



Hampshire Hospitals
NHS Foundation Trust

Annual Report and Accounts

2018/19



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Hampshire Hospitals NHS Foundation Trust
Annual Report for the year ended 31 March 2019

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Chairman's Introduction

I am pleased to lay before Parliament the Annual Report and Accounts of Hampshire Hospitals NHS Foundation Trust (HHFT) for the year ending 31 March 2019.

As Chairman of the Trust from 1 January 2019 it is fitting that I start by paying tribute to my predecessor, Elizabeth Padmore, who ended her term of office after nine years in post on 31 December 2018. Liz's commitment and dedication to the Trust were outstanding and she championed the issues faced by acute Trusts at national level ensuring that HHFT's voice was heard on a wider stage. Liz cared passionately about our patients and staff and the Trust's CARE values are a lasting legacy to her. I would like to place on record my thanks to Liz on behalf of our board, Council of Governors, staff and patients for her outstanding contribution to the Trust.

I have always believed that the success of an organisation is defined by its people, and it was very clear to me from my first introduction to the Trust that we have committed and dedicated staff here who want to provide the best care for our patients, whatever their role. Our high ratings in the Friends and Family Test bear this out, as they show we regularly achieve 94% of patients who would recommend the care they received here to others.

I am proud to have joined an organisation that serves our local people in each of our three hospitals in Andover, Basingstoke and Winchester, as well as in the community. It is a credit to our excellent staff that over the year the Trust was one of the UK's leading healthcare providers in so many areas – for example; hyper acute stroke care and cancer care, and one that worked collaboratively in so many areas, such as frailty and dementia care, where our community partners played such an essential role.

It was therefore disappointing to everyone that the Trust was rated as "requires improvement" following the inspection by the Care Quality Commission in Summer 2018. We recognise that there were areas where change was needed and our staff worked tirelessly to make the necessary improvements. Evidence of this can be most recently seen in the improved performance against the four hour wait target in our Emergency Departments, where operational pressure was felt so greatly. As with any significant change, this was the result of a whole Trust approach to improving patient's care pathways. I believe we are a good organisation which can, and has made, significant and positive improvements and I am confident the outcome will be different when the CQC next visit us.

It is appropriate for me to mention that the impact of the national issues facing the NHS have created considerable pressure on our Trust. We continued to see an increasing demand on our "front door" as more very sick patients needed hospital care which in turn created pressure on the rest of our hospital services. We strived to meet the challenges of the national nurse staffing issues and as a Trust experienced ever greater financial constraints. We had to deal with the additional complication of providing care in an increasingly ageing estate, which was both costly to maintain and did not always provide the environment for our patients or our staff that we would wish. As we move forward, we are confident that our strategic plans for the Trust will help us make significant changes and that with the support of our partners we will be able to innovate and resolve issues so that we can provide high quality patient care in a way that is sustainable for the long term.

Our patients rate the care here very highly and I believe that this organisation has a strong and positive future. My experience tells me that an essential part of that future will be how well we work collaboratively with our many partners. With the publication of the NHS Long Term Plan, it is

CHAIRMANS INTRODUCTION

clear where our strategic priorities must lie, as we move towards an integrated care approach. Our Trust can provide even better care for patients by working closely with our healthcare partners, commissioners and our local authorities to create collaborative services that deliver care in the best place for patients. This ethos is at the heart of everything we do as an organisation and the core of our staff and my own values.

I want to end my introduction to our Annual Report with a clear focus on the future. I have great optimism for the organisation, and great confidence in our talented and dedicated staff and the care they provide to the patients we serve. I would like to thank my Trust Board colleagues and the Council of Governors for their work throughout the year and, as we go forward, I aim to be the best guide and support to the organisation that I can be.

I commend this Annual Report to its readers.



.....
Steve Erskine
Chair

Overview and Performance Report

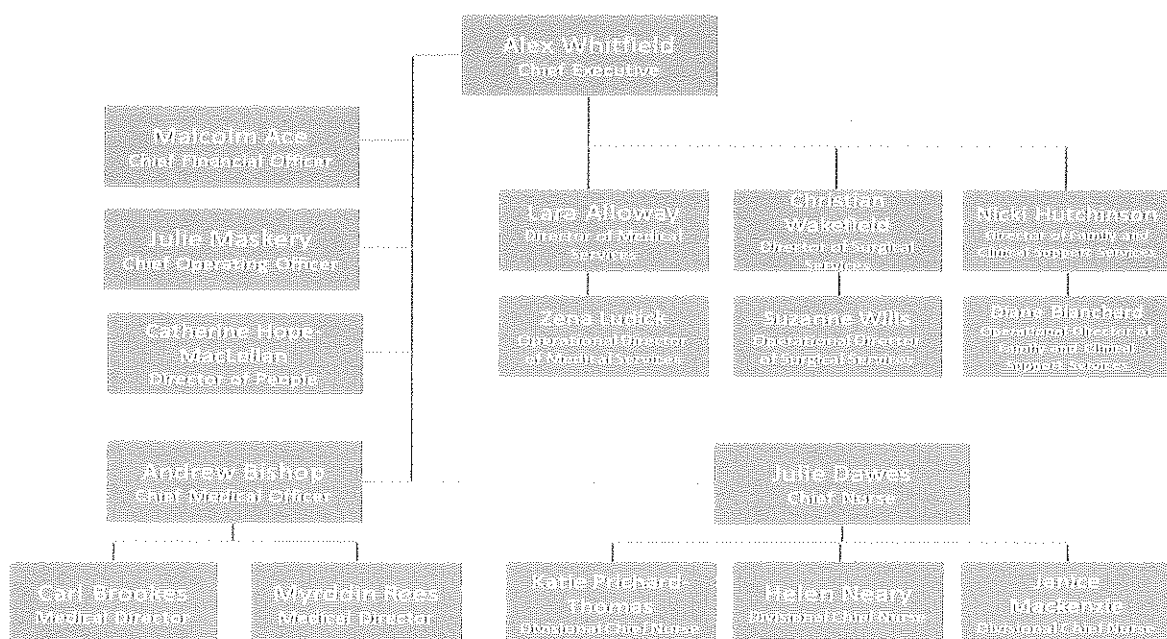
Overview

This section of the annual report is to provide the reader with an overview of the Trust, its purpose, the key risks we face to achieving our objectives and how we have performed during this year.

Hampshire Hospitals NHS FT is a Foundation Trust that provides hospital services to the population of Hampshire and West Berkshire. On 9 January 2012, the Foundation Trust was established by the coming together of Basingstoke and North Hampshire NHS Foundation Trust and Winchester and Eastleigh Healthcare NHS Trust.

We deliver a full range of district hospital services in a variety of locations; most acute services are provided from our two larger hospitals, Basingstoke and North Hampshire Hospital (BNHH) and the Royal Hampshire County Hospital in Winchester (RHCH). We deliver planned services, including surgery, elderly rehabilitation and maternity care in Andover War Memorial Hospital (AWMH). We also deliver outpatient services in community settings and patients' homes. We offer a small range of very specialist services to a regional and national population including surgical treatment for pseudomyxoma peritonei (a rare abdominal cancer), liver and colorectal cancer surgery, and intraoperative radiotherapy for breast cancer. We are also the network host for a regional haemophilia service that serves a wide population across Hampshire, Dorset, Sussex and Wiltshire.

Our services are organised into three clinical divisions; surgical services, medical services and family and clinical support services each led by a Medical Director who is supported by an Operations Director. The five Executive Directors, the two Medical Directors who support the Chief Medical Officer, three very senior corporate managers and the divisional leadership comprises the top team who run the organisation on a day-to-day basis. In 2018/19 three Divisional Nursing Directors have also been appointed; Helen Neary for Surgical division, Katie Prichard-Thomas for the Medical division and Janice Mackenzie for Family and Clinical Services division. They are supported by the clinical and corporate service teams.



OVERVIEW AND PERFORMANCE REPORT

Our vision, with which our strategy is aligned, is to provide outstanding care for every patient and ensure that our services are clinically and financially sustainable into the future. Concern for the long term sustainability of our services led to the formation of HHFT and the development of the clinical model, which focuses on delivering services locally where possible and centrally where necessary.

To make sure that our patients are seen and treated in a timely manner we monitor our performance against several local and national targets and standards. These include the Referral To Treatment targets (RTT) covering general planned care, A&E targets to ensure that patients are seen in our Emergency Departments (ED) promptly and cancer waiting time targets to ensure patients with suspected cancer are diagnosed and treated quickly.

Hampshire Hospitals Contract Services Limited is a wholly owned subsidiary of HHFT which was established in 2013 to a) support the strategic need to develop alternative income sources beyond core-NHS District General Hospital activity funded by the Clinical Commissioning Groups and b) ensure hospital support services are delivered efficiently and cost-effectively.

HHFT also operates the Candover Clinic and Suite which is a dedicated private patients unit located at BNHH, for patients who pay for their treatment themselves or use their private health insurance. Being located on the site of a well-respected district hospital offers patients a very high level of safety and reassurance, including access to critical care and specialist units. The profit generated by Candover is invested in HHFT's NHS services, benefiting NHS patients. Candover also benefits the Foundation Trust's hospitals and NHS patients by freeing up beds and resources when insured or self-funding patients choose to be treated privately.

The financial statements contained within this report have been prepared on a going concern basis, on the reasonable assumption that the Foundation Trust has sufficient operational resources to continue for the foreseeable future. The Trust Board acted promptly and responsibly to ensure that the Trust met its operational financial targets set by our regulator NHS Improvement, and the Trust delivered an operating deficit of £5.7 million, which with the addition of £15.1 million NHS Provider Sustainability Supprt (largely dependent on hitting our Financial Control Total) and support from charitable sources becomes a reportable surplus of 12.3 million.

A summary of performance for the year can be found below and in chapter 7 of this report.

Statement from Chief Executive on performance

During 2018/19 Hampshire Hospitals continued to aspire to our vision of providing Outstanding Care for Every Patient. It is a challenging ask in today's NHS, but our amazing, dedicated staff put their patients first every day and I see wonderful examples of care, compassion and competence on a daily basis. I will frame this statement under each of our four objectives.

Outstanding Care for Patients

We consider performance to be a measure of quality and care, and a constitutional promise to our population. We have struggled to meet these constitutional promises on a consistent basis. We saw further increases in the numbers of very poorly patients admitted on an unplanned basis, and this put pressure on our emergency departments and on our wards. During February 2019 we stood down much planned work in order to use our limited bed stock for the emergency patients. Despite this, our emergency department performance for the year was an improvement on the previous year.

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In August 2018, we received a CQC report on three of our core services, Urgent and Emergency Care, Medicine and Surgery, along with an assessment of Use of Resources and Well Led. These reports were disappointing, and identified a number of areas for improvement which have been a key focus for us over the year. I have been overwhelmed by the commitment of staff to improving quality of care for our patients and delivering on our vision of providing outstanding care for every patient.

We have made excellent progress on a number of quality areas this year, which you can read about in the quality section of this report. Also a very innovative piece of work has put in a sophisticated alert system for abnormal pathology and radiology results to prevent missed diagnosis.

During the year we opened new ambulatory care units, new surgical assessment units and new paediatric assessment units. These facilities have already improved the environment for our patients and enabled us to support patients in receiving rapid care to allow them to return home without the need for a hospital admission.

We have had the first full year of our Quality Improvement strategy and have trained over 20 QI coaches and over 80 QI practitioners. The QI conference in November 2018 was a great showcase for the passion and innovation which our teams use to drive improvement.

Empowered Staff

We have seen significant changes in our leadership team with the retirement of our chairman of nine years, Liz Padmore, and our Chief Nurse, Donna Green, after nearly 20 years. We welcomed the arrival of Steve Erskine as our new Chair, and Julie Dawes as our new Chief Nurse.

Morale amongst staff was impacted by a number of factors, including the CQC report and the challenges in recruiting to key roles. However, our new Cultural Change Programme has launched successfully in 2018/19 with Change Ambassadors in post to support us in listening to our people and making Hampshire Hospitals a truly great place to work. We ran a very successful staff focus week in June 2018 with a separate focus for each day of the week, including career opportunities, thank yous, mental health and staff wellbeing.

Recruitment of staff continued to be a challenge and the focus on recruitment and retention continues to be a key area for the trust going forward.

Living Within Our Money

The Trust performed strongly in the first two quarters of the year, but it was clear to the Board that our increase in staffing in Urgent and Emergency Care, often using agency or locum staff at premium rates, meant that meeting the Financial Control Total target of a £6.2 million operational deficit would be very challenging. The Trust Board acted decisively to investigate the sale of land on our Winchester site. The completion of this sale brought the Trust close to the Control Total and further efficiencies enabled the Trust to meet the Control Total.

As a consequence of meeting the Control Total, the Trust was allocated £5.4 million of NHS Provider Sustainability Fund (PSF) support, leading to a total allocation of PSF in year of £15.1 million. The Trust Financial Statements show an operational deficit of £5.7 million, and a reportable surplus (including PSF and charitable funding support) of £12.3 million. The Trust in submitting our plans for 2019/20 to NHS Improvement made clear that the additional allocations of PSF at the year-end would be used to increase our capital spending for 2019/20.

OVERVIEW AND PERFORMANCE REPORT

We had a great deal of success in reducing length of stay, working with partner agencies, and, while we continue to have longer staying patients than is the average for the NHS, the number has come down significantly from previous years.

We set ourselves an ambition of attracting £5m of additional funds to support patient care, and we have attracted a total of £19 million through the Global Digital Exemplar programme, NHS Capital competitions and the 2018/19 allocation of capital to support developments in Urgent and Emergency Care.

Innovating for the Future

The Trust took a number of very positive steps forward during 2018/19.

We began the build of the new hospice in Andover, very kindly funded by the Countess of Brecknock charity, and our fundraising for a hospice in Winchester is well underway.

Our HHFT Digital Care programme received central funding which has allowed us to accelerate this programme, with the implementation of electronic observations, nurse assessments and task requests. The programme is now seen as a real driver of change in the organisation and the scanning of paper notes into the document management system will start in 2019/20. This not only improves safety and quality, but also is much more efficient.

