene Yafele as Deputy Chief Executive.

- Appointment of a Chief Executive

In December, the Committee agreed that Eugene Yafele be appointed as Chief Executive of the Trust, subject to the approval of the appointment by the Council of Governors. The Council of Governors subsequently approved the appointment.

- Adoption of Remuneration Principles for Executive Directors

In May 2018 the Committee agreed remuneration principles to guide its future decision-making in respect of Executive Director remuneration.

Senior Managers' Remuneration Policy

The following information constitutes the senior managers' remuneration policy of the Trust. There was appropriate engagement with those employees affected by the policy.

Future Remuneration Policy

The remuneration principles for Executive Directors, referred to above, now form part of the overall Trust remuneration strategy and policy. They are aimed at positioning the Trust in a way that it is able to attract, retain and motivate Executive Directors of sufficient calibre to maintain high quality patient-centred healthcare and effective management of Trust resources.

The Appointments and Remuneration Committee acknowledges the merits in the Trust being part of the national Agenda for Change framework, in particular, the concern to ensure that equal pay principles apply. With the exception of Executive Directors, the Trust pay strategy remains within the national Agenda for Change scheme. Discretion beyond Agenda for Change rates is, however, an area where attention may be appropriate to help ensure suitability of staffing and attract and retain high quality staff. An overriding consideration has been the importance of ensuring that the Trust approach to pay and decisions regarding pay is consistent with the performance of the organisation.

In 2018/19 the Trust's Senior Manager Remuneration components were:

Role	Basic salary	Pension	Board allowance
Chief Executive	<input type="checkbox"/>	<input type="checkbox"/>	
Chief Operating Officer	<input type="checkbox"/>		
Medical Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director of Nursing, Therapies & Quality	<input type="checkbox"/>	<input type="checkbox"/>	
Director of Finance & Strategic Development	<input type="checkbox"/>	<input type="checkbox"/>	
Director of HR	<input type="checkbox"/>	<input type="checkbox"/>	
Director of Organisation Development & Participation	<input type="checkbox"/>	<input type="checkbox"/>	

Basic salary - Salaries for very senior managers in the Trust have been determined by the Appointments and Remuneration Committee taking into account:

- the responsibilities;
- benchmarking with Director roles in other trusts;
- the differential with direct reports of Directors
- trends in the public sector such as austerity measures, equitable pay, competition for talent within the NHS sector and the relative size and complexity of competitor provider organisations.

Pension – Pension contributions are made by both the senior managers and the Trust in accordance with the provisions of the NHS Pensions Scheme.

Board allowance – the Medical Director retains a clinical component to the role and, as such, receives a full-time Consultant salary in accordance with national terms and conditions for doctors as well as an allowance for Board responsibilities.

The performance of all very senior managers, with the exception of the Chief Executive, is reviewed by the Chief Executive. The Chief Executive's performance is reviewed by the Trust Chair in conjunction with the Appointments and Remuneration Committee. The Chair's performance is reviewed by the Senior Independent Director who gathers views from the other members of the Board of Directors and the views of the Council of Governors. The other Non-Executive Directors are reviewed by the Trust Chair and the Council of Governors. A process is used which allows the Council's perceptions on performance to be included and reflected within the Non-Executive review. The Trust does not operate a performance related pay framework.

The Chief Executive is the only very senior manager whose pay exceeds £150,000 p.a. Payment to the Medical Director also exceeds this sum, however the largest component of his salary relates to his clinical duties. The remuneration of very senior managers (Chief Executive and Executive Directors) is determined by the Appointments and Remuneration Committee.

As a general principle, there is a common 'baseline' salary for Executive Directors equivalent to the Agenda for Change Band 9 maxima. It is recognised that certain executive roles may carry additional duties and responsibilities which warrant a higher level of remuneration and individual cases are considered by the Appointments and Remuneration Committee.

Non-Executive Director remuneration components

Non-Executive Directors receive remuneration in the form of an annual payment and, in some cases, an allowance for additional responsibilities. Details are set out below;

Name	Role	Remuneration £ pa	Additional allowances £ pa	Allowance title
Andy Willis	Chair	44,250	-	
Heather Baily	Non-executive Director	13,000	-	
David Brook	Non-executive Director	13,000	2,000	Quality Governance Committee Chair
John Carvel	Non-executive Director	13,000	-	
John McBride	Non-executive Director	13,000	2,000	Audit Committee Chair
Sarah Murray	Non-executive Director	13,000	2,000	Mental Health Legislation Assurance Committee Chair
Belinda Phipps	Non-executive Director	13,000	-	
Nick Yeo	Non-executive Director	13,000	2,000	Senior Independent Director/Appointments and Remuneration Committee Chair

Service Contract Obligations

In compliance with the G4 (3) NHS Improvement Condition for Board appointments, contracts for Directors contain a provision permitting summary termination in the event of a Director being or becoming an unfit person.

Contracts do not make provision for individual entitlements for any termination payments, other than pay in lieu of six months' contractual notice pay. Entitlements to payment for outstanding annual leave in accordance with the individual contract provisions can also apply.

Policy on Payment for Loss of Office

The Trust seeks to support and retain staff who are affected by organisational change wherever possible. Where suitable alternative employment cannot be found at an equivalent pay grade and seniority, the provisions of the Trust's protection policy may apply if alternative mutually acceptable work is found at a lower pay grade. If redundancy is the only option, payments are made in accordance with Agenda for Change national conditions of service. There is provision for pay in lieu of notice when appropriate where there is a contractual provision for this. Notice periods for all grades of staff, including Directors, have been subject to consultation and agreement with trade union representatives.

In cases of redundancy of Directors, the Trust will apply provisions equivalent to Agenda for Change national conditions of service, including the application of any salary caps, and payments will not be expected to exceed contractual entitlements. There were no redundancies amongst Directors in 2018/19.

In cases of capability arising from performance concerns, the Trust will seek to apply the provisions of the Disciplinary & Capability Policy and Procedures to support a return to full performance wherever possible. Where continued performance issues do not support continuation in the senior post, this may involve redeployment to an alternative post at the same or a lower pay grade, or a managed exit from the organisation which may include the exercise of discretion in respect of notice and garden leave within contractual provisions.

In the event of gross misconduct, the Trust may summarily terminate a Director's employment (subject to investigation and consideration in accordance with the Disciplinary & Capability Policy). Notice pay will also not normally apply where termination of employment arises in connection with the fit and proper person provisions. There were no dismissals among Directors in 2018/19.

Assessment of the continued fitness of Directors to perform their duties and responsibilities is undertaken annually.

Statement of considerations of employment conditions elsewhere in the Trust

The Trust remunerates senior managers at the rate necessary to attract and retain the talent required to deliver the Board's objectives, without needlessly diminishing finite public resources.

A policy and approach for the remuneration of the Chief Executive and Directors was introduced in February 2016.

Annual Report on Remuneration

Service Contracts

Details of service contracts are set out below;

Job Title	Date of last contract	Unexpired term	Notice period
Chief Executive	1.2.19	n/a - permanent appointment	6 months
Chief Operating Officer (vacant post)	18.02.19 – interim appointment	6 month appointment	1 month
Medical Director (Board allowance only)	30.1.18	n/a - permanent appointment	6 months
Director of Finance & Strategic Development	6.7.16	n/a - permanent appointment	6 months
Director of Human Resources	13.11.17	n/a - permanent appointment	6 months
Director of Nursing Therapies & Quality	16.4.18	n/a - permanent appointment	6 months
Director of Organisation Development & Participation	1.12.15	n/a - permanent appointment	6 months

Appointments and Remuneration Committee

The Board has an Appointments and Remuneration Committee which, as its core role

- Appoints senior staff; and
- Considers recommendations on Executive Director remuneration.

All Non-Executive Directors are members of the Committee. The Chief Executive has a right to be in attendance as a member of the Committee when other Executive Director appointments are being determined and may be invited to attend when the remuneration of the other Executive Directors is under discussion. The Committee is also advised by the Director of Human Resources.

During the course of the year, the Committee appointed recruitment consultants-Hunter Healthcare-to support the recruitment of a Chief Executive. The fee payable for the service comprised three elements-a retainer, at shortlisting stage and on successful placement of a candidate.

The major decisions made during 2018/19 are set out above in the annual statement on remuneration by the Appointments and Remuneration Committee Chair.

Attendance at meetings over the course of the year is set out in the following table:

Appointments and Remuneration Committee	
Member	Attendance/maximum attendance
Nick Yeo, Committee Chair and Non-Executive Director	8/8
Andy Willis, Trust Chair	8/8
John McBride, Non-Executive Director	7/8
David Brook, Non-Executive Director	8/8
Sarah Murray, Non-Executive Director	8/8
John Carvel, Non-Executive Director	7/8
Heather Baily, Non-Executive Director	7/8
Belinda Phipps, Non-Executive Director	5/8
Eugine Yafele, Chief Executive	2/2
Ron Shields, Chief Executive	3/6

Expenses Paid to Directors, Senior Managers and Governors

Director and Senior Manager Travel & Expenses 2018/19

The Trust has a total of eight directors in office and seven received expenses in the reporting period. The aggregate sum of expenses paid to directors in the reporting period was £7,259.84. This compares to £8,593.55 paid in 2017/18 when the Trust had a total of 11 directors in office and seven received expenses in the reporting period.

Expenses Paid to Governors 2018/19

The Trust has a total of 29 governors in office and 12 received expenses in the reporting period. The aggregate sum of expenses paid to governors in the reporting period was £4,613.83. This compares to £6,200.98 in the previous year, from a total of 35 governors in office and 17 received expenses.

Senior Managers' Remuneration (subject to audit)

Names	2017-18						2018-19					
	Salary & Fees (bands of £5,000)	Taxable benefits (nearest £100)	Annual performance-related bonuses (bands of £5,000)	Long-term performance-related bonuses (bands of £5,000)	Pension-related benefits (bands of £2,500)	TOTAL (bands of £5,000)	Salary & Fees (bands of £5,000)	Taxable benefits (nearest £100)	Annual performance-related bonuses (bands of £5,000)	Long-term performance-related bonuses (bands of £5,000)	Pension-related benefits (bands of £2,500)	TOTAL (bands of £5,000)
R Shields Chief Executive (Leaver 31/01/2019)	180-185	0	0-0	0-0	1,527.5-1,530	1,710-1,715 (4)	195-200	0	0-0	0.00	0-0	195-200
M Metcalfe Director of Finance	140-145	0	0-0	0-0	0-0	140-145	140-145	0	0-0	0.00	0-0	140-145
N Kosky Medical Director (Leaver 07/07/2018)	180-185 (1)	0	0-0	0-0	97.5-100	200-205	50-55	0	0-0	0.00	0-0	50-55
E Yafele Chief Executive from 01/02/2019 (Previously Chief Operating Officer)	120-125	3500 (3)	0-0	0-0	0-0	125-130	145-150	3300 (3)	0-0	0-0	0-0	145-150
N Plumb Director of Org Dev & Corp Affs	100-105	0	0-0	0-0	22.5-25	125-130	100-105	0	0-0	0.00	15-17.5	115-120

Names	2017-18						2018-19					
	Salary & Fees (bands of £5,000)	Taxable benefits (nearest £100)	Annual performance-related bonuses (bands of £5,000)	Long-term performance-related bonuses (bands of £5,000)	Pension-related benefits (bands of £2,500)	TOTAL (bands of £5,000)	Salary & Fees (bands of £5,000)	Taxable benefits (nearest £100)	Annual performance-related bonuses (bands of £5,000)	Long-term performance-related bonuses (bands of £5,000)	Pension-related benefits (bands of £2,500)	TOTAL (bands of £5,000)
C Priscott Director of Human Resources From 13/11/2017	35-40	0-0	0-0	0-0	22.5-25	60-65	100-105	0-0 (5)	0.00	0.00	72.5-75	175-180
S Tomkins Medical Director From 01/05/2018	0-0	0-0	0-0	0-0	0-0	0-0	150-155	0-0	0.00	0.00	90-92.5	240-245
D Dawson Director of Nursing From 02/04/2018	0-0	0.00	0.00	0.00	0-0	0-0	115-120	0-0 (5)	0.00	0.00	170-172.5	285-290

(1) Salary and Fees is combined remuneration of Medical director Salary and Consultant Salary and allowances

(2) Pension value decreased as pension taken in this financial year

(3) Taxable Benefit is due to this director being a Trust Lease Car User

(4) The Pension figures is larger than normal due to no pension asset for previous year thus increase is a full pension

(5) £2,000 taxable relocation expenses paid (Taxed at Source). £8,000 non-taxable relocation expenses also paid

Non-Executive Directors Remuneration (subject to audit)

Non-Executive Board Members	2017-18						2018-19					
	Salary & Fees (bands of £5,000)	Taxable benefits (nearest £100)	Annual performance-related bonuses (bands of £5,000)	Long-term performance-related bonuses (bands of £5,000)	Pension-related benefits (bands of £2,500)	TOTAL (bands of £5,000)	Salary & Fees (bands of £5,000)	Taxable benefits (nearest £100)	Annual performance-related bonuses (bands of £5,000)	Long-term performance-related bonuses (bands of £5,000)	Pension-related benefits (bands of £2,500)	TOTAL (bands of £5,000)
J McBride	10-15	600	0.00	0.00	0.00	15-20	10-15	100	0.00	0.00	0.00	10-15
S Murray	10-15	200	0.00	0.00	0.00	15-20	10-15	100	0.00	0.00	0.00	10-15
D Brook	10-15	0	0.00	0.00	0.00	10-15	10-15	0	0.00	0.00	0.00	10-15
N Yeo	10-15	1200	0.00	0.00	0.00	15-20	10-15	300	0.00	0.00	0.00	10-15
A Willis	40-45	1800	0-0	0-0	0-0	45-50	40-45	200	0-0	0-0	0-0	40-45
H Baily	5-10	400	0-0	0-0	0-0	5-10	10-15	400	0-0	0-0	0-0	10-15
J Carvel	5-10	500	0-0	0-0	0-0	5-10	10-15	400	0-0	0-0	0-0	10-15
B Phipps	5-10	0	0-0	0-0	0-0	5-10	10-15	2400	0-0	0-0	0-0	15-20

Taxable Benefits (benefits in kind) relate to mileage expenses and car allowances & Pay as you earn settlement agreements (PAYSE)

Payments for Loss of Office

There were no payments for loss of office to Senior Managers in 2018/19.

No other payments have been made to individuals in connection with the termination of services as a senior manager, including outstanding long term bonuses that vest on or follow termination.

Pension Disclosure of Senior Managers (subject to audit)

2017 /2018								
Pension disclosure of Senior Manager	Real Increase in Pension at Pension Age	Real Increase in lump sum at Pension age	Total accrued pension at Pension age at 31/03/18	Lump sum at Pension age related to accrued pension at 31/03/18	Cash equivalent transfer [CETV] at 01/04/17	Real increase in CETV	Cash equivalent transfer [CETV] at 31/03/18	Employers Contribution to Stakeholder Pension
	bands of £2,500	bands of £2,500	bands of £5,000	bands of £5,000	Nearest £1,000	Nearest £1,000	Nearest £1,000	Nearest £1,000
	£000	£000	£000	£000	£000	£000	£000	£000
R Shields Chief Executive	65 – 67.5	200-202.5	65-70	200-205	0.0-0.0	0	0 (1)	0
N Kosky Medical Director (Leaver 07/07/2018)	5-7.5	15-17.5	90-95	270-275	1,649	206	1,855	0
N Plumb Director of Org Dev & Corp Affs	0-2.5	0.0-0.0	20 – 25	0.0-0.0	176	30	206	0
E Yafele Chief Executive from 01/02/2019 Previously COO	0-0.0	0.0	0-0	0-0	121	0 (2)	0	0
C Priscott Director of HR	15 -20	32.5 – 35	15-20	30 – 35	0.0-0.0	8 (3)	269	0
S Tomkins Medical Director from 01/02/2019	0-0	0-0	0-0	0-0	0	0	0	0

(1) CETV is 0 at year end due to member passed normal retirement age for the pension (1995 scheme)

(2) Real increase in CETV Is 0 as member no longer a member of the scheme

(3) The real increase for this member is the real increase funded by the employer based on time in post and not the total general increase in the year

2018 /2019								
Pension disclosure of Senior Manager	Real Increase in Pension at Pension Age	Real Increase in lump sum at Pension age	Total accrued pension at Pension age at 31/03/19	Lump sum at Pension age related to accrued pension at 31/03/19	Cash equivalent transfer [CETV] at 01/04/18	Real increase in CETV (3)	Cash equivalent transfer [CETV] at 31/03/19	Employers Contribution to Stakeholder Pension
	bands of £2,500	bands of £2,500	bands of £5,000	bands of £5,000	Nearest £1,000	Nearest £1,000	Nearest £1,000	Nearest £1,000
	£000	£000	£000	£000	£000	£000	£000	£000
R Shields Chief Executive	0 to 2.5	0 to -2.5	65-70	205-210	0 (1)	0	0 (1)	0
N Kosky Medical Director	-5 to -7.5	22.5-25	70-75	370-375	1910	0	0 (2)	0
N Plumb Director of Org Dev & Corp Affs	0-2.5	0.0-0.0	20 – 25	0.0-0.0	215	52	267	0
E Yafele Chief Executive from 01/02/2019 Previously COO	0-0.0	0.0	0-0	0-0	0	0	0	0
C Priscott Director of HR	2.5-5	5-7.5	20-25	40-45	277	105	383	0
S Tomkins Medical Director from 01/02/2019	2.5-5	7.5-10	10-15	30-35	128	89	225	0
D Dawson Director of Nursing	7.5-10	17.5-20	30-35	70-75	372	203	576	0

(1) CETV is 0 at year end due to member passed normal retirement age for the pension (1995 scheme)

(2) CETV is 0 as member took pension benefits during the financial year

(4) CETV factors have been revised and NHSPA advise this may lead to higher than usual increases this year

Median Pay (information subject to audit)

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median remuneration of the organisations workforce.

The banded remuneration of the highest paid director in the Trust in the financial year 2018/19 was £175k (2017/18 £203k). This was 5.9 times the median salary in 2018/19 (2017/18: 7.5) of the median remuneration of the workforce which was £29k (2017/18 £27k).

In 2018/19 40 employees/agency staff (2017/18, five) received remuneration at an annualised full time equivalent in excess of the highest paid director. The full time equivalent remuneration rate ranged from £175k - £266k (2017/18 £208k - £253k). No employee received a total remuneration in excess of the highest paid director.

Total remuneration includes salary, non-consolidated performance related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions and is annualised salary as at 31 March 2019.

The pay at month 12 was used for both years, which were then adjusted for variances in the pay in that month. These variances included payment of redundancy pay, large pay adjustments and where employees were leavers during the year. No adjustments have been made for any other variances, such as maternity pay or sick pay. No adjustment has been made for staff with multiple contracts.

The pay reports include bank staff. No adjustment has been made for this pay, which has been treated the same as any other pay. This pay at month 12 has been converted to a whole time equivalent basis, based on the hours worked at month 12. This has then been annualised.

Spot-checks on numerous staff cumulative figures held in ESR confirmed the accuracy of the figures supplied. Where making adjustments to the month 12 figures would not have made a difference to the outcome of the resulting median pay these were not changed.

Signed



Eugene Yafele
Chief Executive

22 May 2019

2.3 Staff Report

Introduction

The Trust ambition is to provide high quality care, first time, every time and this means the Trust needs a workforce which is empowered to take action for patients with staff who feel able to take responsibility for the outcome of the decisions that they make. The aim is for staff to feel engaged and well-motivated and able to deliver excellent care because they feel proud about where they work and passionate about the role they play within the Trust. At the core of our HR Strategy is the attraction, recruitment and retention of an expert, diverse and compassionate workforce that is single minded in its patient focus.

Our organising principle is to be Better Every Day and an empowered workforce is needed to achieve this. The Trust aims to be the employer of choice and for staff to be proud of what they do for the people of Dorset.

The HR Strategic Goals are:

- Goal 1: To become a recognised employer of choice so that we attract and recruit to meet our workforce needs.
- Goal 2: To retain a compassionate, expert workforce that is proud to work at Dorset HealthCare, and feels developed and supported to make decisions, innovate and improve the lives of our patients.

There are five key themes for activity woven throughout our HR strategy - Attraction, Recruitment, Retention, Recognition and Development - and these support delivery of our objectives.

The Trust HR Strategy, Better Every Day (2015-2020), supports this transformational approach to workforce planning. This is now undergoing further development to mitigate the risks of Dorset's ability to retain, attract, recruit and develop its health and social care workforce, which is compounded by: the ageing workforce; an increased sickness absence across some organisations/services; the reduction in training places /opportunities; changes in funding levy / bursaries; the high cost of living; the scale and pace of change (Clinical Services Review, East Reconfiguration, Local Government Review); and Brexit implications.

The Board last considered key themes for the refreshed Workforce Strategy and Overarching Workforce Plan in November 2018. The Board will be considering the new strategy in May 2019.

Workforce planning takes place within and across operational directorates, supported by the HR and workforce directorate.

Local workforce plans are developed within each Directorate and form part of a single workforce planning approach, reviewed in line with the financial and service plans for the organisation. Budget managers have received training to enhance workforce planning capability across the Trust. A dedicated workforce planning and intelligence is being established. The focus is on workforce transformation and productivity improvement, with investment in leadership capability and capacity to drive and support this.

More broadly, the Dorset integrated care system is increasingly focussing on workforce planning to ensure workforce plans which cross organisational boundaries are developed.

The Trust focuses closely on the most appropriate use of the available workforce. The Trust is increasing the use of apprenticeships in clinical and non-clinical roles.

A breakdown of the Trust workforce is set out in the following tables:

Our Staff Profiled

The tables below provide an overview of the composition of our workforce.

	Total	Permanent	Other	Total	Permanent	Other
	Accounts	Accounts	Accounts	Accounts	Accounts	Accounts
	31-Mar-19	31-Mar-19	31-Mar-19	31 Mar 2018	31 Mar 2018	31 Mar 2018
	2018/19	2018/19	2018/19	2017/18	2017/18	2017/18
	No.	No.	No.	No.	No.	No.
Medical and dental	118	107	11	111	106	5
Ambulance staff	4	3	1	2	2	
Administration and estates	1,228	1,072	157	1,138	1,067	71
Healthcare assistants and other support staff	383	350	34	394	360	34
Nursing, midwifery and health visiting staff	2,625	2,221	404	2,534	2,274	260
Nursing, midwifery and health visiting learners	20	20	0	39	39	
Scientific, therapeutic and technical staff	751	750	1	725	699	26
Healthcare science staff	20	18	2	17	17	
Social care staff	0	0	0	0		
Other	2	2	0	1	1	
Total average numbers	5,153	4,543	609	4,961	4,565	396
Of which:						
Number of employees (WTE) engaged on capital projects	0			3	3	

Breakdown of male and female employees

Of the Trust workforce, 17.29% are male and 82.71% are female.

With regard to Directors and senior managers, the composition is as follows:

	Male	Female
Senior Managers	20	28
Directors	8	10

Sickness absence data

The sickness absence rate for the 12 months April 2018-March 2019 was 4.76% compared to 4.26% in 2018/19.

Supporting Our Staff

Our Health and Wellbeing Service (HWBS) provides a comprehensive occupational health and well-being service across Dorset to the Trust, its employees and a range of other organisations in Dorset. The focus of the service is to provide well-being support to all trust employees on the basis that a healthy and engaged workforce delivers better care to patients.

The range of services offered by the HWBS includes pre-employment/placement health assessments, occupational vaccination programmes, physiotherapy, fitness for work assessments and medicals, health surveillance programmes (audiometry, spirometry, skin, hand arm vibration), workplace and ergonomic assessments, incident management, policy and procedure development and training.

Over the course of the year, the service has:

- organised a Wellbeing Forum for over 100 staff and stakeholders in July, which included the launch of the development of the new HWB service;
- organised a Wellbeing Week enabling staff to experience various taster HWB sessions and receive health checks;
- produced a HWB Strategy;
- developed closer working links with Public Health Dorset / Livewell Dorset, actively promoting their services to staff
- continued to encourage staff participation in various health awareness such as On Your Feet Britain and National Work Life Week

As part of our ongoing commitment to staff health and wellbeing we have continued to develop our offering, which includes:

- Access to a 24/7 confidential service provided by Care first which supports staff by counselling, information and advice
- Care first Zest on line health tool
- Mindfulness for staff courses
- Quit smoking in house support
- Keep Active Support including lunchtime walks

- Public transport information
- Parkrun information
- NHS Health Check
- Menopause and Sleeping online resources

The Trust supports a cycle to work scheme enabling staff to purchase a bicycle in monthly instalments. We also promote discounted Gym and Leisure Club memberships and have worked closely with LiveWell Dorset over the past year to support staff achieve healthier living goals.

Health & Safety

The Trust remains committed to protecting and promoting the health, safety and well-being of all staff, service users, carers, visitors and others who may be affected by its activities and continually aims to foster a positive and proactive occupational health and safety culture, where safety is everyone's responsibility.

Over the course of the year, the Trust has strengthened its health and safety / fire safety capability through:

- reviewing ligature management plans for inpatient services and designing safe free anti-ligature alternatives.
- working with Dorset & Wiltshire Fire and Rescue including training exercises and familiarisation visits to high risk properties.
- designing and delivering a range of health, safety and fire training including digital fire extinguisher simulation training and emergency evacuation techniques.

The Trust champions a positive health and safety culture. This focus has helped achieve a reduction in non-clinical litigation claims made against the Trust, a reduction in the number of workplace incidents reported to the Health and Safety Executive and an overall reduction in the grading of incidents.

Equality and Diversity

The Trust equality objectives for 2016/19 are:

Objective 1 - Better health outcomes

Dorset HealthCare will aim to achieve improvements in patient health, public health and patient safety for all, based on comprehensive evidence of needs and results.

Objective 2 - Improved patient access and experience

Dorset HealthCare will aim to improve accessibility and information, and deliver the right services that are targeted, useful, useable and used in order to improve patient experience.

Objective 3 - A representative and supported workforce

Dorset HealthCare will aim to increase the diversity and quality of the working lives of the paid and non-paid workforce, supporting all staff to better respond to patients' and communities' needs.

Objective 4 - Inclusive leadership

Dorset HealthCare will aim to ensure that equality is everyone's business, and everyone is expected to take an active part, supported by the work of specialist equality leaders and champions. A detailed action plan has been agreed that has the priority actions which are reviewed annually

The Director of Human Resources is the nominated Director responsible for equality and diversity.

The Trust Equality and Diversity Implementation Scheme sets out the Trust's commitment to Equality and Diversity in the provision of services and the support for all staff. This details information on training, communication and equality impact assessment, consultation and involvement strategies to address health inequalities and improve equality outcomes across all services.

Key Activities and Achievements during 2018/19 included:

- Chosen by NHS Employers as part of the Equality Alumni to show case the Trust work to reduce the unknown category for Disability, Sexual Orientation and Religion or beliefs disclosure of the Electronic Staff Records
- Participation in the Questback, focussed on helping NHS organisations better understand their cultural barriers in relation to the experiences of their male and female employees in order to facilitate policy / organisational development initiatives which might then help them to reduce their gender pay gaps.
- Worked closely with [the 'Our Dorset'](#) Team to maintain the joined up focus on equality objectives for all NHS providers, Social Services, local councils and NHS commissioners in Dorset.
- Our Hidden Talents Staff Network has been selected to deliver a short presentation and the National Disability Summit on 30 April 2019. This is also a celebration of co-production with Dorset Mental Health Forum.
- Prevent Counter Terrorism Awareness Training has increased significantly over the year with over 4200 staff receiving training.
- The Trust has also worked in co-operation and partnership with our local community networks to celebrate and mark national events throughout the year, including Holocaust Memorial Day, partnership work with Bournemouth University for Black History Month, Mental Health Awareness Week, Eating Disorders Week and Hate Crime Reporting' a Vigil in Dorchester with South West Dorset Multicultural Network and Prejudice Free Dorset in support of the Muslim Community against the terrorist attack in Christchurch.

Workforce Data

The BME profile of the Trust has increased by 0.50% to 11.89% of total staff. This is an all-time high but a smaller increase than the previous three years. The areas of 'undefined' or 'not stated' continue to fall to a record low.

Equality and Diversity Priority Actions 2018-2019:

- Dorset HealthCare will continue to work in partnership with Public Sector Organisations and Diverse Community Groups to foster good relationships between communities and remove barriers, perceived or otherwise, to tackle health inequalities and improve access to health services in line with the specific duties in the Equality Act 2010.

- Refresh our equality objectives using the Equality Delivery System and engage the Trust Board with the assessment and analysis process
- Continue to be an active partner in support of Dorset Clinical Commissioning Group in the development of the Equality Impact Analysis on changes to Health Services in Dorset as a result of the Clinical Services Review through to implementation.
- Supporting the introduction of the Dorset Care Record (DCR). Work internally and externally to support the development of programmes of work that aims to provide our staff with development, training and wellbeing opportunities moving forward.

The Trust Workforce Race Equality Standard (WRES) report continues to show an improvement in comparison to similar organisations.

Modern Day Slavery Act

Dorset HealthCare aims to be as effective as possible in ensuring that Modern Slavery and Human Trafficking is not taking place in any part of its business or supply chains. In addition to the above actions, Dorset Health Care will measure its performance against the following indicators:

- The Trust endeavours to build long-standing relationships with our suppliers and make clear our expectations of business behaviour. Where National or International supply chains are used, we expect these suppliers to have suitable Anti-Slavery and Human Trafficking Policies and Procedures and, where there is a risk of Slavery and Human Trafficking taking place, steps have been taken to assess and manage that risk.
- Develop a level of communication with the next link in the supply chain and their understanding of, and compliance with, our expectations in relation to the NHS terms and conditions. These conditions relate to issues such as bribery, slavery and other ethical considerations.
- Working in partnership with Multi-Agency Partners who are leading on this Agenda within Dorset.
- Modern Slavery and Human Trafficking training is available to all Dorset HealthCare staff as part of their Core Safeguarding one to three training. Additional training is available via the Local Safeguarding Adult's and Children's Boards, Community Groups.
- Development of additional supporting tools will be made available on the Trust intranet.
- This statement is made pursuant to Section 54(1) of the Modern Slavery Act 2015 and constitutes our organisation's Modern Slavery and Human Trafficking statement for the financial year 2018 - 19.

Staff Engagement

The Trust approach to staff engagement is to nurture a culture of empowerment, openness and transparency, where everyone is encouraged to be involved in decision-making and quality improvement. In addition to supporting line managers and leaders to engage their staff and beyond the statutory Friends and Family Test the Trust regularly seeks staff views through: focus groups; Board Director visits; ad hoc engagement events; all-staff surveys and through Board director hosted discussions called 'DHC Connect'.

The annual innovation competition Dragons' Den, encourages all staff to enter their ideas for improvement projects, linked to our quality improvement programme, and staff are encouraged to nominate colleagues for the monthly and annual Dorset HealthCare Heroes awards.

In 2018/19 staff were engaged in discussions about smarter working and reward and recognition, as well as starting engagement about development of our Trust strategy. A major engagement campaign encouraging staff to take up the winter flu vaccination continued to be a key priority and the Trust achieved a small increase on 2017/18. The annual NHS staff survey is another important way for the Trust to find out people's experiences of working at Dorset HealthCare. Its benchmarking results allows for comparisons to be made with similar Trusts.

The Annual Staff Survey - What Our Staff Say

The NHS staff survey is conducted annually. From 2018 onwards, the results from questions are grouped to give scores in ten indicators. The indicator scores are based on a score out of 10 for certain questions with the indicator score being the average of those.

The response rate to the 2018 survey among trust staff was 51.6% (2017: 49.3%). Scores for each indicator together with that of the survey benchmarking group (Mental Health, Learning Disabilities, and Community Health) are presented below.

	2018/19		2017/18		2016/17	
	Trust	Benchmarking Group	Trust	Benchmarking Group	Trust	Benchmarking Group
Equality, diversity and inclusion	9.4	9.2	9.4	9.2	9.4	9.2
Health and wellbeing	6.4	6.1	6.5	6.1	6.5	6.2
Immediate managers	7.3	7.2	7.4	7.1	7.2	7.1
Morale	6.6	6.2	n/a	n/a	n/a	n/a
Quality of appraisals	5.4	5.5	5.4	5.4	5.2	5.4
Quality of care	7.5	7.4	7.6	7.4	7.6	7.5
Safe environment – bullying and harassment	8.5	8.2	8.5	8.3	8.3	8.2
Safe environment – violence	9.6	9.5	9.5	9.5	9.5	9.5
Safety culture	6.9	6.8	6.8	6.7	6.7	6.7
Staff engagement	7.3	7.0	7.3	7.0	7.2	7.0

Response Rate

The increase in response rate (51.6% from 49.3% last year) is attributed to two new initiatives: firstly, further work has been undertaken to ensure that all staff are able to respond to the survey in the way that most suits their circumstances. Analysis was undertaken to identify those staff who do not regularly use email due to the nature of their role and ensure only those staff receive their survey by post. Secondly, team meetings were visited during the fieldwork period so staff could address any concerns they have about the survey.

Areas of improvement and deterioration

Areas of improvement (where the change is a minimum of 3%)

- There has been a 3% increase in staff satisfaction with the recognition they get for good work, rising to 65% (62% last year)
- More staff than ever are satisfied with the extent we value their work, rising to 51% (48% last year)
- 68% of staff agree that they receive regular updates on patient / service user experience (65% last year)
- 62% of staff agree that we treat staff who are involved in an error, near miss or incident fairly (54% in 2017)
- 63% of staff agree that they are given feedback about changes made in response to errors, near misses and incidents (60% in 2017)
- More staff than ever feel secure raising concerns about unsafe clinical practice – 75% (72% in 2017)
- 63% of staff agree that we would address their concerns (60% in 2017)
- Staff recommending the Trust as a place to work has increased to 68% (from 65% in 2017)

Comparisons to benchmarking group

Within our benchmark group of 31 similar Trusts in England (community, mental health and learning disability) we are placed third overall when looking at the total sum of the ten themes' scores.

The Trust has the top score of like Trusts in two out of ten themes:

- Equality, diversity and inclusion (9.4)
- Immediate managers (7.3)

The Trust has the second highest score within our benchmark group for:

- Morale (6.6)
- Safe environment – bullying and harassment (8.5)
- Safe environment – violence (9.6)
- Staff engagement (7.3)

The health and wellbeing score (6.4) is the third highest in the benchmark group with only Solent NHS (6.5) Trust and Northamptonshire Healthcare NHS Foundation Trust (6.6) scoring higher.

The only theme where the Trust scores lower than average is Quality of appraisals (5.4 versus 5.5 average).

Acting on staff survey findings

The primary approach to acting on the survey findings is to embed ownership of the results and actions in teams and services, as well as key Trust groups identifying cross-cutting themes.

From March to May detailed reports and breakdowns are provided to a number of forums. These include the Staff Partnership Forum, the Health and Safety Committee, the Equality and Diversity Steering Group, the Security Advisory Group, the Doctors and Dentists' Joint Negotiating Forum and Hidden Abilities.

The Trust has taken a very deliberate approach to embedding ownership of actions within services, whilst sharing the insights with as many people as possible across the organisation. Directorate-specific reports have been produced for discussion and action planning at each of the directorate-level management meetings and are being cascaded through to locality and service leads and managers. Between February and April all service areas results were reviewed with the service lead or locality manager and local improvement plans developed. Each service area or locality will receive a bespoke report that shows a two year comparison.

To address Trust-wide concerns, the staff survey review group (whose membership is Staff Governors and our trade union partnership forum joint chairs) has identified three areas for specific work: the experience of managers in bands 5 and 6 roles; supporting everyone to feel valued at work; and senior manager/Board visibility and communications. A programme of activity is being developed and guided with the steering group.

How we Have Applied our Policies

All Trust policies include an Equality Impact Assessment to identify whether any of the protected characteristic groups is affected less or more favourably than another and where potential discrimination is identified, documents whether the exceptions are valid, legal and/or justified. The Recruitment and Selection Policy clearly sets out the Trust's commitment to equality of opportunity for both employed and prospective staff and supports a culture where our workforce is representative of the communities we service and where differences are recognised, accepted and valued. In addition, the Trust has signed a commitment to act positively towards disabled people and is permitted to use the 'Two Ticks' (Positive about Disabled People Symbol) on adverts and recruitment literature. As part of this commitment disabled applicants who meet

The essential criteria of the person specification for a post, will be guaranteed an interview.