The fund raising for the cancer treatment centre continues and plans have been drawn up ready to progress in 2019/20.

Our clinical strategy has been developed through 2018/19 and two significant projects have been launched to take this forward. The first is the Transforming Emergency Care Collaborative which is a system wide programme to support the provision of emergency care. The second is a review of Orthopaedic services across the three hospitals.

Finally, our focus on our role in the health and care system continues to move forward. In 2018/19 we have launched a system leadership programme, Hampshire 2020, with participants from 24 different organisations providing care in north and mid Hampshire. We have been active players in the establishment of primary care networks and continue to work with local GPs, community and social care staff on joining up care for our population.

Performance Analysis

HHFT takes an integrated approach to performance, measuring itself against targets and benchmarks in clinical care, quality, activity and finance. We see all of these areas as key to our performance. Within each of these areas are a wide variety of measures but all are monitored and reported in the same way using an established system.

Monthly performance and financial reports are presented to the Board of Directors having been reviewed and discussed at our monthly Executive Committee meetings. The key performance elements of these reports are:

Quality Framework: Quality Indicators (multiple measures in each)

- Clinical Effectiveness
- Patient Safety

- Patient Experience

Quality Framework: Performance Indicators (multiple measures in each)

- ED 4 Hour Target
- Referral to Treatment Time
- Cancer Waiting Times
- Diagnostic Waits
- Data Quality

National CQUINs:

- Improving Staff Health and Wellbeing
- Reducing the Impact of Serious Infections
- Improving Services for People with Mental Health Needs Presenting in A&E
- Offering advice and Guidance
- NHS e-Referrals
- Supporting Proactive and Safe Discharge

Local CQUINs:

- STP Engagement

NHS England Commissioning:

- Medicine Optimisation
- Introducing Dose Banding for Anti-Cancer Therapy
- MoD Covenant awareness
- Haemophilia Patient Monitoring
- Dental Service Audit and Improvement

Staffing

- Employed staff versus plan across individual staff groups
- Use of temporary staffing.

Activity

- Outpatient activity against plan
- Non-elective in-patient activity against plan
- Elective in-patient activity against plan.

Financial metrics (actual and performance against plan)

- Income
- Major items of expenditure (including staff)

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- Divisional expenditure
- Balance sheet and cash
- Capital expenditure
- Achievement of savings and productivity schemes.

The Trust does not operate any overseas services.

For an analysis of HHFT's performance against the key performance indicators, please see chapter 7 of this report.

For commentary on social, community, anti-bribery and human rights issues, see chapter 8 of this report.

Income and expenditure performance

The Trust reported a financial surplus of £12.3 million for the year, against a planned surplus of £4.3 million. This is a better position than the Trust was anticipating for much of the year, hitting our NHSI Financial Control Total was dependent on a number of non-recurrent transactions – including the sale of a small part of our Winchester site – and the surplus was then enlarged by the unanticipated bonus PSF payment and the general redistribution of PSF unclaimed during the year. Our underlying deficit on operations was very similar to 2017/18.

Income was £10.5 million (2.5%) more than plan at £424 million, with £4.1 million more PSF and £2 million more charity income than budgeted. Clinical income was £3 million (0.8%) higher than plan. The Trust achieved the financial target necessary for the receipt of the PSF related to finance in each quarter. The Trust's total income, including PSF, was £34 million more than in 2017/18 (+8.7%).

Pay costs for the year were £277.4 million, an increase of £16.7 million (+6.4%) on 2017/18. These costs included the first year impact of the three year salary agreement for Agenda for Change staff. The costs in the second half of the year were substantially higher than the first half, and the adverse variance of £4.5 million arose between November 2018 and March 2019. As explained elsewhere in this report, the Trust has funded substantial increases in staff in Urgent and Emergency Care and many of these staff have been engaged on agency or locum terms.

The Trust made a significant profit on the disposal of a small part of our Winchester site and an outlying standalone property. The net benefit to the income and expenditure position was £4 million, which was £3.5 million higher than the plan for the year.

The table below shows a summarised income and expenditure account:

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Income and Expenditure Statement – Summary 2018/19

Summary Financial Position	Plan	Actuals	Variance
	£'m	£'m	£'m
<u>Income</u>			
Clinical Income	354.3	357.3	3.0
Other Income	48.4	49.7	1.4
Provider Sustainability Funding	11.0	15.1	4.1
Donated Funds Income	0.0	2.0	2.0
Total Income	413.6	424.1	10.5
<u>Expenditure</u>			
Staff Costs	272.9	277.4	4.5
Drugs	42.5	43.5	1.0
Clinical Supplies	35.1	35.8	0.7
Other Non-Pay	45.8	47.2	1.4
Depreciation	7.9	8.2	0.4
Profit on Disposals	(0.5)	(4.0)	(3.5)
Interest Receivable/Payable	0.7	0.4	(0.3)
PDC Dividends	4.9	4.6	(0.3)
Net Impairment Release	0.0	(1.4)	(1.4)
Total Expenditure	409.3	411.8	2.5
Surplus/ (Deficit)	4.3	12.3	8.0

The cash balance at 31 March 2019 was £6.7 million, and the Trust had drawn down £8.5 million of our available working capital loan from the Independent Trust Financing Function (ITFF). The Trust has a total credit facility with the ITFF of £25 million. The Trust's cash and ITFF drawdown position were, when taken together, in line with our plan.

Capital expenditure

Due to cash constraints, the capital plan for 2018/19 was set at a figure approximating to the depreciation charge. The Trust was able to supplement the original plan by the allocation of funding for Urgent and Emergency Care capital and through increased charity funding support. The Trust's total capital expenditure was £11.3 million.

During 2018/19, the Trust was successful in securing access to substantial capital funds to support our digital investments, our Emergency Departments at Winchester and Basingstoke and for significant redevelopments on our Winchester site. We also committed in our planning for 2019/20 that any additional PSF beyond the expected payments for Quarter 4 2018/19 would be added to our capital plans for 2019/20.

The Trust is very grateful to our many supporters and supporting charities in contributing £2 million towards the capital spending. In the coming year, we would expect to start construction on the Winchester Hospice and complete the work on the Countess of Brecknock Hospice in Andover. The

hospice build in Andover will be entirely funded by the Countess of Brecknock Hospice Trust and the Winchester Hospice build will also be entirely charity funded.

Financial and other principal risks

While there has been a reduction in the amounts of PSF allocated to Trusts in 2019/20, HHFT still has the potential to receive £7.7 million of PSF if the financial targets are hit during the year. Our budgets and savings plans for 2019/20 are very ambitious, and there are substantial risks that we will both miss our budgets and lose PSF funding. For 2019/20, the Trust has accepted a Financial Control Total of £12.2 million surplus, including £7.7 million of PSF

The Trust adopted a contract with our two primary CCGs in 2018/19 based on a Minimum Income Guarantee, with escalation to the Local Care partnership where activity was higher than implied by this minimum contract sum. The trust will use a similar contract methodology for 2019/20. The Trust is effectively recognising that there is a limited amount of funding within the local health economy, meaning that most of our financial improvement has to come from cost reductions rather than increased income.

The Trust's spending on agency and temporary staff, while historically lower than the national average, was substantially above our plan. We have not been able to fill all our essential staffing vacancies, and we have increased the number of staff in our agreed establishment for Urgent and Emergency Care. The Trust employs large numbers of substantive staff from within the EU, and will continue to seek to support these staff and retain their services during and after the negotiations relating to the withdrawal of the UK from the EU. We continue to be concerned about our ability to recruit and retain suitably qualified staff, and if we cannot recruit essential staff on substantive contracts and have to use agency staff, this will greatly increase our costs.

Our financial liabilities carry either a nil or low fixed rate of interest, and consequently we are not exposed to significant interest rate risk and with current low rates of interest, changes are unlikely to have material impact on the Trust's position.

We are not exposed to significant foreign currency risk because all income is invoiced and received as pounds sterling. All cash investments are held in pounds sterling. The Trust does have exposure to exchange rate movements through our purchasing of drugs and equipment, some of which will have major cost components from outside the UK.

Our credit profile is low risk - the maximum exposure is in receivables from commissioners. A maturity profile of our debtors can be found in note 14 to the accounts.

Our cash deposits are held with Lloyds Bank and the Government Banking Service (see note 15 to the accounts). We are satisfied that there is no material exposure to credit risk in respect of cash deposits.

Future development of HHFT

Our vision is to provide outstanding care for every patient. That means ensuring that we think not

OVERVIEW AND PERFORMANCE REPORT

only about the patients we serve today, but the ones who will need us next year and in the years to come. It also means taking responsibility for patients as they arrive at the hospital and as they leave, ensuring that our care is joined up with the care provided outside of the hospital building.

Our four strategic objectives are:

- Outstanding care for our patients
- Empowered staff
- Living within our money
- Innovating for the Future

Under each of these high level objectives we have a clear set of operational deliverables for 2019/20 and these are creating a comprehensive set of activities aimed at providing outstanding care for every patient. These deliverables were devised with input from over 1000 people – staff and patients, and will support the trust in moving forward.

Our plans are entirely consistent with the NHS Long Term Plan, published in January 2019, and include a real focus on integrated care, digital technology and supporting our staff to be the best they can be.

We are continuing with the programs which will support outstanding care. We have a passion for providing care locally wherever possible, bringing high quality acute services to the people of Hampshire and we will always be driven to do the very best we can for the patients we serve.

Signed.....

Alex Whitfield
Accounting Officer

Date.....

24/05/2019

Directors' Report

This report provides an overview of the operations of HHFT in 2018/19. The Directors leading HHFT in 2018/19 were as follows:

Steve Erskine, Chairman (from 1 January 2019)
Elizabeth Padmore, Chairman (until 31 December 2018)
Alex Whitfield, Chief Executive Officer
Andrew Bishop, Chief Medical Officer
Malcolm Ace, Chief Financial Officer
Donna Green, Chief Nurse and Deputy Chief Executive (until 31 August 2018)
Julie Dawes, Chief Nurse (from 3 September 2018)
Julie Maskery, Chief Operating Officer
John MacMahon, Non-Executive Director¹
Jeff Wearing, Non-Executive Director²
Gary McRae, Non-Executive Director³
Jane Tabor, Non-Executive Director⁴
Paul Musson, Non-Executive Director⁵
Philip Whitehead, Non-Executive Director (until 30th April 2018)

A register of interests is maintained by the Company Secretary.

Enhanced quality governance reporting

The Annual Report includes the Annual Governance Statement, which reports in detail how we deliver quality governance. More specific detail about the identified quality priorities for 2018/19 and achievements for 2018/19 are included in the Quality Report, which can be found in Chapter 11 of this report. In delivering quality governance, we have used NHS Improvement's (NHSI) Quality Governance Framework as an assessment tool. This identifies compliance and improvement actions required and enables the Board to make judgements in signing off its responsibilities for quality governance. The Annual Governance Statement, in conjunction with the quality governance framework, sets out how we manage risk. This includes clinical risk, performance risk and the Board Assurance Framework (BAF). It also includes information about our systems of internal control. There is also information in the Annual Governance Report and in the Quality Report about the Trust's approach to ensuring services are well-led.

Stakeholder Relations

As a Trust we are absolutely committed to working with our partners and stakeholders and joining services up for our patients. These partners are wide ranging, and below is a sample of some of the activity which has taken place over the last 12 months.

¹ Chairman of the Risk Committee

² Senior Independent Director, Chairman of the Quality Committee

³ Chairman of the Audit Committee and Finance Committee

⁴ Chairman of Remuneration Committee

⁵ Chairman of the Workforce Committee

DIRECTORS' REPORT

Our Governors are a key group with whom we formulate strategy and seek feedback on our plans while also providing a vital check and balance on our operational activity. Governors are involved in the PLACE visits, support our public engagement activities and play an active role as critical friends to the Board of Directors.

We continue to work closely with the leaders and Chief Executives of the main local authorities that are co-terminus with the area we serve (Hampshire County Council, Basingstoke and Deane Borough Council, Eastleigh Borough Council, Test Valley Borough Council, Hart District Council and Winchester City Council) and also to the eight Members of Parliament who represent our population.

We have provided regular updates and submissions to the Health and Adult Social Care Select Committee (HASC) of Hampshire County Council, in response to HASC's request to scrutinise specific areas of our operation.

HHFT has been an active member of the Hampshire and Isle of Wight Sustainability and Transformation Partnership and worked collaboratively with partners in the system on the formulation and delivery of the plan.

We have a local care partnership (LCP) in place to support the provision of joined up care for the people of north and mid Hampshire. This has created closer cooperation between all health and social care providers. HHFT is building on strong relationships within and across sectors to assist in the formulation of a future integrated care system and the work to re-shape how the primary, social and community care and secondary sector work together to deliver better care more locally where possible. Alex Whitfield is the Convenor of the LCP.

We continue to maintain strong on going communication links with local healthcare providers at all levels, for example delivering a medical professionals forum as a colloquium for hospital and primary care clinicians.