The Trust Policy and Guide for Managing Health Wellbeing and Attendance recognises that Health and Wellbeing is about ensuring that people feel good and function well both physically and mentally. The overall aim is to promote health and wellbeing and to reduce sickness absence levels. Both managers and staff are expected to play a role in promoting health and wellbeing and managing attendance.

The Trust seeks to ensure that development opportunities are available for all employees and the Learning and Development Policy applies to all employees and is designed to provide a consistent approach to learning and development and to ensure fair and equal access to all employees.

Good communications and consultation are central to the management process when dealing with changes in working practices and procedures as set out within the Organisational Change Policy and Procedure.

Any employee discovering or suspecting fraud, bribery or corruption is encouraged to report the matter immediately to either the Counter Fraud Specialist, their line manager, Human Resources or the Director of Finance. The Counter Fraud Specialist will liaise with HR in accordance with the LCFS Framework for Liaison with Human Resources. Suspicions of fraud, bribery and corruption can also be reported using the NHS Fraud and Corruption Reporting Line powered by Crimestoppers, on free-phone 0800 028 40 60 or by filling in an online form at www.cfa.nhs.uk/reportfraud, as an alternative to internal reporting procedures.

Stakeholder relations

The Trust is proud of the strength of partnership working and recognise its importance in the Board Assurance Framework. Throughout the year the Trust has continued to maintain significant partnerships and alliances that enable the delivery of improved healthcare. Our significant partnerships are:

Dorset Integrated Care System: the *Our Dorset* partnership is considered a leading integrated care system in England, recognised as an exemplar for the strength of its positive relations and partnership working. This has facilitated much more integrated planning and delivery of health and care services, supporting us to work together to achieve the best outcomes for our population from our combined resources.

Partnership working with Dorset Mental Health Forum: The Trust is proud of its relationship with Dorset Mental Health Forum, which has had such a pivotal role in peers and people with lived experience working across our mental health services. The jointly-run Recovery Education Centre combines the very best of our individual strengths and has national and international recognition through the Wellbeing and Recovery Partnership. As part of the Trust quality improvement programme work is taking place with the Forum to embed co-production and lived experience into our corporate methodology.

Primary Care Partnerships: The Trust has continued to strengthen relationships and primary care partnerships across the County, building on the progress made through creation of 13 localities, facilitating more meaningful local conversations. This has supported the Trust to better integrate delivery of primary and community services through combining resources.

Dorset Integrated Urgent Care Service: The Trust is the lead provider for the pan-Dorset Integrated Urgent Care Service, a service delivered through a partnership arrangement of all of the NHS providers in the county with the South West Ambulance Service.

Wessex Academic Health Science Network: The Trust has strong working relationships with Wessex Academic Health Network, working together on regional patient safety and quality improvement work. The regional 'Qs' meet to develop capacity and capability in quality improvement across the region.

The Trust has continued to develop services across organisational boundaries in line with the commitments made in Dorset's Clinical Services Review and Mental Health Acute Care Pathway Review, as well as the wider Integrated Care System operational plan. This has included:

- Development of integrated community services hubs and teams in localities, in many cases working across community, primary and secondary care boundaries in multi-disciplinary teams running virtual wards

- The opening and successful operation of The Retreat in Bournemouth, in partnership with Dorset Mental Health Forum
- The development of Weymouth's Urgent Treatment Centre in partnership with Dorset County Hospital and local GPs, reducing trips to the emergency department in Dorchester
- The ongoing development and improvements to Dorset's Integrated Sexual Health Service; Dorset HealthCare is the lead provider working in partnership with Royal Bournemouth and Christchurch hospital and Dorset County Hospital
- Ongoing development of our veterans' care pathway, co-produced with veterans and local third sector partners and agencies. This won the national Excellence in Mental Health Care award at the NHS 70 Parliamentary awards in July 2018
- Development of an innovative volunteer service to support end-of-life care, in partnership with primary care colleagues in Purbeck, which secured £75,000 funding from national charity Helpforce and will launch in 2019
- Development of the pan-Dorset Integrated Urgent Care Service

Other public and patient involvement activities

The Trust has not undertaken any formal consultation activities in 2018/19 although engagement has continued with a range of partners, Members, community representatives and the public. The Trust approach to public engagement sets out a flexible and adaptive collection of ways in which people are engaged and involved in developing services and wider decision-making.

In 2018/19 this has included:

- A more robust member engagement and recruitment plan developed with the Council of Governors including starting a programme of member engagement events; the annual members' meeting; a quarterly newsletter for members
- Close working with system partners to create the Our Dorset Public Engagement Group with Dorset Healthcare staff involved in selecting members of the group and the chair
- A reference group including a wide range of stakeholders to help develop services in Shaftesbury and the surrounding area (north Dorset)
- A steering group for developing services in the Purbeck area includes local stakeholders
- Work with the people of Portland to shape the future of services on the island through a series of public meetings
- Engaging with the community around Alderney Hospital in Poole as we move towards establishing a Centre of Excellence for Older People's Care there

The Trust has contact, ad hoc events and annual events with nearly fifty local community groups that connect with people from different equality groups. The insights and feedback from these events are fed back through the equality and diversity committee and/or go direct to services for a response or improvement.

All services are encouraged to engage and involve services users, their families and carers in the development of services and to seek feedback about patient experience. This includes the mandated Friends and Family test and goes far beyond that to include regular surveying, feedback events, working with expert patients, carers support and working with our peers from the Dorset Mental Health Forum. The Trust now co-delivers the Retreat service with peers from the Dorset Mental Health Forum and will continue to build on supporting peer-led services through development of the Community Front Rooms.

The Trust has maintained a focus on improving support to carers at Dorset HealthCare working at Dorset system level, with clinical services and also focusing on supporting staff who are carers. The Trust has now been commissioned to provide carers support to primary care across Dorset. In North Dorset the Trust is piloting the NHS England carers' quality markers and continue to roll out the Triangle of Care and John's Campaign. The Trust has a Trust-wide volunteer service, supported by a Volunteer strategy.

The Trust has established a public, patient and carers involvement group whose first objective is to champion and further embed the model of co-production across the Trust. This builds on the excellent practice we know exists in some services, such as at Pebble Lodge and in the Pain Service.

Emergency Preparedness, Resilience and Response (EPRR)

The NHS needs to plan for, and respond to, a wide range of incidents and emergencies that could affect health or patient care. These could be anything from extreme weather conditions to an outbreak of an infectious disease or a major transport accident. The Civil Contingencies Act (2004) requires NHS organisations, and providers of NHS-funded care, to show that they can deal with such incidents while maintaining services.

Each year the Trust is required to undertake an assurance process against the NHS Core Standards for Emergency Preparedness, Resilience and Response (EPRR). In 2017/18, NHS England concluded that the EPRR assurance assessment for Dorset Healthcare was 'substantial' and the Trust continues to show improvement across several key areas of the core standards.

In November 2018, the Trust undertook an Incident Co-ordination Centre Exercise (ICC), to test the Incident Response Plan and On-Call procedures. These plans all comply with the current EPRR legislation.

During the year, the Chief Operating Officer represented the Trust at the Health Resilience Partnership (LHRP) and the Emergency Planning and Resilience Officer (EPRO) worked with external EPRR stakeholders and our Trust Emergency Planning Group, to ensure consistency in EPRR arrangements.

This year has seen the Trust undertake planning and preparedness activities to ensure its readiness for any potential impact of the UK leaving the EU. This included participating in an EU Exit Exercise in December 2018 and then testing the Trust's final planning and preparation in a multi-agency Exercise in early March 2019.

Co-operation between organisations to prepare for, respond to and recover from emergencies is essential for ensuring robust arrangements are in place. To achieve this, the Trust works closely with other organisations through well-established partnerships, prior to and during major incidents.

Expenditure on consultancy

The Trust has focussed on reducing consultancy and off-payroll arrangements in 2018/19 alongside work to reduce agency expenditure. In 2015/16, the Trust introduced a Professional Register of people with a wide range of skills and experience in fields such as operational management, human resources, and project management, who are able to undertake short and medium-term assignments as and when required, working within a pay framework aligned to Agenda for Change rates. Through this arrangement in 2018/19, total expenditure on consultancy amounted to £321k (2017/18 £252k).

Counter Fraud Service

The Local Counter Fraud Specialist (LCFS):

- received four allegations of fraud during the reporting period,
- one criminal investigation remained open at the start of 2018/19,
- one new criminal investigation was opened during 2018/19,

Both investigations have been closed.

As a result of the investigations conducted by the LCFS one disciplinary sanction was applied.

The LCFS also delivered a comprehensive programme of work to prevent and detect fraud, bribery and corruption and to ensure that the Trust complied with its contractual obligations in relation to Service Condition 24 of the NHS standard contract.

Trade Union Facility Time

The Trust published the Trade Union and Facility Times in accordance with the 2017 regulations. In accordance with schedule 2 of the regulations and annex A of the Cabinet Office guidance the following information was published.

Trade union representatives and full-time equivalents

Trade union representatives: 37

FTE trade union representatives: 32.49

Percentage of working hours spent on facility time

0% of working hours: 26 representatives

1 to 50% of working hours: 8 representatives

51 to 99% of working hours: 0 representatives

100% of working hours: 1 representatives

Total pay bill and facility time costs

Total cost of facility time: £28784

Percentage of pay spent on facility time: 0.02%

Paid trade union activities

Hours spent on paid facility time: 1950

Hours spent on paid trade union activities: 300

Percentage of total paid facility time hours spent on paid TU activities: 15.38%

Off – Payroll Engagement

The data below covers highly paid and / or senior off- payroll engagements between 1 April 2018 and 31 March 2019.

Compliance checks are performed on appropriate engagements to determine whether inside of scope for IR35. Where deemed inside of scope, tax is deducted at source prior to payment.

Table 1: For all off-payroll engagements as of 31 March 2019, for more than £245 per day and that last for longer than six months

No. of existing engagements as of 31 Mar 2019	36
Of which:	
Number that have existed for less than one year at the time of reporting	10
Number that have existed for between one and two years at the time of reporting	10
Number that have existed for between two and three years at the time of reporting	7
Number that have existed for between three and four years at the time of reporting	1
Number that have existed for four or more years at the time of reporting	8

Table 2: For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2018 and 31 March 2019, for more than £245 per day and that last for longer than six months:

Number of new engagements, or those that reached six months in duration between 01 Apr 2018 and 31 Mar 2019	34
Of which:	
Number assessed as within the scope of IR35	4
Number assessed as not within the scope of IR35	30
Number engaged directly (via PSC contracted to trust) and are on the trust's payroll	0
Number of engagements reassessed for consistency/assurance purposes during the year	34
Number of engagements that saw a change to IR35 status following the consistency review	4

Table 3: For any off-payroll engagements of board members, and/or senior officials with significant responsibility, between 1 April 2018 and 31 March 2019

Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	1
Number of individuals that have been deemed 'board members and/or senior officials with significant financial responsibility' during the financial year*	20

**includes Executive Directors, Associate Directors and Non-Executive Directors*

The off-payroll engagement referred to above relates to the appointment of an interim Chief Operating Officer. The appointment became vacant on the promotion of the previous post holder to the role of Chief Executive. Given the strategic and operational importance of the Chief Operating Office role to the Trust, the Board considered that it was necessary to make an interim appointment to the position pending the completion of the recruitment process for a permanent successor. It is anticipated that a permanent appointment will be made in late June 2019.

Exit packages (information subject to audit)

The following exit packages were agreed in 2018/19.

Note 6.1 Reporting of other compensation schemes - exit packages 2018/19									
	A09CY17	A09CY18	A09CY19	A09CY20	A09CY21	A09CY22	A09CY23	A09CY24	Maincode
		Number of compulsory redundancies	Cost of compulsory redundancies	Number of other departures agreed	Cost of other departures agreed	Total number of exit packages	Total cost of exit packages	Number of departures where special payments have been made	Cost of special payment element included in exit packages
	Expected sign	2018/19 No.	2018/19 £000	2018/19 No.	2018/19 £000	2018/19 No.	2018/19 £000	2018/19 No.	2018/19 £000
Exit package cost band (including any special payment element)									
<£10,000	+	3	13	1	2	4	15		STA0560
£10,000 - £25,000	+	5	88	1	10	6	98		STA0570
£25,001 - £50,000	+	6	175			6	175		STA0580
£50,001 - £100,000	+	4	237			4	237		STA0590
£100,001 - £150,000	+	4	534			4	534		STA0600
£150,001 - £200,000	+					0	0		STA0610
>£200,000	+	1	224			1	224		STA0620
Total	+	23	1,271	2	12	25	1,283	0	0

Note 6.3 Exit packages: other (non-compulsory) departure payment					
	A09CY25	A09CY26	A09PY25	A09PY26	Maincode
	Payments agreed	Total value of agreements	Payments agreed	Total value of agreements	
	2018/19	2018/19	2017/18	2017/18	
	Expected sign	No.	No.	£000	Subcode
Voluntary redundancies including early retirement contractual costs	+				STA0720
Mutually agreed resignations (MARS) contractual costs	+				STA0730
Early retirements in the efficiency of the service contractual costs	+				STA0740
Contractual payments in lieu of notice	+	1	10		STA0750
Exit payments following employment tribunals or court orders	+	1	2		STA0760
Non-contractual payments requiring HMT approval (special severance payments)*	i	+			STA0770
Total**	+	2	12	0	0
of which:					
non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months' of their annual salary	+				STA0790

2.4 NHS Foundation Trust Code of Governance

Dorset HealthCare University 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 Code of Governance issues in 2012.

The Trust is compliant with all Code provisions.

2.5 NHS Improvement Single Oversight Framework

NHS Improvement's Single Oversight Framework provides the framework for overseeing providers and identifying potential support needs. The framework looks at five themes:

- Quality of care
- Finance and use of resources
- Operational performance
- Strategic change
- Leadership and improvement capability (well-led)

Based on information from these themes, providers are segmented from 1 to 4, where '4' reflects providers receiving the most support, and '1' reflects providers with maximum autonomy. A foundation trust will only be in segments 3 or 4 where it has been found to be in breach or suspected breach of its licence.

The Single Oversight Framework applied from Quarter 3 of 2016/17. Prior to this, Monitor's *Risk Assessment Framework* (RAF) was in place. Information for the prior year and first two quarters of 2016/17 relating to the RAF has not been presented as the basis of accountability was different. This is in line with NHS Improvement's guidance for annual reports.

There have been no breaches to the Trust licence over the course of 2018/19.

Segmentation

The Trust is in segment 1.

This segmentation information is the Trust's position as at 31 March 2019. Current segmentation information for NHS trusts and foundation trusts is published on the NHS Improvement website.

Finance and use of resources

The finance and use of resources theme is based on the scoring of five measures from '1' to '4' where '1' reflects the strongest performance. These scores are then weighted to give an overall score. Given that finance and use of resources is only one of the five themes feeding into the Single Oversight Framework, the segmentation of the trust disclosed above might not be the same as the overall finance score here:

Area	Metric	2018/19 Scores				2017/18 Scores			
		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Financial sustainability	Capital service capacity	1	1	1	1	1	1	1	1
	Liquidity	1	1	1	1	1	1	1	1
Financial efficiency	I&E margin	1	1	1	1	1	1	1	1
Financial controls	Distance from financial plan	1	1	1	1	1	1	1	1
	Agency spend	1	1	1	1	1	1	1	1
Overall scoring		1	1	1	1	1	1	1	1

2.6 Statement of the Chief Executive's responsibilities as the Accounting Officer of Dorset HealthCare University 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 NHS Improvement.

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require Dorset HealthCare University NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Dorset HealthCare University 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 Department of Health and Social Care Group Accounting Manual and in particular to:

- observe the Accounts Direction issued by NHS Improvement, 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* (and the *Department of Health and Social Care Group Accounting 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
- confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS foundation trust's performance, business model and strategy and
- prepare the financial statements on a going concern basis.

The Accounting Officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS foundation trust and to enable him/her to ensure that the accounts comply with requirements outlined in the above mentioned Act. The Accounting Officer is also responsible for safeguarding the assets of the NHS foundation trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Signed



Date: 22 May 2019

Eugene Yafele, Chief Executive

2.7 Annual Governance Statement

Scope of responsibility

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

The 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 Dorset HealthCare University NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in Dorset HealthCare University NHS Foundation Trust for the year ended 31 March 2019 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

Risk Management Leadership and Training

The Trust has continued to develop risk management processes in the organisation. These processes are overseen by coherent and comprehensive management structures and roles.

Non-Executive Directors are aware of their responsibilities in relation to risk management and chair all Board Committees. All Board Committees and Executive Groups have defined terms of reference setting out responsibilities for risk management where appropriate.

Two Executive groups-the Executive Quality and Clinical Risk Group and the Executive Performance and Non-Clinical Risk Group-receive details of all risks scoring 10+, information relating to material changes to the significant risk profile, action plans and progress made.

A Risk Management Policy is in place, supported by comprehensive training and communication plans. This, together with the Ulysses electronic risk management system, enables the Trust to effectively manage its clinical and non-clinical risks.

As Chief Executive I am the Chief Risk Officer ultimately responsible for risk. High level operational responsibility for risk has been delegated to the Director of Nursing, Therapies & Quality for clinical risk and to the Trust Secretary for non-clinical risk.

All Directors have a specific responsibility for the identification and prudent control of risks within their sphere of responsibility and are responsible, where required, for the provision of specialist advice to the Board of Directors. This acknowledges that all Directors are subject

matter experts and have specific responsibilities for interpreting and applying national policy, legislation and regulations in respect of their specific areas of expertise.

The Senior Clinical Risk Manager, reporting to the Deputy Director of Nursing, Therapies and Quality, has day to day responsibility for the clinical risk management process. This encompasses the development of risk management policy, administration of risk management systems and oversight of clinical risk exposures facing the organisation, ensuring the provision of risk management training, supporting Localities, carrying out checks within and across Localities to monitor the management of risk and triangulating lessons for learning from clinical risks ensuring defects alerts or changes in practice are conveyed to front line teams promptly.

The Head of Regulation and Compliance monitors the quality of services against CQC standards and progress against Quality Priorities, advises on and escalates risks relating to regulatory standards and patients, monitors risks relating to medical devices and leads on the implementation of CQUIN targets to improve quality.

The Trust Secretary has day to day responsibility to lead on corporate, ie non-clinical risk management processes across the Trust and for managing the Board Assurance Framework.

In addition the capacity to provide leadership to and deliver the risk management function is underpinned by a number of other key roles including;

- Head of Clinical Effectiveness and Audit
- Lead managers for safeguarding children and adults
- Health and Safety Manager
- Local Security Management Specialist
- Fire Safety Officer
- Caldicott Guardian
- Senior Information Risk Owner

Staff are provided with guidance on risk management through the Risk Management Policy which clearly sets out why it is essential to manage risk well and communicate openly with one another. The Policy sets out a framework that:-

- Reduces harm for patients, carers, staff, volunteers, contractors, any other stakeholders and the Trust itself;
- Continuously improves patient safety, experience, and quality performance;
- Protects everything of value to the Trust (such as reputation, market share, exemplary clinical outcomes);
- Promotes the success of the Trust.

The risk and control framework

Risk Reporting

The Trust aims to keep patients and staff safe at all times. Risk is therefore anything that is stopping or might stop it from keeping them safe whilst in its care or preventing improvements in the quality of care.

To help identify risks, consideration is given of the Trust's historical operational performance and trends, previous events, current challenges, new innovations from inside and outside the Trust, changes in practice identified by external organisations and the needs of the people who use the Trust's services.

The risk analysis involves determining risk severity (the impact the risk has on the people in the Trust's care and the Trust itself) and likelihood (the probability of that impact happening within 12 months). The scores are multiplied to give an overall risk rating of between 1-25. The risk rating is used to determine risk management priorities and monitor acceptable levels of risk. The Trust actively encourages constructive challenge of assumptions made regarding severity and likelihood.

To manage these risks, there is a combination of prevention, detection and contingency controls. Prevention controls are part of a system of internal controls designed to prevent a risk from occurring at all. They typically involve policies, procedures, standards, guidelines, training, protective equipment/clothing, pre-procedure checks. Detection controls provide an early warning of control failure, such as an alarm, incident reports, complaints, performance reports, audits. They tell the Trust how well the prevention controls are working. Contingency controls help prepare for an effective reaction in response to a major control failure, shocks or an overwhelming event. Contingency controls are designed to maintain resilience. They include reserves of time and money.

The process for managing risk is clearly defined in the Risk Management Policy in six steps as follows:

Step 1: Determine priorities

Step 2: Identify risk

Step 3: Assess risk

Step 4: Respond to the risk—seek, accept, avoid, transfer, modify

Step 5: Report Risk

Step 6: Review Risk

The framework for reviewing risks, controls, assurances and action plans is through the submission of reports, generated from Ulysses, as follows:

- ≥ 15 – Board of Directors; significant risk report (ie 15+); monthly;
- ≥ 15 – Board of Directors; Board assurance framework (BAF) quarterly;
- ≥ 15 – Audit Committee and the QGC: Board assurance framework (BAF) quarterly;
- ≥ 10 – Executive Quality & Clinical Risk Group monthly;
Executive Performance & Corporate Risk Group monthly;
- ≥ 8 – Specialty/Locality Management Groups monthly;
- ≥ 6 – Ward/Departmental Management monthly.

During the course of 2017/18 the Board agreed a risk appetite statement. This provides further guidance to Directors with regard to the tolerance for risk within the Trust.

Any risk which exceeds the designated risk threshold score is reported to the relevant Board Committee and, if appropriate, the Board.

This framework will be evolving in 2019/20 following the formation of an Executive Committee.

Strategic Risks

The Board identified seven risks to the Trust strategic objectives in 2018/19:

- Failures in care caused by inconsistent and unwarranted variations in the provision of services to patients.
- Failure to provide a positive patient experience as a result of not implementing best practice or learning from the lessons from incidents within the Trust and from other organisations.
- Failure to maximise the opportunities provided by strategic partnerships to deliver integrated health and social care.
- Failure to have in place the required workforce by not
 - recruiting and retaining a sufficient workforce to deliver the Trust objectives;
 - developing an engaged and motivated workforce.
- Failure to deliver the Trust Financial Plan by not delivering the CIP and lack of appropriate budgetary control and inadequate forecasting.
- Failure to secure the medium term financial sustainability of the Trust as a result of changed commissioning intentions, service reconfigurations, structural change and/or inadequate financial planning and forecasting.
- Failure to limit the environmental impact of the Trust as a result of not delivering the Sustainable Development Management Plan.

Following a review, the Board revised the strategic goals in November 2018. The revised goals are:

1. To provide high quality care; first time, every time.
2. To be an influential and effective partner in the Dorset Integrated Care System.
3. To have a skilled, diverse and caring workforce who are proud to work for Dorset HealthCare.
4. To ensure that all of the Trust's resources are used in an efficient and sustainable way.

The revised strategic risks were identified as:

- Failures in care caused by inconsistent and unwarranted variations in the provision of services to patients;
- Failure in care as a result of:
 - i) not implementing fully the 'must do' and 'should do' actions in respect of the Care Quality Commission safety domain within an acceptable timescale; and

- ii) not achieving, at the time of the next assessment, an improvement in the Trust rating in respect of the safety domain from 'requires improvement' to 'good'
- Failure to maximise the opportunities provided by strategic partnerships to deliver integrated health and social care.
- Failure to have in place the required workforce by not
 - i) recruiting and retaining a sufficient workforce to deliver the Trust objectives;
 - ii) providing an environment in which staff have the opportunity to learn from practice and experience in the Trust and beyond; and
 - iii) developing an engaged and motivated workforce.
- Failure to deliver the Trust Financial Plan by not delivering the CIP and lack of appropriate budgetary control and inadequate forecasting.
- Failure to secure the medium term financial sustainability of the Trust as a result of changed commissioning intentions, service reconfigurations, structural change and/or inadequate financial planning and forecasting.

Strategic risks have been reviewed over the course of the year by the Board, the Quality Governance Committee, the Audit Committee, the Executive Quality & Clinical Risk Group and the Executive Performance & Corporate Risk Group.

Reporting of progress in mitigating the likelihood of these risks occurring has developed over the course of 2018/19 to enhance understanding of key assurances and actions planned and completed.

Quality Governance Arrangements

The Trust is fully compliant with the registration requirements of the Care Quality Commission.

Quality performance is reported to the Directorate Management Groups and the Executive Quality and Clinical Risk Group on a monthly basis. Scrutiny and assurance is obtained through the Quality Governance Committee. Quality performance is also monitored by the Clinical Commissioning Group at the monthly contract review meetings.

With regard to data quality, a sample is checked monthly to ensure that it is accurate and reliable.

Compliance with Care Quality Commission (CQC) registration has, over the course of the year, been based around assessment visits by the Regulation and Compliance Team and the production and review of action plans following the CQC inspection in late 2017.

Data Security Risk Process

Staff are encouraged to report all information security incidents, whether suspected or actual so that they can be investigated, appropriate actions taken to address the incident and

lessons learnt to prevent reoccurrence. They are reported using Ulysses, with the risks being graded in accordance with the risk matrix in the usual way.

The Information Governance Manager, Senior Information Risk Owner and Caldicott Guardian and deputies are alerted of all data security incidents. All level two incidents will be reported via the IG Toolkit Incident Reporting Tool which informs the Department of Health, HSCIC and the Information Commissioner's Office of data breaches. This is done within 24 hours of the incident and investigated, with the aim of closing the incident within five days.

The Trust Information Governance Steering Group (IGSG) promotes a consistent approach to information governance. It is responsible for developing and sharing good practice across the Trust and ensuring that information governance standards are included in other work programmes and projects. It co-ordinates the review of the Trust's information governance management and accountability arrangements and produces and monitors the annual information governance work programme. Any matters of concern are escalated to the Executive Performance and Corporate Risk Group.

The Trust will, under its duty of candour, inform service users if there has been a breach in respect of their personal information.

Incident Reporting

The Trust uses an online reporting system, Ulysses, for all types of incidents (clinical and non-clinical). The system enables real time notifications to be sent to identified people. These are centrally set up and relate to the type or severity of the incident ensuring that the correct people are aware when an incident has occurred.

The Trust encourages staff to report incidents and near misses and sees reporting as a sign of a healthy safety culture. The Trust remains in the top third of the highest reporters to the National Reporting and Learning System for patient safety incidents in the reporting cluster. Training in incident reporting is embedded in various training programmes such as the prevention and management of violence and aggression, induction, health and safety and clinical risk training. Samples of clinical records are reviewed to see whether incidents recorded in the clinical record are reported via the incident reporting system.

In 2018/19 the top five reported types of incident were in respect of:

- Violence/assaults
- Pressure ulcers
- Slips, trips and falls
- Self-harm
- Medication

The lessons learnt from serious incidents are captured in real time on the intranet via the lessons learnt booklet and details are included monthly in the Quality Matters newsletter and within the locality quality reports. Learning is also incorporated into clinical training.

Workforce

The Trust has a workforce plan that is linked directly to the strategic vision and priorities of the organisation including our Better Every Day programme.

The ongoing development of our organisational culture and the need to mobilise the workforce to deliver different models and patterns of care will be an area of focus over the next few years, ensuring that the Trust maintains a positive organisational culture within a challenging climate. One of the key workforce challenges will be how the Trust caters for the older adult and frail elderly patients over the coming five years. Combined with an increased prevalence of dementia, the skill base of the workforce may need to change over this period of time and the Trust will need to ensure that the workforce is sufficiently skilled and experienced to support patients appropriately.

The workforce will face challenges relating to their own health and wellbeing over the next five years. The Trust has a Health and Wellbeing Strategy with the design and development of a new Wellness Centre for our staff now underway, the Trust is working towards extending the current offer of health and wellbeing facilitated psychological and therapy support for staff with strong input from staff at all levels within the Trust, as well as key Partner agencies.

There is a focus on strong partnership arrangements with local General Practitioners and as the key provider of community healthcare services in Dorset the requirement for an integrated approach to workforce planning has now become key.

The Trust will make a contribution to this through:

- Integrated Workforce Planning; workforce plans are being developed in each Directorate. As part of this the Trust will support the Dorset Integrated Community and Primary Care Workforce forum
- Workforce Assurance and Quality/ Patient Safety; the Trust has an established Workforce Group which regularly reviews the wider workforce issues
- Workforce Modernisation / New Roles / Enhanced Roles; the Trust is undertaking competency based planning and skill mix initiatives to determine the most appropriate use of the available workforce where required. The Trust is developing the use of Advanced Practitioners (various nursing roles to date) and apprenticeships to support its longer term vision for the Trust.
- Workforce, Education and Learning; the Trust's Learning Needs Analysis (LNA) is regularly being reviewed to ensure that staff receive the right level of training relevant to their role and in line with regulatory and best practice requirements.
- Our Apprenticeship Delivery Plan; Apprenticeships have been a focus for 2018/19 with approximately 130 apprentices planned to be on programme by end March 2019. The Trust has a target of recruiting in the region of 750 apprentices over the next five years.

Employment Practice

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

Under the pension auto enrolment legislation, we also use NEST as our alternative scheme for those not eligible to access the NHS Pension scheme.

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with. The Trust has a Diversity and Human Rights implementation Scheme which details the Trust's commitment to Equality and Diversity in the provision of services and the support for all staff. Training, communication and equality impact assessment, consultation and involvement strategies to address health inequalities and improve equality outcomes are all outlined within the scheme.

Equality and Diversity training is carried out by all staff that join the Trust as part of the Trust's mandatory induction process. In addition there is a Level 2 Face to Face Equality and Diversity Course for Front Line Clinical Staff, an online Level 2 course and a Level 3 Course for managers and leaders which sets out how to carry out Equality Impact Analysis.

The Trust has undertaken risk assessments and has a sustainable development management plan in place which takes account of UK Climate Projections 2018 (UKCP 18). The Trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

The Trust has published an up-to-date register of interests for decision-making staff within the past twelve months, as required by the 'Managing Conflicts of Interest in the NHS' guidance.

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

The Trust has an established system of financial control which is led by the Director of Finance & Strategic Development. The annual budget setting process for 2018/19 was approved by the Trust Board before the start of the financial year and was communicated to all managers in the organisation.

The Director of Finance & Strategic Development and his team have worked closely with managers throughout the year to ensure robust financial management across the Trust.

All budget managers have a responsibility to manage their budgets and systems of internal control effectively and efficiently. The processes to achieve this are reviewed on an ongoing basis by managers themselves and are also examined by internal audit as part of their annual activities.

The Integrated Corporate Dashboard covers quality, operational, workforce and financial performance and is reported to the Trust Board on a monthly basis. It is set against updated quality metrics as well as overall Trust performance which is tracked with trend analysis over a 13 month period.

All staff have a responsibility to identify and assess risk and to take action to ensure controls are in place to reduce and/or mitigate risks, whilst acknowledging the need for economy, efficiency, and effectiveness of the resources.

The Audit Committee receives reports from Directors of the Trust as well as internal and external audit and Counter Fraud and Security Management, on the work undertaken to review the Trust's systems of control including economy, efficiency and effectiveness of the use of resources. Action plans are agreed from these reports to improve controls where necessary.

The Trust external auditors give an opinion on the economy, efficiency and effectiveness and the use of resources. For 2018/19, the external auditors have commented that:-

Under the Code of Audit Practice, we must satisfy ourselves, by examination of the financial statements and otherwise, that you have made proper arrangements for securing economy, efficiency and effectiveness in your use of the Trust's resources. We are able to conclude that nothing has come to our attention that indicates that the Trust may not have had proper arrangements in place throughout the year to ensure effective use of resources.

Information governance

In 2018/19 the Trust classified two information governance incidents at Level 2, and reported both to the Information Commissioners Office (ICO) via the NHS Digital Data Security and Protection Toolkit.

The first incident involved a staff member accessing the records of one of their partners' ex-wife's relatives on one of our clinical systems three times without a lawful reason to do so. Following an investigation the staff member was found to have committed an act of gross misconduct and the staff member resigned. The ICO decided that sufficient action had been taken by the Trust and no further action was required.

The second incident again involved a staff member accessing the records unlawfully this time of a partner's child where the ex-partner was withholding information on the child's health from its father. Following an investigation the staff member was dismissed subject to appeal for gross misconduct and this was reported to the ICO. The ICO decided that the Trust had acted sufficiently and no further action would be required subject to the outcome of the appeal. Subsequently the appeal was upheld and the staff member returned to work under tight supervision. The ICO has been informed of the outcome of the appeal and the Trust is awaiting the ICO's final decision.

Following these two incidents the Trust issued a reminder to all managers to cascade to their staff about unlawful access to systems and the likely outcome of any investigation.

The Trust was also the subject of one complaint against us raised via the ICO. This was from an ex staff member who complained the Trust had misused an image obtained from social media by a staff member which showed the complainant in a situation which did not stand up to the complainant's then status as being on long term sick leave from the Trust. Following the production of evidence to the ICO the Trust was found to have acted lawfully and the ICO closed the complaint as it was not a Data Protection complaint but in their judgement an employment law complaint.

Annual Quality Report

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

The Board is able to assure itself that the Quality Report represents a balanced view and that there are appropriate controls in place to ensure the accuracy, completeness and timeliness of the data by the process detailed below.

Progress against the agreed priorities and indicators in the 2018/19 Quality Report have been reported to the Executive Quality and Clinical Risk Group, the Quality Governance Committee and the Trust Board, quarterly throughout the year.

As part of the consultation for the priorities and indicators for the 2019/20 Quality Report the Trust consulted with staff and stakeholders including through the Quality Matters Conference in January 2019 and at the Council of Governors.

Feedback from staff has informed the proposed quality priorities and indicators, which have been provided to external stakeholders including the Trust's Commissioners and Healthwatch for consultation.

In line with guidance, the Trust commissions external auditors to carry out an assurance review of the Quality Report. This review includes reviewing the content of the Quality Report for consistency with what has been reported internally to the Trust Board throughout the year, feedback from Commissioners, Governors and other external stakeholders. The Trust's External Auditors have issued an unqualified limited assurance

All policies and procedures are produced in line with the NHS Litigation Authority requirements, which are still deemed to be best practice, although the formal risk management assessments do not now take place. The effectiveness of policies in ensuring quality of care provided is monitored through a variety of mechanisms including:

- as part of root cause analysis,
- by undertaking audit,
- by monitoring incident and complaint data.

Should the Trust wish to explore a particular aspect in the quality of care in more detail a focussed 'deep dive' review will be undertaken.

The Trust wide Clinical Audit programme includes topics from priority areas such as CQC inspection reports, NICE guidance, and contractual requirements. The Trust audit database is a key tool in ensuring monitoring of action plans and that audit activity is effective.

During 2018/19 the Board has continued to refine reporting through the integrated corporate dashboard. The metrics are used to populate team level dashboards. All staff have access to the same information and insights as the Board. These metrics will be monitored by the Executive Quality and Clinical Risk Group.

The data used to support the integrated corporate dashboard comes from various sources including clinical audits, surveys, information management systems, incident reports and internal and external audits. All of these are used to produce the monthly Integrated Dashboard. Data in relation to performance and quality is collated and reviewed by the Directors of Finance, Human Resources and Nursing and Quality. These Directors are responsible for ensuring reliable information is produced on a timely basis.

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 result of my review of the effectiveness of the system of internal control by the Board, the audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

System of Internal Control

There are a number of components which form our system for maintaining and reviewing the system of internal control

The Trust Board

The Board has overall responsibility for the activity, integrity and strategy of the Trust. Its role is largely supervisory and strategic and has six key functions:

- to set strategic direction, define objectives and agree plans for the Trust
- to monitor performance and ensure corrective action
- to ensure financial stewardship
- to ensure high standards of corporate and clinical governance
- to appoint, appraise and remunerate executives
- to ensure dialogue with external bodies and the local community.

Audit Committee

The role of the Audit Committee is to provide the Trust Board with the assurance that adequate processes of corporate governance, risk management, audit and internal control are in place and working effectively. It oversees the establishment and maintenance of an effective system of internal control throughout the organisation.

It ensures that there are effective internal audit arrangements in place that meet mandatory NHS Internal Audit Standards and provides independent assurance to the Trust Board. The Committee reviews the work and findings of External Audit and provides a conduit through which their findings can be considered by the Trust Board.

It reviews the Trust's annual statutory accounts before they are presented to the Trust Board, ensuring that the significance of figures, notes and important changes are fully understood.

The Committee maintains oversight of the Trust's Counter Fraud arrangements. It also provides assurance over the Trust's risk process ensuring that risk is dealt with consistently throughout the organisation.

Internal Audit

Internal Audit during 2018/19 was undertaken by BDO who produce an annual internal audit plan, produced in discussion with the Trust to enable high level scrutiny of the effectiveness of the processes and procedures that the Trust has in place.

BDO carried out 11 reviews in 2018/19 designed to ascertain the extent to which the internal controls in the system are adequate to ensure that activities and procedures are operating to achieve the Trust's objectives 2018/19.

The Trust Internal Auditors have concluded that moderate assurance can be given that there is a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently. However, some

weakness in the design and/or inconsistent application of controls, put the achievement of particular objectives at risk.

Conclusion

This Annual Governance Statement highlights the continuing improvements made within the Trust. No significant internal control issues have been identified during the course of the year.

The Board has absolute clarity of purpose on the priority of moving the Trust's governance structures to an 'exemplary' standard and will continue to make improvements over the course of 2019/20.



Signed

Eugene Yafele
Chief Executive

22 May 2019

Accountability Report

Signed



Eugene Yafele
Chief Executive

22 May 2019

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Dorset HealthCare
University
NHS Foundation Trust

Quality Account and Report 2018–19



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PART ONE

STATEMENT ON QUALITY OF THE HEALTHCARE SERVICES PROVIDED FROM THE CHIEF EXECUTIVE OF THE TRUST



Delivering high quality care first time, every time, is our number one strategic goal and this last year has seen us work hard to achieve that. Our vision to be better every day through excellence, compassion and expertise continues to drive us forward and focus our efforts.

Along with all NHS organisations, we face significant challenges in funding and demand, so we have made careful decisions about where we will invest to improve the services we provide for the people of Dorset.

Our ambitious five-year Quality Improvement (QI) programme has begun and supports improvement driven by our staff and the people who use our services. It is enabling us to identify and address a range of quality issues by tapping into creativity, innovation and learning.

We have been working with our partners to progress our first-wave Integrated Care System, strengthening relationships to improve the way we work together to serve the people of Dorset. With a focus on ensuring local people can achieve the best outcomes and have the most positive experience, we are redesigning the way we provide services across Dorset.

We are working to put prevention firmly at the heart of what we do, supporting local people to manage their own health as much as they can and to make the most of their lives, whatever health challenges they face. Ensuring people have control and choice is central to the way we are developing services.

The dedication and flexibility of our staff meant that we effectively managed increased pressures during the winter months. I am extremely proud of and grateful to everyone who plays their part in keeping our services running, whatever the weather and whatever challenges we face.

We've made excellent progress and have enjoyed success in a number of areas in the past year, including:

- Opening the Retreat in Bournemouth, a completely new way of delivering mental health support working with Dorset Mental Health Forum's peers in a welcoming drop-in environment
- Celebrating the 70th birthday of the NHS with events and stories about the history of our own Trust and an NHS70 Parliamentary Award for our Armed Forces Community Health and Wellbeing Team
- Earning international acclaim and support from UNICEF with our ground-breaking breast-feeding campaign featuring Dorset mums, dads and babies
- Becoming the first older persons mental health wards in the country to earn the Gold Standard Framework accreditation for end of life care for Herm and St Brelades wards at Alderney Hospital
- Becoming a Disability Confident Employer
- Weymouth Community Hospital, becoming one of the first wave of NHS Urgent Treatment Centres operating across the country.

And most importantly we made significant improvements to the quality of care we provide for patients and earned a rating of 'good' from the Care Quality Commission (CQC), with a number of services being rated as 'outstanding'. The hard work and commitment of staff has paid off and we are determined to continue on this journey and strive to be an outstanding Trust overall.

Eugene Yafele, Chief Executive

30 April 2019

A handwritten signature in blue ink, appearing to read 'E. Yafele', written over the printed name and date.

DECLARATION OF ACCURACY

Dorset HealthCare University NHS Foundation Trust (DHC) remains committed to continuous quality improvement in all the services we provide. The Board has strengthened over the past year and continues to improve the way it obtains assurance.

This report is an open and honest assessment of what we have achieved and how we have improved the quality of our services through our quality priorities and other quality indicators. It details the progress made against our quality targets and the priorities we have set for ourselves over the past year. The report is consistent with internal and external information presented to and agreed by our Quality Governance Committee (QGC) and the Trust Board. Each meeting receives monthly updates or quarterly quality reports against our agreed targets.

The Board receives an integrated performance report including a quality dashboard covering all three domains of quality:

- patient experience
- patient safety
- clinical effectiveness.

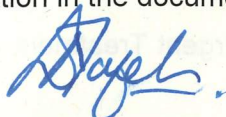
The Quality Governance Committee provides further scrutiny of the quality of services. This committee is supported by the Executive Quality and Clinical Risk Group which meets monthly to examine the internal quality and clinical processes. It provides an in-depth review of the data to assure the QGC that adequate systems are operated by the organisation.

Non-Executive and Executive Directors have visited wards and teams to hear and observe first-hand the quality of care being delivered, enhancing the line of sight from 'Board to Ward'. The Board is committed to being visible and accessible to front-line staff and patients.

The Trust is committed to raising standards of care and will respond promptly and positively to criticism and suggestions for improving care. We value the feedback of patients, carers, family and friends alongside all our staff to guide how we improve the quality of services.

The Council of Governors, Board of Directors and clinical leaders are committed to delivering a programme of continuous quality improvement during 2019/20.

In preparing our Quality Account and Report, we have worked hard to ensure that the information presented is accurate and provides a fair reflection of our performance during the year. I hope you find this report an interesting and informative document. I think it presents a fair and balanced view of what we have achieved and what we hope to achieve this coming year. To the best of my knowledge the information in the document is accurate.



Eugene Yafele, Chief Executive

Date: 30 April 2019

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PART TWO

PRIORITIES FOR IMPROVEMENT AND STATEMENTS OF ASSURANCE FROM THE BOARD

PRIORITIES FOR IMPROVEMENT 2018/19

The Trust is committed to providing high quality care - first time; every time. To determine our priorities for 2018/19 we held a workshop to review all the improvement programmes underway across the Trust. We had a wealth of improvement plans to address various work streams, including:

- National Institute for Health and Care Excellence quality standards and guidance
- Commissioning for Quality and Innovation
- Various national accreditation awards
- Sign up to Safety Campaign
- Better Every Day Programme.

There were also local improvement plans specific to particular wards or teams, to address areas the staff wished to improve.

We also considered themes from complaints, incident feedback from patients and staff and performance against key quality indicators. We reviewed recommendations from external reviews such as those published by the Care Quality Commission, NHS Improvement and other national bodies.

From all of the information held, we identified those areas which would have the most impact for people who used our services to develop our quality priorities and supporting indicators.

These were then launched at the Quality Matters Conference on 26 January 2018 and the feedback used to refine our selection, before taking the quality priorities to wider consultation with our stakeholders who had been engaged with Trust during the year. We also made the consultation available on our website to enable members of the public and other stakeholders an opportunity to express their views.

The final quality priorities supported our vision to be better every day through excellence, compassion and expertise in all we do, as well as the strategic goal to provide high quality care - first time, every time.

QUALITY PRIORITIES 2018/19

We start this section by reporting on our achievements against the Trust's quality priorities we set ourselves for 2018/19. The following tables outline the priorities and progress over the past year.

Priority 1 Patient Experience:			Outcome:
To be an organisation that involves the patient, their families and carers			Achieved
<p>Rationale:</p> <p>We wanted to make participation a reality at the Trust because it is the right thing to do, but it is also within the context of the Mazars Report, Francis Inquiry, the Keogh Mortality Review and the Berwick Review into Patient Safety reports. These all concluded that the NHS must have patients, families and local people as equal partners in care and in the design and delivery of services, and listen to their views.</p> <p>The NHS Constitution and section 242 of the NHS Act 2006 (as amended by the 2012 Health Act) includes a duty to involve patients in their care and the development of services.</p> <p>There is a proven association (Coulter and Ellins 2006) between:</p> <ul style="list-style-type: none"> • engagement of patients in their health, care and treatment • outcomes in relation to patient reports of their experiences, and of their satisfaction with care • patients' recall of information, knowledge and confidence to manage their condition • likelihood of patients reporting that the chosen treatment path was appropriate for them. <p>We wanted to build on the success of the Triangle of Care (ToC) programme, which was first introduced during 2017/18. The aim was to introduce this to our mental health inpatient and crisis services, to further enhance the experience of people who use our services and their carers. During 2018/19 we would continue to embed the ToC in our mental health inpatient and crisis teams whilst rolling out to our community mental health teams.</p> <p>Alongside this work in mental health services, the Trust committed to sign up to the Dementia Friendly Hospital Charter in our physical health wards. The Charter sets the standards anyone with dementia or their carer can expect from any hospital. The work undertaken and quality of care provided to obtain these standards builds on the work we undertook during 2017/18 with John's Campaign and the carer's passport in our community hospitals.</p> <p>The last element for this priority was to develop patient experience feedback mechanisms in Child and Adolescent Mental Health Services (CAMHS) to understand and improve their experiences of our services.</p>			
Quarter 1	Quarter 2	Quarter 3	Quarter 4
ToC programme progressed; Community hospitals signed up to National Dementia Friendly Alliance; Baseline data collection from CAMHS completed.	ToC training schedule implemented; Dementia Friendly Hospital Charter (DFHC) self-assessment completed; Data from CAMHS used to inform the system to capture patient experience	Community hospital matrons ToC training commenced; DFHC action plans submitted; CAMHS registered to use Gather™, the Trust's patient experience feedback software.	ToC training embedded, raising awareness continues; Community Hospitals completed over 50% of actions; CAMHS feedback increased, over 50% of bespoke plan implemented.
<p>Going forward:</p> <ul style="list-style-type: none"> • Continue to progress to the final submission for Triangle of Care Stage 2 in November 2019 • Continue to support CAMHS with the implementation of a service specific feedback mechanism • Our community hospitals will continue to work with local Dementia Alliance Groups. 			

Priority 2 Patient Safety:			Outcome:
To be an organisation that creates a positive and strong safety culture			Progress made
<p>Rationale:</p> <p>The Trust proposed that an area which required focus and attention was when patients experienced unexpected deterioration of their physical health while in our care. When patients come into hospital they put their trust in the professionals caring for them. They assume they are being monitored and that any deterioration in their condition will be detected and acted on quickly. The rationale behind selecting this as a quality priority was as follows:</p> <ul style="list-style-type: none"> • There had been cases highlighted from incident investigation and audit findings where monitoring of physical health care and rapid awareness of a deteriorating patient was delayed as staff failed to spot or act on changes in their condition • The Wessex Academic Health Science Network (AHSN) (which the Trust is affiliated to) had also identified 'the deteriorating patient' as key priority so there was an opportunity to share and develop practice in this area at regional learning events • Nationally commissioned reports. <p>Learning from externally identified recommendations and a review of our incident data, the organisation recognised the need for further support and training for staff in the early detection and management of emergency situations, including choking, affecting our adult patients.</p>			
Quarter 1	Quarter 2	Quarter 3	Quarter 4
Review of life support training; Commenced implementation of International Dysphagia Diet descriptors (IDDSI); Launched National Early Warning System 2 (NEWS2); Baseline data collection for diabetic patients on insulin.	Rolled out IDDSI; NEWS2 communication campaign ; Pilot self-administration of insulin using the Wessex AHSN implementation guide.	Role and location specific resuscitation training implemented; IDDSI programme progressed; Roll out of the Royal College of Physicians NEWS2 online training; Self-administration of insulin pilot extended to all community hospitals.	Resuscitation training target met in April 2019. IDDSI training implemented, resources available for staff; Completion of NEWS2 online training continued; Self-administration of insulin pilot continued
<p>Going forward:</p> <ul style="list-style-type: none"> • Continue with the implementation of Resuscitation training and International Dysphagia Diet descriptors (April 2019) • Continue with the implementation and raising awareness of Self-administration of insulin programme • Continue with the implementation and embedding of NEWS2 into 2019/20. 			

Priority 3 Clinical Effectiveness:			Outcome:
To be an organisation that supports health promotion, effective preventative intervention and delivers quality standards for our patients			Progress made
<p>Rationale:</p> <p>In 2018/19 we wanted to focus on the prevention of ill health and support people who access our services to adopt healthier lifestyles.</p> <p>Trust staff would screen adult inpatients for smoking status and offer stop smoking medication, supported by referral to Smoke Stop services for those who wished to quit. Those who were not so sure about quitting would be offered advice on ways to stop if it was appropriate for them.</p> <p>Staff would screen adult patients for alcohol consumption and offer advice or referral to specialist services if that was appropriate. There are around 22,500 deaths per year which can be attributed to alcohol consumption; although people may not be dependent on alcohol, their consumption puts them at risk of heart disease, liver disease, cancer, depression or accidental injury. It is proven that identification and brief advice helps these people to reduce their weekly alcohol consumption by around 12%. Reducing regular consumption by any amount reduces the risk of ill health.</p> <p>We wanted to continue supporting staff who work in the mental health setting to prevent and manage potential blood clots, known as venous thromboembolisms. While the condition is not common in older people with mental health needs, the effects can be serious, so prevention and early detection are essential. Our policies and assessment tools were designed for use in the physical health setting, so we needed to develop an extended screening tool that was fit for purpose and supported staff in mental health inpatient teams. The screening would be designed for patients over 65 years of age.</p>			
Quarter 1	Quarter 2	Quarter 3	Quarter 4
54% of ward based staff trained to screen and deliver brief smoking advice; 44% of ward based staff trained to screen and deliver alcohol advice; Review of VTE policy and assessment tools for inpatient mental health areas.	Review of training provision for smoking and alcohol screening to staff – adaptation of e-learning and inclusion of face-to-face sessions; Pilot of VTE full risk assessment tool on two wards.	Gradual increase in the number of patients given 'brief' advice around smoking; Trust wide threshold for screening of patients for drinking risk levels met; VTE screening threshold met.	Continued to meet target for both offering 'brief' advice around smoking and screening for drinking levels, and offering 'brief' advice and specialist referral; Completed all VTE risk assessment for Q4.
<p>Going forward:</p> <ul style="list-style-type: none"> We will continue with Alcohol and Tobacco screening and offering 'brief' advice programme and we will liaise with Dorset Clinical Commissioning Group around 2019/20 targets. VTE risk assessment is built into DHC admission process, completion rates to be reviewed quarterly. 			

QUALITY IMPROVEMENT PRIORITIES 2019/20

This year, to identify the quality priorities, we continued to work with those service directors and leads who attended our previous workshop to review all the improvement programmes underway in the Trust. We have a wealth of improvement plans to address various work streams and are in the early stages of developing and embedding the Quality Improvement team and Quality Improvement approach across the Trust. The Quality Improvement programme is being designed to shift the balance to our staff and people who experience our services, to identify areas for improvement that matter most and are locally owned.

We also considered themes from complaints, incident feedback from patients and staff and performance against key quality indicators. We reviewed recommendations from external reviews such as those published by the Care Quality Commission, NHS Improvement, Her Majesties Coroner for Dorset and other national bodies.

As part of our consultation on the priority indicators we held a focus group with the Trust's Leadership Forum to comment and feedback on the proposed priorities. An online survey was launched on 24 January 2019 to gather feedback from staff and stakeholders. We also made the consultation available on our website to enable members of the public and other stakeholders to express their views.

Attendees at the Quality Matters Conference on 31 January 2019 were asked to complete the online survey and were canvassed for their feedback to refine our selection of Quality Improvement Priorities for 2019/20.

The quality priorities support the Trust vision to be better every day through excellence, compassion and expertise in all we do, as well as the strategic goal to provide high quality care - first time, every time.

PATIENT EXPERIENCE

To be an organisation that learns from the captured experience of patients, families and carers and hear the voices of those that are harder to hear.

In 2018/19 we wanted to build on the success of introducing the Triangle of Care (ToC) into our mental health inpatient and community teams as well as the crisis services to further enhance the experience of people who use our services and their carers. We will continue to embed the ToC into our mental health and crisis teams whilst rolling out across all our adult services.

At the Trust, we have captured patient satisfaction for several years. Although this data has been valuable in tracking trends, there has been a shift in focus to capturing patient experience rather than patient satisfaction. Taking this positive shift further we will endeavour to learn from those experiences so we can improve our services. We will also focus on gaining the experiences of those patients who do not readily give or feel able to provide feedback.

PATIENT SAFETY

To enable staff to proactively identify and mitigate where patients or service users are at risk of avoidable harm.

Our patient safety priority in 2018/19 was to be an organisation that creates a positive and strong safety culture. We wanted to support our staff in the early detection and management of deterioration in adult inpatients.

As a Trust we have learnt through our understanding and appreciation of national reports and learning from our own internal investigations that good channels of communication, both internally and externally with other organisations is a key requirement of patient centred care.

Continuing with our understanding of the need and benefits of joint working we want, through additional information and education, to increase our staff's awareness of domestic abuse. We want our staff to feel supported and enabled to act effectively and promptly in response to suspected domestic abuse.

In line with national guidance we will broaden our Suicide Prevention Strategy, for the benefit of all people accessing our services.

CLINICAL EFFECTIVENESS

To enable clinical staff to use their professional judgement when assessing patients and users of services when developing personalised care plans.

In 2018/19 we focussed on the prevention of ill health and support people who used our services needed to adopt healthier lifestyles. We continued supporting staff who worked in the mental health setting to prevent and manage potential blood clots, known as venous thromboembolisms.

This year we are going to concentrate further on valuing people as active participants and experts in the planning and management of their own health and well-being. Enabling staff to ensure that their patients and service user's outcomes are developed to have meaning to the person in the context of their whole life. This process recognises the person's skills and strengths, as well as their experiences and the things that matter the most to them.

We have developed an ambitious Quality Improvement (QI) programme and QI approach across the Trust. The Trust's QI programme is being designed to enable our staff and people who experience our services to identify areas for improvement that matter most and are locally owned. It is already starting to support them to work together to identify and address a range of quality issues, enabling creativity, innovation and learning.



QUALITY IMPROVEMENT - SIGN UP TO SAFETY CAMPAIGN

The Trust committed to the NHS England 'Sign Up to Safety' campaign in November 2014 having made the following five pledges.

Put safety first	A commitment to reduce avoidable harm.
Continually learn	Acting on the feedback from patients and constantly measuring and monitoring how safe services are.
Honest	Be transparent with people about our progress to tackle patient safety issues and support staff to be candid with patients and their families if something goes wrong.
Collaborative	Take a leading role in supporting local collaborative learning, so that improvements are made across all of the local services that patients use.
Supportive	Help people understand why things go wrong and how to put them right. Give staff the time and support to improve and celebrate the progress.

The 'Sign Up to Safety' campaign vision brings all of the national safety work streams together under one campaign. We developed a plan which incorporated nine 'Sign up to Safety' work streams to reduce avoidable harm and save lives. Each work stream has a nominated lead, supported by staff from a wide variety of services throughout the organisation. Progress against the campaign action plan is monitored with a quarterly report sent to the Executive Quality and Clinical Risk Group.

The National 'Sign Up to Safety' team disbands at the end of March 2019. We have made the decision to continue with the current work streams, as described below, under the title of 'Sign Up to Safety' as this is now embedded and understood by staff at all levels across the organisation.

The number of work streams has reduced from nine to six. Sepsis has combined with the Deteriorating Patient work stream to align with the Wessex Patient Safety Collaborative Network. Safe Transfer of Care and Care Planning are continuing having been incorporated into core business.

The following pages detail progress against the six work streams:

- Pressure ulcers
- Promoting positive and proactive practice to reduce restrictive intervention
- Deteriorating patient and sepsis
- Suicide prevention
- Falls prevention
- Safe medication.

PRESSURE ULCERS

Aim: In 2018/19 to reduce the number of hospital-acquired avoidable inpatient pressure ulcers reported in 2017/18 by 50% and to reduce the number of community-acquired avoidable pressure ulcers reported in 2017/18 by 20%.

Outcome 2018/19

Pressure Ulcer	Q1	Q2	Q3	Q4	Total YTD	% Reduction Year to date
Hospital-acquired avoidable	1	1	0	0	2	75%
Community-acquired avoidable	6	6	2	3	17	45%

NB: Within Community Hospitals one ward has not had any avoidable pressure ulcers reported since 2015. Three wards have not had any reported for more than two years and five wards have not had any reported for over one year.

Key success:

Root Cause Analysis (RCA) reviews for category 3 community-acquired pressure ulcer

- Use of a questionnaire triage process has enabled and empowered teams to identify trends and themes
- Improved local awareness and increased engagement
- Development of more individualised action plans
- CCG assurance audit commenced where 20% of questionnaires are audited quarterly.

Pressure ulcer RCA-exempt register introduced in September 2018 removes the requirement for patients who have a long term condition and meet specific criteria from undergoing RCA if they have repeated pressure ulcers. These patients are now directly managed by the Tissue Viability Service and District Nurse Leads. There are currently 15 patients on the exempt list and these are reviewed each quarter at an assurance panel.

Commissioning for Quality and Innovation (CQUIN) indicator 10 – Improving the assessment of wounds

- Launch of revised wound assessment, aligned to the National Minimum Data Set for full wound assessments template on SystmOne™, our electronic patient record, is improving the completion of wound assessments
- The recent audit of wound assessments (March 2019) showed 35% completion compared to 12% completion in Q1.

Pan Dorset Joint Wound Formulary

- Launched April 2018, four events held across the county with 300 staff attending the drop-in sessions
- The Skin Tear Pathway has now been launched. This is to improve the management of skin tears and achieve better outcomes for patients.

Going Forward:

- Continue to develop and embed the NHS Improvement plan for the revised definition and measurement of Pressure Ulcers
- Pressure Ulcer discharge patient pack to be developed for patients being discharged from hospital. To raise awareness amongst patients and carers.

PROMOTING POSITIVE AND PROACTIVE PRACTICE TO REDUCE RESTRICTIVE INTERVENTION

Aim: For 95% of patients experiencing seclusion, rapid tranquilisation or prone restraint to have evidence of de-escalation and debrief with full completion of physical observations recorded. Due to reporting changes and processes it has not been possible to report progress against this aim. The aim of the work stream will be refreshed once guidance for the Mental Health Units (Use of Force) Act 2018 is received.

Restrictive Interventions 2018/19

Intervention	Q1	Q2	Q3	Q4	Total
Rapid tranquilisation	55	45	81	53	234
Prone restraint	28	37	71	47	183
Seclusion	24	31	55	21	131

Q4 has seen a reduction in all forms of restrictive interventions. However, over the year period there has been an overall increase in the use of rapid tranquilisation and seclusion whilst the use of prone restraint has significantly reduced.

Rapid tranquilisation has increased by 9% from 214 in 2017/18 to 233 in 2018/19. The highest number of incidents were reported by the Psychiatric Intensive Care Unit (PICU) which is representative of the acuity and complexity of the patients. There has been an increased use of alternative injection sites over the last two years, which has reduced the use of prone restraint to administer rapid tranquilisation.

Seclusion has increased by 15% from 114 incidents in the period April 2017-March 2018 to 131 in the same period 2018/19. Of the 131 incidents, one patient accounted for 36 episodes of seclusion. This patient had a behaviour support plan in place as it was his preference to be secluded to help him manage his risk to self and others. This was care-planned and followed by staff as the least restrictive option. Prone restraint has decreased by 21% from 232 in the period April 2017-March 2018 to 184 in the same period 2018/19. 80 incidents of prone restraint occurred on Haven Unit, which demonstrates a significant reduction from 154 incidents reported for April 2017- March 2018.

Key successes:

- Learning Disability Services and Community Mental Health Teams joined the programme, extending the focus beyond the mental health inpatient wards
- The Data Analysis Review Team group amalgamated with the Promoting Positive and Proactive Practice to Reduce Restrictive Interventions, chaired by the Head of Mental Health, supported by the Head of SAFE (Counter Fraud and Security Management Specialists)
- Designated ward-based lead for restrictive intervention on areas with the highest number of incidents
- 'Risk huddles' have had a direct impact on reducing the number of incidents. Those involve weekly review of all incidents, care plans and behavioural support plans empowering staff to take ownership of incidents, allowing for learning to be shared in a timely manner
- Prevention and Management of Violence and Aggression (PMVA) trainers providing targeted support to areas with the highest number of incidents to debrief and improve record keeping
- Engagement with the Mental Health Patient Safety Collaborative.

Going Forward:

- Development of an overarching work stream action plan
- Review and implementation of the requirements of The Mental Health Units (Use of Force) Act 2018.
- Continued engagement with Safewards, a model developed nationally which is designed to reduce conflict and create a sense of safety and mutual support for patients and staff
- The QI, NHS Elect and Patient Safety Teams will facilitate an internal QI Collaborative for the work stream, with two full day and two half day workshops scheduled for the year
- Potential for peer specialist workers to work with challenging patients
- Engagement in Quality Improvement projects in conjunction with the Mental Health Patient Safety Collaborative, supported by the Trust's Quality Improvement Team.

DETERIORATING PATIENT AND SEPSIS

Aim: By May 2020, all patients under the care of the Trust who deteriorate are identified and have a timely response.

The focus for 2017/18 was to determine the criteria for raising an incident report when a patient's physical health deteriorates. An incident report would be completed when a patient's condition unexpectedly deteriorated resulting in a transfer and admission to an acute hospital. Throughout 2018/19 this process has been embedded in practice.

2018/19 has seen an overall increase in the number of deteriorating patient incidents reported with five wards show a significant increase. Staff report a variety of reasons for this which include a general increase in awareness raised through the implementation of, and training in, NEWS2 combined with wider engagement throughout the organisation in the Deteriorating Patient Steering Group. Some Community Hospitals report an increasing number of step-up patients being admitted who have a higher acuity on admission. There have been specific concerns raised about the quality of discharges from a particular acute hospital which has resulted in a number of patients being transferred back. Further information will be gained and assistance sought from the QI team to collect and analyse the data.

Key successes:

Introduction of National Early Warning System 2 (NEWS2) March 2019

- Trust overall compliance with National Early Warning System (NEWS) audit is 95% (NB: Trust continues to use the NEWS audit while the introduction of NEWS2 continues)
- Royal College of Physicians NEWS2 online training rolled out across the Trust
- Working with Wessex Patient Safety Collaborative Network on development of a regional NEWS2 audit.

Review of patients whose physical health deteriorates or who die within 72 hours of transfer to an acute hospital

- Process to establish a correlation between the patient's diagnosis and identification of any intervention which may have prevented the transfer

Acute Kidney Injury (AKI)

- Training needs assessment survey distributed throughout the organisation
- Awareness raising lead by the Community Consultant Nurse
- Review of regional educational tools with signposting for staff.

Physical Health in Severe Mental Illness Strategy

- Draft strategy awaiting approval.

Gold Standard Framework (GSF) accreditation on two Older Persons Mental Health Wards has diminished the need for patients at the end of life transferring to an acute hospital for pain relief, as staff have undertaken syringe driver training.

Short videos where staff share experiences of sepsis.

Pilot improving the provision of physical health assessments for patients of Community Mental Health Teams (CMHT) on antipsychotic medication.

Neurological Guidance

Standardisation of Neurological observation charts and development of Neurological Guidance.

Going Forward:

- Continue to work with the Wessex Deterioration Network, Dorset CCG, Primary Care and Care Home Leads, the local acute Trusts and the ambulance service to standardise the implementation of NEWS2 across the region
- Liaise with Hampshire CCG and Interserve™ to potentially introduce RESTORE2, which is aimed at recognising deterioration within a care home setting. The tool looks at the 'soft signs of deterioration', particularly effective in situations where patients stay for a length of time
- A 'Deteriorating Patient Plan' to be developed
- Joint review with the Mortality Governance Team where a patient's physical health deteriorates resulting in their death within 72 hours of transferring to an acute hospital.

SUICIDE PREVENTION

Aim: To reduce the number of suicides by 10% by the end of 2020 in line with the National Suicide Prevention Strategy.

The Trust's Suicide Prevention Action Plan, which forms the overarching direction for this work stream, is built around the ten ways to improve patient safety identified by the National Confidential Enquiry into Suicide and Homicide Review of 20 years of data (published in October 2016).

Key success:

1. Safer wards:

- Work underway to enhance our therapeutic observations policy
- Ligation management plans completed for all inpatient areas, including the removal of plastic laundry bags.

2. Dual diagnosis service

- A one-day skills-based training package introduced to aid recognition of dual diagnosis.

3. Low staff turnover

- In response to the 2017 NHS Staff Survey results, task and finish groups have been established to address bullying in the workplace, staff experience of violence in the workplace and work-related stress, and to consider systems for managing errors and incidents.

4. Assertive outreach teams

- Review of rehabilitation services and the Trust's two Assertive Outreach teams led by the Director of Mental Health and Learning Disabilities.

5. Personalised risk management

- E-learning training package, containing training on risk assessment and management, with an update on learning from serious incidents produced by Patient Safety and Learning and Development teams
- Clinical Risk Policy revised, updated and approved
- Consultant half-day workshop dedicated to suicide risk and prevention led to amendments in risk stratification and redesign of the RiO™ (Trust's electronic patient record) risk assessment form
- Work continues to develop 'My Wellbeing Plan' to replace the current Crisis Plan, My Crisis Plan and Care Plan.

6. Clear guidance on depression

- Update to the primary care protocols for management of depression and anxiety available in the Dorset Formulary
- Production of a patient information leaflet.

7. Family involvement in "Learning Lessons"

- Relatives bereaved by suicide are offered the opportunity to share experiences in videos which have then be made available on the intranet and incorporated into clinical risk training and team reflection sessions
- A 'Making Families Count' workshop and learning being shared.

8. 24-hour crisis teams

- The Bournemouth Retreat opened in April 2018 providing an alternative out-of-hours service, for people to self-refer at times of crisis, staffed by peer specialists, and registered mental health nurses
- Crisis Teams running an emotional containment pathway for the east of the county.

9. No out of area admissions

- Improving situation with the additional four beds at Forston Clinic.

10. Early follow up on discharge

- Seven-day follow up for all patients discharged from an inpatient psychiatric service or from Crisis / Home Treatment Team
- Follow-up for 'high risk' patients standardised at 48 hours.

Local additional actions

- Potential local 'hot-spots': Collaborative working with operators of the multi-storey car park in Poole

town centre has seen improvements to the infrastructure, barriers, help points upgraded with additional call points on the upper levels and vandal-proof signage sign posting to Samaritans and NHS 111. The Trust provides training for responding to people in crisis to car park employees.

Going Forward:

- Continued participation in the NHS Dorset Clinical Commissioning Group (CCG) Pan Dorset Suicide Prevention Strategy development and ongoing work
- Further develop carer involvement in the work stream
- Review impact of the 'Retreat' model
- Second 'Retreat' to open in Dorchester in spring 2019
- Development of three 'Community Front Rooms' across rural Dorset, a continued expansion of crisis services
- Crisis Teams in the west of the county to start emotional containment
- Applied Suicide Intervention Skills Training (ASSIST) for Retreat, Crisis Services, Connexion (telephone support line) and employees of car parks in Poole
- Capital building projects to support 'No out-of-hours admissions' work stream with proposed development of a Child and Adolescent Psychiatric Intensive Care Unit and expansion of the mother and baby inpatient unit, plus plans to build and develop a female low secure unit, additional acute inpatient capacity at St Ann's
- Quality Priority for 2019/20: Embedding the Suicide Prevention Plan across the Trust, not just within Mental Health services.

FALLS

Aim: To reduce the number of falls resulting in moderate or minor injury by 10% annually.

	2014/15	2015/16	2016/17	2017/18	2018/19
Falls resulting in fracture		33	27	15	15
Falls resulting in head injury				2	0
Inpatient falls: minor injury	491	439	392	361	368
Inpatient falls: without injury	987	876	712	734	599
Total falls	1478	1348	1131	1112	982
3 year trajectory		2015/16	2016/17	2017/18	2018/19
10% reduction in injury-only trajectory		466	452	438	394
Actual Total		472	419	370	383

In 2018/19 there has been an overall reduction of 12% in the number of falls reported compared to 2017/18
Based on 2017/2018 data

- Falls resulting in fracture have reduced by 12%
- Falls resulting in minor injury have increased by 2%
- Falls resulting in no harm have reduced by 13%

14 incidents have been reviewed at panel. 13 were found to be predictable but not preventable, one was found to be not predictable or preventable. There is one incident awaiting review at panel, this is scheduled for panel 03/05/2019.

Key successes:

Multi Factorial Falls Assessment (MFFA) tool

- Draft electronic form has been developed for SystmOne and Rio™.

Learning from Root Cause Analysis (RCA) and incidents

- Post protocol falls flow chart simplified to clarify the process.

Raizer chairs

- In use throughout the Trust, with an additional chair available at St Ann's. The chairs have been used in 61 reported incidents ensuring timely care, patient safety and avoiding ambulance call outs.

Falls dashboard

- Developed with the Quality Improvement Analyst available on our intranet (Doris).

Education and learning

- E-Learning package in place from October 2018.

National Falls Audit

- DHC is registered on the National Audit of Inpatient Falls as part of the Falls and Fragility Fracture Audit Program. The audit commenced in January 2019 and the first report is due to be published June 2019.

Going Forward:

- Work with NHS partners and other agencies on developing a collaborative falls prevention strategy and pathway for the county
- Participation in Dorset CCG Task and Finish group on rapid access to falls assessment and interventions and consistent physio-led balance and strength classes
- Participation in National Falls Prevention week September 2019
- Review of Physiotherapy services available for Mental Health services.

SAFE MEDICATION

Aim: Reduce Medication Errors by 25% by January 2019

Average number of monthly incidents		
2016/17	2017/18	2018/19
85	49	46
Represents a 41% decrease, largely attributed to termination of the Prisons service		Represents a 6% decrease compared with 2017/18

Key success:**Community drug charts**

- Re-designed in response to errors relating to unclear prescribing authorities
- Available on SystmOne™.

Medicines management training

- Significant improvement in take up for the e-hub core medicines management training
- Medicines Management training has been developed for trainee nurse associates and for Band 2 community support workers.

Medication safety thermometer

- Template for monthly rolling audit available on SystmOne™.

Going Forward:

- Continue to drive the uptake of Self Administration of Medicines across the Trust, to include self-administration of insulin as part of the Quality Priority set for 18/19.

The above tables provides details and data up to and including quarter 3 2018/19



Learning from deaths

In March 2017 the National Quality Board (NQB) issued a framework for Trusts to learn from patient deaths. Learning from a review of the care provided to patients who die should be integral to clinical governance and quality improvement work. The Trust's Mortality Governance Group, chaired by the Medical Director, has oversight of the programme.

MORTALITY

During 2018/19 298 of Dorset HealthCare University NHS Foundation Trust's patients died. This comprised the following number of deaths which occurred in each quarter of that reporting period:

99 in the first quarter	96 in the second quarter	103 in the third quarter	95 in the fourth quarter
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By 14 January 2019, 194 case record reviews and 21 investigations have been carried out in relation to 215 of the deaths included above.

In 1 case a death was subjected to both a case record review and an investigation. The number of deaths in each quarter for which a case record review or an investigation was carried out was:

74 in the first quarter	77 in the second quarter	64 in the third quarter	61 in the fourth quarter
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1 representing 0.5% of the patient deaths during the reporting period are judged to be more likely than not to have been due to problems in the care provided to the patient. In relation to each quarter, this consisted of:

1 representing 1.4% for the first quarter	0 representing 0% for the second quarter	0 representing 0% for the third quarter	0 representing 0% fourth quarter
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These numbers have been estimated using the Royal College of Physicians (RCP) structured judgement tool of avoidability.

In Quarter 4 2018/19 14 reviews were conducted for unexpected deaths. None of these unexpected deaths were judged to have been avoidable using the Royal College of Physicians (RCP) Structured Judgement Tool. It is noteworthy that the Structured Judgement tool will no longer be used as of the year 2019/20.