Operationally, HHFT appreciates the importance and benefits of working with our community partners and is pleased to be part of a number of significant partnerships and collaborative groups. Below are some of the stakeholder relationships that have been developed over the past year:

- Stroke research partnership with the University of Winchester
- We have re-engaged with colleagues from The Stroke Association and now inpatients receive weekly visits from their volunteers to provide support prior to discharge.
- We have developed a link with our local Parkrun (national programme of 5K runs, every Saturday morning throughout the UK) to promote activity and vascular risk reduction.
- Cancer services have worked closely with Wessex Cancer Alliance to develop new pathways for patients as part of the living with and beyond cancer initiative. This has included three very successful health and well-being events which will continue into 2019/20
- The Trust has a very proactive cancer patient partnership group who give user feedback to the care received across cancer services and support in relation to engagement with local cancer patient user / support groups and patient feedback as HHFT develop plans for a cancer treatment Centre
- We are working with NHS Elect to develop and Emergency Surgery Ambulatory Clinic to support ED performance and speed of patient journey on both hospital sites
- We are developing close working with the North Hampshire Alliance ENT RAS with the BNHH site to support patients getting to the right clinician first time and shorter waiting times

- We are working closely with NHS England to support Cancer performance in Urology by speeding up access to templates and clinical decision making outside of formal MDTs
- We are working with Deloitte around outpatient transformation starting with reviewing opportunities in Ophthalmology
- We are working with the North Hampshire Prostate Cancer Support Group to improve support and information to patients with Prostate Cancer
- We have established a shared IT platform with Southern Health to be developed to share information for safeguarding
- Collaborative working with South Coast Ambulance Service (SCAS) and CCGs to support the implementation of a CQUIN for patient-led booking of non-emergency outpatient transport for follow-up appointments at RHCH
- We have engaged with Royal National Institute of Blind people (RNIB) to provide space for a 'patient POD' to support patients visiting the Eye Clinic Liaison Officer in RHCH
- We are working closed with GP colleagues to develop community care hubs
- We have improved the working relationship between HHFT and the CAMHS i2i team which has led to closer working and support from the CAMHS i2i team and has enabled prompt support being offered to young people while in hospital resulting in a shorter hospital admission
- Health and Social Care have worked closely together to improve the availability of respite care for children of all ages with significant complex health needs and disability, at Firvale Respite Unit
- The Radiology department is working collaboratively with University Hospital Southampton to support a robust Nuclear Medicine imaging service
- We have taken on Aldershot Sexual Health work who have found our services to be of superior quality
- We have collaborated with Public Health England and the local Health Protection Unit to report contagious infectious diseases, supporting preventing, diagnosing and controlling outbreaks
- We are actively involved with the CCG antibiotic prescribing guidance
- Orthotics have strengthened links with the paediatric community provider, Solent NHS Trust

Patient Care

The improvement of patient care is central to our strategy and all that we do.

In addition to new and revised services to improve patient care, HHFT has clearly defined targets and health improvement priorities. As well as nationally-set access targets, we have worked closely with our Commissioners and local partners to develop our priorities for improvement. Goals for improvement in the quality of healthcare are set out under the headings below:

Quality priorities for 2018/19:

Grouped within the established CQC domains that our services should be Safe, Caring, Responsive to Patient's Needs, Effective and Well-led; these priorities are agreed with our partners and set out in detail in chapter 11. These priorities will be revisited and updated for 2019/20.

Commissioning for Quality and Innovation (CQUIN) Schemes:

Following national guidance and local measures agreed with our Commissioners, HHFT measures and reports on several CQUIN schemes. Again, these schemes will be revisited in the light of emerging priorities for 2019/20.

Quality Framework:

This is HHFT's internal framework of priorities that are measured and reported on. This includes the national access targets but also includes over 40 additional measures we see as key indicators of the quality of our services. These cover important areas such as complaints, incidents, length of stay, infection rates and readmissions.

Arrangements for monitoring improvements in the quality of healthcare through the above priorities are managed through the governance arrangements put in place by the Board of Directors. The status and performance against each scheme and measurement is reported on in monthly governance and performance reports. These reports, including any remedial necessary actions are discussed by our Trust Senior Management Team (SMT) and then by the Board.

We constantly focus on providing the best care but accept that there are times when patients, their relatives and carers are unhappy with their visit or the services they have received. When the experience does not meet individual expectations we listen to and respond to concerns and complaints. We take our concerns and complaints handling seriously and investigate all of those raised and ensure that the patient's right to care, treatment or service is not compromised by any feedback or complaint. All complainants are signposted to the National Health Complaints Advocacy Service for help in making their complaint at the time we receive it.

Our customer care team provide a single point of contact for all concerns and complaints across our three hospitals. We aim to provide a fast and responsive service, setting ourselves the target to acknowledge all complaints within three working days and to send a written response within twenty five working days. The Chief Executive personally reviews all responses to complaints. Complaints are monitored monthly and reported to the Board of Directors as part of the monthly governance report.

We continue to participate in a national programme that recognises excellent service called the Wow! Awards. Nominations can be made by patients or staff in five categories. We also have an awards system for nursing, midwifery and therapy staff, the Director of Nursing Awards, where staff are nominated by patients.

Clinical Quality Review Meeting

The Clinical Quality Review Meeting (CQRM) with commissioners provides the forum for the negotiation and agreement of quality improvement initiatives, and subsequent monitoring of performance against agreed quality standards to ensure care is clinically effective, it is safe and provides a positive patient experience.

During 2018 we have worked in partnership with our commissioners on several quality improvement initiatives. We have introduced a programme of peer reviews with the aim of reviewing a number of clinical standards across the Trust on a range of wards and departments. The reviews focus on key areas within the 5 CQC domains of safe, effective, caring, responsive and well led. Commissioners join us on the peer reviews which now form part of their programme of quality assurance visits.

Our commissioners are members of the Evidence of Serious Incidents Improvement Panel (ESIIP) we established in 2018 to actively seek assurance that learning has taken place following serious incidents and that there is sustainable change. ESIIP aims to bring together and share exemplar initiatives and innovations to inspire collaborative improvement for the benefit of patients and staff. In partnership with our commissioners, we have undertaken a culture survey 'SafeQuest' across wards on each of our hospital sites to help gain an understanding of the safety culture of the wards and enable us to drive the quality improvement work particularly in regards to patient falls and Pressure ulcers.

The Mid and North Hampshire-Integrated Care Partnership Quality and Safeguarding Forum is a sub-group of the Integrated Care Partnership Board and provides the opportunity for providers and commissioners across the local health and care system to come together to address quality and patient safety issues in a joined up way to reflect how patients access and move between our services.

Information about the quality improvements achieved in 2018/19 is included in the Quality Report.

Volunteers

Volunteers are much valued and appreciated members of our teams and help support both patients and staff in a variety of ways and they play a really important role in ensuring that our patients have the best possible experience in our hospitals and of the care we provide.

We have a real variety of volunteer roles and our volunteers are as diverse as the patients we care for, aged from 17 years upwards with a range of skills and experience. Our volunteers really do make a difference with a cheery welcome, someone to give patients and visitors directions, a bedside conversation, help with a meal and encouragement to eat, driving patients to daycare, reminiscing with a patient who is living with dementia, repairing a hearing aid, encouraging a patient at cardiac rehabilitation, providing information at our Health Information Point, a newspaper or a little something from a trolley, a favourite song on the radio, a visit from the chaplaincy team or a befriender or a beautiful garden to enjoy. Patients love to be visited by our Pets as Therapy (PAT) dogs and have enjoyed visits from a magician and musicians. All these things make a really big difference to the experience of our patients.

We are proud to have the support of so many volunteers and the local volunteer partners we work with. We recognise the impact our volunteers make and the time they give freely to help us and so we enjoy hosting an annual summer tea party as part of national volunteer week on each of our hospital sites to say thank you. We were joined at each of the events held in June 2018 by a special guest speaker, Alex Lewis, who delivered a heartfelt message about the importance of volunteering and the tremendous impact volunteers can have on patients. In 2013, Alex was rushed to hospital in Winchester where it was discovered he had contracted Strep A, which took a sinister path to Strep A Toxic Shock Syndrome, Septicaemia and Necrotising Fasciitis. Resulting in quadruple amputation and requiring extensive skin grafts and facial reconstruction, Alex knows first-hand the positive difference volunteers can make to patient's in hospital.

Alex said: "It has been a privilege to meet so many fantastic volunteers across the three hospitals and to talk about the difference they can make. When I was in hospital, the support I received from the volunteers who kept me company and supported me at meal times made such a difference to my outlook. Their positivity gave me hope and spurred me on to keep getting better and to believe that there was still a positive life I could lead."



Patient Information

The Health Information Point (HiP) is a free and confidential service located at Basingstoke and North Hampshire Hospital and provides a service for patients, carers, visitors and staff within the communities served by the Trust. The HiP responds to queries about medical conditions, tests, treatments and healthy lifestyles and provides details of local and national support groups. The HiP also promotes public health initiatives supporting national awareness campaigns throughout the year.

We have made good progress in making our patient information leaflets more accessible and preparing them ready for the patient library on our new website which will have many more features to support communication and access to information. Our virtual readers group who receive patient information and publications to review and give their feedback to ensure our information is accessible for our patients, relatives and carers.

Sensory awareness workshops for staff across each of our hospital sites were supported by local voluntary and community services and specialist staff who provided practical insight and advice with simulation props to help our staff appreciate the impact of sensory disability and understand the things they can do to support communication and sharing of information for our patients with visual impairment or hearing loss for example.

The HiP has supported a range of health and wellbeing events across the Trust and cancer survivorship public events with information stands and held several health promotion events with a particular focus on alcohol awareness and mental health.

PLACE

The Trust participates in the national Patient-Led Assessments of the Care Environment (PLACE) assessments that take place on an annual basis across each of our hospital sites to look at the buildings and related non clinical services like catering. The PLACE assessments give us a clear picture of how their environment is seen by those using it, and how we can improve it.

The assessments look at:

- How clean the environments are;
- The condition – inside and outside – of the building(s), fixtures and fittings;
- How well the building meets the needs of those who use it, for example through signs and car parking facilities;
- The quality and availability of food and drinks; and
- How well the environment protects people's privacy and dignity.

The annual PLACE assessment is an important opportunity to review and assess the patient environment and contribute to understanding the things that make a real difference to the experience of our patients. Assessments are carried out by teams of patient assessors, people who use our buildings and are supported by staff assessors. Patient ratings for food and cleanliness at our Trust scored highly in the 2018 inspection. We scored 98 per cent for cleanliness and 90 per cent for the quality of our food. We have been able to identify potential areas for improvement, particularly with regards to the environment and our provision for patients with dementia.

Patient Care Improvements

There are many examples of how we have improved patient care during the year, due to investment and development, including the following:

- The Hyper acute stroke ward now has seven day a week therapy available, allowing more rapid assessment of patients and continuous input to improve recovery.
- The TIA (Transient Ischaemic Attack) clinic has developed a rapid referral system, allowing patients to be seen more quickly and reduce the risk of progression to stroke.
- Development of Continuity of Care pathway for antenatal, intrapartum and postpartum care facilitated by a team of midwives for women choosing to birth at home and birth at Hampshire Hospitals Maternity Centre.
- Develop Transitional care services on postnatal wards
- Development of Diagnostic and Treatment cancer and urogynaecology Centre which support the 28 day gynaecology cancer and endoscopy target and release theatre space to increase elective capacity, improve patient experience
- Recruited an Endometriosis Specialist Nurse to support women with endometriosis
- Enhance Day Assessment Unit across the two sites to meet the changing demand on antenatal service
- New service model for parent education for maternity services
- Installed a dispensing robot in the BNHH dispensary to release pharmacy staff for clinical, patient facing medicines optimisation roles, reduce stock waste and improve patient safety by reducing errors.
- Increased the over the counter sales medicines available in Basingstoke outpatient pharmacy to allow outpatients, visitors and staff to purchase medications for minor ailments.
- Seasonal pressure initiatives have been supported by pharmacy extending opening hours during the week and weekends to support timely discharges.
- Increased the number of patients who receive their medications via Homecare from 700 to 1200, this means that more patients can receive their treatment in their own homes and at a time convenient to them.
- The Children's Home Assessment Team (CHAT) continues to develop working relationships with GPs and ED colleagues to support parents to care for their children at home and avoid unnecessary admission to hospital.
- The neonatal team has been working closely with maternity colleagues to establish a Transitional care unit co-located on the postnatal wards in BNH and RHCH.
- Our Radiology Department has implemented a robust electronic alerting system (The CRIS Communicator) which ensures internal referrers are alerted to important results. The CRIS communicator enables rapid communication with internal referrers to ensure patients with critical findings are seen more quickly.
- An improved appointment reminder service has been implemented in Radiology. The service automatically sends a text and/or calls patients, 7 and 3 days ahead of their scheduled appointment with an aim of reducing DNAs.

DIRECTORS' REPORT

- Winter pressure response by Radiology has included extended opening hours during the week and weekends across both sites and in various modalities.
- The Radiology department purchased through charitable donations an Ultrasound hockey stick probe which allows high resolution, small footprint scanning. This means that we can look at musculoskeletal, small parts and paediatric scanning on the Andover site. .
- The Radiology department has launched a local Quality Improvement team.

In our 2017/18 report we said that we intended to:

- Develop the new hospice facilities in Andover - plans are in final stages for the development of the Countess of Brecknock Hospice at Andover. The bespoke designs will give patients and their families state of the art facilities;
- Develop hospice facilities in Winchester - fundraising has started to raise money to convert Burrell House, on the Winchester site, into a hospice facility. As well as inpatients, the hospice will house the community and homecare services, and;
- Open in May 2018 the enlarged facility in BNHH Emergency Department to co-locate ED, GP Streaming and Ambulatory Care.

All of the above developments are underway or complete.