A summary of learning from the investigation conducted in relation to the one death judged to be avoidable using the Royal College of Physicians (RCP) structured judgement tool of avoidability are:

For the death where there were problems in the care provided the following learning points were identified:

- discussions had at the Multi-Disciplinary Team (MDT) meeting and the rationale for decisions made at the MDT meetings must be documented in the patient's electronic records
- discussions / supervision re cases between junior clinicians and Consultant Psychiatrists must be document in the patient's clinical records
- the importance of written records needing to accurately reflect the discussions had with a patient and the importance of contemporaneous, succinct but informative record keeping
- assessment of how a person may be considering to take their own life must be undertaken by staff and followed up with visual inspections where possible to review access a patient has to means to end their life
- appreciation that having children is not always a protective factor in preventing someone from taking their own life.

An action plan has been produced to address the care and service delivery problems identified as part of the root cause analysis investigation. This included record keeping audits with exception reporting in place for care planning and risk assessments. These action plans are reviewed by the Executive Quality and Clinical Risk Group and progress against these are reviewed by the Quality Governance Committee.

The actions identified aim to assist in the reduction of unwarranted variation in practice in the areas to provide safe and effective care for patients.

CELEBRATING ACHIEVEMENT

The Retreat – A Place to Pause

The Retreat is one of the first deliverables of the Mental Health Acute Care Pathway review, following the feedback gathered by the review and the positive evidence demonstrated by similar schemes that are using a less medicalised model of crisis support.

The Retreat is a drop-in centre that has opened at Hahnemann House and through co-production ensures the needs and views of people with lived experience of mental health problems are being represented and valued in the development and delivery of the service. The Retreat provides a safe space for people who want to access support on their own terms; it represents a departure from traditional treatment methods, moving away from the clinical model of diagnosis and treatment, and towards one with a focus on community engagement, accessibility for all, and preventative approaches. The Retreat places emphasis on self-management, relational safety, increased trust, and practical recovery-focused approaches, while minimising clinical assessment and diagnosis. It is staffed by both mental health professionals and peer specialists who can offer out-of-hours support and advice.



It has already seen several successes with a very positive start; one evening it had a peak of 24 attendees, with some additional family and carers. A number of attendees had previously utilised stays in inpatient and Section 136 suites; the Retreat appears to offer people a less restrictive alternative. As such, a pattern of regular service users is emerging, allowing the opportunity for a supportive community network to grow; in fact, the first attendee has now become a volunteer at the Retreat. Service users and local police have both given positive feedback, with people reporting they feel listened to, welcome and relaxed, and find it helpful to have a service that is immediately accessible without a referral process.



NHS 70 Parliamentary Awards

Dorset's Armed Forces Community Health and Wellbeing Team has been presented with a top accolade at the NHS 70 Parliamentary Awards for its work in mental health. Team members strive to reduce health inequalities for local veterans and families of both retired and serving personnel. Working with local partners and veterans themselves, they have co-produced and implemented a veterans' care pathway, and in their first year they assessed 55 people through their Wellbeing Gateway, and demand continues to be high. Outcomes include improved access to physical and mental health services and support in preparing for employment.

The team was nominated by Bournemouth East MP Tobias Ellwood and Mid Dorset and North Poole MP Michael Tomlinson, and was shortlisted from 750 entries for the awards, launched back in February 2018 to mark the 70th anniversary of the NHS. The team received The Excellence in Mental Health Care Award at a special ceremony at the Houses of Parliament in July 2018.



Service and Clinical Lead Andy Gritt said: "We are extremely humbled to have received this award, and it is testament to the hard work and enthusiasm of the team. We are really proud to accept this honour on behalf of Dorset HealthCare and the armed forces community we serve. Research shows that for service personnel, the transition to civilian life can lead to a range of challenges including health issues, family problems, homelessness and unemployment. There's also little understanding of service families' mental health needs and no joined-up approach to support them, and we are actively looking to change this."

Michael Tomlinson MP said: "I was delighted to be able to nominate the Dorset Armed Forces Community Health and Wellbeing Team and even more pleased they won. They do a fantastic job, and I hope that this helps to highlight the importance of mental health, which is right at the top of the political agenda."

In recognition of his tireless work to improve the lives of Dorset's military veterans and serving personnel, Andy Gritt, Service and Clinical Lead received an MBE in the New Years' Honours List.

Trust becomes a Disability Confident Employer

The Trust has been awarded Disability Confident Employer status, showing a commitment to improving the way we attract, recruit and retain disabled workers. The Disability Confident scheme requires organisations to submit a portfolio of evidence, detailing the various ways in which they support employees with disabilities – such as better access to buildings, training, and adjustments to the workplace or recruitment processes. There are three accreditation levels to reach – Committed, Employer and Leader – and, once completed, an official badge is awarded for use on all branding and marketing. We achieved the first level (Committed) around two years ago, and will now apply to become a Leader. Trust Equality and Diversity Manager Dave Corbin said: "Becoming a Disability Confident Employer enables us to draw from the widest possible pool of talent across the country, improve employee morale and above all, shows that we treat all of our staff fairly. Around 4% of our employees have disclosed that they have a disability – we know there are more and we don't want them to feel ashamed or worried about telling us. This work shows we are committed to moving barriers and changing culture and that we see disability as an asset, not a hindrance".



National award for Dorset's Criminal Justice Liaison and Diversion Service

An NHS team which supports people who have mental health, learning disability, substance misuse or other vulnerabilities who come into contact with the criminal justice system won a national award for patient safety. The Trust's Criminal Justice Liaison and Diversion Service (CJLD) triumphed at the Health Service Journal (HSJ) Patient Safety Awards in Manchester in July.

The service set out to identify and support vulnerable members of our community, initiating a model for liaison and diversion and street triage in 2014. Achievements now reflected in seven-day coverage and integration within criminal justice settings that have helped to influence local approaches supporting the needs of people experiencing mental health crises. Hospital-based places of safety now support people detained under Section 136 Mental Health Act with the introduction of a more effective, co-ordinated response for people in mental distress, crisis and emergency.

The service has worked tirelessly in efforts not only resulting in cost savings for all agencies, but also improved wellbeing and recovery for those suffering mental health episodes during police custody or attendance in court. An inspection of Dorset Police custody by HM Inspectorate of Prisons, HM Inspectorate of Constabulary and the Care Quality Commission (CQC) in 2016 reported a large reduction in the number of people brought into custody, and significant progress in improving outcomes for this vulnerable group.

Judges for the Mental Health category at this year's Health Service Journal Patient Safety Awards said the CJLD service "provides a unique and attentive approach that is forward looking in maintaining safety of a vulnerable group."

Service Lead Stan Sadler said: "We take great confidence in the knowledge that each and every one of our skilled workforce has embraced a model designed to meet the needs of some of most vulnerable people in Dorset. I am overwhelmed and so proud of this wonderful achievement, but mindful that the hard work must continue, along with the strong relationships we have built with other criminal justice organisations and the emergency services."

The honour is further recognition for the CJLD Team, which narrowly missed out on winning the Liaison and Diversion accolade at the Howard League's 'Policing the Community' Awards last year, where it was one of only three teams shortlisted from 35 services across England.



UNICEF backs our breastfeeding service

The United Nations Children's Emergency Fund (UNICEF) is helping spread the word about our pioneering initiative to encourage breastfeeding. Our Breastfeeding Advisory Team produced a range of posters featuring local women with their babies at home, coupled with 'softer', more positive messages mums can relate to. Their impact has been staggering, with more than 24,300 shares within two days of their release on the Breastfeeding Network's official Facebook page, which has seen them viewed across America.

They've also been downloaded more than 3,000 times from our website. Breastfeeding social marketing is leading the way with support from the Institute of Health Visiting and UNICEF.

Breastfeeding Advisory Lead Liz Stacey said: "I have been overwhelmed by the positive feedback the posters have received. I hope they act as a catalyst for discussing any concerns a new mum may have regarding her breastfeeding journey with a health professional." Liz and her team travelled to the Houses of Parliament earlier this year to present them to the All Party Parliamentary Group (APPG) on Infant Feeding and Inequalities. The posters have also been featured in recent study days held by the Institute of Health Visiting, the Royal Society for Public Health Breastfeeding, the Breastfeeding Network and the Royal Society of Medicine. They formed an integral part of the Scottish Breastfeeding Celebrations Week in the summer, and were showcased at a public health conference in Australia.



Dr Cheryl Adams CBE, Executive Director at the Institute of Health Visiting, said: "This is a shining example of fantastic innovation. The messaging and images they possess are so warm and appealing, so it's not surprising they are having such a positive effect."

Weymouth honours Melcombe Day Hospital team

Our Older Persons Mental Health Team, which runs Melcombe Day Hospital, received special recognition from retiring Weymouth Mayor Councillor Kevin Brookes for its work in dementia care. The team, which is based at Weymouth Community Hospital, was presented with the Ken Isaacs Memorial Rose Bowl at a special ceremony in the town's Pavilion. The award – named after the former mayoral chauffeur – is presented annually to someone whose ethos, good work, endeavour and kindness has most impressed the Mayor during their year in office.

Team Leader Lesley Benham MBE was the first person to receive the award when it was introduced back in 2008. The award is the team's ninth local and national accolade for its work supporting local people with dementia.



Weymouth is a flagship Urgent Treatment Centre

Weymouth Community Hospital has been designated to run one of the first 150 NHS Urgent Treatment Centres (UTCs) operating across the country. The service continues to provide all of the walk-in care which was available at the hospital's Urgent Care Centre, dealing with a range of non-life threatening minor ailments and injuries. However, local people will soon be able book a UTC appointment via local GP practices and the NHS 111 service, meaning they can be seen more quickly. The UTC is open 8am-8pm, seven days a week, and is run in partnership with Dorset County Hospital NHS Foundation Trust and local GPs.

Helen Persey, Head of Integrated Community Services (West), said: "We are delighted Weymouth has been chosen as one of the first 150 Urgent Treatment Centres in the country. We are already offering most of the services the Government expects from a UTC, so this is the logical next step. It will continue our work to bring care closer to home and reduce waiting times."



End-of-life care accolade for Dorset mental health wards

Two wards at Alderney Hospital in Poole have led the way in helping elderly dementia patients spend their final days in dignity and peace. Staff working on Herm and St. Brelades wards were awarded Gold Standard Framework (GSF) accreditation; making them the first older people's mental health units in the country to earn the status.

The GSF is the UK's leading training provider for frontline staff working in end of life care, and has commended Alderney and other hospitals run by Dorset HealthCare for making a "huge difference" to the lives of patients and their families.

Herm and St Brelades staff look after people with dementia who are nearing the end of their lives. Having completed the GSF Community Hospitals Training Programme, they were assessed by a panel of independent experts. The panel found that not only did patients receive the care they wanted, where they wanted it, but also that relatives had peace of mind and staff an increased sense of job satisfaction.

Clinical Team Lead Rachel Hewitt said: “As a result of conversations with families, our approach is a lot more personal. This means the patient experience is better and loved ones feel much more supported through the whole process. Staff also feel more confident and have a better understanding of the human side of dying. When deaths do occur on the wards it’s not as distressing, and we feel we have done everything possible to provide that person with a comfortable, peaceful and pain-free death.”

Herm Ward Manager Chris Clarke added: “Since we started the GSF programme, not a single patient has been transferred to an acute hospital to die. In fact, we are now able to offer patients and their families a range of options in line with their wishes, whether to stay here, go into a care home or go to their own home to die.”

Earlier in the year, Hanham Ward at Wimborne and Radipole Ward at Weymouth’s Westhaven Hospital earned the accreditation. Wards at Alderney, Shaftesbury, Swanage, Wareham, Portland, Blandford and Sherborne hospitals have all achieved GSF status over the last couple of years.

GSF National Clinical Director Professor Keri Thomas said: “Community hospitals in Dorset are making a huge difference to the lives of patients and their families. There is no greater service they can provide than supporting people every step of the way along this difficult journey. Through dedicated, planned and coordinated care, these wards are ensuring more people are living and dying according to their wishes.”



DUTY OF CANDOUR

Candour was defined in Robert Francis' report as: "The volunteering of all relevant information to persons who have or may have been harmed by the provision of services, whether or not the information has been requested and whether or not a complaint or a report about that provision has been made."

The Duty of Candour is a legal duty on hospital, community and mental health Trusts to inform and apologise to patients if there have been mistakes in their care that have led to significant harm. Health professionals must be open and honest with patients when things go wrong.

As a Trust we are committed to being open with patients and carers when events such as these occur so that we gain a shared understanding of what happened, and what we can do to prevent it from happening again. 'Being Open' involves acknowledging that something has gone wrong and conducting a thorough investigation into the patient safety event. We always work to assure patients, their families and carers that lessons learned will help prevent the patient safety event recurring.

Duty of Candour has been integrated into the Root Cause Analysis and pressure ulcer training packages. An animated video explaining the importance of saying sorry and outlining the steps required to fulfil the requirements under Duty of Candour has been produced and is available on the intranet to support staff. The Patient Safety Team and Serious Incident Team support clinical staff by providing support, advice and guidance. The Trust's behaviours and values are those that promote a culture of openness and transparency. These values are reflected throughout training provided.

All patient safety incidents reported that result in moderate harm or above are investigated and the investigation process includes involvement of the patient and carers where possible. In those incidents where Duty of Candour has been identified due to an act or omission by the Trust, the locality managers have a responsibility to manage the Duty of Candour process and ensure the process is carried out in line with the prescribed steps. They are also responsible for liaising with patients / service users and their family and confirming what action is being taken. The Director of Nursing, Therapies and Quality is responsible for ensuring that duty of candour is identified appropriately and the locality managers are responsible for overseeing that this has happened in practice.

Consideration is given to whether the duty of candour applies for all serious incidents reviewed by the Serious Incident Panel and Operational Pressure Ulcer Panel.

The Trust encourages the involvement of patients and carers in reviewing incidents in line with 'Being Open' and the Medical Director and Director of Nursing, Therapies and Quality contact families and GPs following suicides and unexpected deaths offering input into the review process. If involvement is declined and following investigation it is apparent that the Duty of Candour applies, the family/patient are contacted and informed of the outcome of the investigation.

The table below shows the number of times and types of incidents where the Trust has applied the Duty of Candour.

Cause Group	Apr 18	May 18	Jun 18	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	Jan 19	Feb 19	Mar 19	Total
Breach of policy/procedure	-	-	-	-	-	-	-	-	-	-	-	-	0
Consent, confidentiality or Patient records	1	-	-	-	-	-	-	-	-	-	-	-	1
Death of a patient	-	1	-	-	1	2	1	-	-	2	-	-	7
Deterioration of a community patient	-	-	1	-	-	-	-	-	-	-	-	-	1
Deterioration of an inpatient	-	-	-	-	1	-	-	-	-	-	-	-	1
Missing person	-	1	-	-	-	-	-	-	-	-	-	-	1
Pressure ulcer	4	2	1	4	2	2	1	-	-	3	-	3	22
Total	5	4	2	4	4	4	2	-	-	5	0	3	33

FREEDOM TO SPEAK UP / WHISTLEBLOWING

In its response to the Gosport Independent Panel Report, the Government committed to legislation requiring all NHS trusts and NHS foundation trusts in England to report annually on staff who speak up (including whistleblowers). Ahead of such legislation, NHS trusts and NHS foundation trusts are asked to provide details of ways in which staff can speak up (including how feedback is given to those who speak up), and how they ensure staff who do speak up do not suffer detriment. This disclosure should explain the different ways in which staff can speak up if they have concerns over quality of care, patient safety or bullying and harassment within the Trust.

In April 2017 Cara Southgate, Deputy Director of Nursing, Therapies and Quality was appointed as the Freedom to Speak Up (FTSU) Guardian. Six associate guardians have been subsequently been appointed to support this role. The Associate Guardians are from a variety of services and backgrounds and have all had training through the National Guardians Office. The Guardian reports to the Chief Executive and there is a dedicated Non-Executive Director and Executive Director to support 'Speaking Up'.

In addition to the FTSU guardian all staff are encouraged to contact, in the first instance, their line manager or human resources advisor or a union representative depending on the type of concern. Concerns relating to patient safety and bullying and harassment have all been raised to the FTSU guardian in 2018/19. A total of 68 contacts have been made from 1 April 2018 until 31 March 2019.

Most contacts to the FTSU guardian are by email or phone as these are shared widely across the organisation in posters, leaflets, on the intranet and through contact during raising awareness sessions or attending team meetings. Once a contact is made this is logged and agreed with the individual the next steps. A letter confirming this is sent to the individual. The freedom to speak up: raising concerns (whistleblowing) policy outlines how staff raising concern will be protected against detriment and support and advice is given to any individual who says they consider they have suffered detriment.

Feedback is given to individuals and, if a formal investigation commissioned and a report has been drafted, where possible this is shared with the individuals. Feedback is also asked of those who raise concerns and about their experience.



STATEMENT OF ASSURANCE FROM THE BOARD

Mandatory Statement One:

During 2018/19 the Dorset HealthCare University NHS Foundation Trust provided and/or sub-contracted 107 relevant health services.

The Dorset HealthCare University NHS Foundation Trust has reviewed all the data available to them on the quality of care in 107 of these relevant health services.

The income generated by the relevant health services reviewed in 2018/19 represents 91.78 percent of the total income generated from the provision of relevant health services by the Dorset HealthCare University NHS Foundation Trust for 2018/19.

Review of Services

Dorset HealthCare University NHS Foundation Trust is responsible for community and mental health services across Bournemouth, Poole and Dorset. The Trust also provides Steps to Wellbeing services in Southampton. The Trust serves a population in excess of 787,000 people, employing some 5,793 substantive staff with an income of £266,093,825 (versus £246,622,000 in 2017/18) Dorset HealthCare University NHS Foundation Trust provides 107 services which are listed on our website and has reviewed them in the following ways:

The Board

The Board receives a monthly integrated corporate dashboard which sets out performance across a range of quality metrics under the domains of safe, effective, caring, well-led and responsive. The dashboard includes exception reports where further information is provided to explain performance and actions being taken to improve the position.

The Board also receives annual reports in respect of patient experience, complaints, safeguarding and infection prevention and control.

The Board receives a patient story at each meeting.

The Quality Governance Committee

The Quality Governance Committee, which meets every other month, receives reports on:

- Serious incidents requiring investigation
- Progress with recommendations following review of serious incidents requiring investigation
- Inpatient staffing level assurance.

The Audit Committee

The purpose of the Committee is to acquire and scrutinise assurances during the year as to the integrity of the Trust's principal disclosure statements, including financial statements. This is carried out by scrutinising assurances on the design and operation of controls. The Committee will acquire and scrutinise assurances relating to the following:

- Annual Governance Statement relating to the system of internal control, which may include letters of representation
- Annual Report and Accounts, with accounting policies, and Notes to the Accounts
- Compliance with the Trust Licence and, in particular, the Corporate Governance Statement
- Annual disclosures in relation to the Code of Governance for NHS Foundation Trusts
- To set and agree the internal audit plan and review the findings and recommendations of the reports received.

Mental Health Legislation Assurance Committee

The Committee, which meets quarterly, is the specialist arm of the Quality Governance Committee. The Committee receives a quarterly dashboard on Mental Health Act compliance metrics.

Executive Quality & Clinical Risk Group

The monthly meeting of the Group receives reports on:

- Moderate, major and catastrophic incidents
- A summary of reviewed serious incidents, falls and pressure ulcers
- A staffing level assurance report
- Clinical risks
- Mortality governance
- Clinical audit plan progress.

Director Visits

Underpinning the formal reporting to groups is a system of director visits to Trust services and sites.

Information relating to patient experience

Regular performance reports to the Trust Board incorporating measures on patient experience including: percentage of patients that felt safe, Friends and Family Test (FFT) scores, compliments and complaints.

Reports to the Board, Quality Governance Committee, Executive Quality and Clinical Risk Group:

- National and local service user survey results
- Real time feedback
- Quarterly Patient Experience report
- Quarterly Complaints Board report (available on the Trust website)
- Annual compliments and complaints reporting including lessons learnt (available on the Trust website).

In addition the Trust Non-Executive Directors have undertaken a combination of announced and unannounced visits to the wards and units.

The Trust continues to use Quality of Interaction Schedule (QUIS) (Dean, Proudfoot & Lindesay 1993), a well-regarded observational technique to capture patient experience. QUIS pioneered by the Patient Association is a systematic way of observing the quality of interactions of care between staff and patients. It is an additional way of capturing patient experience, pioneered to understand the care experiences of people who are unable to tell us themselves. Observations are recorded if the interaction was positive, basic care / neutral care or negative care. Feedback is given directly to the manager at the time of observation. The observations are carried out for a 40 minute period. Feedback overall is collated and a written account is produced to share with staff and wider to see if there is any further learning.

Information relating to patient safety

A range of reports are sent to the Board, Quality Governance Committee, Executive Quality and Clinical Risk Group, including;

- Incident report included within the monthly directorate reports
- Moderate Harm and Above Incidents monthly report
- Early Warning Trigger Tool (EWTT) and Quality, Effectiveness and Safety Trigger Tool (QuEST) reports
- Central Alerting System compliance reports
- Safety Thermometer reports
- Quarterly report of serious incident recommendations and progress
- Quarterly safeguarding children and vulnerable adult report

- National Reporting and Learning Service six-monthly incident report
- Quarterly and Annual Sign Up To Safety reports
- Clinical Risks.

Information relating to clinical effectiveness

Regular performance reports to the Board incorporating measures on clinical effectiveness include:

- The number of inpatients having an annual physical health check
- The percentage of patients screened for malnutrition
- The percentage of patients screened for Venous Thromboembolism (within 24 hours of admission)
- The number of falls that have resulted in harm to a patient.

Reports to the Board, Quality Governance Committee and/or, Executive Quality and Clinical Risk Group, include:

- Monthly reporting on compliance with NICE Technology Appraisals and Guidelines
- Report on the annual clinical audit programme
- Quarterly Mortality Report
- Monthly report on Care Quality Commission action plans.



PARTICIPATION IN CLINICAL AUDITS AND NATIONAL CONFIDENTIAL ENQUIRIES

Mandatory Statement Two:

During 2018/19, 15 national clinical audits and 1 national confidential enquiries covered relevant health services that Dorset HealthCare University NHS Foundation Trust provides.

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

The national clinical audits and national confidential enquiries that Dorset HealthCare University NHS Foundation Trust was eligible to participate in during 2018/19 are as follows:

National Clinical Audits
National Audit of Inpatient Falls
Learning Disability Mortality Review Programme (LeDeR)
National Audit of Anxiety and Depression (Core audit)
National Audit of Anxiety and Depression Psychological Therapies Spotlight Audit
National Audit of Intermediate Care (NAIC)
National Audit of Psychosis (EIP)
National End of Life Care audit
POMH Topic 16b Rapid Tranquilisation
POMH Topic 18a Prescribing Clozapine
POMH Topic 6d Assessment of side effects of depot and LA antipsychotic medication
POMH Topic 7f Monitoring of patients prescribed lithium
Sentinel Stroke National Audit Programme
Antimicrobial Stewardship
Mandatory Surveillance of bloodstream infections and clostridium difficile infection
National Asthma and COPD audit programme (Pulmonary Rehab)
National Confidential Enquiries / Inquiries
National Confidential Inquiry into Suicide and Homicide (NCISH)

Mandatory Statement Two continued:

The national clinical audits and national confidential enquiries that Dorset HealthCare University NHS Foundation Trust participated in during 2018/19 are as follows.

National Clinical Audits
National Audit of Inpatient Falls
Learning Disability Mortality Review Programme (LeDeR)
National Audit of Anxiety and Depression (Core audit)
National Audit of Anxiety and Depression Psychological Therapies Spotlight Audit
National Audit of Intermediate Care (NAIC)
National Audit of Psychosis (EIP)
National End of Life care audit

POMH Topic 16b Rapid Tranquilisation
POMH Topic 18a Prescribing Clozapine
POMH Topic 6d Assessment of side effects of depot and LA antipsychotic medication
POMH Topic 7f Monitoring of patients prescribed lithium
Sentinel Stroke National Audit Programme
Antimicrobial Stewardship
Mandatory Surveillance of bloodstream infections and clostridium difficile infection
National Asthma and COPD audit programme (Pulmonary Rehab)
National Confidential Enquiries
National Confidential Inquiry into Suicide and Homicide (NCISH)

Mandatory Statement Two continued:

The national clinical audits and national confidential enquiries that Dorset HealthCare University NHS Foundation Trust participated in, and for which data collection was completed during 2018/19, 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.

National Clinical Audit	Participated	Number of cases submitted	% cases submitted
National Audit of Inpatient Falls	Yes	In Progress	n/a
Learning Disability Mortality Review Programme (LeDeR)	Yes	23	100%
National Audit of Anxiety and Depression (Core audit)	Yes	20	100%
National Audit of Anxiety and Depression Psychological Therapies Spotlight Audit	Yes	36	n/a
National Audit of Intermediate Care (NAIC)	Yes	580	n/a
National Audit of Psychosis (EIP)	Yes	157	100%
National End of Life care audit	Yes	68	100%
POMH Topic 16b Rapid Tranquilisation	Yes	24	100%
POMH Topic 18a Prescribing Clozapine	Yes	55	100%
POMH Topic 6d Assessment of side effects of depot and LA antipsychotic medication	Yes	114	100%
POMH Topic 7f Monitoring of patients prescribed lithium	Yes	71	n/a
Sentinel Stroke National Audit Programme	Yes	69	n/a
Antimicrobial Stewardship	Yes	36	100%
Mandatory Surveillance of bloodstream infections and clostridium difficile infection	Yes	Ongoing	100%
National Asthma and COPD audit programme (Pulmonary Rehab)	Yes	In Progress	n/a

National Confidential Enquiries / Inquiries	Participation	Number of cases submitted	% cases submitted
National Confidential Inquiry into Suicide and Homicide (NCISH)	Yes	23*	100%

* We were asked to submit data on 24 cases but 1 was from the Prison Services. At the point the information was requested that service was no longer provided by DHC and we were unable to access records to complete the questionnaire.

Mandatory Statement Two continued:

The reports of 14 national clinical audits were reviewed by the provider in 2018/19 and Dorset HealthCare University NHS Foundation Trust intends to take the following actions to improve the

Following completion of a national audit an initial action plan will be proposed by the nominated Audit Lead. The action plan will then be reviewed and agreed by Clinical Effectiveness Group.

Trust-wide audit action plans will then be monitored by the Clinical Effectiveness Group. Exception reporting on a quarterly basis will occur at this group.

Audits reports and action plans will also be shared with other appropriate groups as appropriate to maximise shared learning opportunities.

Mandatory Statement Two continued:

The reports of 32 local clinical audits were reviewed by the provider in 2018/19 and Dorset HealthCare University NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:

Following completion of a local audit, an initial action plan will be proposed by the Audit Lead. The action plan will then be reviewed and agreed by the relevant Locality meeting.

Local audit action plans will be monitored by the nominated Audit Lead and will be reported on to the Locality quarterly or as necessary.

Results will be discussed at Locality Management Group meetings and will then be cascaded to staff via the relevant manager.

Audits reports and action plans will also be shared with other appropriate groups as appropriate to maximise shared learning opportunities.

PARTICIPATION IN CLINICAL RESEARCH

Mandatory Statement Three:

The number of patients receiving relevant health services provided or sub-contracted by Dorset HealthCare University NHS Foundation Trust in 2018/19 that were recruited during that period to participate in research approved by a Research Ethics Committee was 718.

Our research and development function has continued to promote participation in clinical research during 2018/19, greatly expanding the complexity of the research undertaken and increasing the areas of the Trust engaging in research activity. Research helps the NHS to improve the quality of care and the future health of the population. The continued participation and expansion in clinical research demonstrates the Trust's commitment to improve the quality of care offered to patients, carers and staff in the services we provide.

This year we have developed the complexity of our research activity taking on more complex interventional studies and expanding into a number of new areas. These include cognitive stimulation for those with intellectual disabilities and dementia, lifestyle and wellbeing in mental health and treating specific phobias in children and young people. This has occurred alongside further research in the areas of dementia looking at detecting genetic susceptibility in late onset dementia, and in mental health looking at the prevalence of pathogenic antibodies in psychosis.

A particular area we have developed during 2018/19 is our Improving Access to Psychological Therapies (IAPT) services. Research studies looking at the addition of, digitally delivered interventions via apps and mindfulness to treatment as usual are examples of work carried out. We have also participated in research looking at the wellbeing of staff both at a survey and interventional level. An example being Mindshine 3, a study which examined the benefits and differences of two online interventions for staff wellbeing.

We successfully hosted our first commercial research study in 2017 with a study recruitment duration of two years and which closed to recruitment in December 2018, with all randomised participants now in follow-up. The Trust has opened three other commercial studies in the areas of: antipsychotic reduction and discontinuation; treatment-resistant depression, and the investigation of the comparative effectiveness of two medicinal products in agitation in dementia. We have submitted two other expressions of interest to participate in commercial research and we hope to be successful in being chosen to run these during 2019/20.

The Trust has continued to support non-portfolio research led by its own staff and those on placement with us in addition to the studies adopted on to the National Institute for Health Research (NIHR) portfolio. This investment and support has enabled staff to develop both their interest and skills in the development and delivery of research. It has also created a greater number of opportunities for patients, carers and staff to join in research. Examples of the types of studies are:

- development, usability and acceptability of an informed choice tool on cervical screening for women diagnosed with a serious mental illness
- diabetic foot risk: foot deformity – its definition and current assessment by Podiatrists
- looking at and understanding social situations in Borderline Personality Disorder
- tools to measure organisational culture in English NHS Hospitals, what is current practice?
- an exploration of practitioner perspectives on mental health service user involvement in trial Liaison and Diversion services in England.

This expansion has been mirrored by the continued embedding of strong research governance systems within the Trust which, following internal audit of the research function, was judged to provide substantial assurance to the Trust.

Collaborative working in clinical research

The Trust views collaboration with other organisations in the research field as essential to increasing the opportunities for patients and carers to participate in research and for staff to gain experience of research. In light of this we work in collaboration with other NHS Trusts, Dorset CCG, Primary Care and

Bournemouth University to develop Dorset as an attractive area to carry out research and to promote opportunities for research across the patient pathway and between organisations.

Within Wessex we have worked closely with other Mental Health / Community providers, such as Southern Health NHS Foundation Trust and Solent NHS Trust, on research studies which have involved more than 350 people.

We have maintained our links with national research centres such as Kings College London and the Maudesley Hospital expanding the range of research that can be accessed by those who use our services, examples being:

- Home-based Extended Rehabilitation for Older people (HERO)
- Randomised Control Trial of COPE-support online resource for carers of those with Bi-Polar disorder
- Treatment of adolescent anxiety disorders: the views of clinicians.

We have expanded the number of universities we collaborate with in research projects, adding the universities of Reading, St George's London, Cardiff and Birmingham to already established links with the universities of Manchester, Oxford, Sussex, Newcastle, Nottingham and University College London. Allied to this we have maintained our close links with NHS organisations in Dorset to explore opportunities to do research through the Research active Dorset initiative. We have also expanded our area of activity to join studies being led by other NHS Trusts, examples being Leeds & York Partnership NHS Trust, Bradford Teaching Hospital NHS Trust, and University Hospital Southampton.

We continue to have close links with Bournemouth University and staff collaborate in research with academic staff at Bournemouth such as genetic counselling in psychiatric disorders and Effects of Depression on Counterfactual thinking. This year also saw the first match-funded PHD studentship established between the Trust and the University in the area of identifying contractures. The Trust and Bournemouth University have collaborated on a grant application to the research for patient benefit fund investigating the area of "The effect of vegetable oil on cognitive functions in Mild Cognitive Impairment patients" and the study has been awarded NHS Ethics we hope to hear about the outcome early in 2019.

National Institute for Health Research (NIHR) internships

Two members of Trust staff have completed research development internships. One staff member working with Southampton University in the area of loneliness and frailty said of her experience: "Undertaking an internship gave me protected time away from my clinical hours to develop my research skills which has benefited both patients and colleagues. I was able to complete a postgraduate module on research methods for evidence based practice at Southampton University; this developed my skills in exploring the evidence and deciding how to apply it to practice to ensure that I am providing the best care for my patients." The second staff member worked with colleagues at Bournemouth University on the use of therapeutic touch in fibromyalgia and spoke about the value of her experience. "This provided me with the funds to back fill my clinical role, a day a week for 6 months, in order that I could take part in research skills development."

In 2018/19 another member of staff has applied for an internship looking at: what is the effectiveness of an "early supported discharge service" in expediting recovery and reducing length of stay.

We also ensure regular participation in and support of the National Institute for Health Research (NIHR) Wessex team and its functions supporting research across the Wessex region.

Research studies

During 2018/19 the Trust participated in 28 research studies, both portfolio and non-portfolio studies, and a total of 723 participants across both types of studies. We publish our performance in research on our website quarterly in line with Government guidance. We have recruited 723 participants into NIHR portfolio research studies. We also achieved for the first time the threshold to receive Research Capability Funding (RCF), which reflects successful recruitment above 500 participants to NIHR portfolio studies within the specified window. Equally as important as the numbers recruited is the complexity of the research the

Trust can support. In 2018/19 the complexity weighting target set by the NIHR of 1709 was surpassed reaching a score of 3591.5. Our performance in successfully increasing our performance in R&D year-on-year has led to increased resources being invested from the NIHR, commercial research sponsors and through the RCF, and this enables us to build capacity to deliver research.

Develop the Trust's Research Governance and Administration Processes

The Trust has built capacity in-house to be able to provide governance and assurance over research activity taking place in the Trust, something previously contracted out to Salisbury NHS Trust. Trust staff attended training provided by the national body in research and its delivery within the NHS from the administration and governance point of view. Another staff member attended a course on the archiving of research data in line with best practice and amended the Trust Standard Operating Procedures (SOPs) in line with this training. A full range of SOPs have been written to support the delivery of research within the Trust and, over the last twelve months, specific SOPs associated with commercial trials research have been added to ensure clear processes and procedures are in place. All of this work was recognised when internal audit carried out an audit of the R&D team's processes and concluded that the Board could take substantial assurance in this area. This improved overall performance in delivering clinical studies led to an award from NIHR Wessex for outstanding contribution to clinical research studies for a member of the team.



Going forward

We have maintained momentum and enthusiasm for clinical research and the plan is to continue to develop our clinical research activity and capacity. Now that commercial research has started we will expand our commercial research portfolio in the coming year. The income generated from commercial research activity will hasten our growth of our research capacity and greatly increase the opportunity for patients and carers to participate in clinical research within our services.

A revised Trust Research plan covering 2019/2022 will be developed in the coming year. This will refresh the research aims and the objectives of the Trust with a focus on increasing research activity across more services by more staff, thus enabling more patients, carers and staff to access and benefit from quality research.

Mandatory Statement Four:

A proportion of Dorset HealthCare University NHS Foundation Trust income in 2018/19 was conditional upon achieving quality improvement and innovation goals agreed between Dorset HealthCare University 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 2018/19 and for the following 12 month period are available electronically at: <https://www.england.nhs.uk/nhs-standard-contract/cquin/cquin-17-19/>

The design of the 2017/19 scheme continues to support the ambitions of the Five Year Forward View (FYFV) and is directly linked to NHS Mandate with a focus on the two areas of clinical quality and transformation indicators and supporting local areas with Sustainability and Transformational Plans (STPs) and local financial sustainability.

A proportion of the Trust's income in the 12 months ending 31 March 2019 was conditional on achieving quality improvement and innovation goals agreed with Dorset CCG through the CQUIN framework.

The total value of schemes reported during 2017/18 was £5.1m. The monetary total income conditional upon achieving CQUIN goals for 2018/19 is £5.55 million, which included contractual arrangements with:

- Dorset Clinical Commissioning Group (CCG)
- NHS England Specialised Commissioning
- NHS England Dental
- NHS England Public Health.

Of the 13 national Commissioning for Quality and Innovation (CQUINs), seven indicators apply to a community and mental health provider. Commissioners advised in quarter 4 2017/18 that CQUIN indicator 8 'Supporting proactive and safe discharge' was no longer applicable or reportable.

The table below lists the seven national applicable CQUINs:

CQUIN Indicator number	CQUIN Indicator
1	Improving staff health and wellbeing
1a	<i>Improvement of health and wellbeing of NHS staff</i>
1b	<i>Healthy food for NHS staff, visitors and patients</i>
3	Improving physical healthcare to reduce premature mortality in people with serious mental illness (PSMI) and collaboration with primary care clinicians
3a	<i>Cardio metabolic assessment and treatment for patients with psychoses</i>
3b	<i>Collaboration with primary care clinicians</i>
4	Improving services for people with mental health needs who present to A&E
5	Transitions out of children and young people's mental health services
9	Preventing ill health by risky behaviours – alcohol and tobacco
10	Improving the assessment of wounds
11	Personalised care and support planning

Dorset CCG has acknowledged, local and national challenges associated with the 2017/19 CQUIN programme. These include:

- CQUIN 1a – An ambitious target for the Trust to achieve further improvement from a solid performance
- CQUIN 1b – Data collection difficulties associated with incapable software systems
- CQUIN 3a, 3b, 5, 11 – Where the target groups are small and / or the indicator is nationally recognised as challenging

- CQUIN 9 – Requires a Pan Dorset approach with Dorset CCG and Public Health Dorset looking at 'Prevention at Scale'.

Mandatory Statement Five: Registration with the Care Quality Commission (CQC)

Dorset HealthCare University NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is 'without restrictive conditions'.





Dorset HealthCare University NHS Foundation Trust has the following conditions on registration 'licensed to provide the following regulated activities':

- Personal care
- Termination of pregnancies
- Family planning
- Treatment of disease, disorder or injury
- Assessment or medical treatment for persons detained under the Mental Health Act 1983
- Surgical procedures
- Diagnostic and screening procedures






The Care Quality Commission has not taken enforcement action against Dorset HealthCare University NHS Foundation Trust during 2018/19.

The Trust's overall rating by the CQC is 'good'. The CQC award ratings based on a combination of what they find at inspection, what people tell them, data they collect and local information provided by the Trust. The ratings are awarded on a four point scale:

CQC Ratings

	<i>Outstanding</i>	The service is performing exceptionally well.
	<i>Good</i>	The service is performing well and meeting expectations.
	<i>Requires improvement</i>	The service is not performing as well as it should and the CQC have told the service how it must improve.
	<i>Inadequate</i>	The service is performing badly and action is taken against the person or organisation that runs it.

CQC use five key questions in their assessment of quality each one having equal weight. A rating is awarded for each question and our overall rating for each one is shown below.

Domain	Overall Rating	RAG
Are services safe?	Requires improvement	
Are services effective?	Good	
Are services caring?	Good	
Are services responsive	Good	
Are services well-led?	Good	

During 2017/18 CQC changed the way they carry out inspections now that all Trusts have received a comprehensive inspection. Using information gathered from external data sources, and data submitted by the Trust, CQC will inspect certain core services followed by an inspection of 'well-led' at trust level. It is

intended this will be an annual process and selected core services will be inspected against the five domains of quality.

In November 2017, the CQC carried out planned inspections of eight core services areas:

- Acute wards for adults of working age and Psychiatric Intensive Care Unit (PICU)
- Crisis and health based place of safety (HBPoS)
- Learning disability services
- Community-based mental health services for adults of working age (Adult CMHT)
- Community-based mental health services for older people (CMHT OP)
- Community health inpatient services
- Community health services for children, young people and families
- End of life care services.

The inspection of core services was followed by the well-led inspection which took place from 4 to 8 December 2017.

The final report was published on 13 April 2018 which confirmed the Trust's overall rating had improved from 'requires improvement' to 'good'.

The table on the next page shows the ratings by domain for each core service as well as their overall rating.



TRUST RATINGS 2018/19 BY CORE SERVICE AND QUALITY DOMAIN

	Safe	Effective	Caring	Responsive	Well-led		Overall
Acute wards for adults of working age and psychiatric intensive care units	Requires Improvement	Good	Good	Good	Good		Good
Long stay/rehabilitation mental health wards for working age adults	Requires Improvement	Good	Good	Good	Good		Good
Forensic inpatient / secure wards	Good	Good	Good	Good	Good		Good
Child and adolescent mental health wards	Good	Outstanding	Outstanding	Good	Outstanding		Outstanding
Wards for older people with mental health problems	Requires Improvement	Good	Good	Good	Good		Good
Community-based mental health services for adults of working age	Good	Good	Good	Good	Good		Good
Mental health crisis services and health based places of safety	Requires Improvement	Good	Good	Good	Requires Improvement		Requires Improvement
Specialist community mental health services for children and young people	Requires Improvement	Good	Good	Good	Good		Good
Community-based mental health services for older people	Good	Good	Good	Good	Good		Good
Community mental health services for people with a learning disability or autism	Good	Good	Good	Good	Good		Good
Forensic Community	Good	Outstanding	Outstanding	Good	Good		Outstanding
Community health services for adults	Requires Improvement	Good	Good	Good	Good		Good
Community health services for children, young people and families	Good	Good	Good	Good	Good		Good
Community health inpatient services	Good	Good	Good	Good	Good		Good
End of life care	Good	Good	Outstanding	Good	Good		Good
Urgent Care Services	Good	Good	Good	Good	Good		Good

Good practice

The CQC report noted that the senior team had led a very effective programme of improvement which had resulted in the majority of issues previously found being addressed. Communication across the Trust had improved with the Board and senior managers being more visible to staff. There was noticeable improvement in the culture across the Trust, with increased openness and transparency and a clear desire in staff at all levels to learn and improve.

The CQC report states that the Trust's senior leadership team have the skills, knowledge, experience and integrity necessary for successfully overseeing a large, complex organisation. They saw evidence of excellent leadership at all levels across the Trust with many dedicated, compassionate staff who strive to deliver the very best care for patients.

The inspectors saw a clear focus on supporting both the physical and mental health of patients, regardless of whether the service they were accessing was primarily for their physical or mental health needs. Staff found innovative ways to enable people to manage their own health and care.

Pebble Lodge, the child and adolescent mental health ward, was noted as having met all the requirements from the last inspection and the staff had gone above and beyond what was required in making the changes. There was a strong emphasis on young people being part of the community. They raised money for a chosen charity each month and the work they had done with this allowed them to volunteer at certain sites such as a farm. There were universally positive reports about the staff from both children and their parents or carers.

Many staff who spoke with the CQC inspectors expressed pride in working for the Trust and felt they are valued and able to raise concerns freely and without fear of retribution in what they felt is an atmosphere of openness. Staff reported that the Trust has developed a culture of learning and improvement without apportioning blame.

There were effective governance systems and processes in place to monitor risk and assure performance and quality across all levels of the organisation. Identified and potential risks were taken into account when planning and operating services.

Managers at every level of the Trust were able to access a good range of up-to-date, detailed, service-specific information and data. The electronic dashboard system allowed managers to see a spread of critical key performance indicators, which supported them in running their services. A newly revised and improved 'integrated corporate dashboard' gave Board members an appropriate level of accessible and pertinent detail about all areas of Trust performance, to allow them to make fully informed decisions. We saw how non-executive directors gave appropriate scrutiny and challenge, during Board meetings, of the information presented through the dashboard.

The Trust had a clear focus on continuous learning and a well-developed programme of improvement and innovation. Services across the Trust had achieved accreditation in their fields or were working towards gaining such accreditation. There was a commitment from the senior team to learn from serious incidents, including deaths, and openness in the manner in which the Trust communicated with families, staff and external agencies following incidents.

Areas to improve

The safe domain is rated as 'requires improvement' because CQC found that theatres at some of our community hospitals were not using the World Health Organisation's checklist before surgery.

Safety of the environment on some mental health wards remained an issue and CQC had concerns in relation to the governance and capacity of the county-wide section 136 service. The inspectors felt that there was insufficient staff and capacity to manage more than one or two patients detained on section 136 without using rooms not designed for the purpose.

Staffing vacancies at some of the services were felt to have contributed to higher staff caseloads for a small number of specialist community mental health services. This meant that long waiting times from assessment to treatment continued to occur. Access to some specialist treatments such as speech and language therapy was, on occasion, delayed due to staff shortages in the community mental health

services for people with learning disabilities or autism.

The CQC felt there was a lack of therapeutic input on one of the acute mental health wards. While the wards had a good timetable of activities, the activities available were generally recreational and did not support patients' recovery to their fullest potential.

The inspectors found variation in the quality of care plans and patient records across services. Care plans at some of the services inspected contained insufficient patient information, while others were not written in a sufficiently person-centred style to reflect the involvement of patients in planning their own care.

CQC reported concerns over the way serious incidents are investigated and thought there was a lack of consistency in the documentation of investigations into serious incidents. While some investigations had identified clear root causes to incidents and then appropriate learning drawn from detailed recommendations, other investigations had not. The Trust reviews these incidents at a weekly serious incident panel which is jointly chaired by the Director of Nursing, Therapies and Quality and the Medical Director.

The team involved in the incident attend the panels where the investigation findings and the learning are discussed. These meetings are not minuted to enable participants to feel they can speak freely. Staff across the organisation reported to the inspection team that there is openness and transparency about safety and continual learning is encouraged. Staff reported that they felt supported to report incidents and near misses.

The CQC found that there were breaches of three regulations in four core services, resulting in nine actions that we must take and 36 actions we should take. The 'should do' recommendations are areas for improvement but do not represent a breach in regulations.

The 'must do' actions related to:

1. Community health inpatient services
2. Acute wards for adults of working age and PICU
3. Mental health crisis services and HBPOS
4. Specialist community based mental health services for children and young people.

Actions in response to Care Quality Commission findings

The core service areas with identified 'must do' and 'should do' actions have implemented action plans to address the requirements and recommendations made by the CQC. These action plans are monitored both internally and at the quarterly engagement meetings with the CQC.

Mandatory Statement Seven: Registration with the Care Quality Commission

Dorset HealthCare University NHS Foundation Trust has participated in special reviews or investigations by the Care Quality Commission relating to the following areas during 2018/19

In May 2018, Ofsted, the Care Quality Commission (CQC), HMI Constabulary and Fire & Rescue Services (HMICFRS) and HMI Probation (HMIP) undertook a joint inspection of the multi-agency response to child sexual exploitation, children associated with gangs and at risk of exploitation and children missing from home, care or education in Dorset. This included a 'deep dive' focus on the response to children experiencing these vulnerabilities.

Key partners involved in the inspection scope and response were Dorset County Council; Dorset Clinical Commissioning Group; Dorset Police; Dorset Combined Youth Offending Service; Dorset, Devon and Cornwall Community Rehabilitation Programme; National Probation Service; Dorset HealthCare; Dorset County Hospital and drug and alcohol service providers.

The findings of the inspection were published by letter on 9 July 2018 (available in full at <https://www.gov.uk/government/publications/joint-inspections-of-child-sexual-exploitation-and-missing-children>). In response to the three priority actions identified (two specific to Dorset County Council and one for the multi-agency partnership) a multi-agency written statement of action was submitted.

A number of areas of good practice with relevance to Dorset HealthCare were identified, including:

- Multi-agency working in the multi-agency safeguarding hub (MASH)
- Partner agency support for Dorset's Family Partnership Zones
- Attendance at multi-agency meetings to review high risk children and young people
- The innovative looked after children's nursing team model including specifically the co-location, enhanced offer, prompt action and positive feedback received
- The specialist support for vulnerable young people including sexual health's targeted outreach team and school nursing's Chat Health service, with effective identification of sexual exploitation and prompt referral for multi-agency action.

A number of suggested areas for improvement are relevant to Dorset Healthcare services, including:

- Reducing delays in information sharing due to the use of different IT systems across health agencies
- Improving the ability of safeguarding leaders and managers to track the impact of actions or emerging trends through use of 'flags' in patient records for the use of the shortened sexual exploitation risk assessment tool
- Enabling managers to support challenge and learn from practice to ensure that services make best use of chronologies, recognise culture and diversity and escalate promptly issues that require multi-agency action
- Involvement of CAMHS in coordinated risk assessment and planning across the partnership
- Ensuring that school nurses receive information on children who may be in need.

Review of safeguarding children and services for looked after children

In October 2018, the CQC conducted a review of safeguarding children and services for looked after children. The review focused on the quality of health services for looked after children, and the effectiveness of safeguarding arrangements for all children within the boundaries of Bournemouth. The aim of the review was to evaluate the experiences and outcomes for children, young people and their families who receive health services.

The findings of the inspection were published by letter on 12 February 2019 https://www.cqc.org.uk/sites/default/files/20190212_clas_bournemouth_final_report.pdf

Thematic review of the use of restraint, prolonged seclusion and segregation in settings for people who may have mental health problems, a learning disability and / or autism

In January 2019 the Secretary of State asked the Care Quality Commission to review and make recommendations about the use of force and restrictive interventions in settings that provide inpatient and residential care for people with mental health problems, a learning disability and / or autism.

Pebble Lodge, the child and adolescent mental health ward, was asked to release information to help the CQC with the first phase of its review which focuses on settings for children and young people and people of all ages with a learning disability. The information will play a key role in helping the review team understand the current use of restraint, seclusion and segregation and will inform site activity. The information request will also be shared with the analytical team and will be used to inform the national report of our key findings and recommendations, which will be published after the reviews are completed.

Elimination of Dormitories / shared bedrooms within mental health services

In January 2019 the CQC undertook a piece of work to scope the number of mental health services across the country that had dormitories / shared bedrooms in use within inpatient services. The Trust was asked to check the data held by the CQC. Our response confirmed we had three wards with double rooms, totalling 26 beds and one ward with three dormitories totalling 12 beds.

We continue to identify options that support the mental health inpatient service in its priority to move to single accommodation. Working is ongoing to:

- explore options to increase overall capacity to reduce dormitories which have included extending two wards
- review our estate county-wide, refreshing on an assessment carried out in 2016
- enter into conversations with acute hospital colleagues with regards to alternative sites
- undertake a review and consultation of mental health rehabilitation provision to explore a variety of different options. The outcome of this review will resolve the sharing of rooms.



STAFF SURVEY

Each year NHS staff are offered the opportunity to give their views on the range of their experience at work by completing a staff survey questionnaire. In 2018 the questions were grouped around 10 themes summarised from 98 questions. This is a change from the 2017 results structure, though the historical results have been recalculated to illustrate year-on-year changes.

The 10 themes are:

- Equality, diversity, and inclusion
- Health & wellbeing
- Immediate managers
- Morale
- Quality of appraisals
- Safe environment – bullying and harassment
- Safe environment - violence
- Safety culture
- Staff engagement.

In the 2018 staff survey, seven of the 10 themes had scores of above average compared to similar NHS organisations. There is an improvement in two themes: safe environment – violence, and safety culture. The equality, diversity and inclusion theme is scoring at the highest level within the benchmark group. The results are static for quality of appraisals and safe working environment – bullying. Results have declined for quality of care, immediate managers, and health and wellbeing. Our overall staff engagement score has remained static at 7.3, though this is at the highest level within the benchmark group. Our response rate in 2018 also improved to 51.6% from 49.3% in 2017.

None of the changes in theme score are statistically significant.

Improvements of 2% or more for specific questions, compared to 2017 scores, are:

- The opportunities for flexible working patterns
- My appraisal left me feeling that my work is valued by my organisation
- My organisation treats staff who are involved in an error, near miss or incident fairly
- My organisation encourages us to report errors, near misses and incidents
- We are given feedback about changes made in response to reported errors, near misses and incidents
- I would feel secure raising concerns about unsafe clinical practice
- I am confident that my organisation would address my concerns about unsafe clinical practice
- I would recommend my organisation as a place to work
- The extent to which my organisation values my work
- Opportunities for flexible working patterns
- I receive regular updates on patient / service user experience feedback in my directorate / department.

Areas which demonstrate further action to be taken are:

- Quality of appraisals remained static at 5.4, lower than the benchmark average of 5.5, with particular emphasis on not contributing to agreeing clear work objectives
- Immediate managers' scores have declined in all six of the questions, although the scores remain above or similar to the benchmark average.

Overall, the survey shows results as fairly static. It highlights important areas where staff want the Trust to be much better. Individual staff and teams are at their best when they feel valued and supported, and it is clear that we still have much more to do before all staff feel so positive.

Our Organisational Development Team is providing specific local reports for every Directorate and locality / service area. These will be discussed with each of the teams and local action plans developed.

Staff views are important and the 2018 Staff Survey reports have been published on our intranet and publicised in the Weekly Round-up email bulletin. Throughout 2019 communications will periodically publish “You said - we did” bulletins to share with staff the actions we are taking on the survey findings.

The survey results have been sent to directors to enable them to deliver staff briefings and to consider actions for specific groups and directorates.

The Equality and Diversity Group will be considering equality areas. A particular area of concern and for attention is how staff with a disability have a less favourable experience of work compared with staff without a disability.

In addition, the survey results will be considered at the Trade Union Partnership Forum, the Health and Safety Committee, the Security Advisory Group and the Trust Board. A follow-up report on the actions taken so far will go to the Board in May 2019.

13% of our staff expressed that they had experienced harassment, bullying or abuse from other staff during the 12 months prior to completing the survey, a decrease from the previous year's score of 20%. The national average for similar Trusts is 16.3%. The highest score for similar Trusts is 11.8% so we are just below the best score.

The Trust's score for staff believing we provide equal opportunities for career progression or promotion is 90.4%, which is a slight decrease on our previous score of (91%). The national average for similar trusts for this indicator is 85.8%%. The highest score for similar Trusts is 90.5% so we match the highest level for a Trust of our type.

The staff survey review group (whose membership is staff governors and our trade union partnership forum joint chairs) has identified two areas for specific work:

1. Immediate Managers:

The scores for immediate managers have declined for all six of the questions. Focus groups with our band 5 and band 6 managers will take place to better understand the experiences of our immediate managers so that a further support can be developed and access to current support improved. This will also address supporting everyone to feel valued at work.

2. Senior management

The 2018 results show that staff would like greater visibility to and involvement with and senior manager and the Board with improved communications between senior management and staff. A programme of activity will be developed and guided with the steering group to enhance the initiatives already underway. The programme includes the launch of podcasts and vlogs that supplement the established communications methods.

Mandatory Statement Eight: Quality of data

Dorset HealthCare University NHS Foundation Trust submitted records during 2018/19 to the Secondary Uses service for inclusion in the Hospital Episode Statistics which are included in the latest published data. The percentage of records in the published data:

Which included the patient's valid NHS Number was:

- 99.78% for admitted patient care;
- 99.98% for outpatient care; and
- N/A for accident and emergency care.

Which included the patient's valid General Medical Practice Code was:

- 100% for admitted patient care;
- 100% for outpatient care; and
- N/A for accident and emergency care.

(data up to March 2019)

Mandatory Statement Nine: Information Governance (IG)

In 2018/19 Dorset HealthCare University NHS Foundation Trust Information Governance toolkit was replaced by the Data Protection and Security toolkit to measure performance against the National Data Guardian' ten data security standards. The organisation scored as standard not met, with an improvement action plan accepted by NHS Digital for 2019/20.

In 2017/18 the Assessment Report overall score was 66% and was graded 'Green' from the Information Governance Toolkit Grading Scheme.

Mandatory Statement Ten: Payment by results

Dorset HealthCare University NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during the reporting period by the Audit Commission.

The Trust's Clinical Coding Department was audited by the external auditors D&A Clinical Coding Consultancy Limited on 18th – 20th of February 2019. According to the Data Security Standard 1 Data Quality, the Trust attained the Advisory level.

Fifty episodes of care were audited for mental health and one hundred episodes of care for community health. The 100 episodes for community health included patients admitted for rehabilitation as well as the specialities General Surgery, Oral Surgery, Trauma and Orthopaedics, Gynaecology, Urology, General Medicine and Gastroenterology.

Within both mental and community health services there is a high standard of coding demonstrated.

A more detailed breakdown of the audit is shown in the table.

	Mental Health	Community Health
Primary Diagnosis	94%	98%
Secondary Diagnosis	96.5%	97%
Primary Procedure	N/A	100%

Secondary Procedure	N/A	98%
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It should be noted that the results of the external audit should not be extrapolated further than the actual sample audited.

Mandatory Statement Eleven: Payment by results

Dorset HealthCare University NHS Foundation Trust will be taking the following actions to improve data quality:

- Care is to be taken by the clinical coders that when viewing coding undertaken by another trust, we only use those codes as a point of reference and do not copy them as we may not have access to the same information
- Clinical coders are reminded that they are not allowed to interpret blood results because then it looks like we are making a diagnosis
- Care to be taken when assigning codes for a comorbidity that is applicable within the puerperal period. For example a patient has given birth three weeks ago and has hypertension.



PERFORMANCE AGAINST THE KEY NATIONAL PRIORITIES - QUALITY INDICATORS 2018/19

The following table provides an overview of the Trust performance against a core set of indicators set by the Department of Health and Monitor. Data relates to the end of 2017/18 and the end of 2018/19 as published on the Health and Social Care Information Centre website.

[illegible]

The data made available to the NHS Foundation Trust by NHS Digital with regard to the percentage of admissions to acute wards for which the Crisis Resolution Home Treatment Team acted as a gatekeeper during the reporting period.	Not available	Q1: 100.00% Q2: 98.00% Q3: Indicator Removed Q4: Indicator Removed	Not available	Indicator removed from SOF		
The Dorset HealthCare University NHS Foundation Trust considers that this data is as described for the following reasons: This is being regularly monitored and staff have been reminded of the requirements to involve the Crisis Service in assessments prior to a person being offered a hospital bed to help decide if an admission may be avoided through additional support at home. Since the review of this indicator in 2013/14, clinical staff are continuously reminded of how to record in a consistent manner.						
The Dorset Healthcare University NHS Foundation has taken the following action to improve this percentage, and so the quality of its services, by: The Indicator remains above required threshold of 95% and has now been retired. Local monitoring continues.						
Prescribed Indicators	National average 2017/18	DHC 2017/18 Position	Comparison with other Trusts	National average 2018/19	DHC 2018/19 Position	Comparison with other Trusts
The data made available to the NHS Foundation Trust by the NHS Digital with regard to the percentage of patients aged – 0 to 15; and 16 or over, readmitted to a hospital which forms part of the trust within 28 days of being discharged from a hospital which forms part of the trust during the reporting period.		10.34%		Not available: Published by NHS Digital June 2019	MH 0-15 – 0 readmissions 16 or over: Q1: 13.5% Q2: 11.1% Q3: 7.6% Q4: 9.3% Year end 9.85% ICS 0-15 16 or over - 0 Year end 5.88%	Not available: Published by NHS Digital June 2019
The Dorset HealthCare University NHS Foundation Trust considers that this data is as described for the following reasons: Data extracted directly from RiO™ (Patient Clinical System) with rules applied following discussions with the responsible teams.						
The Dorset HealthCare University NHS Foundation Trust intends to take the following actions to improve this percentage, and so the quality of its services, by: Continuing to ensure effective discharge planning to minimise the risk of re-admission. Information is available at ward level to inform decision makers connected with service improvement.						

The data made available to the NHS Foundation Trust by NHS Digital with regard to The Trust's 'Patient experience of community mental health services' indicator score with regard to a patient's experience of contact with a health or social care worker during the reporting period.	Not available	7.9	About the same	Not available	7.5	About the same
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The Dorset HealthCare University NHS Foundation Trust considers that this data is as described for the following reasons:

Data provided by the CQC.

The Trust has seen an slight decrease of 0.4 in the '*health and social care worker*' key theme of the survey in 2018; decreasing from 7.9 in 2017/18 to 7.5 in 2018/19 on a 10 point scale. The Trust continues to perform on a par (about the same¹) with other trusts which took part in the survey.

The *health and social care worker* section score of 7.5 is made up of the following questions for 2018, a comparison against last year's score and national information is included below.

Question	2018 Scores for Dorset HealthCare	Lowest trust score	Highest trust score	2017 Results for Dorset HealthCare
Were you given enough time to discuss your needs and treatment?	7.6	6.2	8.0	7.6
Did the person or people you saw understand how your mental health needs affect other areas of your life?	7.4	5.7	7.5	7.6

The Trust results in the Health and Social Care Workers section overall remain within the 'about the same' range. However Q5 Did the person or people you saw understand how your mental health needs affect other areas of your life? Was "Better" than other trusts nationally despite a marginal decrease from the 2017 score.

Of the 11 sections in the survey, Dorset HealthCare performed "Better" than other Trusts across four sections, Planning Care, Medicines, Overall views of Care and Services and Overall Experience and is an improvement on 2017 results.

The CQC's statistical release report, published in November 2018, stated that nationally peoples experience of mental health services have deteriorated with a consistent decline in results since 2014. The 2018 survey found overall in other areas the results have declined significantly having remained relatively stable between 2014-2017. This year, younger respondents aged 18 to 35 and those diagnosed with non-psychotic chaotic and challenging disorders consistently reported worse than average experiences across multiple areas. However, those on the new Care Programme Approach (CPA) and those who had been in contract with NHS mental health services for less than a year often reported better than average experiences.

There has been little or no improvement across many of the areas covered by this survey, despite this, there has been a gradual but sustained increase in positive experiences of people's awareness of knowing who to contact out of hours when having a crisis and is another area where Dorset HealthCare performed "Better" than other

¹ 'About the same' is the wording used by the CQC. It is based on a statistic called the 'expected range' which determines the range within which the trust's score could fall without differing significantly from the average, taking into account the number of respondents for each trust and the scores for all other trusts.

Trusts. The vast majority of respondents (96%) said that they knew how to contact the person organising their care if they had concerns. Nine out of 10 respondents felt this person organised their care and services either 'very well' or 'quite well'.

The Dorset HealthCare University NHS Foundation Trust intends to take the following actions to improve this score, and so the quality of its services, by:

The Acute Care Pathway is the largest system wide review of Mental Health Services across Dorset. This transformation project is currently underway and is redesigning how Mental Health Services are designed, commissioned and delivered. This has been developed using a co-production method of NHS and lived experience expertise and country wide consultation with people who use services. The first part of the redesign 'The Retreat' opened in late April 2018 with the second Retreat planned to open in May 2019 as part of a planned series of service redesign. The services designed as part of the ACP will specifically address feedback that services needed to be more accessible, especially in times of crisis.

<i>Prescribed Indicators</i>	<i>National average 2017/18</i>	<i>DHC 2017/18 Position</i>	<i>Comparison with other Trusts</i>	<i>National average 2018/19</i>	<i>DHC 2018/19 Position</i>	<i>Comparison with other Trusts</i>
The data made available to the NHS Foundation Trust by NHS Digital with regard to the number and, where available, rate of patient safety incidents reported within the Trust during the reporting period, and the number and percentage of such patient safety incidents that resulted in severe harm or death.	1.1% from NRLS cluster data with 1% for DHC from October 1 st 2017 to March 31 2018 (most up to date data available)	6,602 patient safety incidents reported (62% of all incidents). 58 patient safety incidents (0.9%) resulted in severe harm (11) or death (47)	Below average for the rate of patient safety incident that resulted in severe harm or death	No data available from NRLS for financial year 2018/19	6,937 patient safety incidents reported (61.4% of all incidents). 73 patient safety incidents (1%) resulted in severe harm (6) or death (67) From internal incident reporting data April 1 st 2018 to 31 st March 2019	No data available from NRLS for financial year 2018/19

The Dorset HealthCare University NHS Foundation Trust considers that this data is as described for the following reasons:

The Trust's reporting rate (per 1,000 bed days) was the third highest (out of 53 trusts) at 91.6 with the median reporting rate being 44.71 within the mental health reporting organisations reporting to the National Reporting and Learning System (NRLS). The levels of severe harm or death continue to be below the comparison data provided by the NRLS report (October 2017 to March 2018).

The Dorset HealthCare University NHS Foundation Trust has taken / intends to take the following actions to improve this percentage, and so the quality of its services. A summary of the learning from all serious incidents reviewed in the previous month is shared in a variety of forums such as the Sign Up To Safety work streams, the intranet and the directorate management monthly reports which are cascaded through teams. All mental health serious incidents are shared at the Mental Health Managers meetings. Staff and carers have continue to be offered the opportunity to share experiences and learning from incidents which are then utilised in training sessions. Pressure ulcers are the highest cause group reported however there has been a sustained reduction in both inpatient and community avoidable pressure ulcers. Self-harm is the second highest cause group reported with the largest percentage of incidents occurring on a female adult mental health treatment ward. Statistical process control charts are used to identify special cause variations. Two patients were involved in 44% of the incidents reported. Synopsis of learning from adult and child safeguarding incidents are shared through the Integrated Safeguarding Group and incorporated into safeguarding training. Learning from incidents at a local level is also shared at ward manager/team leader meetings. A weekly report of all deaths is reviewed by the Patient Safety Team, Director of Nursing Therapies and Quality and the Medical Director to ensure that the investigation approach identified is appropriate to the nature of the incident.

Prescribed Indicators	National average 2017/18	DHC 2017/18 Position	Comparison with other Trusts	National average 2018/19	DHC 2018/19 Position	Comparison with other Trusts
The data made available to the NHS Foundation Trust by NHS Digital with regard to Early Intervention in Psychosis (EIP): people experiencing a first episode of psychosis treated with a NICE-approved care package within two weeks of referral (year-end position for this indicator has been reviewed by KPMG) (A)		Q1: 81.8% Q2: 88.3% Q3: 64.71% Q4: 74.00% Year end: 77%		Not available: Published by NHS Digital June 2019	Q1: 75% Q2: 81% Q3: 100% Q4: 90% Year end: 86%	Not available: Published by NHS Digital June 2019

The Dorset HealthCare University NHS Foundation Trust considers that this data is as described for the following reasons:
 This data is taken directly from the RIO (electronic patient records) and is audited daily to check accuracy.

The Dorset HealthCare University NHS Foundation Trust intends to take the following actions to improve this score, and so the quality of its services, by:
 The Indicator remains above required thresholds and is actively monitored. Dorset Healthcare continue to maintain this position and report any variances via the Directorate Management Group.

The data made available to the NHS Foundation Trust by NHS Digital with regard to ensure that cardio-metabolic assessment and treatment for people with psychosis is delivered routinely in the following service areas:	Not available			
a) inpatient wards		Not available: Published by NHS Digital June 2019		

b) early intervention in psychosis services						
c) community mental health services (people on care programme approach)						
The Dorset HealthCare University NHS Foundation Trust considers that this data is as described for the following reasons: No figures to comment on.						
The Dorset HealthCare University NHS Foundation Trust intends to take the following actions to improve this score, and so the quality of its services, by No figures to comment on.						
Prescribed Indicators	National average 2017/18	DHC 2017/18 Position	Comparison with other Trusts	National average 2018/19	DHC 2018/19 Position	Comparison with other Trusts
The data made available to the NHS Foundation Trust by NHS Digital with regard to improving access to psychological therapies (IAPT): b) waiting time to begin treatment (from IAPT minimum dataset): i. within 6 weeks of referral	89.1%	Q1: 78.25% Q2: 81.76% Q3: 87.15% Q4: 91.70%	Not Available	Not Yet Available: Published by NHS Digital June 2019	Q1: 94.46% Q2: 95.15% Q3: 96.62% Q4: 97.57% Year end: 95.98%	Not Yet Available: Published by NHS Digital June 2019
ii. within 18 weeks of referral	98.8%	Q1: 99.67% Q2: 99.74% Q3: 99.70% Q4: 98.80%	Not Available	Not Yet Available: Published by NHS Digital June 2019	Q1: 99.94% Q2: 99.72% Q3: 99.88% Q4: 99.97% Year end: 99.88%	Not Yet Available: Published by NHS Digital June 2019
a) proportion of people completing treatment who move to recovery (from IAPT dataset)	50.8%	Q1: 53.62% Q2: 55.27% Q3: 53.34% Q4: 53.80%	Not Available	Not Yet Available: Published by NHS Digital June 2019	Q1: 53.38% Q2: 54.07% Q3: 53.21% Q4: 53.43% Year end: 53.2%	Not Yet Available: Published by NHS Digital June 2019
The Dorset HealthCare University NHS Foundation Trust considers that this data is as described for the following reasons: This data is taken directly from the IAPTus (digital patient care record system for psychological therapy services) and is audited to check accuracy.						
The Dorset HealthCare University NHS Foundation Trust intends to take the following actions to improve this score, and so the quality of its services, by The Indicator remains above required thresholds and is actively monitored. Dorset Healthcare continues to maintain this position and report any variances via the Directorate Management Group.						

The data made available to the NHS Foundation Trust by NHS Digital with regard to admissions to adult facilities of patients under 16 years old		Q1: 0 Q2: 0 Q3: 0 Q4: 0	Published by NHS Digital June 2018	Not available: Published by NHS Digital June 2019	Q1: 0 Q2: 0 Q3: 0 Q4: 0	Not available: Published by NHS Digital June 2019
The Dorset HealthCare University NHS Foundation Trust considers that this data is as described for the following reasons: The Indicator remains above required thresholds and is actively monitored.						
The Dorset HealthCare University NHS Foundation Trust intends to take the following actions to improve this score, and so the qualities of its services, by Dorset Healthcare continue to maintain this position and report any variances via the Directorate Management Group.						
Prescribed Indicators	National average 2017/18	DHC 2017/18 Position	Comparison with other Trusts	National average 2018/19	DHC 2018/19 Position	Comparison with other Trusts
The data made available to the NHS Foundation Trust by NHS Digital with regard to inappropriate out-of-area placements for adult mental health services	Published by NHS Digital June 2018	Published by NHS Digital June 2018	Published by NHS Digital June 2018	Not available: Published by NHS Digital June 2019	Not available: Published by NHS Digital June 2019	Not available: Published by NHS Digital June 2019
The Dorset HealthCare University NHS Foundation Trust considers that this data is as described for the following reasons: Not available: Published by NHS Digital June 2019						
The Dorset HealthCare University NHS Foundation Trust intends to take the following actions to improve this score, and so the quality of its services, by Not available: Published by NHS Digital June 2019						
The data made available to the NHS Foundation Trust by NHS Digital with regard to the Trust's patient reported outcome measures scores for (i) Groin hernia (ii) Varicose vein surgery (iii) Hip replacement surgery, and (iv) Knee replacement surgery, During the reporting period.	EQ-5D Index Average adjusted health gain (April-Sept 2017): 0.089 EQ-5D VAS Average adjusted health gain	Less than 30 Questionnaires reported, therefore not calculated.	EQ-5D Index Lowest adjusted health gain (April-Sept 2017): 0.042 EQ-5D Index Highest adjusted health gain (April-Sept		Indicator removed on 1.10.2017	

	(April-Sept 2017): -0.132		2016): 0.145 EQ-5D VAS Lowest adjusted health gain (April-Sept 2017): -6.119 Highest adjusted health gain (April-Sept 2017): 4.247			
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EQ Visual Analogue Scale (EQ VAS) is a thermometer style scale. Patients are asked to indicate their general health on the scale with 0 being the worst and 100 being the best.

The average adjusted health gain is the difference between the patients' pre and post-operative scores, a negative score would denote that an individual's health has deteriorated.

The EQ-5D health questionnaire asks patients to classify their health based on self-assessed levels of problems ("no", "some", "extreme" in the following five areas: mobility, self-care, usual activities, pain/discomfort and anxiety/depression.

The Dorset HealthCare University NHS Foundation Trust considers that this data is as described for the following reasons:

The Trust undertakes a relatively small number of operations at three of its Community Hospitals. The patients are carefully screened for surgery in a community hospital and are therefore relatively otherwise healthy individuals whose scores for health state are generally high on the first assessment. The Trust continues to monitor all PROMS data on an ongoing basis.

The Dorset HealthCare University NHS Foundation Trust intends to take the following actions to improve this score, and so the quality of its services, by continuing to regularly review detailed patient level data to identify issues/trends which may impact on patients' health following surgery and take action if issues are identified.

PART THREE: REVIEW OF QUALITY PERFORMANCE

QUALITY INDICATORS 2018/19

Indicators are refreshed each year by the Trust Board, our indicators have changed from those used in 2017/18; the following table provides an overview of the reasons for these changes.