In 2019/20 we intend to:

- Relocate the pharmacy department in RHCH
- Install a large dispensing robot at RHCH (similar to the one installed in BNHH)
- Ensure compliance with the new Falsified Medicines Directive legislation by purchasing software, scanners and employing additional staff to be able to track deliveries through their entire pathway from the dispensary to the ward, other hospitals with HHFT and outlying units using the same barcode scanning technology
- Upgrade the Radiology Department Ultrasound service with a new machine
- Continue to engage patients and relatives in our services and how we develop these going forwards
- Open the new Countess of Brecknock Hospice at Andover and begin construction work on the Winchester Hospice

Comments, Concerns, Complaints and Compliments

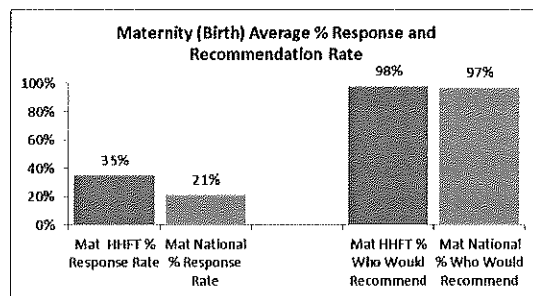
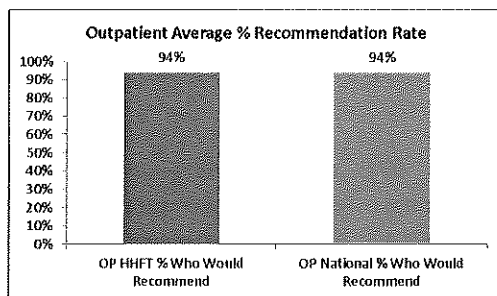
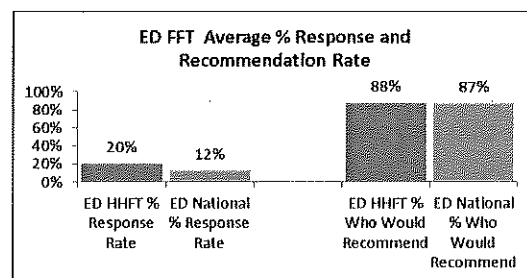
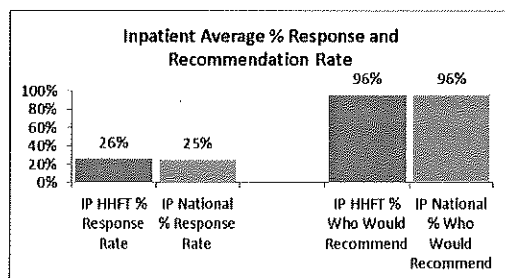
We are committed to providing the best care for patients, focusing on the quality of care in every service and working together to continuously improve the experience and outcomes for all.

A focus on listening to, acting upon and learning from feedback from those who use our services is important to us. The Trust welcomes comments, compliments, complaints and concerns as a way of ensuring good practice is shared and improvements are made. We understand that by listening to people about their experiences of our services and the care we provide we can understand what matters most to patients, their relatives and carers and can learn new ways to improve. Sharing the positive feedback we receive with staff is always encouraging but we also take time to share the feedback about the times when we do not get things right. We want the feedback we receive to make a difference.

There are many ways in which people can tell us about their experience and have their say.

The National Friends and Family question is an established way of asking “how likely are you to recommend our ward/department”. Patients who stay overnight on our wards, have day case procedures, use our emergency department, attend for outpatient appointments and women who use our maternity services respond to the question and provide their comments about their experience of our services every day. We have introduced different ways of asking the friends and family question to support everyone to have their say including children and young people and those for whom easy read alternatives would be helpful.

Over 83,000 patients responded to the friends and family test question telling us if they would recommend our services or not during 2018/19. Overall our response rates and % who would recommend our services across the four FFT programmes for inpatients and daycases, A&E (emergency departments), outpatients and maternity services were the same as or better than the national.



Response rates and % would recommend and % would not recommend are shared, monitored and reviewed. The comments received from patients are shared and reviewed with staff and examples of “You said we did” demonstrate the difference the feedback makes for patient experience.

Any themes and trends are considered by the FFT co-ordinator with wards / departments being alerted to significant comments made by patients. FFT results are used in triangulation with other surveys, and reports including local surveys and the national patient experience surveys. FFT comments are shared with the patient safety and patient experience services to highlight areas of good practice or areas for improvement in any given department or service. FFT outcomes are also used to inform peer reviews and ward and department reviews across the Trust.

We recognise that there are times when our actions do not meet the expectations of those who use our services. Listening and responding effectively to complaints and concerns helps us to avoid the same issues from happening again, making our services better and improving things for the people who use them as well as for the staff working in them.

It is important that people find it easy to raise their concerns with us and to feel confident that their feedback is welcomed and taken seriously. Our frontline staff are encouraged to act quickly to anticipate and resolve concerns fairly and as quickly as possible. The clinical matron role is key to

DIRECTORS' REPORT

ensuring that the patient voice is heard and concerns responded to at the point of care. Our customer care team provide a single point of contact for all concerns and complaints across our three hospitals, providing impartial advice and responding to letters, email, telephone and personal contact. The team make sure that concerns and complaints are raised quickly so that the necessary apologies can be given and action taken to resolve them satisfactorily.

Our approach to concerns and complaints is to listen, respond and learn. We look into all concerns and investigate all complaints that are raised with us. A patient's right to care, treatment or service is not compromised by any feedback or complaint and all complainants are signposted to the National Health Complaints Advocacy Service for help in making their complaint at the time we receive it. We want complaints to make a difference to the care we provide.

We provide training and guidance for staff in handling concerns and complaints effectively and use feedback from complainants to inform the training. Customer care and communication skills training programmes have been provided to some groups of health care assistants and administration teams using a new approach that involves simulators (actors / role players) in the roles of patients, their families or other staff members. This approach to training has brought customer care and communication skills training to life and provided the opportunity for staff to learn by experience through simulation scenarios relevant to their roles.

Complaints and concerns are recorded and categorised to help us to identify themes and trends which are shared to improve the experience of care. The Chief Executive personally reviews all complaints received and all responses to complaints. The handling of complaints is monitored monthly and reported to each of the divisional boards and the Board of Directors as part of the monthly governance reports and reports are provided which identify the lessons learned and the improvements that have been made in response.

In 2018/19 we received a total of 728 new complaints. 97% of complaints overall were acknowledged within the required timeframe of 3 working days. As a Trust we appreciate the importance of responding in as timely a manner as possible and we have set ourselves the aim to investigate and respond to complaints within 25 working days or within a timeframe agreed with the complainant. This remains challenging and some complaints do take longer to investigate so we are working hard to agree an appropriate timeframe with each complainant and to respond within this. Overall in 2018/19 51% of complaints were responded to within our local aim of 25 working days or the timeframe agreed and the average time to respond to a complaint was 34 working days. This included complaints that took longer due to the nature of the complaint and the level of investigation required. We continue to strive to improve this and to achieve the timescales we have agreed.

The customer care team respond to enquiries, comments and concerns providing the Patient Advice and Liaison (PALS) function and liaise with staff across the Trust to respond and resolve these quickly and satisfactorily. The customer care team received 1084 informal concerns in 2018/19. Many more comments, concerns and enquires are responded to everyday by our staff as part of their everyday interactions with patients, their relatives and carers and visitors.

Our staff work extremely hard and this is reflected in the many thank you letters and compliments we receive and the nominations for our WOW! Awards and DONA (Director of Nursing) awards.

In 2018/19 281 thank you letters and compliments were made in writing to the Chairman and the Chief Executive's offices and were formally recorded and shared with staff. Many more letters and cards are sent directly to our wards and departments thanking staff for the care they have

received. Whilst these are not formally recorded they are shared with staff to recognise the excellent care they provide every day.

The WOW! Awards recognise when staff go the extra mile. There are 6 categories for nominations:

- **CARE** – representing our Trust Values
- **Customer care** - looking to reward individuals/teams who exceed patient/visitor or colleague expectations
- **Above & Beyond** - recognising and rewarding individuals/teams who have gone above and beyond their formal, identified job duties to exceed the needs of patients, visitors and staff
- **Patient Safety** - recognising the staff who consistently set a high standard of clinical excellence through improvement in systems that result in the reduction of potential harm to patients or help to create and promote a culture of openness sharing and learning.
- **Innovation** - recognising an individual/team who have developed and implemented an innovative idea in medicine, technology, education or finance with the proven potential to make a significant contribution or change to improving efficiency, cost reduction, technology or changes in practice.
- **Environmental/sustainability** - recognising individuals/teams who can demonstrate by their own actions they have changed or inspired others to reduce the carbon footprint (e.g. energy saving, recycling, reduction in waste)

On average 304 WOW! Award nominations are now received each month from patients and staff with a total of 3651 nominations received in 2018/19. 82% of the nominations were made by the public and 18% made by staff. Nominations are considered by a panel which includes HHFT Foundation Trust Governors and a small number of winners are chosen who are surprised in their workplace by a member of the senior management team and presented with a certificate. WOW! Award winners are invited to a quarterly celebration lunch with their colleagues, the board of directors and Foundation Trust Governors, to celebrate their work in going the extra mile in customer service, innovation or patient safety. The DONA awards publicly celebrate our nurses and midwives, nursing and midwifery teams and allied health professionals. Nominations are made by members of the public for an individual or a team for their care, commitment and compassion. 321 nominations were received during 2018/19 from members of the public for staff to receive a DONA award.

Staff from our Trust were shortlisted as finalists in two categories at The WOW! Awards Annual Gala 2018. The finalists were chosen from nominations of customers and colleagues from a broad range of organisations across the UK, Europe and Australia. Consultants Dick Rainsbury and Gary Dickinson, were nominated for their ongoing efforts to make sure patients feel comfortable and have a say in their care, as well as supporting other members of the team to achieve a positive patient experience.

Gill Lloyd, diabetes nurse specialist at our Trust received a special recognition for the incredible care and support she has consistently provided to a patient over the last 20 years. The nomination described how Gill has always gone above and beyond her duty of care, including attending a funeral on her day off to provide invaluable support to her patient. Tracey Butler, the patient who nominated Gill, was at the ceremony and said: "She always makes time to listen, understand, help and support and has never let me down, I owe a lot to her".

It takes a team of people to be able to provide the care that we do to our patients and their families, and Gill said "I am part of a wonderful team that includes nurses, doctors, dietitians, podiatrists, psychologists, secretaries. I feel privileged to work with them all."

NHS Choices provides another valuable way for patients to provide online feedback to us about their care. The site allows patients to rate their experience at a hospital, out of five stars. The ratings are averaged over the last two years which provides an overall star rating. At the end of the year, our hospitals received the following ratings on NHS Choices:

Basingstoke and North Hampshire Hospital:  based on 79 ratings

Royal Hampshire County Hospital:  based on 90 ratings

Andover War Memorial Hospital:  based on 26 ratings

All comments posted on the site are reviewed by the Chief Executive and are sent to the relevant staff within the divisions for their review and action. Individuals leaving comments of concern are encouraged to contact the customer care team to discuss them more fully so that we can listen, learn and respond. We also respond to comments and stories shared on Patient Opinion.

We participate in the CQC national programme of patient surveys and the results are used to help us benchmark the care we provide with other Trusts across England and our Trust performance over time. Patients consistently rate their overall experience of our services as 8 or more out of 10.

Our public Governors and members of our governance team do regular walk rounds. The visits increase awareness of CQC standards and provide the opportunity for Governors to meet staff and patients and help identify areas of good practice and opportunities for improvement. Members of our patient forums help us to seek feedback from patients and undertake local surveys and support national audits and the annual patient led assessment of the care environment (PLACE). They also support us in quality initiatives, providing a patient perspective in the development and testing of new systems and ways of working.

Patients, their families and carers

In 2018/19 we continued to focus on improving access to services and experiences for patients, their families and carers'.

We also worked closely with partners to share good practice and information to meet the needs of our local communities and engaged with the local community, local community and voluntary services, members of the Trust patient forums, volunteers and public and stakeholder Governors.

Examples of initiatives and support we have delivered include:

1. The dementia team provide 7am to 7pm support 7 days a week enabling us to provide earlier hands on specialist care and advice for patients suffering from dementia, delirium or both and the opportunity to meet patients, their relatives and carers together into the early evening.

Dementia awareness training is mandatory for all Trust employees and is part of the Trust volunteer induction programme. The dementia team continue to support the National Dementia Friends

initiative and build connections within our local communities.

The Trust supports John's campaign to provide support for the main carer to stay with the patient during their hospital stay and to have open visiting hours. John's campaign aims for carers to have a right to continue to care for their loved one throughout a hospital stay, should they wish to.

Carers Cafés continue to run monthly on each of our hospital sites. These are supported and attended by other organisations such as The Alzheimer's Society; Dementia Advisory Service, Princess Royal Trust for Carers and the Memory Box. These are well attended by carers and the feedback we have received has been positive. Many attendees have been successful signposted to support in the community and also help with their loved ones whilst they are patients in our care.

The Trust continues to work in partnership with the Wessex Heritage Trust to deliver a lottery funded project called "The Memory Box". We have a collection of themed memory boxes for reminiscence including Home and Garden, work, schooldays and seaside and Holidays among others. The memory boxes are proven to increase patient wellbeing and contribute to reducing the length of stay of patients with dementia. The memory box project won the best health and care project at Basingstoke's community awards in June 2018.

The Memory Box have worked with the Dementia Team to design a quiet sensory room on F Floor at Basingstoke and North Hampshire Hospital which has been called the sunflower suite. This provides patients and their carers/loved ones a safe area to go to either relax or stimulate their senses depending on the individual needs of the individual with dementia. The room includes gentle lighting, music, welcoming seating area, tactile objects and the overall aim is to enhance the individual feeling of wellbeing.



Dementia Action Week took place from 21 to 27 May 2018 across the country, with the aim of raising awareness about the disease and challenging the stigma around it. To help spread the word and raise awareness, the dementia team hid painted stones around Basingstoke and Winchester for people to find and hide somewhere else. The rocks featured beautiful paintings of flowers with 'Dementia Action Week' also painted on them.



2. A group of 13 National Citizen Service (NCS) volunteers did an amazing job helping out in Firvale unit's sensory garden. Firvale unit in Basingstoke provides care for children with severe learning disabilities, challenging behaviour or complex health needs. It is run jointly by our Trust, which provides medical care and Hampshire County Council's children services. One of the unit's main projects is to design and develop a garden that is not only accessible but will provide the children and young people with the opportunities to interact with a living environment to enhance their quality of life and promote their health and wellbeing.



3. The pathology team received a very special visit in September 2018 when Henry Rossier, 6, one of our former patients and his big sister Izzy Rossier, 9, became scientists for the day to see all the amazing work the pathology team do behind the scenes. Harvey's Gang is a non-profit organisation that encourages ill children to take tours of pathology labs to demystify the unknown about their care. A number of Trusts have adopted this initiative and we are delighted to be one of them.



Henry was diagnosed with leukaemia at the age of two-and-a-half and has always been very curious about where his blood samples went, so Henry's nurse decided to organise a tour so he could see all the machines and ask the experts any questions. The visits are not only a great experience for the family, they also provide the opportunity for the team to meet some of the patients they have been involved in their care for a long time. Even though pathology often plays a vital role in how we look after our patients, the team in the labs rarely get to meet the patients they are helping.

Christina Rossier, Henry's mum, said: "The visit has been a very positive experience for Henry and the whole family. After a very difficult three years of treatment, we are extremely happy that Henry's treatment has come to an end and this has been a great way of closing the door on this part of our lives."

4. Thanks to a generous donation, families at Basingstoke hospital will have more time with their babies who have sadly passed away. Katie Gray and her husband Gary, donated a cuddle cot with the help of the British Airways Cabin Crew Entertainment Society (BACCES). The cuddle cot allows families to spend more time with their baby, making memories and allowing them to say goodbye.



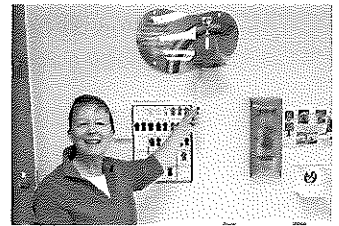
When Katie's daughter was sadly stillborn in March 2017, Katie stayed in the Butterfly Suite at Basingstoke hospital and the care she received inspired her to do something for others in a similar situation. Katie said: "Being able to spend more time with Elena was really helpful to us in our recovery and we want to be able to help other families going through the same difficult time as us. The staff were incredible during my stay, they were always friendly and cheerful and that made such a difference to us."

5. The children's community nurse team, based in RHCH, were in Royal company when they received the prestigious award for 'most inspirational health team' at the national WellChild Awards, recognising the compassion, dedication and incredible care the nurses provide to sick children in the community. The team were nominated by several parents of children they cared for, as well as a consultant paediatrician who recognised the amazing care they provide every day. The parents who had experienced first-hand the exceptional care they provide, particularly during the final stages of a child's life explained how nothing was too much trouble for the nurses, who constantly go above and beyond to make a family's time together special and as positive as possible.



6. End of treatment bells have recently been installed in the Nick Jonas ward in Winchester and the Basing Unit at Basingstoke, giving patients at the end of their chemotherapy to chance to celebrate.

Dianne Mitchell, oncology clinical nurse specialist, came up with the idea to implement the celebration bell in the Basing Unit. She said: "When patients end their treatments they are very happy and ready to celebrate so it's a great way of saying goodbye and closing the door to that part of their lives. It is a great moment that staff and loved ones can share with the patients, and hearing the bell ring brings a real sense of joy to the unit."



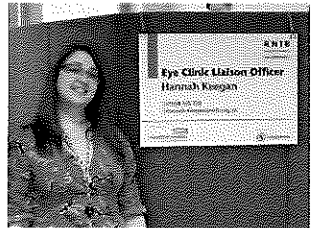
Janet Klein ringing the bell as she finished her treatment

7. The frailty unit at the Royal Hampshire County Hospital has celebrated its first birthday. The Frailty Unit is run by geriatricians daily, with support from the multi-disciplinary team including colleagues from Southern Health NHS Foundation Trust. The integrated frailty teams provide comprehensive geriatric assessment to frail adults attending the hospital as an emergency.



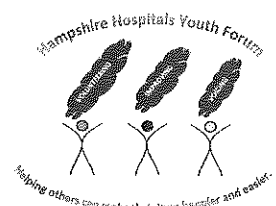
The service has improved the quality of care we provide to frail older people through better identification and awareness of people living with frailty, as well as early proactive assessment and management. The frailty unit will help to reduce unnecessary hospital admissions by thoroughly assessing whether hospital admission is needed. Those patients who would not benefit from hospital admission are provided alternative community support to live well at home.

8. Patients experiencing sight loss are getting additional support thanks to a new partnership with the Royal National Institute of Blind People (RNIB). Hannah Keegan is an eye clinic liaison officer employed by RNIB and funded by Simplyhealth. She works across all three of our hospitals, providing practical and emotional support to anyone affected by sight loss. Hannah refers people to the wide range of services provided by RNIB as well as sensory teams, counselling and other charities who can support them.



9. Hampshire Hospitals youth forum has members between the ages of 11 and 16 years who have all been service users in the past. They are supported by Child Health medical, nursing and play staff. The aims of the group are to:

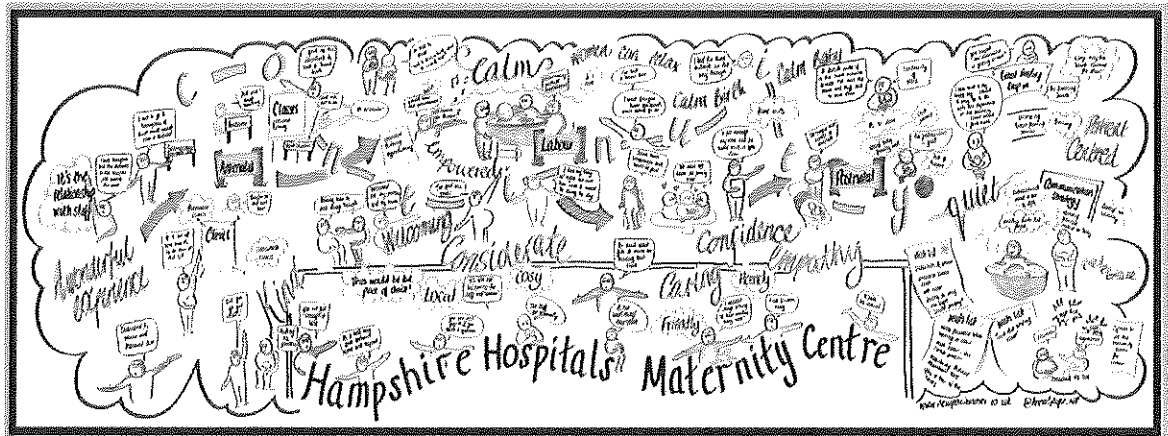
- Improve the experiences of young people who access service by giving advice and suggestions
- Provide young people with a voice for their thoughts on health and hospital issues
- Offer the opportunity for young people to volunteer and get involved in projects that impact other children in the hospital



Projects have included looking at the children's menus, taking part in department interviews and looking at how to manage noise levels on paediatric wards at night.

In April 2018 youth forum members spent the day at Basingstoke visiting various departments they would typically interact with during a stay in hospital, including catering, theatres, plaster room and pathology. Members have also recently been filmed talking about what privacy and dignity means to them and the things that make a difference to their experience of care.

10. After successful open days at our hospitals over the last couple of years we held a maternity open day at the maternity centre at Andover War Memorial Hospital giving interested people an opportunity to have a look around the maternity centre, to see what facilities are available and speak to staff. Mums to be and new mums and babies visited the centre and commented about how lovely it was to have facilities so close to home with the option to have a water birth. Feedback and reflections from the day were captured in a live graphic recording shown below:



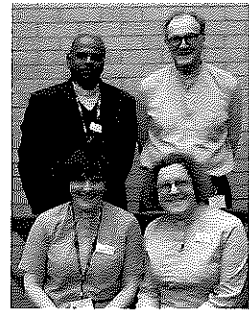
11. Our Trust is implementing a Digital Care programme over the next three years which will help us to improve the way we communicate with patients and allow patients access to more information, helping them to take control of their own care. The Trust has implemented a patient appointment reminder service for outpatient and inpatient appointments. Unless a patient opts-out of this service, they will receive an automated voice reminder seven days before the appointment, followed by a text message three days prior to their appointment date.

There has been a reduction in the number of appointments that are not attended which helps make our services more efficient. Patients are involved in reviewing the plans for a patient hub which will provide patients with the ability to access information relating to their appointments without waiting for a letter in the post and access to self-service appointment booking systems to accept, cancel or re-book appointments.



12. The Chaplaincy Team is part of a multi-disciplinary group of professionals providing holistic care within the three hospitals of our Trust. Our chaplains and chaplaincy volunteers offer a compassionate presence supporting patients, families, visitors and staff during times of emotional or spiritual crisis.

Chaplains are trained to provide pastoral care, spiritual and emotional support to all patients, visitors and staff of all faiths, as well as to those who have no religious beliefs.



13. The Trust introduced ReSPECT (Recommended Summary Plan for Emergency Care and Treatment) in 2017/18 and has continued to develop the processes to support its use across the Trust. ReSPECT sees a person and their health professionals draw up a plan, which includes clinical recommendations about care and treatment that could help to achieve the outcome that person would want.



Treatments that would not help or that the person would not wish to receive are also noted. The plan is documented on a special ReSPECT form, which the person keeps with them to ensure that healthcare professionals responding to an emergency have all of the information they need to make quick decisions about care and treatment.

We have received positive feedback from patients and their families who appreciate knowing that everyone is on the same page and that the decisions are based on not only what they want but are also clinically appropriate is reassuring and that whilst it's not something people often want to think about, knowing these decisions are recorded and that the right people will see them when it matters takes some of the uncertainty away.

The research team at HHFT are participating in an evaluation of ReSPECT sponsored by the University of Warwick and Heart of England NHS Foundation Trust. Hampshire Hospitals is one of five participating acute Trusts. Research was conducted about ReSPECT, to look at how, when and why treatment plans are made and the effects they have on patient care using a mixture of methods, including interviewing patients and data collection. Overall, an incredible 688 patients were screened and 626 patients were recruited to the study.

Our Trust was recognised at the Clinical Research Network (CRN) Wessex Awards for its outstanding collaborative working to mobilise and deliver this research study on the ReSPECT process across all three hospitals. The study is on-going and HHFT is preparing for the final phases of the study where patients, families and staff will be interviewed and GPs also invited to participate.

14. Our Learning Disability Liaison service supports the care we provide for patients with learning disability by:
- Giving information and advice about communication methods
 - Helping staff to understand how someone's disability affects them and how it presents
 - Supporting the patient's understanding of procedures and treatments by providing information in Easy Read information
 - Offering advice and support on reasonable adjustments to keep patients calm and to allow them to access - and for the staff to provide - the care they need
 - Liaising with community services and facilitating outpatient appointments, admissions and discharge planning
 - Supporting staff and patients / families with issues concerning mental capacity, best interest and consent procedures

DIRECTORS' REPORT

- Providing training to hospital staff on learning disability awareness
- Be a daily contact for people with learning disabilities / families / carers and staff for support and advice or just a friendly face to offer reassurance.

As part of Learning Disability awareness week in June 2018 we hosted learning disability awareness events for staff in support of the Mencap 'Treat Me Well campaign' with our Learning Disability Liaison nurse and the community strategic health facilitator who support our patients with learning disability, their families and carers and our staff.



The 'Treat Me Well campaign' gave staff the chance to think about the simple changes they can make which would make a big difference to people with a learning disability and to sign up as a 'Treat me well' champion. Our LD liaison service support staff across our wards and departments to understand the difference better communication, more time and clearer information can make.

Declarations

- The Foundation Trust did not make any political donations during 2018/19, neither did the Foundation Trust make any charitable donations during the year. Hampshire Hospitals Charity is not consolidated into the trust accounts.
- The Foundation Trust engages in research and development projects funded by external resources, usually for a fixed term. No research and development is undertaken without external funding;
- The Foundation Trust has no branches or activities outside the UK;
- The Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a comply or explain basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012;
- The Board confirm that they have complied with all matters set out in the Code of Governance;
- The Foundation Trust has complied with the cost allocation and charging guidance issued by HM Treasury;

Whilst the Trust is committed to dealing fairly and professionally with all of our supplier partners, by working to the Better Payment Practice Code (under which we aim to pay 95% of our invoices within the agreed terms unless there is a dispute), this has not been achievable in practice. During 2018/19 the performance of the Trust was as set out in the table below:

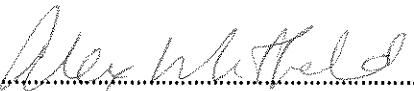
BPPC Period Paid	Invoice Count	Invoice Count (Passed)	% Passed	BPPC Amount	Invoice Amount (Paid)	%Amount Passed
2018/19	79,068	52,663	66.60%	191,450,707	152,247,101	79.52%

- The Trust incurred an interest charge of £32.49 under the Late Payment of Commercial Debts (Interest Act) 1998 on an invoice from July 2018 which the Trust did not receive until February 2019.
- Each director confirms that they have taken all the requisite steps to make themselves aware of any relevant audit information and establish that the auditors are aware of that information;
- So far as the Directors are aware, there have been no post-balance sheet events which require

DIRECTORS' REPORT

disclosure;

- The annual report has been prepared using the Annual Reporting Manual (ARM) guidance and a direction issued by NHSI and the accounts prepared using the Group Accounting Manual;
- The Board take ultimate responsibility for the preparation of the annual accounts and have reviewed the systems of internal control;
- Accounting policies for pensions and other retirement benefits are set out in note 1 to the accounts. Details of Directors' remuneration can be found in chapter 4 of this report;
- No Director or Governor held any company directorship or had any other significant interest which might conflict with his or her responsibilities. A register of declared interests is maintained by the Company Secretary of the Foundation Trust;
- The Foundation Trust has met the requirement that the income from the provision of goods and services for the purposes of the health service in England is greater than the income from the provision of goods and services for any other purposes;
- Other income received by the Foundation Trust is applied towards the provision of goods and services to enhance and support the delivery of patient care;
- The Board considers that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and other stakeholders to assess the Foundation Trust's performance, business model and strategy;
- After making enquiries, the Directors have a reasonable expectation that the Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to accept the going concern basis in preparing the accounts;
- So far as each Director is aware, there is no relevant audit information of which the Trust's auditors are unaware and each Director confirms that they have taken all 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 Foundation Trust's auditor is aware of that information;
- The Directors are required under the National Health Service Act 2006 to prepare financial statements for each financial year. The Secretary of State, with the approval of the Treasury directs that these financial statements give a true and fair view of the state of affairs of the Foundation Trust and of the income and expenditure of the Foundation Trust for that period. In preparing these financial statements, the Directors are required to apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury, make judgements and estimates which are reasonable and prudent and state whether applicable accounting standards have been followed, subject any material departures disclosed and explained in the financial statements;
- The Directors confirm to the best of their knowledge and belief that they have complied with the above requirements in preparing the financial statements.