QUALITY DOMAIN	INDICATOR	REASON FOR CHANGE
Patient Experience	Complete a self-assessment against the 6 standards developed by the Carers Trust for all mental inpatient and Crisis Teams	Dorset HealthCare achieved these indicators in 2017/18 and will continue to roll out Triangle of Care programme across the Trusts mental and physical health inpatients areas.
	Develop an action plan to address areas which were not rated as green in the self-assessment	
	Develop an implementation plan to roll out the Triangle of Care across our community mental health teams	
Patient Safety	Identify treatments / interventions that could be provided in house in line with the competency	Dorset HealthCare will continue this work as part of the Trust's Sign Up to Safety work streams – Suicide Prevention, Deteriorating Patient and Sepsis.
	Improve working across inpatient and community boundaries for specific interventions	
	Reduce Emergency Department attendance at Poole Hospital NHS Foundation Trust of our mental health inpatients	
Clinical Effectiveness	Ensure all staff have access to relevant knowledge, training and support from other Trust services to be able to manage challenging behaviours in patients	Dorset HealthCare achieved this indicator in 2017/18 and will continue to support staff with training.
	Embed John's Campaign, Carers Passport in our community hospitals	Dorset HealthCare achieved these indicators in 2017/18 and will continue to support staff with the Dementia Friendly Charter programme in 2017/18.
	Community hospital wards signed up to the Quality Mark for Elder Friendly Hospital Wards	

PROGRESS WITH OUR QUALITY INDICATORS 2018/19

This section of the Quality Report highlights the Trust performance against a core set of national quality indicators and indicators of quality agreed by the Trust Board for each of the Quality Domains during 2018/19.

PATIENT EXPERIENCE
Indicator: To continue to roll out and embed the Triangle of Care (ToC) across all Mental Health Services
<ul style="list-style-type: none"> Mental Health inpatient wards, Community Mental Health Teams and Child and Adolescent Mental Health services continue with active participation with the ToC programme Additionally ToC programme is being expanded to the Trust's community hospitals physical health wards.
Indicator: Develop patient experience feedback mechanisms in Child and Adolescent Mental Health Services (CAMHS) to understand and improve their experience of our services
<ul style="list-style-type: none"> Child and Mental Health inpatient and community services are using the Trusts Patient Experience software system Gather™ to understand and improve service user's experiences.
Indicator: We will commit to sign up to the Dementia Friendly Hospital Charter
<ul style="list-style-type: none"> The Trust's physical health inpatient wards are active participants of the Dementia Friendly Hospital Charter programme
PATIENT SAFETY
Indicator: To support our staff in the early detection and management of deterioration in adult inpatients
<ul style="list-style-type: none"> The Trust has committed to the roll out and implementation of NEWS2, in line with acute trusts requirement by March 2019 Staff have access to the Royal College of Physicians online NEWS2 training module
Indicator: To support our staff in the prevention, early detection and management of emergency situations affecting adult inpatients
<ul style="list-style-type: none"> Resuscitation training for registered and non-registered staff has been reviewed and is now specifically tailored to role and location The Trust's 'Enhanced Life Support' bespoke training package provides basic life support, a deteriorating patient module, scenario training and for inpatient areas includes iGel airway management The Trust has committed to the implementation of the national International Dysphagia Diet descriptors by April 2019. Staff are being supported with dysphagia awareness and training sessions.
Indicator: To work towards ensuring that all relevant patients are enabled and encouraged to self-administer insulin during their inpatient stay
<ul style="list-style-type: none"> Using the Wessex Academic Health Sciences Network implementation guide the Trust is working with staff and patients in Community Hospitals
CLINICAL EFFECTIVENESS
Indicator: We will support people who use our services to prevent ill health caused by smoking
<ul style="list-style-type: none"> Staff providing 'brief' advice regarding smoking to those patients identified has proved challenging with only 30% of patients briefed Referral for support to quit and medication offered is low at just 10% Dorset Clinical Commissioning Group having recognised the complexities involved for all Trusts achieving this CQUIN have convened a working group with key stakeholders which includes Public Health Dorset, all local authorities, Live Well Dorset, the acute trusts and Dorset HealthCare to collectively progress the CQUIN. The Trust's position is more favourable than some local Trusts and therefore has been specifically invited to share best practice, training and learning to the other stakeholders going forward.
Indicator: We will support people who use our services to reduce the risk of alcohol related illness
<ul style="list-style-type: none"> The threshold for screening of drinking levels was achieved in quarter 3 (71%) The threshold for advice and referral to specialist alcohol services was achieved in quarter 3 (80%)
Indicator: Support staff on the older peoples' mental health wards to be effective in the prevention and management of Venous Thrombo Embolism (VTE)
<ul style="list-style-type: none"> Development, pilot and roll out to the Trust's four Older Peoples Mental Health wards of the VTE risk assessment tool Thresholds for patient risk assessed for VTE at the time of admission and for a full assessment to be completed by a medic where indicated was achieved in quarter 3 (85%)

Performance against key national quality indicators 2018/19

Monitor Mandatory Service Targets – Compliance framework	Target threshold values	March 16 Position	March 17 position	Q4 March 18 Position	Q1 June 18 Position	Q2 Sept 18 Position	Q3 Dec 18 Position	Q4 March 19 Position	Year End Position
Referral to treatment waiting times (patients on an incomplete pathway) (the year end position for this indicator has been reviewed by KPMG (A))	SOF performance indicator: 92% <18 weeks	97.51%	98.04%	96.99%	96.8%	93.0%	93.2%	95.8%	95.8%
A&E maximum waiting time of 4 hours from arrival to admission / transfer / discharge	SOF performance indicator: 95% <4 hours	99.96%	Not applicable to the Trust						
Maximum 6-week wait for diagnostic procedures	SOF performance Indicator: 99%			99.18%	100.0%	99.78%	99.97%	99.88%	99.91%
Care Programme Approach (CPA) patients having formal review within 12 months		95.80%	95.50%	94.61%	Indicator removed from SOF				
MH Admissions to adult facilities of patients under 16 years old		Indicator introduced 2017/18			0	0	0	0	0

HOW TO CONTACT US

LET US KNOW WHAT YOU THINK

We hope that our Quality Report has been informative and interesting to you. We welcome feedback, along with any suggestions you may have for next year's publication. Please get in touch with:

The Director of Nursing, Therapies and Quality
Dorset HealthCare University NHS Foundation Trust
Trust Headquarters
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4-6 Nuffield Industrial Estate Nuffield Road
Poole Dorset
BH17 0RB
Email: Dawn.dawson4@nhs.net

JOIN US AS A MEMBER AND HAVE YOUR SAY IN OUR FUTURE PLANS

A representative and meaningful membership is important to the success of the Trust and gives members of our local communities the opportunity to be involved in how the Trust and its services are developed and improved. Membership is free and the extent to which our members are involved is entirely up to them. Some are simply happy to receive a newsletter four times a year, while others are keen to be involved in consultations and come along to meetings. Some have even become members of our Council of Governors.

For further information please contact our Membership Office on:

0808 100 3318 or email: dhc.membership@nhs.net

CHECK OUT OUR WEBSITE

Our website provides comprehensive details of the Trust's services and where they are provided, including information about mental health, learning disabilities and community health services, what to do in a crisis, updates on Trust initiatives and links to other useful websites.

There is also a section about Foundation Trust membership under the 'About the Trust/Membership' heading, where there is an opportunity to sign up online. One of the benefits of becoming a member is that you have a vote when elections for public governors are held and thereby a say in who represents you.

Visit: <http://www.dorsethealthcare.nhs.uk/>

This Quality Report can be found on the NHS Choices website at www.nhs.uk. This report can be made available in a variety of formats, available on request.

ANNEX 1

FEEDBACK FROM OUR STAKEHOLDERS

Comments by the Council of Governors

Comments by the Council of Governors on the Trust Quality Report 2018/19

1. The Council of Governors welcomes the opportunity to comment on the Trust Quality Report for 2018/19.
2. The Council holds the view that the quality of the services delivered must be the measure by which the Trust is judged. The Quality Report is, therefore, an important element of our overall approach to holding the Board, through the Non-Executive Directors, to account for the performance of the Trust.
3. The Council is satisfied with the progress being made by the Trust in maintaining and improving the quality of the services delivered to our community and beyond. The commitment of the Board and our staff to deliver nothing less than services of the highest quality is something which continues to impress, and is a source of great pride to the Council. The Council considers that the Board leads by example in this area.
4. The Council has been kept fully informed of the progress made by the Trust in implementing the action plans developed after the 2017 Care Quality Commission inspections. The Council has been pleased with the progress made by the Trust.
5. Public understanding of the quality of Trust services is key. The Quality Report, given the mandated content, does not lend itself to review by the public at large. A shorter, publicly focused and more accessible document should be produced to provide a summary of the progress being made by the Trust, the issues to be addressed, the priorities for the year and the achievements and ambitions of the organisation.
6. The Council fully supports the Trust in taking forward its commitment to participation and engagement. The Council encourages the Trust to continue to engage with patients and the public to deepen the understanding of what quality means to our patients.
7. The Council also comments that:
 - The Board should be congratulated on the progress made in respect of each of the quality priorities for 2018/19 and the fact that all three have been achieved in the year;
 - The selection of the priorities for 2019/20 is supported by Governors;
 - Governors are aware from Council of Governors meetings and from our staff members that the recruitment of nurses continues to be a challenge for the Trust. Continued emphasis must be exerted to meet the staffing challenge. The Council hopes to see further emphasis being given to this in the coming year.
8. In conclusion, the Council recognises the progress being made by the Trust, the commendable attitude and the effort being displayed by staff, and the results being achieved in improving the quality of services delivered to the community.

May 2019

Borough of Poole

Response to Dorset Healthcare University Foundation Trust's Quality Account 2018/19.

The Council would like to thank Dorset Healthcare University Foundation Trust for meeting with representatives of Borough of Poole's, Health and Social Care Overview and Scrutiny committee throughout the year. The Report gives a clear outline of how the Trust is endeavouring to deliver high quality care and the activities undertaken during the financial year to improve services.

It is commendable the work undertaken to improve mental health services over the year including the opening of the Retreat in Bournemouth, the national recognition of the work to support the armed forces and the work to enhance mental health wards for older people. With regard to the priority areas for 2018/19 we commend the Trust in making positive strides in relation to:

Patient Experience- Efforts in continuing to roll out the triangle of care across all mental health services; it is promising that many teams within in-patient and community settings have undertaken carers awareness training to understand the importance of carers in the patient journey. We are also encouraged that the Trust are developing methods to listen to the voice of young people using CAMHS services particularly in a qualitative way; and that service improvement continues in regards to implementing the necessary change to meet the Dementia Friendly Hospital Charter.

Patient Safety- it is good to note the implementation of the national early warning score tool and that staff are currently receiving training in its use in order to trigger early clinical intervention for the deteriorating patient. It is also positive to note the increased levels of life support training and that insulin dependent in-patients are being empowered to continue to self manage their medication as they would be at home.

Clinical Effectiveness- It is unfortunate that the Trust is not on track to meet the national CQUIN target for referral to quit smoking, but it is encouraging that a partnership approach is being taken in order to address this issue. It is also good to note that the Trust has been invited to share best practice with other stakeholders moving forward. It is useful that the Trust will be continuing to report against this priority in 19/20 and to receive further updates on this measure.

Thank you for the opportunity to comment on the progress against the quality priorities, we look forward to reading the published version of the Quality Account but please take this letter as Borough of Poole's response to the Trusts' Quality Account for 2018/19.

Yours sincerely



Phil Hornsby
Head of Commissioning and Improvement, People Services
Borough of Poole

Quality Account and Report 2018/19

On behalf of the Dorset Health Scrutiny Committee, please find attached the commentary that we would like to submit for the Dorset HealthCare University NHS Foundation Trust Quality Account and Report 2018/19.

Dorset Health Scrutiny Committee commentary for Dorset HealthCare University NHS Foundation Trust, April 2019:

Each year Dorset Health Scrutiny Committee appoints a Task and Finish Group of three Members who meet twice per year with representatives of the Dorset HealthCare University NHS Foundation Trust to review quality and performance. These meetings provide an opportunity for informal discussion and challenge, giving a helpful insight into the work and aspirations of the Trust. With respect to the Quality Account and Report 2018/19, the following matters were of particular interest:

- The progress made by the Trust in increasing patient and family/carer involvement, including the Triangle of Care initiative, demonstrates a high level of commitment to this priority. Dorset Health Scrutiny Committee recognises the importance of this work and looks forward to the further development of feedback opportunities for children and young people accessing CAMHS over the coming year;
- The Trust's achievements with respect to patient safety are to be congratulated, particularly the work around sepsis identification. It is hoped that the training programme associated with this will continue to develop, including the work to involve care homes;
- Suicide prevention has been a topic of interest for Dorset Health Scrutiny Committee in 2018/19, so it was encouraging to note the successful actions that have been undertaken by the Trust over the last year, in addition to the future work, going forwards. In particular it is hoped that the Retreat and Community Front Rooms planned for rural Dorset will provide much needed support for individuals at times of distress or crisis, and the Committee looks forward to hearing more about these resources once they have been established;
- The Parliamentary Award given to the Dorset Armed Forces Community Health and Wellbeing Team demonstrates the excellent work that has been undertaken to support local veterans and their families. This accolade, along with the award given to the Criminal Justice Liaison and Diversion Service and the recognitions of achievement for a number of other teams and services, provides assurance to the Committee that the Trust strives to improve;
- The publication of an inspection report by the Care Quality Commission in April 2018 provided further reassurance, with the Trust's rating increasing from 'requires improvement' to 'good' overall. The Committee hopes that the areas highlighted for improvement will be actioned quickly and that the on-going recruitment of staff can benefit from the positive outcome of the inspection;
- It was disappointing to note that, whilst comparing favourably with similar Trusts, performance in a couple of key indicators (patient safety incidents and people experiencing a first episode of psychosis treated with a NICE-approved care package within two weeks of referral), have shown little or no improvement up to the point at which data for 2018/19 was available. It is acknowledged that the Trust will continue to monitor these indicators and seek to improve performance.

Overall, the Dorset Health Scrutiny Committee welcomes the progress of the Trust and the continued cooperation in providing information and actively participating at both formal and informal meetings.

Yours sincerely,



Ann Harris
Health Partnerships Officer

On behalf of Dorset Health Scrutiny Committee

Healthwatch Dorset

Healthwatch Dorset's Response to NHS Dorset Healthcare University Hospital Foundation Trust Quality Statement 2018/2019

Healthwatch Dorset welcomes the opportunity to comment on NHS Dorset Healthcare University Hospital Foundation Trust's quality account for 2018/19. Healthwatch Dorset exists to promote the voice of patients and the wider public with respect to health and social care services.

As of April 1st 2019 Healthwatch Dorset came under new management and therefore we are unable to comment on the previous year's activity as it relates to work carried out under the previous Healthwatch Dorset contract. However, we look forward to developing relationships with the Trust over the coming year and working with them to ensure the experiences of patients, their families and unpaid carers are heard and taken seriously.

Dorset Clinical Commissioning Group

Re: Quality Account 2018/19

Thank you for asking NHS Dorset Clinical Commissioning Group (CCG) to review and comment on your Quality Accounts for 2018/19. Please find below the CCG's statement.

Dorset Clinical Commissioning Group welcomes the opportunity to provide this statement on Dorset HealthCare University NHS Foundation Trust's Quality Account. We have reviewed the information presented within the Account and can confirm that the report is an accurate reflection of the information we have received during the year as part of existing contract/performance monitoring discussions during 2018/19. The CCG recognises the areas of strength described in the Quality Account and the areas which require further progress.

During the year Commissioners have continued to see progress in a number of areas such as quality improvements within in-patient units, including the continued embedding of the Triangle of Care enhancing the experience of people who use the services in Dorset. Alongside this is the ongoing commitment to 'sign up to safety' campaign, and the continued ambition to develop a more open and honest culture supporting staff to deliver safe, high quality care through excellence, compassion and expertise.

We also commend the Trust for its development of new ways of delivering mental health services with the new Retreat in Bournemouth which is having a positive impact for service users in Dorset. Alongside this the NHS70 Parliamentary Award, recognises the progress in the experience for veterans and their families within Dorset and the service improvement being driven through partnership working. During the year progress has also been made in implementing the deteriorating patient commitment and work with Wessex Academic Science Network in the development of News 2 which continues to progress across all sites.

The CCG is supportive of the focus of the quality priorities for 2019/20 and will continue to work with the Trust over the coming year to ensure all quality standards are monitored as set out in the reporting requirements of the NHS Contract. The CCG also recognises the Trust's support and collaborative working with all health and social care partners to improve the quality of services for all Dorset residents. As Commissioners we look forward to working with the Trust during 2019/20.

Please do not hesitate to contact me if you require any further information.
Yours sincerely



Vanessa Read

Director of Nursing & Quality

Changes made as a result of feedback from our stakeholders

Following receipt of these written statements, there are no significant changes to our Quality Account required from the feedback and therefore no changes were necessary.

ANNEX 2

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 2018/19 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 2018 to April 2019;
 - ✓ papers relating to Quality reported to the Board over the period April 2018 to April 2019;
 - ✓ feedback from commissioners; NHS Dorset Clinical Commissioning Group dated 01/May/2019;
 - ✓ feedback from governors dated May 2019;
 - ✓ feedback from Healthwatch Dorset dated 18/April/2019;
 - ✓ feedback from Dorset Health Scrutiny Committee dated 30/April/2019.
 - ✓ feedback from the Borough of Poole Health and Social Care Overview and Scrutiny Committee dated 29/March/2019;
 - ✓ the Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, Annual Compliments, Complaints and PALS Report, dated May 2018;
 - ✓ the national patient survey dated 22 October 2018;
 - ✓ the national staff survey dated February 2019;
 - ✓ the Head of Internal Audit's annual opinion over the Trust's control environment dated April 2019;
 - ✓ Care Quality Commission inspection report dated April 2018.
- 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 annual reporting 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

Date: 22/05/2019

Andy Willis,
Chair



Date: 22/05/2019

Eugene Yafele,
Chief Executive



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ANNEX 3

DEFINITION OF INDICATORS

These are the detailed definitions for the indicators tested by external audit and are the subject of their Limited Assurance report on page XX of this quality report.

INDICATOR	DEFINITION
Percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period (relates to consultant led)	<p>Percentage of incomplete pathways within 18 weeks for patients on incomplete pathways</p> <p><i>Source of indicator definition and detailed guidance</i></p> <p>The indicator is defined within the technical definitions that accompany <i>Everyone counts: planning for patients 2014/15 - 2018/19</i> and can be found at www.england.nhs.uk/wp-content/uploads/2014/01/ec-tech-def-1415-1819.pdf</p> <p>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/</p> <p><i>Detailed descriptor</i></p> <p>E.B.3: The percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the period</p> <p><i>Numerator</i></p> <p>The number of patients on an incomplete pathway at the end of the reporting period who have been waiting no more than 18 weeks</p> <p><i>Denominator</i></p> <p>The total number of patients on an incomplete pathway at the end of the reporting period</p> <p><i>Accountability</i></p> <p>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).</p> <p><i>Indicator format</i></p> <p>Reported as a percentage</p>

INDICATOR	DEFINITION
Early intervention in psychosis (EIP): people experiencing a first episode of psychosis treated with a NICE-approved care package within two weeks of referral	<p><i>Detailed descriptor</i></p> <p>The proportion of people experiencing first episode psychosis or 'at risk mental state' who wait two weeks or less to start NICE recommended package of care.</p> <p><i>Numerator</i></p> <p>The number of referrals to and within the trust with suspected first episode psychosis or at 'risk mental state' that start a NICE-recommended package of care package in reporting period within 2 weeks of referral.</p> <p><i>Denominator</i></p> <p>The number of referrals to and within the trust with suspected first episode psychosis or at 'risk mental state' that start a NICE-recommended package of care package in reporting period.</p> <p><i>Detailed guidance</i></p> <p>More guidance is available at www.england.nhs.uk/statistics/statistical-work-areas/eip-waiting-times/ and https://www.england.nhs.uk/mentalhealth/wp-content/uploads/sites/29/2016/02/tech-cyped-eip.pdf</p>

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF DORSET HEALTHCARE UNIVERSITY NHS FOUNDATION TRUST ON THE QUALITY REPORT

We have been engaged by the Council of Governors of Dorset HealthCare University NHS Foundation Trust to perform an independent assurance engagement in respect of Dorset HealthCare University NHS Foundation Trust's Quality Report for the year ended 31 March 2019 (the 'Quality Report') and certain performance indicators contained therein.

Scope and subject matter

The indicators for the year ended 31 March 2019 subject to limited assurance consist of the following two national priority indicators:

- percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period; and
- early intervention in psychosis (EIP): people experiencing a first episode of psychosis treated with a National Institute for Health and Care Excellence (NICE)-approved care package within two weeks of referral.

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 2018/19* ('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 Guidance.

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 2018 to May 2019;
- papers relating to quality reported to the board over the period April 2018 to May 2019;
- feedback from commissioners, dated May 2019;
- feedback from governors, dated May 2019;
- feedback from local Healthwatch organisations, dated 18 April 2019;
- feedback from Overview and Scrutiny Committee, dated 29 March 2019 and 30 April 2019;
- the national staff survey, dated February 2019;
- Care Quality Commission Inspection, dated 13 April 2018; and
- any other information included in our review.

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 Dorset HealthCare University 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 2019, 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 Dorset HealthCare University 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 Dorset HealthCare University NHS Foundation Trust.

Basis for qualified conclusion on the percentage of incomplete pathways within 18 weeks for patients on incomplete pathways indicator

As a result of the procedures performed in relation to the percentage of incomplete pathways within 18 weeks for patients on incomplete pathways we have not been able to gain assurance over the accuracy

dimension of the six dimensions of data quality as required by NHS Improvement. We identified two issues from a sample of 41:

- One case where the clock start date did not agree to the underlying records; and
- One case where the clock stop date was not recorded correctly.

Qualified conclusion

Based on the results of our procedures, except for the effects of the matters described in the 'basis for qualified conclusion on the percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period' section above, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2019:

- 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;
- the Quality Report is not consistent in all material respects with the sources specified in the Guidance; and
- the indicators in the Quality Report subject to limited assurance have 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

KPMG LLP
Chartered Accountants
66 Queen Square,
Bristol
BS1 4BE

23 May 2019

GLOSSARY OF TERMS

Avoidable

Avoidable means the patient receiving care developed a pressure ulcer and the provider of care did not do one of the following: evaluate the patients clinical condition and pressure ulcer risk factors; plan and implement interventions that are consistent with patient needs, goals, and recognised standards of practice; monitor and evaluate the impact of those interventions; or revise the interventions as appropriate (NPSA 2010).

Board of Directors

The Board of Directors agree the future plans of the organisation and consists of Non-Executive Directors, Executive Directors and Locality Directors.

Care Programme Approach (CPA)

The process that providers of mental health care use to co-ordinate the care, treatment and support for people who have mental health needs.

Care Quality Commission (CQC)

The CQC is the independent regulator of health and adult social care services in England. It also protects the interests of people whose rights are restricted under the Mental Health Act.

Child and Adolescence Mental Health Services (CAMHS)

CAMHS provides assessment and treatment for children and young people up to the age of 18 years (and their families/carers), who are suffering significant mental health problems which have not responded to intervention at primary care and early intervention level.

Clinical audits

A systematic process for setting and monitoring standards of clinical care. 'Guidelines' define what the best clinical practice should be, 'audit' investigates whether best practice is being carried out and makes recommendations for improvement.

Clinical Commissioning Group (CCG)

The CCG's are clinically led NHS organisations which organise the delivery of NHS services in England.

Commissioning for Quality and Innovation (CQUIN)

A payment framework that has been a compulsory part of the NHS contract from 2009/10. It allows all local health communities to develop their own schemes to encourage quality improvement and recognise innovation by making a proportion of NHS service provider's income conditional on locally agreed goals.

Community Health Services (CHS)

Provides a range of services to assist people with their physical, emotional and mental health needs. These services are provided in the community so are close to people's homes. Dorset HealthCare works in partnership with GP, Social Services and local health providers to provide these services.

Community Hospitals

Community hospitals provide many services including elderly inpatient care, outpatient appointments, therapy services and theatre.

Community Mental Health Team (CMHT)

Community Mental Health Teams (CMHTs) are multi-disciplinary, multi-agency assessment teams designed to provide mental health care and treatment for individuals with more complex and enduring mental health needs in the community.

Council of Governors

The Council of Governors are guardians of the Trust working on behalf of local communities and staff. The Council ensure that the Trust complies with the terms of its authorisation as an NHS Foundation Trust and meets regularly to advise the Board of Directors on the Trust's development and strategies.

Dementia

Dementia is associated with an ongoing decline of the brain and its abilities, most notably including memory, language and understanding.

Foundation Trust

Foundation Trusts are a type of NHS organisation with greater local accountability and freedom to manage themselves. They remain within the NHS overall, and provide the same services as traditional trusts, but have more freedom to set local goals. Staff and members of the public can join their Boards or become members.

Friends and Family Test (FFT)

The FFT asks patients if they would recommend services to their family and friends. The FFT is now in place in all community hospitals, inpatient mental health hospitals, minor injury units and all teams in the community.

Gold Standards Framework

The Gold Standards Framework (GSF) is a model that enables good practice to be available to all people nearing the end of their lives, irrespective of diagnosis

Healthwatch

Healthwatch is an independent organisation which ensures the voice of patients and carers are heard throughout health and care services. They can raise issues of concern within an organisation and work with them to improve services. They ensure that patients are getting the services they need.

Hospital Episode Statistics

Hospital Episode Statistics is the national statistical data warehouse for England of the care provided by NHS hospitals and for NHS hospital patients treated elsewhere.

Information Governance Toolkit

An online tool that enables organisations to measure their performance against information governance standards.

There are several elements of law and policy from which information governance standards are derived. It encompasses legal requirements, central guidance and best practice in information handling, including:

- The common law duty of confidentiality
- Data Protection Act 1998
- Information security
- Information quality
- Records management
- Freedom of Information Act 2000.

John's Campaign

A Campaign set up by the family of Dr John Gerrard to promote the use of family and carer support for patients admitted to a hospital with dementia. <http://johnscampaign.org.uk/#/about>

Mental Health Services (MHS)

Provides a range of treatments for people across Dorset who are suffering from a mental health problem. These services can be provided at home, in the community or in more specialised inpatient units.

Minor Injury Unit's (MIU's)

MIU's provide help for people with injuries which are not life threatening, enabling Accident and Emergency Departments to concentrate on those with serious conditions.

National Institute of Health and Care Excellence (NICE)

NICE provides guidance, sets quality standards and manages a national database to improve people's health and prevent and treat ill health.

NICE makes recommendations to the NHS on:

- new and existing medicines, treatments and procedures
- treating and caring for people with specific diseases and conditions
- how to improve people's health and prevent illness and disease.

National patient surveys

The National Patient Survey Programme, coordinated by the Care Quality Commission, gathers feedback from patients on different aspects of their experience of recently received care, across a variety of services/settings.

Monitor

The independent regulator of NHS Foundation Trusts, ensuring they are well led and financially robust.

Non-Executive Director

An outside member of the Board of Directors who is not affiliated with the organisation, they are sometimes known as independent directors.

POMH

Prescribing Observatory for Mental Health (Royal College of Psychiatrists).

Pressure Ulcer (PU)

Pressure ulcers are a type of injury that breaks down the skin and underlying tissue. They are caused when an area of skin is placed under pressure. They are also sometimes known as 'bedsores' or 'pressure sores'.

Q1, Q2, Q3, Q4

Q1 stands for Quarter 1. The Trust reports progress with our priorities every 3 months (quarterly). Quarter one is April – June in any calendar year. Quarter two is July – September in any calendar year. Quarter three is October - December. Quarter four is January - March.

Quality Mark Elder Friendly Hospital Ward Programme

A quality improvement programme for individual hospital wards run by the Royal Collage of Psychiatrists. Participation in the programme ensures a continuous focus on the care provided for people over the age of 65 and demonstrates the commitment made by the hospital, the ward and the staff to identify and carry out improvements, and to achieve a consistent quality of care for older people.

Research

Clinical research and clinical trials are an everyday part of the NHS. The people who do research are mostly the same doctors and other health professionals who treat people. A clinical trial is a particular type of research that tests one treatment against another. It may involve either

patients or people in good health, or both.

Root Cause Analysis (RCA)

Root Cause Analysis (RCA) is the structured approach to identifying the factors which resulted in an incident. The root causes are the fundamental issues which have led to an incident occurring and must be addressed to improve the delivery of care.

Safeguarding

A term used in conjunction with measures that are taken to protect, safeguard and promote the health and welfare of children and vulnerable people. Ensuring they live free from harm, abuse and neglect.

Secondary Uses Service

The Secondary Uses Service is designed to provide anonymous patient-based data for purposes other than direct clinical care such as healthcare planning, commissioning, public health, clinical audit and governance, benchmarking, performance improvement, medical research and national policy development.

Triangle of Care

A programme launched in July 2010 between the Carers Trust and the National Mental Health Development Unit, emphasising the need for better local strategic involvement of carers and families in the care planning and treatment of people with mental ill-health.

Venous Thromboembolism (VTE)

Venous thrombosis or phlebothrombosis is a blood clot (thrombus) that forms within a vein.



Independent auditor's report

to the Council of Governors of Dorset HealthCare University NHS Foundation Trust

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

1. Our opinion is unmodified

We have audited the financial statements of Dorset HealthCare University NHS Foundation Trust ("the Trust") for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash Flows, and the related notes, including the accounting policies in note one.

In our opinion:

- the financial statements give a true and fair view of the state of the Trust's affairs as at 31 March 2019 and of its income and expenditure for the year then ended; and
- the Trust's financial statements have been properly prepared in accordance with the Accounts Direction issued under paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006, the NHS Foundation Trust Annual Reporting Manual 2018/19 and the Department of Health and Social Care Group Accounting Manual 2018/19.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Trust in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Overview

Materiality: £5.0 million

Financial statements
as a whole 2% of total income from
operations

Risks of material misstatement

Key audit matters

Valuation of land and
buildings

Recognition of NHS
and non-NHS income

Non-Pay and Non-
Depreciation
Expenditure
recognition

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below the key audit matters, in decreasing order of audit significance, in arriving at our audit opinion above, together with our key audit procedures to address those matters and our findings ("our results") from those procedures in order that the Trusts' governors as a body may better understand the process by which we arrived at our audit opinion. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

	The risk	Our response
Valuation of Property, Plant and Equipment (£144.5 million; 2018: £142.5 million) <i>Refer to page 9 (Audit Committee Report), page A9 (accounting policy) and page A29 (financial disclosures)</i>	Subjective valuation – Land and Buildings: Land and buildings are required to be held at current 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. 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. Valuations are completed by an external expert, 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. The Trust had a full valuation undertaken at 28 February 2019. Valuations are inherently judgemental, therefore our work focused on whether the valuer's methodology, assumptions and underlying data, were appropriate and correctly applied. The effect of these matters is that, as part of our risk assessment, we determined that the valuation of land and buildings has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole.	Our procedures included: — Assessing valuer's credentials: We considered the scope, qualifications and experience of the Trust's valuer, to identify whether the valuer was appropriately experienced and qualified to undertake the valuation; — Methodology choice: We considered the overall methodology of the external valuation performed to identify whether the approach was in line with industry practice, assisted by our Estate Valuation specialist; — Test of details: We undertook the following tests of details: <ul style="list-style-type: none"> ▪ We tested the completeness of the estate covered by the valuation to the Trust's underlying records of the estate held, including additions to land and buildings during the year; ▪ We critically assessed the assumptions used within the valuation by assessing the assumptions used to derive the carrying value of assets against BCIS all in tender price index and industry norms and utilising our Estate Valuation specialist; ▪ We re-performed the calculation of gain or loss on revaluation for all applicable assets and checked whether the accounting entries were consistent with the NHS Group Accounting Manual; and ▪ 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.
		Our results: — From the evidence obtained, we considered the valuation of land and buildings to be acceptable.

2. Key audit matters: our assessment of risks of material misstatement (cont.)

	The risk	Our response
<p>Recognition of NHS and non-NHS income</p> <p>(£265.7 million; 2018: £246.6 million)</p> <p><i>Refer to page 10 (Audit Committee Report), page A6 (accounting policy) and page A18 (financial disclosures).</i></p>	<p>Effects of Irregularities</p> <p>Of the Trust's reported total income, £219.5 million (2018, £211.3 million) came from commissioners (Clinical Commissioning Groups (CCGs) and NHS England). Income from CCGs and NHS England makes up 83% of the Trust's income. The majority of income is contracted on an annual basis, but actual income 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 from contracts.</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 £300,000 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 reported total income of £18.4 million (2018: £13.5 million) from other activities, principally, education and training and non-patient care activities. Much of this income is generated by contracts with other NHS and non-NHS bodies which are based on varied payment terms, including payment on delivery, milestone payments and periodic payments. The amount also includes £7.9 million (2018: £4.7 million) Provider Sustainability Funding (PSF) received from NHS Improvement. This is received subject to achieving defined financial and operational targets on a quarterly basis.</p> <p>As such there is a fraudulent risk of revenue recognition over both NHS and Non-NHS income.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> — Control observation: We tested the design and operation of process level controls over revenue recognition; — Test of details: We undertook the following tests of details: <ul style="list-style-type: none"> — We agreed Commissioner income to the signed contracts and selected a sample of the largest balances (comprising 89% of income from patient care activities) to agree that they had been invoiced in line with the contract agreements and payment had been received; — We inspected invoices for material income in the month prior to and following 31 March 2019 to determine whether income was recognised in the correct accounting period, in accordance with the amounts billed to corresponding parties; — We assessed the outcome of the agreement of balances exercise with CCGs and other NHS providers and compared the values they are disclosing within their financial statements to the value of income captured in the financial statements. We sought explanations for any variances over £300,000, and all balances in dispute, and challenged the Trust's assessment of the level of income they were entitled to and the receipts that could be collected; — We assessed the Provider Sustainability Fund recorded in the financial statements and the Trust's performance against the required targets to confirm eligibility for the income and agreed bonus amounts to correspondence from NHSI; and — We tested material other income balances by agreeing a sample of income transactions through to supporting documentation and/or cash receipts. <p>Our results:</p> <ul style="list-style-type: none"> — The results of our testing were satisfactory and we considered the amount of revenue recognised to be acceptable.

2. Key audit matters: our assessment of risks of material misstatement (cont.)

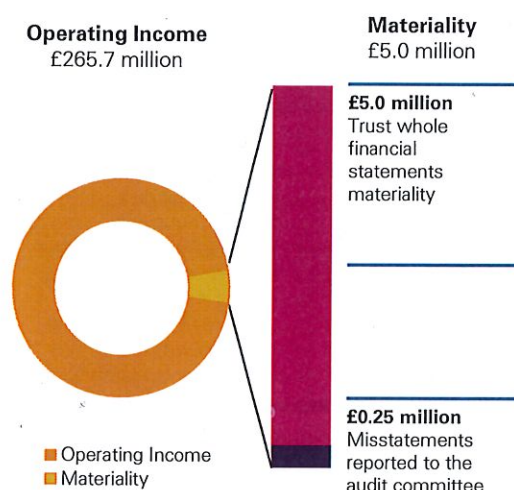
	The risk	Our response
Recognition of non-pay expenditure (£54.4 million; 2018: £46.1 million) <i>Refer to page 12 (Audit Committee Report), page A8 (accounting policy) and page A22 (financial disclosures)</i>	Effects of Irregularities In the public sector, auditors also consider the risk that material misstatements due to fraudulent financial reporting may arise from the manipulation of expenditure recognition (for instance by deferring expenditure to a later period). This may arise due to the audited body manipulating expenditure to meet externally set targets. As most public bodies are net spending bodies, then the risk of material misstatement due to fraud related to expenditure recognition may in some cases be greater than the risk of material misstatements due to fraud related to revenue recognition and so the auditor has regard to this when planning and performing audit procedures. This risk does not apply to all expenditure in the period. The incentives for fraudulent expenditure recognition relate to achieving financial targets and the key risks relate to the manipulation of recognition of non-pay expenditure at the year-end.	Our procedures included: — Control observation: We tested the design and operation of process level controls over expenditure approval; — Test of detail: We undertook the following tests of details: <ul style="list-style-type: none"> ▪ We agreed a sample of accruals to underlying calculations and supporting post-year end evidence; ▪ We inspected invoices for material expenditure in the month prior to and following 31 March 2019 to determine whether expenditure was recognised in the correct accounting period relevant to when services were delivered; ▪ We assessed the completeness and judgements made within the expenditure balance, specifically accrued expenditure; and ▪ We assessed the outcome of the agreement of balances exercise with CCGs and other NHS providers and compared the values they are disclosing within their financial statements to the value of expenditure captured in the financial statements. We sought explanations for any variances over £300,000, and all balances in dispute, and challenged the Trust's assessment of the level of expenditure they were entitled to and the receipts that could be collected.
		Our results: — The results of our testing were satisfactory and we considered the amount of expenditure recognised to be acceptable.