Signed.....
Alex Whitfield
Chief Executive

Date.....24/5/2019.....

Remuneration Report

The terms and conditions of employment for most of HHFT's employees are linked to the agreed national frameworks (for example Agenda for Change). The exceptions to this are the Executive and Non-Executive Directors and other senior managers, whose terms and conditions of employment and remuneration are determined by Remuneration Committees, as detailed further on in this report. Membership of, and attendance at, committee meetings is shown in Annex A and Annex B of this Annual Report. Neither committee appointed any advisors during the year.

For Executive Directors who are paid an annual salary higher than the Prime Minister, HHFT is satisfied that this remuneration is reasonable by considering the skills and experience of the individuals in those roles and by comparing the salaries with the market rate for those roles at other NHS providers.

Annual statements on remuneration

Statement of the Chairman of the Council of Governors' Remuneration Committee⁶

The Remuneration Committee met twice in 2018/19 to consider whether a cost of living award should be made to the non-executive directors. In reaching its decision the committee took the following factors into account; the national average remuneration for non-executives in medium and large sized acute trusts, the remuneration paid to non-executive directors in local acute trusts, the current rate of inflation, the cost of living award made in year to the executive directors and very senior managers, national pay awards for clinical and non-clinical staff and the fact that no cost of living award had been made in 2017/18. Taking all of that into account the committee recommended to the Council of Governors that an award of 2.49% be made.

Tommy Geddes

Governor for Higher and Further Education, Chairman of NED Remuneration Committee

Statement of the Chairman of the Board of Directors' Remuneration Committee

The Remuneration Committee met once in 2018/19 to review the salaries of the Executive Directors with the exception of the Chief Nurse, who did not take up office until 3 September 2018 and the Chief Medical Officer, who is paid as a medical consultant with pay determined by the nationally agreed Pay Review Body decisions. The Remuneration Committee recommended a 3% cost of living increase for the Chief Operating Officer and the Chief Financial Officer. The Committee also agreed to an increase to the Chief Executive's salary as it was significantly below the median of medium sized Trusts. An application has been made to NHSI in support of this recommendation.

Paul Musson

Non-Executive Director and Chairman of the Remuneration Committee for Executive Directors⁷

⁶ Tommy Geddes was Chairman of the committee at the time of the recommendation and until 31st January 2019

⁷ Paul Musson was Chairman of the Committee until 31st December 2018

Pay awards for Executive Directors for 2018/19 and any decline of awards

As noted in the statement by the Committee's Chairman the Remuneration Committee met once in 2018/19 and decided to recommend a pay award of 3% to Executive Directors. This award was declined by Malcolm Ace, Chief Financial Officer because of the financial pressures under which the Trust was operating.

Executive Directors

Executive Directors are full time employees of the Trust and Board members. Membership of the Board at the 31 March 2019 comprises Six Non-Executive Directors, including the Chair, and 5 Executive Directors.

The remuneration of Executive Directors and a number of very senior managers is reviewed annually by the Board's Remuneration Committee and to inform the discussion and outcome a national report on benchmarking of NHS Executive Director salary levels is received from NHS Providers.

Other Senior Managers

Before 2018/19 the Trust operated a separate pay system (Non-Agenda for Change) for its very senior managers, which had been in operation since 2012 and affected the management tier below Executive Directors and comprising the Operations Directors, Associate Directors and Deputy Directors or equivalent. There were eighteen roles which fell within this category. Following consultation with the senior managers it was decided that the majority of those individuals would move to the agenda for change pay system with the remainder continuing to be subject to the separate pay system which receives pay progression at the discretion of the remuneration committee taking comparative benchmarking data into account.

If a new role is created, or a role is vacated and a successor is internally or externally sourced, the committee will consider and make a recommendation as to whether that post should fit within the separate pay system or agenda for change taking into account:

- Salary of predecessor (as appropriate)
- Market rate in given role/profession/market sector and cross sector as is appropriate
- Prevailing NHS/Public Sector Guidelines (if relevant)
- Current salary (if relevant)
- Salary in equivalent roles internally to HHFT.

All senior managers apart from two are on permanent contracts and have a notice period dependent on length of service and seniority. The two exceptions are on fixed term secondments.

Board of Directors' Remuneration Committee

The Remuneration Committee's main roles are to:

REMUNERATION REPORT

- Agree with the Board of Directors a framework for remunerating Executive Directors (including the Chief Executive) and senior managers;
- Determine the total remuneration of each Executive Director and senior manager; and
- Ensure that contractual terms on termination are fair to both the director and HHFT, that failure is not rewarded and that the duty to mitigate loss is fully recognised.

The membership of the Remuneration Committee is comprised of the six Non-Executive Directors listed in Annex A and was chaired by Paul Musson until 31 December 2018 with Jane Tabor taking over from 31 January 2019. The Remuneration Committee works in consultation with the Chief Executive, where appropriate, and may take other professional advice as it considers appropriate or beneficial, although none has been sought during this year.

The committee met twice during the course of the year 2018/19.

Council of Governors' Remuneration Committee

The Remuneration Committee's main role is to assess and recommend to the Council of Governors the total remuneration of each Non-Executive Director and the Chair.

The Remuneration Committee is a sub-committee of the Council of Governors and is chaired by a Governor. It can take external professional advice if it considers that beneficial or appropriate. It bases its decisions on sector comparability, aiming to be within the top quartile, to attract and retain the highest quality of Non-Executive Directors.

The membership is comprised of a mix of Governors and Directors. Two meetings were held to discuss remuneration for the financial year 2018/19.

The following table lists the Non-Executive Directors as at 31 March 2019 and the date that their current term ends:

Non-Executive Director	End of current term
John MacMahon	31 March 2021
Jeff Wearing	30 April 2019
Gary McRae	30 November 2021
Paul Musson	31 August 2019
Jane Tabor	31 August 2019
Steve Erskine	31 December 2021

Although Non-Executive Directors' appointments terminate on the respective dates shown above, these appointments automatically terminate on the happening of certain events, such as bankruptcy, and either HHFT or the Non-Executive Director can terminate on 3 months' notice. There are no special compensation provisions for early termination.

Remuneration of Executive and Non-Executive Directors

The table below shows the commencement date of the service contract of all Executive Directors as at 31 March 2019.

Name	Start date	Unexpired term	Notice period
Alex Whitfield	13 March 2017	Open ended	Six months
Andrew Bishop	1 August 2004	Open ended	Three months

REMUNERATION REPORT

Malcolm Ace	1 May 2016	Open ended	Three months
Julie Maskery	1 July 2015	Open ended	Three months
Julie Dawes	3 September 2018	Open ended	Six months

*The salary and pension entitlements of Non-Executive Directors and Executive Directors are set out in the following tables showing the current year and the previous year.

Period covering 1 April 2018 to 31 March 2019

Name and Title	Salary and fees (in bands of £5,000) £'000	Taxable benefits (total to the nearest £100) £'000	Annual performance related bonuses (in bands of £5,000) £'000	Long-term performance related bonuses (in bands of £5,000) £'000	Pension related benefits (in bands of £2,500) £'000	Total 2018/19 (in bands of £5,000) £'000
Chair:						
Elizabeth Padmore (left 31st Dec 2018)	40-45	-	-	-	-	40-45
Steve Erskine (started 1st Jan 2019)	10-15	-	-	-	-	10-15
Non Executive Directors						
John MacMahon	20-25	-	-	-	-	20-25
Phillip Whitehead (left 30th Apr 2018)	0-5	-	-	-	-	0-5
Jeff Wearing	15-20	-	-	-	-	15-20
Gary McRae	15-20	-	-	-	-	15-20
Jane Tabor	15-20	-	-	-	-	15-20
Paul Musson	15-20	-	-	-	-	15-20
Executive Directors						
Alex Whitfield, CEO	170-175	-	-	-	47.5-50	215-220
Donna Green, Director of Nursing/Deputy CEO (left 31 Aug 2018) (1)	70-75	-	-	-	-	70-75
Andrew Bishop, Medical Director	270-275	-	-	-	82.5-85	350-355
Malcolm Ace, CFO	150-155	-	-	-	-	150-155
Julie Maskery, COO	150-155	-	-	-	62.5-65	210-215
Julie Dawes, Director of Nursing (started 3rd September 2018)	85-90	-	-	-	0-2.5	85-90

(1) Donna Green, former Director of Nursing/Deputy CEO retired from the Trust on 31st August 2018, and consequently the NHS Pensions Agency did not provide any information on her pension related benefits as at 31st March 2019.

Period covering 1 April 2017 to 31 March 2018

Name and Title	Salary and fees (in bands of £5,000) £'000	Taxable benefits (total to the nearest £100) £'000	Annual performance related bonuses (in bands of £5,000) £'000	Long-term performance related bonuses (in bands of £5,000) £'000	Pension related benefits (in bands of £2,500) £'000	Total 2016/17 (in bands of £5,000) £'000
Chair:						
Elizabeth Padmore	50-55	-	-	-	-	50-55
Non Executive Directors						
John MacMahon	15-20	-	-	-	-	15-20
Philip Whitehead	15-20	-	-	-	-	15-20
Jeff Wearing	20-25	-	-	-	-	20-25
Gary McRae	15-20	-	-	-	-	15-20
Jane Tabor	15-20	-	-	-	-	15-20
Paul Musson	15-20	-	-	-	-	15-20
Executive Directors						
Alex Whitfield, CEO (Joined 03/04/2017)	170-175	-	-	-	202.5-205	370-375
Donna Green, Director of Nursing/Deputy CEO	150-155	-	-	-	20-22.5	175-180
Andrew Bishop, Medical Director	255-260	-	-	-	30-32.5	285-290
Malcolm Ace, CFO	150-155	-	-	-	-	150-155
Julie Maskery, COO	145-150	-	-	-	35-37.5	180-185

REMUNERATION REPORT

'Pension related benefits' are calculated according to the 'HMRC method' defined as ((20 x current annual pension entitlement) + current lump sum entitlement) – ((20 x prior year annual pension entitlement) + prior year lump sum entitlement), less any amounts paid by employees.

Included in the above remuneration tables are uplift fees for additional responsibilities held for the following Non-Executive positions:

Role	Fee (in bands of £5,000)
Chairman of Audit Committee	0-5
Chairman of Risk Committee	0-5
Senior Independent Director	0-5
Chairman of Workforce and Organisational Development Committee	0-5
Chairman of Quality Committee	0-5
Chairman of Finance and Investment Committee	0-5

The table below shows individual pension benefits for each Executive Director for the last financial year:

Period covering 1 April 2018 to 31 March 2019

Name and Title	(a) Real increase in pension at pension age (bands of £2,500) £'000	(b) Real increase in pension lump sum at pension age (bands of £2,500) £'000	(c) Total accrued pension at pension age at 31 March 2019 (bands of £5,000) £'000	(d) Lump sum at pension age related to accrued pension at 31 March 2019 (bands of £5,000) £'000	(e) Cash Equivalent Transfer Value at 1 April 2018 £'000	(f) Real increase in Cash Equivalent Transfer Value £'000	(g) Cash Equivalent Transfer Value at 31 March 2019 £'000	(h) Employer's contribution to stakeholder pension £'000
Executive Directors								
Alex Whitfield, CEO	2.5 - 5.0	0 - 2.5	30 - 35	55 - 60	415	93	516	24
Julie Dawes, Director of Nursing	0 - 2.5	0 - 2.5	60 - 65	190 - 195	1,499	-34	1,494	5
Andrew Bishop, Medical Director	2.5 - 5.0	10.0 - 12.5	55 - 60	175 - 180	1,158	194	1,375	21
Malcolm Ace, CFO	-	-	-	-	-	-	-	-
Julie Maskery, Director of Performance & Transformation	0 - 2.5	0 - 2.5	65 - 70	0 - 2.5	762	134	910	22

Period covering 1 April 2017 to 31 March 2018

Name and Title	(a) Real increase in pension at pension age (bands of £2,500) £'000	(b) Real increase in pension lump sum at pension age (bands of £2,500) £'000	(c) Total accrued pension at pension age at 31 March 2017 (bands of £5,000) £'000	(d) Lump sum at pension age related to accrued pension at 31 March 2017 (bands of £5,000) £'000	(e) Cash Equivalent Transfer Value at 1 April 2016 £'000	(f) Real increase in Cash Equivalent Transfer Value £'000	(g) Cash Equivalent Transfer Value at 31 March 2017 £'000	(h) Employer's contribution to stakeholder pension £'000
Executive Directors								
Alex Whitfield, CEO	7.5 - 10.0	20 - 22.5	25 - 30	55 - 60	242	167	415	22
Donna Green, Director of Nursing & COO	0 - 2.5	0 - 2.5	70 - 75	210 - 215	1,301	80	1,416	20
Andrew Bishop, Medical Director	0 - 2.5	2.5 - 5	50 - 55	160 - 165	1,053	77	1,158	35
Malcolm Ace, CFO	-	-	-	-	-	-	-	-
Julie Maskery, Director of Performance & Transformation	0 - 2.5	-	60 - 65	-	685	57	762	19

REMUNERATION REPORT

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 organisation's workforce:

	2018-19	2017-18
Highest paid director's total remuneration (£'000)	270-275	255-260
Median total workforce remuneration	26,974	24,546
Ratio	10.10	10.49

This calculation excludes agency staff.

The banded remuneration of the highest-paid HHFT director in the financial year 2018/19 was £270,000-£275,000 (2017/18: £255,000-£260,000). This was 10.10 times (2017/18: 10.49 times) the median remuneration of the workforce, which was £26,974 (2017/18: £24,546).

At 31 March 2019, no employees (2017/2018: no employees) received remuneration in excess of the highest-paid director. Remuneration ranged from £15,310 - £271,271 (2017/18: £15,150-£258,214).

For the year ended 31 March 2019 expenses paid to 5 Executive Directors totalled £3,618 (2017/18: £2,307), expenses paid to 1 Non-Executive Directors totalled £2,725 (2017/18: £3,080) and expenses paid to 8 Governors totalled £1,955 (2017/18: £1,178).

Three of the Non-Executive Directors held Non-Executive Director roles in other organisations. Jane Tabor is a Non-Executive Director of Vivid Housing, Gary McRae is a Non-Executive Director of SAS Group Holdings Ltd and the William Harvey Research Foundation and Jeff Wearing is a Non-Executive Director and Vice-Chairman of Age Concern Hampshire.

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. No payments were made for loss of office to any senior manager in the year 2018/19.

Signed.....

Alex Whitfield
Chief Executive

Date.....

24/05/2019

Corporate Governance and Disclosures

The Board of Directors

The Board of Directors is the corporate decision making body of HHFT and delegates day-to-day operational management of HHFT to the Chief Executive and Executive Directors. The Schedule of Matters Reserved to the Board and the Scheme of Delegation, which forms part of our Constitution, sets out the business to be conducted by the Board, or by one of its Committees. It also details the roles and responsibilities of the Council of Governors and how it and the Board will work together.

In 2018/19, the Board comprised a Non-Executive Chairman, a further five Non-Executive Director roles each appointed by the Council of Governors for a term of three years, and five Executive Director roles. Its members bring a wealth of experience from the NHS, not for profit and the commercial sectors. Directors' membership of Board Committees and their attendance at Board meetings and Committee meetings in 2018/19 is shown in Annex A.

The Board's main responsibilities are to:

- Provide leadership to HHFT and promote achievement of HHFT's Principal Purpose as set out in its Constitution, ensuring at all times that it operates in accordance with its Constitution and Terms of Authorisation;
- Consider guidance from NHS Improvement, in particular "The Code of Governance";
- Function as the corporate decision making body with Non-Executive Directors and Executive Directors as full and equal Board members;
- Consider the key strategic and managerial issues and risks facing HHFT in carrying out its statutory duties and other functions;
- Set the values and strategic direction of HHFT and submit them to the Council of Governors for approval and monitor their delivery throughout the year;
- Produce an annual plan, taking into account the views of the Council of Governors, and submit it to NHS Improvement to an agreed timetable;
- Ensure effective overall stewardship of HHFT through monitoring and overseeing all activities undertaken, ensuring competent and prudent management, sound planning, proper procedures for the maintenance of adequate accounting and other records and systems of internal control, and for compliance with statutory and regulatory obligations; and
- Ensure that HHFT has adequate and effective governance and risk management systems in place.

Balance of the Board

The range of skills and experience of Executive and Non-Executive Directors ensures an appropriate balance, and the independence of Non-Executive Directors helps to create a unitary Board with the appropriate skills to fulfil its role.

Independence of the Board



The Board has reviewed and determined that, by reason of their character and judgement, all Non-Executive Directors, including the Senior Independent Director, are independent.

In order to fulfil their duties, it is necessary that the Directors are free from conflicts of interests. As part of their functions, Directors are invited to declare any interest they may have at every Board




meeting and a register of Directors' interests is maintained and regularly updated by the Company Secretary. Access to the register of Directors' interests is available to members of the public on request to company.secretary@hhft.nhs.uk. The register is also published on the Trust website. If any item to be discussed at a Board meeting conflicts with an interest of a Board member, they exempt themselves from the discussion.

The Senior Independent Director ("SID") for the financial year 2018-19 is Jeff Wearing. In this role the SID is available to staff, members and Governors whose concerns were not resolved through the normal channels (Chair, Chief Executive or Chief Financial Officer) or for which these channels were inappropriate.

Board membership at 31 March 2019

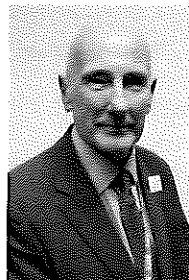
BOARD MEMBER			
Name	Title	Biography	Declarations
<p>Alex Whitfield</p> 	Chief Executive Officer	<p>Alex joined the Trust as Chief Executive Officer in April 2017 after holding the position of chief operating officer for Solent NHS Trust.</p> <p>Alex has held senior roles in both the former Basingstoke and Winchester organisations over a number of years. Her first NHS role was at North Hampshire Hospital in 2005 and during her time there she covered areas as diverse as project management, governance, productivity and operational management of the Emergency Division. She went on to become chief operating officer at Winchester.</p> <p>Alex started her career in operational management at ExxonMobil's Fawley Oil Refinery and holds an engineering degree from Cambridge University. After 13 years at Exxon, Alex moved to the NHS.</p>	<p>Director of Wessex Academic Health Science Network</p> <p>Chair of Wessex Clinical Research Network Partnership Board, which pays £2000 per annum to HHFT for the role</p>
<p>Malcolm Ace</p> 	Chief Financial Officer	<p>Malcolm joined the Trust as Chief Financial Officer in May 2016 after joining the NHS Executive Fast track programme in 2014 where he was based at Salisbury NHS Foundation Trust.</p> <p>Malcolm was previously the Director of Finance for the University of Portsmouth followed by the University of Southampton.</p> <p>Malcolm qualified as an accountant in 1987 after graduating from Jesus College, University of Oxford in 1983.</p>	

CORPORATE GOVERNANCE AND DISCLOSURES

<p>Dr Andrew Bishop</p> 	<p>Chief Medical Officer</p>	<p>Andrew was appointed Chief Medical Officer in 2004 after being the clinical director for medicine and elderly care services.</p> <p>Andrew joined the Trust in 1999 as a consultant cardiologist where he extensively developed the cardiology service and established the angiography service.</p> <p>Andrew qualified from the University of Cambridge in 1987.</p>	<p>Director of Bishop and Brookes Ltd</p> <p>Governor of Castle Hill Infant School</p> <p>External Responsible Officer St Michaels Hospice</p> <p>Trustee - Alton Cardiac Rehab Charity</p> <p>Trustee - North Hampshire Medical Fund</p> <p>Member of the British Interventional Cardiac Society</p>
<p>Julie Maskery</p> 	<p>Chief Operating Officer</p>	<p>Julie was appointed Chief Operating Officer in July 2017, having joined the Board of Directors as Director of Transformation and Performance two years earlier.</p> <p>Julie held a number of senior roles across HHFT, including Head of Human Resources, Education and Medical Staffing. She then moved into operational management and was the Operational Director for both the Surgical and Medical Divisions.</p> <p>Julie joined the NHS in April 2008 on the National NHS Gateway to Leadership programme. Prior to joining the NHS, she had worked for 15 years in local government in Leisure and Environmental Services</p>	
<p>Julie Dawes</p> 	<p>Chief Nurse (from 1 September 2018)</p>	<p>Julie joined the Trust in September 2018 after holding the position of chief nurse and interim chief executive at Southern Health NHS Foundation Trust.</p> <p>Julie qualified at St James Hospital in Leeds and has worked as a nurse for 37 years. Her clinical background was mainly in cancer and palliative care and she is passionate about patient care and drives hard to maintain high standards of care.</p> <p>Julie graduated from Southampton University with a Master's Degree in 2005.</p>	

NON-EXECUTIVE DIRECTORS

Steve Erskine



End of current term: 31/12/21

Chair (from 1 January 2019)

Steve joined the Trust as Chairman in January 2019 after holding the same position at Poole NHS Foundation Trust. He also sat on the Dorset Integrated Care System partnership board. Steve was vice-chairman at Portsmouth Hospitals NHS Trust and has been an NHS non-executive director since 2011.

Steve was a business development director for L3 Communications where he was responsible for the delivery of intelligence and information systems into UK policing and law enforcement agencies and during this time he led on the implementation of a new national child protection system. Prior to this he was the Integrated Services Director for a large Home Office agency.

Steve's career started at Ordnance Survey where he worked his way up through the organisation to become the main board director responsible for technology, product management and the paper mapping business. He was the strategic relationship lead for external organisations and partners such as the Countryside Agency, DEFRA and MoD and also represented the UK on the management board of the European association for national mapping, cadastral and land registration authorities.

Jeff Wearing



End of current term: 30/04/2019


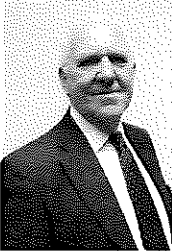

Non-Executive Director and Senior Independent Director


Chairman of the Quality and Performance Committee

Jeff has over 30 years of experience at board level, working within the Ministry of Defence and telecommunications industry with Vodafone; he has specialist skills in starting and operating new businesses, quality management, customer service, risk management and corporate governance. Jeff was previously a Non-Executive director at Winchester and Eastleigh Healthcare NHS Trust, he is also a Director and Joint Chair of Age Concern Hampshire, a charity that provides day care opportunities and support to older persons in Hampshire.

Joint Chair of Age Concern Hampshire

CORPORATE GOVERNANCE AND DISCLOSURES

<p>Gary McRae</p>  <p>End of current term: 30/11/21</p>	<p>Non-Executive Director Chairman of the Audit Committee Chairman of the Finance Committee</p>	<p>Gary is a Chartered Accountant and brings a wealth of experience from the private sector to HHFT. He previously worked as Finance Director of NSC, a privately-owned business based in Camberley providing training, simulation and consultancy products. Prior to this, he was the Director of Corporate Development and Legal at Laird PLC. He has also worked for British Aerospace Defence, the Dowty Group and Ernst & Young. Gary is currently a NED of SAS International.</p>	<p>Trustee of SAS Pension Fund</p> <p>NED/Trustee William Harvey Research Foundation</p> <p>NED of SAS Group Holdings Ltd</p>
<p>John MacMahon</p>  <p>End of current term: 31/03/21</p>	<p>Non-Executive Director Chairman of the Risk Committee</p>	<p>In a career spanning investment, private and commercial banking, John held senior positions in Grindlays Bank and its parent Australia and New Zealand Banking Group in London, Tokyo and New York. In 2004 he was a founding partner of Sallsbury-based Gore Browne Investment Management which provides discretionary wealth management to private clients, family trusts and charities and he continues in that role.</p>	<p>Director - Gore Browne Investment Management</p>
<p>Jane Tabor</p>  <p>End of current term: 31/08/19</p>	<p>Non-Executive Director Chairman of the Remuneration Committee</p>	<p>Jane has over 20 years commercial experience developing and leading major UK and European technology, services and software businesses for IBM. She held many senior executive positions within IBM, leading multi-national, multi-disciplinary teams working extensively through complex business partnerships and managing major client relationships. In addition to Hampshire Hospitals, Jane serves as a Non-Executive director of Vivid Housing, where she is a member of the Audit & Risk and Remuneration & Nominations Committees, and on the governing council of Loughborough University, where she is on the Finance, Nominations and Remuneration Committees. She is also a co-opted member of the Audit and Assurance Committee for England Athletics. Previously Jane was a Non-Executive director at the Isle of Wight NHS Trust and was a Board member with two not-for-profit organisations – AbilityNet and the IBM Charitable Trust.</p>	<p>Director of Imago@Loughborough Ltd</p> <p>Lay member of Council, Loughborough University</p> <p>Co-opted committee member of Audit & Assurance, England Athletics</p> <p>Board member and NED of Vivid Housing</p>

<p>Paul Musson</p> 	<p>Non-Executive Director</p> <p>Chairman of the Workforce and Organisational Development Committee</p>	<p>Paul Musson was Chief People Officer at Colt Technology Services, where he had a clear remit to drive the people and performance agenda 'top down' across Colt's business and service units. Paul was a key member of the strategic project team supporting the implementation of the new strategy and operating model through concept and design to execution. Paul has over 22 years' experience in Human Resources, working at a leadership level, having held corporate roles at global FTSE 100/S&P 250 companies, BAE Systems and Weatherford International.</p> <p>Prior to this Paul spent 20 years in the military in various leadership roles and was involved in two major reorganisations of the Army; his service also included 4 years in Special Forces as a Team Leader. Paul retired as a Captain in 1999.</p>
<p>End of current term: 31/08/19</p>		

Board evaluation of performance

The Board evaluates its performance internally on an annual basis and commissions an external evaluation periodically on a three yearly basis. An external Board evaluation was carried out by RSM during the year who concluded that "We found a clinically well-led organisation that is increasingly being more open and transparent in its system working. We have identified many areas of good practice in our work and some areas for development to aid the Trust to continue building on its achievements in the light of significant challenges it now faces". An action plan was put in place to address any areas identified where work is recommended which has been combined with the actions from the CQC's well led inspection. The actions are tracked by the Governance team and Corporate secretary office.

Board Committees

The Board of Directors has seven main sub-committees:

- (a) Audit Committee;
- (b) Risk Committee;
- (c) Nomination Committee;
- (d) Remuneration Committee.
- (e) Finance and Investment Committee (established in February 2019)
- (f) Quality and Performance Committee (established in February 2019)
- (g) Workforce and Organisational Development Committee (established in February 2019)

Membership of these Committees and attendance at meetings in 2018 -19 is shown in Annex A.

(a) Audit Committee

The Audit Committee is a non-executive committee of the Board with delegated authority to review the establishment and maintenance of an effective system of financial, non-financial and non-clinical internal controls, which supports the achievement of HHFT's objectives. A separate non-executive committee of the Board has been established to review the establishment and maintenance of risk management controls and its meetings are reported to the Board.

The principal purpose of the committee is to assist the Board in discharging its responsibilities for monitoring the integrity of HHFT's accounts. In addition it reviews the adequacy and effectiveness of HHFT's systems of risk management and internal controls and monitors the effectiveness, performance and objectivity of HHFT's external auditors, internal auditors and local counter fraud specialist. Within this remit, it also has responsibility for the oversight of the whistleblowing procedures within HHFT.