3. Our application of materiality

Materiality for the Trust financial statements as a whole was set at £5.0 million, determined with reference to a benchmark of operating income (of which it represents approximately 2%). We consider operating income to be more stable than a surplus- or deficit-related benchmark.

We agreed to report to the Audit Committee any corrected and uncorrected identified misstatements exceeding £250,000, in addition to other identified misstatements that warranted reporting on qualitative grounds.

Our audit of the Trust was undertaken to the materiality level specified above and was performed at the Trust's headquarters in Poole, Dorset.



4. We have nothing to report on going concern

The Accounting Officer has prepared the financial statements on the going concern basis as they have not been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

Our responsibility is to conclude on the appropriateness of the Accounting Officer's conclusions and, had there been a material uncertainty related to going concern, to make reference to that in this audit report. However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Trust will continue in operation.

In our evaluation of the Accounting Officer's conclusions, we considered the inherent risks to the Trust's business model, including the impact of Brexit, and analysed how those risks might affect the Trust's financial resources or ability to continue operations over the going concern period. We evaluated those risks and concluded that they were not significant enough to require us to perform additional audit procedures.

Based on this work, we are required to report to you if we have anything material to add or draw attention to in relation to the Accounting Officers statement in Note 1.2 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Trust's use of that basis for a period of at least twelve months from the date of approval of the financial statements.

We have nothing to report in these respects, and we did not identify going concern as a key audit matter.

5. We have nothing to report on the other information in the Annual Report

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

In our opinion the other information included in the Annual Report for the financial year is consistent with the financial statements

Remuneration report

In our opinion the part of the remuneration report to be audited has been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2018/19.

Corporate governance disclosures

We are required to report to you if:

- we have identified material inconsistencies between the knowledge we acquired during our financial statements audit and the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for stakeholders to assess the Trust's position and performance, business model and strategy; or
- the section of the annual report describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee; or
- the Annual Governance Statement does not reflect the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2018/19, 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.

We have nothing to report in these respects.

6. Respective responsibilities

Accounting Officer's responsibilities

As explained more fully in the statement set out on page 79, the Accounting Officer is responsible for: the preparation of financial statements that give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Trust's ability to continue as a going concern; disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

We have nothing to report on the statutory reporting matters

We are required by Schedule 2 to the Code of Audit Practice issued by the Comptroller and Auditor General ('the Code of Audit Practice') 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 these respects.

We have nothing to report in respect of our work on the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources

Under the Code of Audit Practice we are required to report to you if the Trust has not made proper arrangement for securing economy, efficiency and effectiveness in the use of resources.

We have nothing to report in this respect.

Respective responsibilities in respect of our review of arrangements for securing economy, efficiency and effectiveness in the use of resources

The Trust is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the 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 the 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 the 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 (C&AG) in November 2017, as to whether the Trust had 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 and related guidance. Based on our risk assessment, we undertook such work as we considered necessary.

Report on our review of the adequacy of arrangements for securing economy, efficiency and effectiveness in the use of resources

We are required by guidance issued by the C&AG under Paragraph 9 of Schedule 6 to the Local Audit and Accountability Act 2014 to report on how our work addressed any identified significant risks to our conclusion on the adequacy of the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources. The 'risk' in this case is the risk that we could come to an incorrect conclusion in respect of the Trust's arrangements, rather than the risk of the arrangements themselves being inadequate.

We carry out a risk assessment to determine the nature and extent of further work that may be required. Our risk assessment includes consideration of the significance of business and operational risks facing the Trust, insofar as they relate to 'proper arrangements'. This includes sector and organisation level risks and draws on relevant cost and performance information as appropriate, as well as the results of reviews by inspectorates, review agencies and other relevant bodies.

No significant risks were identified during our risk assessment.

THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

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 and the terms of our engagement by the Trust. 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 the further matters we are required to state to them in accordance with the terms agreed with the Trust, 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.

CERTIFICATE OF COMPLETION OF THE AUDIT

We certify that we have completed the audit of the accounts of Dorset HealthCare University 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.



Rees Batley
for and on behalf of KPMG LLP (Statutory Auditor)

Chartered Accountants
66 Queen Square, Bristol BS1 4BE
23 May 2019

ANNUAL ACCOUNTS 2018/19

Dorset HealthCare University NHS Foundation Trust

Annual Accounts for the year ended 31 March 2019

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FOREWORD TO THE ACCOUNTS

These accounts for the year ended 31 March 2019 have been prepared by Dorset HealthCare University NHS Foundation Trust 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.



Eugene Yafele
Chief Executive

Date: 22 May 2019

**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED
31 March 2019**


	NOTE	2018/19 £000	2017/18 £000
Operating Income from patient care activities	2.1	247,278	233,107
Other Operating Income	2.4	18,404	13,515
Operating Expenses	3.1	(254,497)	(236,549)
OPERATING SURPLUS		11,185	10,073
FINANCE COSTS			
Finance Revenue	5.1	255	102
Finance Expense	5.2	(2)	(3)
Public Dividend Capital Dividend charge		(4,357)	(4,039)
NET FINANCE COSTS		(4,104)	(3,940)
Other gains/(losses)	6.2	157	(85)
Surplus/(Deficit) from continuing operations		7,238	6,048
SURPLUS/(DEFICIT) FOR THE YEAR		7,238	6,048
Other comprehensive income/(expense)			
Will not be reclassified to income and expenditure			
Impairments	17	(1,159)	(2,012)
Revaluations	17	3,966	2,615
TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR		10,045	6,651

The notes on pages A6 to A44 form part of these accounts.

**STATEMENT OF FINANCIAL POSITION AS AT
31 March 2019**

	NOTE	31 March 2019 £000	31 March 2018 £000
Non-current assets			
Intangible assets	7.1	2,151	1,349
Property, plant and equipment	8.1	<u>155,366</u>	<u>149,345</u>
Total non-current assets		157,517	150,694
Current assets			
Inventories	12.1	784	801
Trade and other receivables	13.1	16,195	10,605
Non-current assets for sale and assets in disposal groups	10	368	-
Cash and cash equivalents	18	<u>33,259</u>	<u>31,244</u>
Total current assets		50,606	42,650
Current liabilities			
Trade and other payables	14	(19,040)	(20,355)
Other liabilities	15	(1,375)	-
Provisions	16	<u>(2,496)</u>	<u>(1,498)</u>
Total current liabilities		(22,911)	(21,853)
Total assets less current liabilities		185,212	171,491
Non-current liabilities			
Provisions	16	<u>(1,655)</u>	<u>(1,730)</u>
Total non-current liabilities		(1,655)	(1,730)
Total assets employed		183,557	169,761
Financed by taxpayers' equity			
Public Dividend Capital		35,318	31,566
Revaluation reserve	17	47,979	45,396
Income and expenditure reserve		100,260	92,799
Total taxpayers' equity		183,557	169,761

The accounts on pages A2 to A44 were approved by the Board on 22 May 2019 and signed on its behalf by Eugene Yafele (Chief Executive):

Signed:  (Chief Executive)

Date: 22 May 2019

**STATEMENT OF CHANGES IN TAXPAYERS' EQUITY for the year ended:
31 March 2019**

	Total Taxpayers' Equity £000	Public Dividend Capital £000	Revaluation Reserve £000	Income and Expenditure Reserve £000
Taxpayers' equity at 1 April 2018	169,761	31,566	45,396	92,799
Impact of implementing IFRS9 on opening reserves	(1)	-	-	(1)
Surplus for the year	7,238	-	-	7,238
Net Impairments	(1,159)	-	(1,159)	-
Revaluations - Property, plant & equipment	3,966	-	3,966	-
Transfer to retained earnings on disposal of assets	-	-	(224)	224
Public Dividend Capital (PDC) received	3,752	3,752	-	-
Taxpayers' equity at 31 March 2019	183,557	35,318	47,979	100,260

31 March 2018

	£000	£000	£000	£000
Taxpayers' equity at 1 April 2017	162,650	31,106	44,793	86,751
Surplus for the year	6,048	-	-	6,048
Impairments	(2,012)	-	(2,012)	-
Revaluations - Property, plant & equipment	2,615	-	2,615	-
Public Dividend Capital (PDC) received	460	460	-	-
Taxpayers' equity at 31 March 2018	169,761	31,566	45,396	92,799

Information on reserves

Public Dividend Capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. Additional PDC may also be issued to trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the trust, is payable to the Department of Health as the public dividend capital dividend.

Revaluation reserve

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised net in operating expenses. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED
31 March 2019

	NOTE	2018/19 £000	2017/18 £000
Cash flows from operating activities			
Operating surplus from continuing operations		11,185	10,073
Operating surplus		<u>11,185</u>	<u>10,073</u>
Non-cash or non-operating income and expense			
Depreciation and amortisation		6,304	5,879
Impairments and reversals		2,386	(455)
Income recognised in respect of capital donations		(212)	(148)
Decrease/(increase) in trade and other receivables		(5,867)	1,906
(Increase)/decrease in inventories		17	(49)
(Decrease)/increase in trade and other payables		275	(3,137)
Increase in other liabilities		1,375	-
(Decrease)/increase in provisions		922	(965)
Net cash generated from operating activities		<u>16,385</u>	<u>13,104</u>
Cash flows from investing activities			
Interest received		255	102
Purchase of intangible assets		(912)	(755)
Sales of intangible assets		-	-
Purchase of property, plant and equipment		(14,114)	(9,664)
Sales of property, plant and equipment		381	18
Receipt of cash donations to purchase capital assets		212	148
Net cash used in investing activities		<u>(14,178)</u>	<u>(10,151)</u>
Cash flows from financing activities			
Public dividend capital received		3,752	460
Other interest		(1)	-
PDC Dividend paid		(3,943)	(4,205)
Net cash used in financing activities		<u>(192)</u>	<u>(3,745)</u>
(Decrease)/Increase in cash and cash equivalents		<u>2,015</u>	<u>(792)</u>
Cash and cash equivalents at 1 April	18	31,244	32,036
Cash and cash equivalents at 31 March	18	<u>33,259</u>	<u>31,244</u>

NOTES TO THE ACCOUNTS

1. Accounting Policies and Other Information

NHS Improvement, in exercising the statutory functions conferred on Monitor, is responsible for issuing an accounts direction to NHS foundation trusts under the NHS Act 2006. NHS Improvement has directed that the accounts of NHS foundation trusts shall meet the accounting requirements of the Department of Health Group and Social Care Accounting Manual (DHSC GAM) which shall be agreed with HM Treasury. Consequently, the following accounts have been prepared in accordance with the DHSC GAM 2018/19 issued by the Department of Health and Social Care. The accounting policies contained in the DHSC GAM follow International Financial Reporting Standards (IFRS) to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the foundation trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. 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 and plant and certain financial assets and financial liabilities.

1.2 Going Concern

These accounts have been prepared on a going concern basis.

The Directors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future.

1.3 Acquisitions and Discontinued Operations

Activities are considered to be 'discontinued' where they meet all of the following conditions:

- a. the sale or termination is completed either in the period or before the earlier of three months after the commencement of the subsequent period and the date on which the accounts are approved;
- b. if a termination, the former activities have ceased permanently;
- c. the sale or termination has a material effect on the nature and focus of the reporting NHS Trust's operations and represents a material reduction in its operating facilities resulting either from its withdrawal from a particular activity or from a material reduction in income in the Trust's continuing operations;
- d. the assets, liabilities, results of operations and activities are clearly distinguishable, physically, operationally and for financial reporting purposes; and
- e. the activity moves to an organisation outside of the "Whole of Government Accounts" boundary. The Whole of Government Accounts comprises organisations within the UK public sector.

Operations not satisfying all these conditions are classified as continuing.

Activities are considered to be 'acquired' whether or not they are acquired from outside the public sector.

1.4 Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The DHSC GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS). As directed by the DHSC GAM, the transition to IFRS 15 in 2018/19 has been completed in accordance with paragraph C3 (b) of the Standard: applying the Standard retrospectively but recognising the cumulative effects at the date of initial application (1 April 2018).

1.4 Revenue from contracts with customers (continued)

Revenue in respect of goods/ services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/ services to the customers and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received, or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

Services are typically contracted to be provided evenly over a financial year. For the majority of income, invoices are raised dated the first of the month in which the service is being provided. These invoices are usually paid in that month so there are no contract balances outstanding at the end of each month. For other income, invoices are raised according to local agreement and can lead to contract receivables or contract liabilities being recorded, depending on when the invoices is raised relevant to the satisfaction of the performance obligations. Credit terms are 30 days and invoiced amounts will remain showing as contract receivables until settled.

Revenue from NHS contracts

The majority of the Trust's revenue is obtained for the provision, in Dorset, of Community and Mental Health services under block contracts with local clinical commissioning group (CCG). The Local Authority also commissions substantial Community services and NHS England funds specialised Mental Health services. Other operating income is material in total, but individual elements within it are not material. The actual recipients of our performance obligations are the beneficiaries of our services and not those with whom the service contracts are agreed.

Services are typically contracted to be provided evenly over a financial year. A proportion (normally 2.5% of base income) of CCG and NHS England income for services to the general public is subject to Commissioning for Quality and Innovation (CQUIN) goals. Since the commissioners determine whether the CQUIN conditions are met after the year end, judgement is used to determine whether any related revenue should be deferred. The amount subject to uncertainty is normally not material.

1.5 Expenditure on Employee Benefits

Short-term employee benefits

Salaries, wages and employment related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the accounts to the extent that employees are permitted to carry forward leave into the following period.

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the NHS Pension Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of Secretary of State, in England and Wales. It is not possible for the NHS foundation trust to identify its share of the underlying scheme liabilities. Therefore, the scheme is accounted for as a defined contribution scheme.

Employers pension cost contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the Trust commits itself to the retirement, regardless of the method of payment.

Further details are available in Note 4.6.

1.6 Expenditure on 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.

1.7 Property, Plant and Equipment

Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential be provided to, the Trust;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
 - they individually have a cost of at least £5,000; or
 - collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control.

Where a large asset, for example a building, includes a number of components with significantly different asset lives e.g. plant and equipment, then these components are treated as separate assets and depreciated over their own useful lives.

1.7 Property, Plant and Equipment (continued)

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. All assets are measured subsequently at market value in existing use, except for an item of property, plant and equipment which is surplus with no plan to bring it back into use which is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 or IFRS 5. For assets other than land and buildings, depreciated value is considered to be equivalent to market value in existing use.

Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

- Land and non-specialised buildings - market value for existing use.
- Specialised buildings - depreciated replacement cost on a modern equivalent asset basis.

Assets held at depreciated replacement cost have been valued on an alternative site basis where this would meet the location requirements of the services being provided.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Depreciation

Items of property, plant and equipment are depreciated evenly over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'Held for Sale' ceases to be depreciated upon the reclassification.

Assets in the course of construction are not depreciated until the asset is brought into use.

Buildings, installations and fittings are depreciated on their market value in existing use evenly over the estimated remaining life of the asset as assessed by the Trust's professional valuers. Leaseholds are depreciated over the primary lease term.

Equipment is depreciated on cost evenly over the estimated life.

1.7 Property, Plant and Equipment (continued)

Revaluation gains and losses 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 recognised in operating expenses.

Revaluation losses are charged to the revaluation reserve, to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

In accordance with the DHSC GAM, impairments that arise from a clear consumption of economic benefits or service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss are reversed. Reversals are recognised in operating expenses to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

De-recognition

Assets intended for disposal are reclassified as 'Held for Sale' once all of the following criteria are met:

- The asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- 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 abandoned 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.

The revaluation surplus included in equity in respect of an item of property, plant and equipment is transferred directly to the income and expenditure reserve when the asset is disposed of.

1.7 Property, Plant and Equipment (continued)

Donated assets

Donated property, plant and equipment assets are capitalised at their fair value on receipt. The donation is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation 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.

1.8 Intangible Assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the Trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Trust and where the cost of the asset can be measured reliably.

Internally generated intangible assets

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use;
- the Trust intends to complete the asset and sell or use it;
- the Trust has the ability to sell or use the asset;
- how the intangible asset will generate probable future economic or service delivery benefits e.g. the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the Trust to complete the development and sell or use the asset; and
- the Trust can measure reliably the expenses attributable to the asset during the development.

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.

Subsequently, intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluation gains, losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS13, if it does not meet the requirements of IAS 40 or IFRS 5.

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.

1.9 Fixed Asset Investments

The Trust is the Corporate Trustee to Dorset HealthCare Charitable Fund. The Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the Trust is exposed to, or has right to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to affect those returns and other benefits through its power over the fund.

Normally such a relationship would require the accounts of the subsidiary to be consolidated by the Trust where material. The Dorset HealthCare Charitable Fund is not sufficiently large to materially affect the results of the Trust and the Trust has therefore not consolidated the charity accounts.

1.10 Inventories

Inventories are valued at the lower of cost and net realisable value using the First In, First Out method.

1.11 Cash and Cash Equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.12 Financial Assets and Financial Liabilities

Recognition

Financial assets and financial liabilities arise where the trust is party to the contractual provisions of a financial instrument, and as a result has a legal right to receive or a legal obligation to pay cash or another financial instrument. The DHSC GAM expands the definition of a contract to include legislation and regulations which give rise to arrangements that in all other respects would be a financial instrument and do not give rise to transactions classified as a tax by the Office for National Statistics (ONS).

This includes the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs i.e. when receipt or delivery of the goods or services is made.

Classification and measurement

Financial assets and financial liabilities are initially measured at fair value plus or minus directly attributable transaction costs except where the asset or liability is not measured at fair value through income and expenditure. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices or valuation techniques.

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases.

Financial assets are classified as subsequently measured at amortised cost.

Financial liabilities are classified as subsequently measured at amortised cost.

1.12 Financial Assets and Financial Liabilities (continued)

Financial assets and financial liabilities at amortised cost

Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable.

After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset to the amortised cost of a financial liability.

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income as a finance revenue or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets or assets measured at fair value through other comprehensive income, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

The financial assets that are subject to credit losses are trade and other receivables. There are certain categories of income that are subject to higher credit risk and these have been assessed individually. They are immaterial but are provided for at the expected credit loss when the invoice is raised. This was based upon a review of actual losses sustained by the Trust over a number of years.

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

De-recognition

Financial assets are de-recognised when the contractual rights to receive cash flows from the assets have expired or the Trust has transferred substantially all the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

1.13 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the Trust, the asset is recorded as Property, Plant and Equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The implicit interest rate is that which produces a constant periodic rate of interest on the outstanding liability.

The asset and liability are recognised at the inception of the lease, and are de-recognised when the liability is discharged, cancelled or expired. The annual rental charge 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 expense' 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.

Contingent rentals are recognised as an expense in the period in which they are incurred.

Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

1.14 Provisions

The Trust provides for legal or constructive obligations that are of uncertain timing or amount for which it is probable that there will be a future outflow of cash or other resources at the Statement of Financial Position date on the basis of the best estimate of the expenditure 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. Provisions for pensions payable are discounted at 0.29% (2017/18 0.1%).

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed at Note 16, but is not recognised in the Trust's accounts.

NHS Resolution also operates a third party liability scheme that the Trust participates in. Liability is limited to £10k per employee claim and £3k for public liability claims under this scheme.

Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any 'excesses' payable in respect of particular claims are charged to operating expenses when the liability arises.

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 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

- Possible obligations arising from past events, whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- Present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

1.16 Public Dividend Capital (PDC) and PDC Dividend

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of the establishment of the predecessor NHS Trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

At any time, the Secretary of State can issue new PDC to, and require repayments of PDC from, the Trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for:

- (i) donated assets,
- (ii) average daily cash balances held with the Government Banking Service and National Loans Fund deposits,
- (iii) any PDC dividend balance receivable or payable, and
- (iv) any balance receivable from the Provider Sustainability Fund.

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the 'pre-audit' version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result of the audit of the annual accounts.

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

The Trust has no Corporation Tax liability at present.

A consultation on revised legislation for Corporation Tax as applicable to Foundation Trust status is awaited from HM Revenue and Customs.

1.19 Third Party Assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the 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's FReM. See Note 19.

1.20 Losses and Special Payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way individual cases are handled.

Losses and Special Payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the Trust not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). Note 25 is compiled directly from the losses and compensations register which is prepared on an accruals basis with the exception of provisions for future losses.

1.21 Accounting Standards that have been issued but have not yet been adopted

The DHSC GAM does not require the following Standards and Interpretations to be applied in 2018/19. These standards have not been adopted with the FReM, and therefore not applicable to DHSC group accounts.

IFRS 14 Regulatory Deferral Accounts

Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable to DHSC group bodies.

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.

The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. The information gives a basis for users of accounts to assess the effect that leases have on the financial position, financial performance and cash flows of an entity.

DHSC have not yet indicated how this accounting standard will be applied to DHSC bodies. If the accounting standard is to be applied in full, then there will be a significant impact upon the accounts. Right of use assets will be created and depreciated. Liabilities will also be created which will be discounted and interest rates inherent to those contracts applied. There will therefore be fewer leasing expenses within the accounts and, instead, depreciation and interest charges. In addition, there could be impairment losses. The Statement of Financial Position will have the right of use assets recorded and corresponding liabilities. It is anticipated that these amounts will be material.

IFRS 17 Insurance Contracts

Application required for accounting periods beginning on or after 1 January 2021, but not yet adopted by the FReM. Early adoption is not permitted.

IFRIC 23 Uncertainty over Income Tax Treatments

Application required for accounting periods beginning on or after 1 January 2019.

1.22 Accounting Standards issued that have been adopted early

There are no accounting standards issued that have been adopted early.

1.23 Critical Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates, and the estimates and underlying assumptions are continually reviewed.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

Only key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities with the next financial year are disclosed as follows:

Contingencies

Advice from the senior executive team is taken when reporting contingencies. In addition, advice from relevant professionals external to the Trust is taken e.g. when determining whether to make a provision for a liability or whether to disclose as a contingency. However, the nature of contingencies is such that uncertainty is inherent.

Valuation of land and buildings and useful economic lives thereon

Professional valuations are obtained from the District Valuer. This includes an assessment of useful economic lives for each building. We rely upon this professional advice. If there are errors included, this would affect the value of property, plant and equipment, revaluation reserve and possibly the deficit stated in the Statement of Comprehensive Income for the year as reported in the accounts.

It is impracticable to disclose the extent of the possible effects of an assumption or another source of estimation uncertainty at the end of the reporting period. On the basis of existing knowledge, outcomes within the next financial year that are different from the assumption around the valuation of our land, property, plant and equipment could require a material adjustment of the carrying amount of the asset recorded in note 8.

For further detail see note 8.

1.24 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

2 Operating Income from patient care activities

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4.

2.1 Income from patient care activities (by nature)	2018/19	2017/18
	£000	£000
Mental health services		
Block contract income	110,080	105,055
Community services		
Income from CCGs and NHS England	108,566	105,186
Income from other sources (e.g. local authorities)	20,611	18,494
All trusts		
Private patient income	1	3
AfC pay award central funding	3,040	-
Other clinical income	4,980	4,369
Total income from patient care activities	247,278	233,107

2.2 Income from patient care activities (by source)	2018/19	2017/18
	£000	£000
NHS Foundation Trusts	5,200	4,809
CCGs and NHS England	219,460	211,253
Local Authorities	18,201	15,822
Department of Health & Social Care	3,040	-
NHS Other	219	303
Non NHS:		
- Private patients	1	3
- Overseas patients (non-reciprocal)	-	2
Injury costs recovery scheme	116	202
Non NHS: Other	1,041	713
Total income from patient care activities	247,278	233,107

Of which:		
Related to continuing operations	247,278	233,107
Related to discontinued operations	-	-
	247,278	233,107

2.3 Overseas Visitors (relating to patients charged directly by the provider)	2018/19	2017/18
	£000	£000
Income recognised this year	-	2
Cash payments received in-year	-	2
Amounts added to provision for impairment of receivables	-	-
Amounts written off in-year	-	-

2.4 Other operating income	2018/19	2017/18
	£000	£000
Other operating income from contracts with customers:		
Research and development (contract)	327	245
Education and training (excluding notional apprenticeship levy income)	3,756	3,574
Non-patient care services to other bodies	4,207	3,845
Provider Sustainability / Sustainability and Transformation Fund Income (PSF / STF)	7,867	4,749
Other contract income	1,323	532
Other non-contract operating income		
Education and training - notional income from apprenticeship fund	148	-
Receipt of capital grants and donations	212	148
Charitable and other contributions to expenditure - received from NHS Charities	32	26
Charitable and other contributions to expenditure - received from other bodies	127	-
Rental revenue from operating leases - minimum lease receipts	291	396
Other (recognised in accordance with standards other than IFRS 15)	114	-
Total other operating income	18,404	13,515
Of which:		
Related to continuing operations	18,404	13,515
Related to discontinued operations	-	-
	18,404	13,515

2.5 Income from activities arising from commissioner requested services

Under the terms of its provider licence, the Trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider license and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	2018/19 £000	2017/18 £000
Income from activities arising from Commissioner Requested Services	247,277	233,104
All other services	18,405	13,518
	<u>265,682</u>	<u>246,622</u>

2.6 Additional information on revenue from contracts with customers recognised in the period

	2018/19 £000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	981
Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods	624

2.7 Transaction price allocated to remaining performance obligations

	31 March 2019 £000
Revenue from existing contract allocated to remaining performance obligations is expected to be recognised:	
Within one year	1,374
after one year, not later than five years	-
after five years	-
Total revenue allocated to remaining performance obligations	<u>1,374</u>

The trust has exercised the practical expedients permitted by IFRS 15 paragraph 121 in preparing this disclosure. Revenue from (i) contracts with an expected duration of one year or less and (ii) contracts where the trust recognises revenue directly corresponding to work done to date is not disclosed.

2.8 Operating Lease Income

	2018/19 £000	2017/18 £000
Rental revenue from operating leases - minimum lease receipts	291	396
Total	<u>291</u>	<u>396</u>
Future minimum lease payments due on leases of buildings expiring:		
- not later than one year;	140	140
- later than one year and not later than five years;	371	487
- later than five years.	92	115
Total	<u>603</u>	<u>742</u>

2.9 Segmental Analysis

In March 2017, the Trust's operational directorate was restructured to strengthen management arrangements without losing emphasis on locality working. The Reporting Segments ensure that the Trust has the right structures and roles in place to enable us to work effectively with local authorities and other NHS organisations, manage projects using existing skills, and strengthen our functional management arrangements.

The reporting segments are as follows:

Community Services include integrated services across all our locality areas, as well as specialist services and emergency planning.

Mental Healthcare Services include Mental Health, Learning Disabilities, CAMHS, Steps to Wellbeing, Eating Disorders, Forensic Services, Psychology and Psychological Services.

Children and Young Persons include Paediatric SALT, Sexual Health Services and Children's Services Public Health (urban and rural).

Year ended 31 March 2019	Community Services	Mental Healthcare Services	Children and Young Persons	Total
	£000	£000	£000	£000
Revenues from external customers	112,520	128,972	24,190	265,682
Reportable segment surplus/(deficit)	1,756	5,694	(212)	7,238
Reversal of impairments included above:	35	447	9	491
Impairments included above:	2,035	755	86	2,876

Segmental Analysis - reconciliation of segments to statement of comprehensive income

Revenues	£000
Total revenues for reportable segments	265,682
Entity's revenues	265,682
Expenditure	
Entity's expenditure	258,444
Surplus	
Total surplus for reportable segments	7,238
Income before corporation tax expense	7,238
Of which:	
Continuing operations	7,238
Discontinued operations	-
	7,238

2.9 Segmental Analysis (continued)

In March 2017, the Trust's operational directorate was restructured to strengthen management arrangements without losing emphasis on locality working. The Reporting Segments ensure that the Trust has the right structures and roles in place to enable us to work effectively with local authorities and other NHS organisations, manage projects using existing skills, and strengthen our functional management arrangements.

The reporting segments are as follows:

Community Services include integrated services across all our locality areas, as well as specialist services and emergency planning.

Mental Healthcare Services include Mental Health, Learning Disabilities, CAMHS, Steps to Wellbeing, Eating Disorders, Forensic Services, Psychology and Psychological Services.

Children and Young Persons include Paediatric SALT, Sexual Health Services and Children's Services Public Health (urban and rural).

Year ended 31 March 2018

	Community Services	Mental Healthcare Services	Children and Young Persons	Total
	£000	£000	£000	£000
Revenues from external customers	108,481	117,498	20,643	246,622
Reportable segment (deficit)/surplus	1,451	4,626	(29)	6,048
Reversal of impairments included above:	223	15	878	1,116
Impairments included above:	18	14	629	661

Segmental Analysis - reconciliation of segments to statement of comprehensive income

Revenues

Total revenues for reportable segments
Entity's revenues

£000

246,622

246,622

Expenditure

Entity's expenditure

240,574

Surplus

Total surplus for reportable segments
Other profit or loss

6,048

-

6,048

Of which:

Continuing operations

6,048

Discontinued operations

-

6,048

3. Operating Expenses from Continuing and Discontinued Operations

3.1 Operating Expenses

	2018/19	2017/18
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	6,702	3,682
Purchase of healthcare from non-NHS and non-DHSC bodies	4,449	3,973
Purchase of social care	146	194
Staff and executive directors costs	190,244	182,218
Remuneration of non-executive directors	158	146
Supplies and services - clinical (excluding drugs costs)	9,941	9,801
Supplies and services - general	4,438	4,676
Drugs costs (drugs inventory consumed and purchase of non-inventory drugs)	2,667	2,748
Inventories written down	-	-
Consultancy costs	321	252
Establishment	2,260	2,024
Premises - business rates collected to local authorities	1,420	1,210
Premises - other	7,250	6,559
Transport (business travel only)	2,870	2,884
Transport - other (including patient travel)	970	909
Depreciation	5,971	5,647
Amortisation	333	232
Impairments net of (reversals)	2,386	(455)
Movement in credit loss allowance: contract receivables/contract assets*	212	-
Movement in credit loss allowance: all other receivables and investments*	-	(368)
Provisions (released)/arising in year	13	(2)
Change in provisions discount rate	(22)	18
Audit fees payable to the external auditor:		
Audit services - statutory audit	50	76
Other auditor remuneration (payable to external auditor only)	8	21
Internal audit - staff costs	61	64
Internal audit - non-staff	71	106
Clinical negligence - amounts payable to NHS Resolution (premium)	489	398
Legal fees	776	203
Insurance	105	101
Research and development - staff costs	229	230
Education and training - staff costs	1,874	1,869
Education and training - non-staff	1,081	1,220
Education and training - notional expenditure funded from apprenticeship fund	148	-
Operating lease expenditure (net)	4,092	4,606
Early retirements - staff costs	-	-
Redundancy costs - staff costs	1,270	82
Car parking and security	113	138
Hospitality	53	53
Other losses and special payments - non-staff	28	(76)
Other services (e.g. external payroll)	391	388
Other	929	722
Total operating expenditure	254,497	236,549
Of which		
Related to continuing operations	254,497	236,549
Related to discontinued operations	-	-
	254,497	236,549

* Following the application of IFRS 15 from 1 April 2018, the Trust's entitlements to consideration for work performed under contracts with customers are shown separately as contract receivables and contract assets. This replaces the previous analysis into trade receivables and accrued income. The items marked * above have replaced the one line disclosure "(Decrease)/increase in impairment of receivables" which was disclosed in the prior year accounts.

3.2 Limitations of Auditors' Liability

The Trust's contract with its auditor has a specified limitation of the auditors' liability of £5m (2017/18 £5m).

3.3 Arrangements containing an Operating Lease - Expenditure

Leases entered into by the Trust are generally for rent of equipment or premises. There are no special conditions attached to the leases.

	2018/19 £000	2017/18 £000
Minimum lease payments	4,092	4,606
Total	4,092	4,606

3.4 Arrangements containing an Operating Lease - Future Commitments

	2018/19 £000	2018/19 £000	2018/19 £000	2018/19 £000
Future minimum lease payments due:	Buildings	Land	Other	Total
- not later than one year	627	99	654	1,380
- later than one year and not later than five years	1,662	395	517	2,574
- later than five years	658	3,435	-	4,093
	2,947	3,929	1,171	8,047

	2017/18 £000	2017/18 £000	2017/18 £000	2017/18 £000
	Buildings	Land	Other	Total
- not later than one year	695	99	718	1,512
- later than one year and not later than five years	2,101	395	710	3,206
- later than five years	815	3,534	1	4,350
	3,611	4,028	1,429	9,068

3.5 Other Audit Remuneration

	2018/19 £000	2017/18 £000
Other auditors remuneration paid to the external auditors is analysed as follows:		
1. The auditing of accounts of any associate of the Trust	-	-
2. Audit-related assurance services	8	21
3. Taxation compliance services	-	-
4. All taxation advisory services not falling within item 3 above	-	-
5. Internal audit services (only those payable to the external auditors)	-	-
6. All assurance services not falling within items 1 to 5	-	-
7. Corporate finance transaction services not falling within items 1 to 6 above	-	-
8. All other non-audit services not falling within items 2 to 7 above	-	-
	8	21

4. Employee Expenses and Numbers

4.1 Employee Expenses

	2018/19 £000	2017/18 £000
Salaries and wages	154,203	148,156
Social Security Costs	13,077	12,607
Apprenticeship Levy	758	729
Employer contributions to NHS Pensions	19,554	18,849
Temporary staff - agency/contract staff	5,143	4,183
Total Staff Costs	192,735	184,524
Included within		
Costs capitalised as part of assets	327	143
Operating Expenditure analysed as:		
Employee Expenses - Staff & executive directors	190,244	182,218
Research & Development	229	230
Education & Training	1,874	1,869
Internal audit costs	61	64
Total Employee benefits excl. capitalised costs	192,408	184,381

The employer pension contributions above are the Trust's total employer pension contributions.
See also Note 1.5 for more information on pension costs.

4.2 Average Monthly Number of Employees (whole time equivalent basis)

	2018/19 Number Total	2017/18 Number Total
Medical and dental	118	111
Ambulance staff	4	2
Administration and estates	1,229	1,138
Healthcare assistants and other support staff	384	394
Nursing, midwifery and health visiting staff	2,625	2,534
Nursing, midwifery and health visiting learners	20	39
Scientific, therapeutic and technical staff	751	725
Healthcare science staff	20	17
Other	2	1
Total average numbers	5,153	4,961
Of which:		
Number of Employees (WTE) engaged on capital projects	5	3

4.3 Employee Benefits

Other than the employee expenses shown in note 4.1 the Trust has no other employee benefits in 2018/19 or 2017/18.

4.4 Early Retirements due to ill-health

During 2018/19, there were 5 (6 in 2017/18) early retirements from the Trust on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £307k (£256k in 2017/18) as notified by the NHS Business Services Authority - Pensions Division. The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

4.5 Exit packages

A charge of £1,283k (2017/18 £82k charge) has been recognised in the accounts in exit packages during 2018/19. The exit packages have most significantly been incurred due to various restructuring taking place in order to achieve ongoing cost savings. Details of the number of exit packages by cost band are provided in the table below.

Exit Package Cost Band	Number of Compulsory Redundancies		Number of Other Departures Agreed		Total Number of Exit Packages by Cost Band	
	2018/19	2017/18	2018/19	2017/18	2018/19	2017/18
<£10,000	3	4	1	-	4	4
£10,001 - £25,000	5	2	1	-	6	2
£25,001 - £50,000	6	1	-	-	6	1
£50,001 - £100,000	4	-	-	-	4	-
£100,001 - £150,000	4	-	-	-	4	-
£150,001 - £200,000	-	-	-	-	-	-
>£200,000	1	-	-	-	1	-
Total Number of Exit Packages by Type	23	7	2	-	25	7
Total Resource Cost £'000	1,271	82	12	-	1,283	82

Note 4.5 Exit packages: other (non-compulsory) departure payments - 2017/18	2018/19		2017/18	
	Payments Agreed Number	Total value of agreements £000	Payments Agreed Number	Total value of agreements £000
Voluntary redundancies including early retirement contractual costs	-	-	-	-
Mutually agreed resignations (MARS) contractual costs.	-	-	-	-
Early retirements in the efficiency of the service contractual costs.	-	-	-	-
Contractual payments in lieu of notice	1	10	-	-
Exit payments following Employment Tribunals or court orders.	1	2	-	-
Non-contractual payments requiring Her Majesty's Treasury approval	-	-	-	-
Total	2	12	-	-
Of which: non-contractual payments, requiring HMT approval, made to individuals where the payment value was more than 12 months of their annual salary	-	-	-	-

4.6 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 accounts do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2019, is based on valuation data as 31 March 2018, updated to 31 March 2019 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019. The Department of Health and Social Care have recently laid Scheme Regulations confirming that the employer contribution rate will increase to 20.6% of pensionable pay from this date.

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

The estimated employer contributions to the NHS Pension Scheme for 2019/20 are £19,819k.

5.1 Finance Revenue	2018/19 £000	2017/18 £000
Interest on bank accounts	255	102
Total finance revenue	<u>255</u>	<u>102</u>

5.2 Finance Expense	2018/19 £000	2017/18 £000
Interest on late payment of commercial debt	1	-
Unwinding of discounts on provisions	1	3
Total finance expense	<u>2</u>	<u>3</u>

5.3 The Late Payment of Commercial Debts (Interest) Act 1998 / Public Contract Regulations 2015

	2018/19 £000	2017/18 £000
Total liability accruing in year under this legislation as a result of late payments legislation	<u>102</u>	<u>31</u>
Compensation paid to cover debt recovery costs under this legislation	<u>-</u>	<u>-</u>

6 Impairment of assets

6.1 Net impairments charged to operating surplus/deficit resulting from:	2018/19 £000	2017/18 £000
Changes in market price	760	(455)
Other	<u>1,626</u>	<u>-</u>
Total net impairments charged to operating surplus/deficit	<u>2,386</u>	<u>(455)</u>
Impairments charged to the revaluation reserve	<u>1,159</u>	<u>2,012</u>
Total net impairments	<u>3,545</u>	<u>1,557</u>

6.2 Other gains/(losses)	2018/19 £000	2017/18 £000
Gains on disposal of property, plant and equipment	175	18
Losses on disposal of property, plant and equipment	(18)	(103)
Total gains/(losses) on disposal of property, plant and equipment	<u>157</u>	<u>(85)</u>

Non-current assets disposed in 2018/19 and 2017/18 do not relate to Commissioner Requested Service assets.

7.1 Intangible Assets

	31 March 2019 Software licences	31 March 2018 Software licences
	£000	£000
Gross cost at 1 April	1,830	1,075
Additions purchased	1,135	755
Gross cost at 31 March	2,965	1,830
Amortisation at 1 April	481	249
Provided during the year	333	232
Amortisation at 31 March	814	481
Net book value		
NBV - Purchased at 1 April	1,291	753
NBV - Donated at 1 April	58	73
NBV - Total at 1 April	1,349	826
NBV - Purchased at 31 March	2,109	1,291
NBV - Donated at 31 March	42	58
NBV - Total at 31 March	2,151	1,349

*Split of purchased and donated assets restated.

7.2 Intangible Assets acquired by Government Grant

The Trust had no intangible assets acquired by government grant in either 2018/19 or 2017/18.

7.3 Economic Life of Intangible Assets

The economic life of purchased software is between 5 and 7 years.

8. Property, Plant and Equipment

8.1 Property, Plant and Equipment 2018/19

	Land	Buildings excluding Dwellings	Dwellings	Assets under Construction and POA*	Plant and Machinery	Transport Equipment	Information Technology	Furniture & Fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/Gross Cost at 1 April 2018	39,750	106,370	656	-	10,404	1,249	9,433	2,061	169,923
Additions - purchased	-	7,885	-	442	713	82	2,819	10	11,951
Additions - grants/donations of cash to purchase assets	-	137	-	-	75	-	-	-	212
Impairments charged to operating expenses	-	(3,257)	-	-	-	-	-	-	(3,257)
Impairments charged to the revaluation reserve	-	(1,765)	-	-	-	-	-	-	(1,765)
Reversal of impairments credited to operating expenses	-	491	-	-	-	-	-	-	491
Revaluations	2,180	67	139	-	-	-	-	-	2,386
Transfers to/from assets held for sale and assets in disposal groups	(245)	(225)	(106)	-	-	-	-	-	(576)
Disposals	-	-	-	-	(86)	(106)	(790)	(12)	(994)
Valuation/Gross Cost at 31 March 2019	41,685	109,703	689	442	11,106	1,225	11,462	2,059	178,371
Accumulated depreciation at 1 April 2018 as previously stated	-	5,504	9	-	7,180	672	5,425	1,788	20,578
Provided during the year	-	2,878	22	-	1,111	143	1,646	171	5,971
Impairments charged to operating expenses	-	(380)	-	-	-	-	-	-	(380)
Impairments charged to the revaluation reserve	-	(606)	-	-	-	-	-	-	(606)
Revaluations	-	(1,563)	(17)	-	-	-	-	-	(1,580)
Transfers to/from assets held for sale and assets in disposal groups	-	(7)	(5)	-	-	-	-	-	(12)
Disposals	-	-	-	-	(80)	(96)	(778)	(12)	(966)
Accumulated depreciation at 31 March 2019	-	5,826	9	-	8,211	719	6,293	1,947	23,005
Net book value									
NBV - Owned at 1 April 2018	39,750	92,450	647	-	3,049	564	4,000	268	140,728
NBV - Finance Lease at 1 April 2018	-	2,931	-	-	-	-	-	-	2,931
NBV - Donated at 1 April 2018	-	5,485	-	-	175	13	8	5	5,686
NBV Total at 1 April 2018	39,750	100,866	647	-	3,224	577	4,008	273	149,345
NBV - Owned at 31 March 2019	41,685	95,183	680	442	2,723	498	5,163	109	146,483
NBV - Finance Lease at 31 March 2019	-	3,333	-	-	-	-	-	-	3,333
NBV - Donated at 31 March 2019	-	5,361	-	-	172	8	6	3	5,550
NBV Total at 31 March 2019	41,685	103,877	680	442	2,895	506	5,169	112	155,366

* POA - Payments on Account

8. Property, Plant and Equipment (continued)

8.2 Property, Plant and Equipment 2018/19

Land, buildings excluding dwellings, and dwellings have been revalued as at 31 March 2019 using the valuation as at 28 February 2019 as an approximation for the year end value. This was a full valuation. This valuation was carried out by the District Valuers (independent, professionally qualified valuers) from the Valuation Office Agency, which is an executive agency of HM Revenue and Customs. The valuations were carried out in accordance with the Royal Institute of Chartered Surveyors' Appraisal and Valuation Standards, in so far as these terms are consistent with the currently applicable and agreed requirements of HM Treasury and the Trust Regulator, NHS Improvement. In carrying out these valuations, Modern Equivalent Asset basis was used. In arriving at the valuation, the District Valuer considered alternative sites, and values for alternative sites were used where appropriate. The valuation resulted in a £0.4m increase in the land and buildings values in year.

The additions to donated assets in the year are disclosed at market value in existing use and there are no restrictions on use.

Details of useful economic lives are as follows:

Buildings and dwellings have useful economic lives of between 10 and 86 years;

Plant and machinery have useful economic lives of between 5 and 20 years;

Furniture and fittings have useful economic lives of between 5 and 18 years;

IT equipment items have useful economic lives of between 5 years and 15 years, except in the case of servers, which have useful economic lives of 8 years; and

Transport equipment items have useful economic lives of between 5 and 7 years.

8. Property, Plant and Equipment (continued)

8.3 Property, Plant and Equipment 2017/18

	Land	Buildings excluding Dwellings	Dwellings	Plant and Machinery	Transport Equipment	Information Technology	Furniture & Fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/Gross Cost at 1 April 2017	39,700	98,753	735	9,660	1,062	8,191	2,148	160,249
Additions - purchased	-	8,629	-	1,051	227	1,836	11	11,754
Additions - grants/donations of cash to purchase assets	-	148	-	-	-	-	-	148
Impairments charged to operating expenses	-	(691)	-	-	-	-	-	(691)
Impairments charged to the revaluation reserve	(20)	(2,565)	(100)	-	-	-	-	(2,685)
Reversal of impairments credited to operating expenditure	-	1,113	3	-	-	-	-	1,116
Revaluations	-	904	18	-	-	-	-	922
Transfers to/from assets held for sale and assets in disposal groups	70	86	-	-	-	-	-	156
Disposals	-	(7)	-	(307)	(40)	(594)	(98)	(1,046)
Valuation/Gross Cost at 31 March 2018	39,750	106,370	656	10,404	1,249	9,433	2,061	169,923
Accumulated depreciation at 1 April 2017	-	5,257	9	6,350	585	4,405	1,663	18,269
Provided during the year	-	2,623	25	1,102	127	1,548	222	5,647
Impairments charged to operating expenses	-	(30)	-	-	-	-	-	(30)
Impairments charged to the revaluation reserve	-	(664)	(9)	-	-	-	-	(673)
Revaluations	-	(1,677)	(16)	-	-	-	-	(1,693)
Transfers to/from assets held for sale and assets in disposal groups	-	1	-	-	-	-	-	1
Disposals	-	(6)	-	(272)	(40)	(528)	(97)	(943)
Accumulated depreciation at 31 March 2018	-	5,504	9	7,180	672	5,425	1,788	20,578
Net book value								
NBV - Owned at 1 April 2017	39,700	85,510	726	3,039	456	3,777	478	133,686
NBV - Finance Lease at 1 April 2017	-	2,673	-	-	-	-	-	2,673
NBV - Donated at 1 April 2017	-	5,313	-	271	21	9	7	5,621
NBV Total at 1 April 2017	39,700	93,496	726	3,310	477	3,786	485	141,980
NBV - Owned at 31 March 2018	39,750	92,450	647	3,049	564	4,000	268	140,728
NBV - Finance Lease at 31 March 2018	-	2,931	-	-	-	-	-	2,931
NBV - Donated at 31 March 2018	-	5,485	-	175	13	8	5	5,686
Total at 31 March 2018	39,750	100,866	647	3,224	577	4,008	273	149,345

8. Property, Plant and Equipment (continued)

8.4 Property, Plant and Equipment 2017/18

Land, buildings excluding dwellings, and dwellings have been revalued as at 31 March 2018 using the valuation as at 28 February 2018 as an approximation for the year end value. This valuation was carried out by the District Valuers (independent, professionally qualified valuers) from the Valuation Office Agency, which is an executive agency of HM Revenue and Customs. The valuations were carried out in accordance with the Royal Institute of Chartered Surveyors' Appraisal and Valuation Standards, in so far as these terms are consistent with the currently applicable and agreed requirements of HM Treasury and the Trust Regulator, NHS Improvement. In carrying out these valuations, Modern Equivalent Asset basis was used. In arriving at the valuation, the District Valuer considered alternative sites, and values for alternative sites were used where appropriate. The valuation resulted in a £1m increase in the land and buildings values in year.

The additions to donated assets in the year are disclosed at market value in existing use and there are no restrictions on use.

Details of useful economic lives are as follows:

Buildings and dwellings have useful economic lives of between 8 and 85 years;
 Plant and machinery have useful economic lives of between 5 and 8 years;
 Furniture and fittings have useful economic lives of between 5 and 18 years;
 IT equipment items have useful economic lives of between 5 years and 15 years, except in the case of servers, which have useful economic lives of 8 years; and
 Transport equipment items have useful economic lives of between 5 and 7 years.

9. Assets held under finance leases

9.1 Net book value of assets held under finance leases at the balance sheet date

	Total £000	Land £000	Buildings excluding dwellings £000	Plant & Machinery £000
Net Book Value at 31 March 2019	3,333	-	3,333	-
Net Book Value at 31 March 2018	2,931	-	2,931	-

There are two buildings which are treated as owned where the sites are subject to long leases. The amounts payable are peppercorn amounts so do not result in a finance lease liability.

9.2 The total amount of depreciation charged to the income and expenditure account in respect of assets held under finance leases and hire purchase contracts

	Total £000	Land £000	Buildings excluding dwellings £000	Plant & Machinery £000
Depreciation 2018/19	74	-	74	-
Depreciation 2017/18	317	-	317	-

10. Non-Current Assets Held for Sale and Assets in Disposal Groups 2018/19

	Total £000	Property, Plant and Equipment £000
NBV of non-current assets for sale and assets in disposal groups at 1 April 2018	-	-
Plus assets classified as available for sale in the year	564	564
Less assets sold in the year	(196)	(196)
NBV of non-current assets for sale and assets in disposal groups at 31 March 2019	368	368

10.1 Non-Current Assets Held for Sale and Assets in Disposal Groups 2017/18

	Total £000	Property, Plant and Equipment £000
NBV of non-current assets for sale and assets in disposal groups at 1 April 2017	155	155
Plus assets classified as available for sale in the year	-	-
Less assets sold in the year	-	-
Less assets no longer classified as held for sale, for reasons other than disposal by sale	(155)	(155)
NBV of non-current assets for sale and assets in disposal groups at 31 March 2018	-	-

The non-current assets held for sale are properties, encompassing land and buildings excluding dwellings. Following a review of the Trust's properties, the properties included in assets held for sale were considered to be surplus to requirements. These properties are not commissioner requested services properties and their disposal does not impact upon the Trust's Commissioner Requested Services.

11. Investments

The Trust has a fixed asset investment of £1 in Ansbury Limited, a company limited by guarantee and registered in England. The Trust is one of 15 members, as at 31 March 2019. There is no requirement to consolidate the financial results of this company in the Trust's accounts.

Dorset HealthCare Charitable Fund is considered to be a subsidiary of the Trust. Whilst the Trust does not have any investment in the Charitable Fund, the Trustees of the Charitable Fund are all members of the Trust's board and so is deemed to have control over the Charitable Fund. It is normally a requirement to consolidate subsidiaries where significant and the Trust has taken the decision not to consolidate on the basis that the Charitable Fund is not material to the Trust's accounts.

The principal place of business of the Charitable Fund and the Trust is Sentinel House, 4-6 Nuffield Road, Poole, Dorset, BH17 0RB.

Funds within the Charitable Fund are to be used for the objects of the Charitable Fund. These are to benefit the staff and patients of the Trust. These funds cannot be used to settle NHS (the Trust) expenditure.

12. Inventories

12.1 Inventories	31 March 2019	31 March 2018
	£000	£000
Drugs	149	138
Consumables	44	63
Other	591	600
	784	801

12.2 Inventories Recognised in Expenses	2018/19	2017/18
	£000	£000
Inventories recognised as an expense in the year	3,321	3,003
	3,321	3,003

13. Receivables

13.1 Trade and Other Receivables

Current	31 March 2019	31 March 2018
	£000	£000
Contract receivables *	6,531	-
Contract receivables (IFRS 15): not yet invoiced / non-invoiced *	6,496	-
Trade receivables *	-	3,542
Accrued income *	-	3,322
Allowance for impaired contract receivables / assets	(394)	-
Allowance for other impaired receivables	(40)	(229)
Prepayments (Non-PFI)	1,906	1,727
PDC dividend receivable	-	276
VAT receivable	526	498
Other receivables	1,170	1,469
Total current trade and other receivables	16,195	10,605
Total trade and other receivables	16,195	10,605
Of which receivables from NHS and DHSC group bodies:	11,635	6,936

* Following the application of IFRS 15 from 1 April 2018, the trust's entitlements to consideration for work performed under contracts with customers are shown separately as contract receivables and contract assets. This replaces the previous analysis into trade receivables and accrued income. IFRS 15 is applied without restatement therefore the comparative analysis of receivables has not been restated under IFRS15.

13. Receivables (continued)

13.2 Allowances for credit losses - 2018/19

	Total £000	Contract receivables and contract assets £000	All other receivables £000
Allowances as at 1 Apr 2018 - brought forward	229	-	229
Impact of implementing IFRS 9 (and IFRS 15) on 1 April 2018	1	182	(181)
New allowances arising	290	283	7
Reversals of allowances	(78)	(71)	(7)
Utilisation of allowances (write offs)	(8)	-	(8)
Allowances as at 31 Mar 2019	434	394	40

13.3 Allowances for credit losses - 2017/18

	31 March 2018 £000
At 1 April 2017	599
Increase in provision	25
Amounts utilised	(2)
Unused amounts reversed	(393)
At 31 March 2018	229

13.4 Impact of IFRS 9 implementation on allowance for doubtful debts as at 1 April 2018

	1 April 2018 2018/19 £000
Allowance for doubtful debts (credit losses) under IAS 19 as at 31 March 2018	
Trade and other receivables - with DHSC group bodies	56
Trade and other receivables - with other bodies	173
Total at 31 March 2018 under IAS 39	229
Allowance for doubtful debts (credit losses) under IFRS 9 as at 1 April 2018	
Contract receivables and contract assets - with DHSC group bodies	56
Contract receivables and contract assets - with other bodies	126
All other receivables (excluding non-financial assets) - with other bodies	48
Total at 1 April 2018 under IFRS 9	230
Change in loss allowance arising from application of IFRS 9	1

13.5. Analysis of financial assets past due or impaired

	31 March 2019 £000	31 March 2018 £000
Ageing of impaired financial assets:		
In 0 to 30 days	267	-
In 30 to 60 days	-	1
In 60 to 90 days	1	-
In 90 to 180 days	8	5
In over 180 days	158	223
TOTAL	434	229
	31 March 2019 £000	31 March 2018 £000
Ageing of non-impaired receivables past their due date:		
In 0 to 30 days	737	847
In 30 to 60 days	680	594
In 60 to 90 days	656	169
In 90 to 180 days	1,801	390
In over 180 days	340	181
TOTAL	4,214	2,181

14. Trade and Other Payables

	31 March 2019 £000	31 March 2018 £000
Current		
Trade payables	4,741	3,852
Capital payables (including capital accruals)	1,409	3,137
Accruals (revenue costs only)	6,222	6,017
Social security costs	3,716	3,484
PDC dividend payable	138	-
Other payables	2,814	3,865
Total trade and other payables	19,040	20,355
Of which payable to NHS and DHSC group bodies:	3,654	2,473

15. Other liabilities

	31 March 2019 £000	31 March 2018 £000
Current		
Deferred income: contract liability (IFRS 15)	1,374	-
Deferred income: other (non-IFRS 15)	1	-
Total other current liabilities	1,375	-

16. Provisions

	Pensions - other staff £000	Pensions: Injury benefits * £000	Other legal claims £000	Redundancy £000	Other £000	Total £000
At 1 April 2018	233	898	97	42	1,958	3,228
Change in the discount rate	(2)	(20)	-	-	-	(22)
Arising during the year	13	6	102	643	825	1,589
Utilised during the year - accruals	(6)	(8)	-	-	(16)	(30)
Utilised during the year - cash	(16)	(25)	(20)	-	(357)	(418)
Reversed unused	-	-	(94)	(42)	(61)	(197)
Unwinding of discount rate	-	1	-	-	-	1
At 31 March 2019	222	852	85	643	2,349	4,151
Expected timing of cash flows:						
- not later than one year;	21	31	85	643	1,716	2,496
- later than one year and not later than five years;	87	122	-	-	410	619
- later than five years	114	699	-	-	223	1,036
TOTAL	222	852	85	643	2,349	4,151

The provision under "Other Legal claims" is in respect of the Trust's net liability for claims made against the Trust under the Liability to Third Parties Scheme as administered on the Trust's behalf by NHS Resolution, and relates to 13 outstanding cases (2017/18 14 cases). The Trust's liability is capped at £10k per employee case and £3k for public liability cases.

Redundancy provisions have arisen from restructuring.

Other provisions arise from employment issues, dilapidation to property and other contractual obligations.

A provision of £3,107k is included in the provisions of NHS Resolution at 31 March 2019 (£4,062k at 31 March 2018) in respect of clinical negligence liabilities of the Trust.

* In 2018/19 the analysis of provisions has been revised to separately identify provisions for injury benefit liabilities. In previous periods, these provisions were included within other provisions.

17. Revaluation Reserve

	Total Revaluation Reserve	Revaluation Reserve - property, plant and equipment	Revaluation Reserve - assets held for sale
	£000	£000	£000
Revaluation reserve at 1 April 2018	45,396	45,396	-
Net Impairments	(1,159)	(1,159)	-
Revaluations	3,966	3,966	-
Transfer to I&E reserve upon asset disposal	(224)	-	(224)
Other reserve movements	-	(224)	224
Revaluation reserve at 31 March 2019	47,979	47,979	-
Revaluation reserve at 1 April 2017	44,793	44,632	161
Net Impairments	(2,012)	(2,012)	-
Revaluations	2,615	2,615	-
Asset disposals	-	-	-
Other reserve movements	-	161	(161)
Revaluation reserve at 31 March 2018	45,396	45,396	-

18. Cash and Cash Equivalents

	31 March 2019	31 March 2018
	£000	£000
At 1 April	31,244	32,036
Net change in year	2,015	(792)
At 31 March	33,259	31,244
31 March 2019	31 March 2018	
	£000	£000
Broken down into:		
Cash at commercial banks and in hand	574	746
Cash with the Government Banking Service	32,685	30,498
Cash and cash equivalents as in SoFP	33,259	31,244
Cash and cash equivalents as in SoCF	33,259	31,244

19. Third Party Assets held by the Trust

The Trust held £115k (2017/18 £130k) in bank accounts on behalf of third parties. These amounts are not included within the Trust's accounts.

20. Contractual Capital Commitments

Commitments under capital expenditure contracts at 31 March 2019 were £2,521k (£1,469k at 31 March 2018) in respect of property, plant and equipment and £147k (£9k at 31 March 2018) in respect of intangible assets.

21. Other Financial Commitments

The Trust's commitment to making payments under non-cancellable contracts (which are not leases, PFI contracts or other service concession arrangements) as at 31st March 2019 are as follows, analysed by the period during which the payment is made:

	31 March 2019
	£000
Not later than 1 year	1,002
After 1 year and not later than 5 years	210
Paid thereafter	-
Total	1,212

22. Events after the Reporting Period

There are no events after the reporting period to disclose.

23. Related Party Transactions

The Trust is a body corporate established by order of the Secretary of State for Health.

The Department of Health and Social Care (DHSC) is regarded as a related party. HMRC is regarded as a related party of the DHSC. During the year the Trust has had a significant number of material transactions with the Department of Health, and with other entities (and or/their predecessor bodies) for which the Department is regarded as the parent organisation. These entities are listed below.

Related parties of minister and senior managers at the DHSC include The Centre for Mental Health, The London School of Hygiene and Tropical Medicine and Cambridge University. Transactions between the Trust and these bodies are set out below:

John Carvel (Non-Executive Director) is a panel member for National Data Guardian for Health and Care. Arms length transactions and balances are set out below.

John McBride (Non-Executive Director) is an elected council member of the RNLI in an advisory and voluntary role and an Audit Committee member at the RNLI. Arms length transactions and balances are set out below.

Belinda Phipps (Non-Executive Director) holds shares in GlaxoSmithKline plc and Interim CEO of the British Medical Association. Arms length transactions and balances are set out below.

Nick Yeo's (Non-Executive Director) son-in-law is a Management Trainee at Dorset CCG. Arms length transactions and balances are set out below.

Dawn Dawson (Director of Nursing Therapies & Quality) has a close family member who is an HR Business Partner in Somerset CCG. Arms length transactions and balances are set out below.

Nicola Plumb (Director for Organisational Development and Corporate Affairs) is a Trustee of Essential Drug and Alcohol Services (EDAS). Her partner is a Director at Salisbury Hospital NHS FT. Arms length transactions and balances are set out below.

Steven Tompkins (Medical Director) has a bank contract with Royal Bournemouth & Christchurch Hospital (RBCH). Arms length transactions and balances are set out below.

During the year none of the other Board Members or members of the key management staff or parties related to them has undertaken any material transactions with Dorset HealthCare University NHS Foundation Trust, with the exception of the contractual pay which has been disclosed in the Remuneration Report within the Directors' Report.

23. Related Party Transactions (continued)

Transaction values with related trading organisations:	2018/19 Income £000	2018/19 Expenditure £000	31 March 2019 Receivables £000	31 March 2019 Payables £000
NHS Dorset Clinical Commissioning Group	208,105	3,281	-	1,637
NHS Somerset Clinical Commissioning Group	152	-	1	-
NHS England	15,894	4	6,381	56
NHS Pension Scheme	-	19,530	-	2,628
Poole Hospital NHS Foundation Trust	1,822	2,072	1,504	769
Salisbury Hospital NHS Foundation Trust	52	171	15	54
The RBCH NHS Foundation Trust	529	2,925	272	211
Dorset County Council	17,326	350	237	391
NHS Retirement Fellowship	174	2	-	-
Department of Health	3,174	5	-	-
Other DHSC Bodies	10,140	2,899	3,406	822
HMRC	-	13,821	525	3,716
Other Local Authority bodies	1,316	498	218	743
Other WGA bodies	76	5	-	-
NHS Property Services	-	281	-	41
NHS Resolution	-	489	-	-
Health Education England	3,519	10	56	119
Care Quality Commission	-	183	-	-
National Data Guardian for Health and Care	-	1	-	-
GlaxoSmithKline	-	1	-	-
British Medical Association	-	7	-	-
RNLI	-	0	-	-
EDAS	-	0	-	-
London School of Hygiene & Tropical Medicine	1	-	-	-
Centre for Mental Health	-	0	-	-
Cambridge University	-	0	-	-

The Trust has also received revenue of non material amounts from Dorset HealthCare Charitable Fund where the Trustees are also the members of the Trust Board.

The independently reviewed accounts for Dorset HealthCare Charitable Fund are available from the Trust.

The Trust also has an investment relationship with Ansbury Limited from 2009/10. There were no material transactions with this entity in 2018/19 or 2017/18.

There are no material transactions that have been concluded under non market conditions.

23. Related Party Transactions (continued)

Transaction values with related trading organisations:	2017/18 Income £000	2017/18 Expenditure £000	31 March 2018 Receivables £000	31 March 2018 Payables £000
NHS Dorset Clinical Commissioning Group	200,822	3,200	718	800
NHS England	12,326	(47)	3,199	117
NHS Pension Scheme	-	18,838	-	2,548
Poole Hospital NHS Foundation Trust	1,382	1,938	601	542
Dorset County Council	15,181	533	328	319
NHS Retirement Fellowship	147	-	-	-
Department of Health	261	4	5	-
Other DHSC Bodies	9,598	3,722	2,104	918
HMRC	-	13,333	-	3,484
Other Local Authority bodies	1,091	477	283	465
Other WGA bodies	3	-	499	-
NHS Property Services	-	305	-	78
NHS Resolution	-	398	-	-
NHS Digital	-	-	-	-
NHS Business Services Authority	-	611	-	-
Health Education England	3,663	11	34	17
Care Quality Commission	-	246	-	-
National Data Guardian for Health and Care	-	1	-	-
RNLI	-	-	-	-
GlaxoSmithKline	-	6	-	-
EDP Drug and Alcohol Services	-	50	-	-
The Kings Fund	-	6	-	-
Stroke Association	-	35	-	-

NHS Dorset Clinical Commissioning Group made a contribution towards capital of £22k (2016/17 £nil).

In addition, the Trust has had a number of material transactions with other Government Departments and other central and local Government bodies.

The Trust has also received revenue of non material amounts from Dorset HealthCare Charitable Fund where the Trustees are also the members of the Trust Board.

The independently reviewed accounts for Dorset HealthCare Charitable Fund are available from the Trust.

The Trust also has an investment relationship with Ansbury Limited from 2009/10. There were no material transactions with this entity in 2018/19 or 2017/18.

There are no material transactions that have been concluded under non market conditions.

24. Financial Instruments

24.1 Financial Assets by Category

Carrying values of financial assets as at 31 March 2019 under IFRS 9	Total £000	Held at amortised cost £000
Trade and other receivables (excluding non financial assets) - with NHS and DHSC bodies (at 31 March 2019)	11,619	11,619
Trade and other receivables (excluding non financial assets) - with other bodies (at 31 March 2019)	2,144	2,144
Cash and cash equivalents at bank and in hand (at 31 March 2019)	33,259	33,259
Total at 31 March 2019	47,022	47,022

The difference between trade receivables and other receivables shown in note 13.1 and note 24.1 relates to non-financial assets which are prepayments £1,906k and VAT receivable £526k.

24. Financial Instruments (continued)

24.1 Financial Assets by Category (continued)

Carrying values of financial assets as at 31 March 2018 under IAS 39	Total £000	Loans and receivables £000
Trade and other receivables (excluding non financial assets) - with NHS and DHSC bodies (at 31 March 2018)	6,649	6,649
Trade and other receivables (excluding non financial assets) - with other bodies (at 31 March 2018)	1,455	1,455
Cash and cash equivalents at bank and in hand (at 31 March 2018)	31,244	31,244
Total at 31 March 2018	39,348	39,348

The difference between trade receivables and other receivables shown in note 13.1 and note 24.1 relates to non-financial assets which are prepayments £1,727k, VAT receivable £498k and PDC Dividend receivable £276k.

IFRS 9 Financial Instruments is applied retrospectively from 1 April 2018 without restatement of comparatives. As such, comparative disclosures have been prepared under IAS 39 and the measurement categories differ to those in the current year analysis. Amounts disclosed under 'loans and receivables' above are disclosed in 2018/19 as 'held at amortised cost'. The impact of applying IFRS 9 to balances at 1 April 2018 has been to reduce Trade and Other Receivables - with other bodies by £1k due to a change in measurement attribute.

24.2 Financial Liabilities by Category

Carrying values of financial liabilities as at 31 March 2019 under IFRS 9	Total	Held at amortised cost £000
Trade and other payables (excluding non financial liabilities) - with NHS and DHSC bodies	3,516	3,516
Trade and other payables (excluding non financial liabilities) - with other bodies	10,033	10,033
Provisions under contract	3,077	3,077
Total at 31 March 2019	16,626	16,626

The difference between trade and other payables shown in note 14 and note 24.2 relate to non-financial liabilities of £1,637k shown in Other Payables, £3,716k shown in Taxes payable and PDC payable of £138k. Provisions are shown in note 16. The difference between note 16 and note 24.2 relate to non-financial liabilities of Pensions - other staff, and £852k Injury Benefit.

Carrying values of financial liabilities as at 31 March 2018 under IAS 39	Total £000	Other financial liabilities £000
Trade and other payables (excluding non financial liabilities) - with NHS and DHSC bodies	2,463	2,463
Trade and other payables (excluding non financial liabilities) - with other bodies	11,838	11,838
Provisions under contract	2,097	2,097
Total at 31 March 2018	16,398	16,398

The difference between trade and other payables shown in note 14 and note 24.2 relate to non-financial liabilities of £2,570k shown in Other Payables and £3,484k shown in Taxes payable. Provisions are shown in note 16. The difference between note 16 and note 24.2 relate to non-financial liabilities of Pensions - other staff, and £898k shown in Other.

IFRS 9 Financial Instruments is applied retrospectively from 1 April 2018 without restatement of comparatives. As such, comparative disclosures have been prepared under IAS 39 and the measurement categories differ to those in the current year analysis. Amounts disclosed under 'other financial liabilities' are now disclosed under 'held at amortised cost'.

24. Financial Instruments (continued)**24.3 Maturity of Financial Liabilities**

	31 March 2019 £000	31 March 2018 £000
In one year or less	15,992	15,749
In more than one year but not more than two years	85	42
In more than two years but not more than five years	326	87
In more than five years	223	520
Total financial liabilities	16,626	16,398

24.4 Financial Instruments - Risks**Market risk**

(a) Interest rate risk - The Trust's financial assets and liabilities carry nil, variable and fixed rates of interest. Variable rates are applicable to the Trust's deposit accounts, the most significant of which is with the Government Banking Service (GBS). GBS interest rate varies in line with the Bank of England base rates. Other deposits are placed with other organisations for a maximum of 3 months. The rate is agreed in advance which reduces the interest rate risk. The Trust is therefore not exposed to significant interest rate risk.

(b) Currency risk - The Trust has no significant foreign currency transactions and is therefore not exposed to significant currency risk.

(c) Credit and liquidity risk - The Trust's significant operating income is incurred under contracts with local NHS Clinical Commissioning Groups, NHS England and Local Authorities, which are financed from resources voted annually by Parliament. The Trust finances its capital expenditure from internally generated funds. The Trust is therefore not exposed to significant credit or liquidity risks.

24.5 Fair Values of non-current Financial Liabilities at 31 March 2019 and at 31 March 2018

Fair value is not different to carrying value.

25. Losses and Special Payments

	31 March 2019		31 March 2018	
	£000	Number	£000	Number
Cash losses	7	37	3	41
Fruitless payments and constructive losses	-	2	1	5
Bad debts and claims abandoned (excluding NHS Bodies)	1	70	1	24
Damage to buildings and property etc.	1	1	-	1
Compensation under legal obligation	-	-	-	-
Special payments - ex-gratia payments	9	19	34	19
Special severance payments	-	-	-	-
Extra statutory and regulatory	-	-	-	-
	18	129	39	90

The ex-gratia payments made were in respect of loss of personal effects/ compensation.

There were no cases exceeding £300,000 for the current year (2017/18 no cases).

These amounts are reported on an accruals basis but exclude provisions for future losses.

26. Pooled Budget Arrangements

From 1 April 2015 community equipment has been part of the Better Care Fund. Dorset CCG is the only health partner signatory on the Section 75 Agreement for the Better Care Fund, as such Dorset CCG will be the only health partner to appear on this year's Partnership Account issued by Bournemouth Council, and so it will show only the total health partner funding amount of £5,058k. This is the total of the 5 Health bodies listed below.

The risk share liability for the health partners is shown below under partner allocation: CCG £235,014. Of this Dorset HealthCare's share is nil.

The Trust was part of the Integrated Community Equipment Store Section 75 Agreement for 2014/15 which has since been transferred to a Better Care Fund in 2015/16. The relevant information for the 2017/18 pooled budget is as follows:

Gross Partner Funding :**Investment and Risk as per Section 75 Agreement**

	Cash £	Staff £	Other £	Total £	
Bournemouth Borough Council	636,562	-	-	636,562	7.96%
Borough of Poole	592,464	-	-	592,464	7.41%
Dorset County Council	1,413,120	-	-	1,413,120	17.66%
Dorset CCG	1,404,707	-	-	1,404,707	17.56%
Dorset HealthCare University NHS FT	3,232,000	-	-	3,232,000	40.40%
The Royal Bournemouth & Christchurch Hospitals NHS FT	353,604	-	-	353,604	4.42%
Dorset County Hospital NHS FT	188,529	-	-	188,529	2.36%
Poole Hospital NHS FT	178,721	-	-	178,721	2.23%
	7,999,707	-	-	7,999,707	100.00%
Partner allocation: Local Authority	115,753	-	-	115,753	
Partner allocation: CCG	235,014	-	-	235,014	
Total Funding	8,350,474	-	-	8,350,474	
Expenditure					
Integrated Equipment Service	8,350,474	-	-	8,350,474	
Total Expenditure	8,350,474	-	-	8,350,474	
Net underspend/(overspend)		-	-	-	

The Trust was part of Section 75 Agreement for 2016/17. Pooled budget is as follows:

Gross Partner Funding :**Investment and Risk as per Section 75 Agreement**

	Cash £	Staff £	Other £	Total £	
Bournemouth Borough Council	636,562	-	-	636,562	7.96%
Borough of Poole	592,464	-	-	592,464	7.41%
Dorset County Council	1,313,120	-	-	1,313,120	16.40%
Dorset CCG	1,143,845	-	-	1,143,845	14.30%
Dorset HealthCare University NHS FT	3,200,000	-	-	3,200,000	39.99%
The Royal Bournemouth & Christchurch Hospitals NHS FT	350,103	-	-	350,103	4.38%
Dorset County Hospital NHS FT	186,662	-	-	186,662	2.33%
Poole Hospital NHS FT	176,951	-	-	176,951	2.21%
	7,599,707	-	-	7,599,707	95.00%
Partner allocation: Local Authority	32,685	-	-	32,685	
Partner allocation: CCG	66,359	-	-	66,359	
Total Funding	7,698,751	-	-	7,698,751	
Expenditure					
Integrated Equipment Service	7,698,751	-	-	7,698,751	
Total Expenditure	7,698,751	-	-	7,698,751	
Net underspend/(overspend)		-	-	-	

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