The members of the Audit Committee are listed in Annex A and include three independent Non-Executive Directors, the Chair of which is a qualified accountant and all members of the committee have recent and relevant financial experience. There have not been any changes to membership during the year.

Effectiveness of the committee

The committee reviews and self-assesses its effectiveness annually using criteria from best practice guidance, and ensures that any matters arising from this review are addressed.

The committee also reviews the performance of its internal and external auditors' service against best practice criteria identified from the *NHS Audit Committee Handbook*.

The committee has a secretary responsible for administrative support to its meeting. At each meeting the committee receive papers of good quality, provided in a timely fashion to allow due consideration of the content. Meetings are scheduled to allow sufficient time to enable a full and informed debate. Each meeting is minuted and reported to the Board.

The following areas were internally audited and considered by the Committee:

- CQC action plan
- Incidents, complaints and lessons learnt
- Patient pathways (specifically RTT and waiting lists 2018/19)
- Cost Improvement Plans (specifically rostering during 2018/19)
- Procurement
- Cash management
- Charitable funds
- Backlog maintenance
- Diversity and Inclusion
- Project management
- Data protection toolkit (GDPR)/ DSP toolkit

External audit

KPMG LLP (KPMG) has continued to provide their services as external auditors. KPMG has finalised their audit report for the current period, which is included in the accounts. Their audit fees and non-audit fees are set, monitored and reviewed throughout the year and are included in note 43 of the accounts.

Internal audit and counter fraud services

The Board contracts with external parties to deliver internal audit and counter-fraud services:

- RSM Risk Assurance Services LLP (RSM) has provided their services as internal auditors. RSM's service covers both financial and non-financial audits determined by a risk-based plan agreed with the Audit Committee.
- The Trust contract with the NHS Hampshire and IOW Counter Fraud Service to provide a separate independent counter fraud service. The service includes carrying out reviews of areas at risk of fraud, investigating any allegations of fraud and providing fraud awareness training across the Trust.

Internal controls

The Committee focussed the internal audit plan on the areas set out above. Action plans were agreed and put in place to address issues in control processes.

Fraud detection processes and whistle-blowing arrangements

The Committee reviewed the levels of fraud and theft reported and detected, and the arrangements in place to prevent, minimise and detect fraud and bribery. NHS Hampshire and IOW Counter Fraud Service Awareness indicated that awareness of fraud risk and how to report fraud was high across the Trust's employees. No significant fraud was uncovered during the year. Whistleblowing arrangements are reviewed regularly, and no significant matters were brought to the Trust's attention during the year.

Financial reporting

The Audit Committee reviewed the Trust's accounts and Annual Governance Statement and the consistency of these with the Annual Report as a whole. As part of this review it considered reports from management and from external and internal auditors to assist its consideration of the quality and acceptability of accounting policies, including their compliance with accounting standards. In particular the review considered:

- Key judgments made in preparation of the financial statements;
- Compliance with legal and regulatory requirements;
- Clarity of disclosures and their compliance with relevant reporting requirements; and
- Whether the Annual Report as a whole is fair, balanced and understandable and provides the information necessary to assess the Trust's performance and strategy.

The Audit Committee has reviewed the content of the Annual Report and Accounts and advised the Board that, in its view, taken as a whole:

- It is fair, balanced and understandable and provides the information necessary for stakeholders to assess the Trust's performance, business model and strategy; and
- It is consistent with the Annual Governance Statement, feedback received from the external auditors and the Head of Internal Audit Opinion.

Significant financial judgments and reporting for 2018/19

The Audit Committee considered a number of areas where significant financial judgements were taken which have influenced the financial statements.

We identified through discussion with both management and the external auditor the key risks of misstatement within the Trust's financial statements. We discussed these risks with management during the year and received a paper from management in advance of the year-end. We also discussed these with the external auditor during the year and at the conclusion of the external audit. We set out below how the Audit Committee satisfied itself that these risks of misstatement had been properly addressed.

Areas of accounting judgment and other issues

The following areas were considered by the Committee:

- Fixed Assets Valuations: reports from management which explained the basis of valuation for the most significant buildings, taking into account future life, use and structural refurbishment expenditure and including a review of the rationale for any impairment were reviewed. The external auditor's views on the proper accounting treatment for these buildings were taken into account. The Committee was satisfied that the valuation of these buildings included in the financial statements was consistent with management intention, and is in line with accepted accounting standards; and
- Impairment of Asset Valuation: the Committee considered reports from management triangulated with the views of the external auditor on a specific impairment issue. The recommendation of the Audit Committee, which accorded with that of management and the external auditor, was endorsed by the Board of Directors, and consequently incorporated in the financial statements; and
- Receipt of NHS Income: the Agreement of Balances exercise across the NHS was reviewed as part of the consideration of the external auditor's report. This confirmed that the Trust had recognised income appropriately within the financial statements including its valuation of work in progress; and
- Charity Consolidation: the decision to continue not to consolidate the accounts of the Hampshire Hospitals Charity was reviewed. This continues to be disclosed in the accounts with an explanation to the reasons for non-consolidation; and
- Hampshire Hospitals Contract Services Ltd (HHCS): the required disclosures under IFRS of the subsidiary company were reviewed and will be included in the accounts due to the materiality of the company's assets.

(b) Risk Committee

The committee's principal function is one of supervision, oversight and monitoring of risks. It performs its duties based on information provided by the management of HHFT.

During the year the Committee considered the risk appetite of HHFT looking at risk categories including clinical, operational, financial, strategic, reputational, commercial, cyber risk, capital and other relevant risks. It reviewed the Directors' risk register and divisional registers as prepared by executive teams and challenged the prioritisation and mitigating action plans.

The Committee received and reviewed the Board Assurance Framework and Trust Risk Register and recommended it to the Board for approval. During the year it kept the Board updated on key discussions and issues.

(c) Nomination Committee

The Nomination Committee reviews, and recommends to the Board, the appointment of Executive Directors and considers succession planning. The Nomination Committee met once during the year to discuss Executive Director succession planning.

(d) Remuneration Committee

The details of this committee can be found in chapter 4 of this report.

(e) Finance and Investment Committee

The Trust has to be sustainable in the short, medium and long term. Sustainability has different aspects, the most important being that our clinical services meet the changing demands and needs of our population. To do this, the Trust must be able to support the requirements of clinical services within the resources available to the Trust, while maintaining the future operational capacity of the Trust in terms of investment in estate, equipment, digital services and crucially our people.

The Finance and Investment Committee aims to ensure that:

- the Trust's clinical and other operational plans are consistent with realistic resource plans,
- all services are provided in the most efficient and effective manner, consistent with good practice in the NHS and the wider economy where helpful comparison and learning can be used
- senior managers are controlling budgets in line with agreed resource plans
- new opportunities and requirements to support our population are facilitated and where possible accelerated by early and rigorous financial and resource planning
- senior managers and leaders are supported in their relationship with regulators, system partners and other external organisations with requisite financial and resources information and support.
- assurance is provided to the Board of Directors of HHFT that resources are used in the most creative way to benefit our population and that the Trust is meeting the requirements of our regulators in providing outstanding care within the resources available.

(f) Quality and Performance Committee

The Committee is responsible for providing the Board of Directors with assurance on all aspects of clinical quality including patient safety, experience and effective outcomes, governance processes, quality monitoring, clinical risk management and the regulatory standards of quality and safety.

The Committee will provide scrutiny and challenge of any quality issue it deems appropriate to provide assurance to the Board that the risks associated with clinical quality and the Trust's provision of outstanding care are identified, managed and mitigated appropriately by:

- Providing oversight of the areas which best support delivery of the Trust's strategic objectives and quality priorities in relation to patient safety, experience, patient outcomes and effectiveness
- Reviewing compliance with regulatory standards and statutory requirements e.g. CQC standards of quality and safety and the adequacy of assurances provided by the controls and actions in place to ensure compliance
- Reviewing the adequacy of actions in all areas of the Trust's clinical quality, patient safety and governance performance including review of the annual clinical audit programme and implementation of NICE guidance
- Receiving and considering reports from the Divisions based on a range of outputs relating to quality assurance in the delivery of services e.g. complaints, incidents, patient safety issues, patient experience and effectiveness of patient outcomes
- Receiving and reviewing reports from external assessment and accreditation systems, professional bodies and regulatory bodies, and from Trust groups established to focus on specific quality related issues e.g. SERG, PSEEG, MERG
- Oversee 'Deep Dive Reviews' of identified risk to quality escalated by the Board or the Committee, particularly in relation to clinical issues raised in national/local reports, patient surveys and complaints, SIRIs, Never Events, duty of candour, claims and inquests; and how recommended actions have been implemented
- The Committee may also initiate reviews based on its own insight and analysis of quality trends identified through the regular performance reporting to the Board

(g) Workforce and Organisational Development Committee

The Workforce and Organisational Development Committee is responsible for ensuring workforce strategies are appropriate, and for gaining assurance by monitoring the management needed to deliver a workforce with the capacity and capability to provide high quality, safe patient care in line with strategic objectives, the Trust Values and the relevant elements of the Board Assurance Framework.

Council of Governors

The specific responsibilities of the Council of Governors include:

- appointing the Chairman and other Non-Executive Directors of HHFT at a general meeting;
- agreeing the remuneration and other terms and conditions of office of the Chairman and Non-Executive Directors;
- removing the Chairman and other Non-Executive Directors if deemed necessary;
- approving the appointment of the Chief Executive Officer by the Non-Executive Directors;
- appointing or removing the external auditors;
- receiving the Annual Report and Accounts and the report of the external auditor;
- considering any proposals for non-NHS activity in the forward plan;

- approving an increase of more than 5% of non NHS activities; and
- approving significant transactions.

Opinions of the public, members and appointing bodies, including on the Trust's strategy and forward plan, are canvassed by elected and appointed Governors. The Council's Membership and Community Engagement Working Group (MWG) acts as a steering and planning group to help identify ways for Governors at large to be able to engage with the membership and the wider community. Governors are invited to attend all HHFT events held for members and the public.

The Governors met with the Board at a number of meetings during the year, including joint workshops where Governors gave their views on matters such as the Annual Plan and future strategy. Non-Executive Directors and Executive Directors attend meetings of the Council of Governors. Executive Directors provide regular updates to the Council of Governors on our performance.

In all these ways, the Directors maintain their understanding of the views of the Governors and the public, members and appointing bodies whom they represent and interact with regularly.

Independence of Governors

The full Council of Governors meets confidentially with the full Board of Directors three times a year and privately with the Chairman and Chief Executive Officer four times a year, during which debate and discussion can be held and any disagreements between views resolved. The Chairman also holds individual meetings with each Governor.

In order to fulfil their duties it is necessary that the Governors are independent and free from conflicts of interests. Upon appointment, Governors are required to complete a declaration of interest form and are regularly prompted to update their declarations (if appropriate). A register of Governors' interests is kept and maintained by the Company Secretary and extracts can be requested by contacting company.secretary@hhft.nhs.uk.

Membership of the Council of Governors

Council of Governors for Hampshire Hospitals NHS Foundation Trust

From 1 April 2018 until 31 March 2019, the Council of Governors was constituted as follows:

Public elected Governors – 15

These Governors are elected from the public membership of HHFT across four constituencies:

- North Hampshire and West Berkshire (5 Governors);
- Mid and East Hampshire (5 Governors);
- West and South Hampshire (4 Governors);
- Rest of England and Wales (1 Governor).

There were no public Governor elections in 2018/19.

Staff Governors – 5

There is one staff Governor from each of five staff constituencies - administrative, clerical and managerial; medical and dental practitioners; support staff; allied healthcare professional; and nursing and midwifery.

Elections were held for three staff Governors in Nursing and Midwifery, Other healthcare professionals and Support staff as a result of the resignation of the existing Governors. All elections were held in accordance with the constitution.

Appointed Governors – 5 plus 1 co-opted Governor

These Governors are nominated by local voluntary and public sector organisations and are categorised as follows:

- Hampshire County Council (1 Governor);
- University of Winchester (1 Governor);
- Young people appointed by Hampshire County Council (1 Governor);
- Older people appointed by Hampshire County Council (1 Governor);
- People with a disability appointed by Hampshire County Council (1 Governor).
- Further and higher education (1 co-opted Governor).

There were two appointed Governors whose terms ended in the 2018/19 financial year, with both seats being reappointed to for a further term. One Governor term was due to end in March 2019 but took an early retirement in January 2019. One co-opted Governor had their term extended until the end of March 2020.

Registers of the membership of the Council of Governors is available for inspection upon request to: company.secretary@hhft.nhs.uk.

Information about individual Governors and their attendance at Council of Governors meetings between 1 April 2018 and 31 March 2019 is given in Annex B together with membership of its Remuneration and Nomination committees.

Committees of the Council of Governors

(a) Remuneration Committee

The details of this committee can be found in chapter 4 of this report.

(b) Nomination Committee

The Committee reviews and recommends to the Council the appointment and re-appointment of the Chairman and other Non-executive Directors.

Working groups of the Council of Governors

The Council has a number of working groups who focus on particular areas within the Trust.

The Patient Experience Group (PEG) is made up of public, stakeholder and staff Governors. Meeting every two months, the group receive information about the wide-ranging patient experience activities across the Trust, together with the results of national surveys in a range of specialities. The group review findings provide feedback and make appropriate recommendations to improve the experience of the care and services provided by the Trust. Individual members have participated in the PLACE assessments in all three hospitals.

PEG has designed and implemented a rolling programme of Governor visits. Governors and governance staff make unannounced visits to a ward or department and meet with staff and patients to hear from them about their experiences. The visit programme is designed to understand how the CQC fundamental standards are being met and to identify and share areas of good practice and opportunities for improvement. The visits have been well received and all members of the CoG either have, or are planned to, take part in this activity. The visits are scheduled every two weeks and include visits at the weekend and at night.

The Membership and Community Engagement Group which is a joint working party of the Council of Governors and members of staff of the Trust reviewed its remit in the light of the need for wider participation with the community. The purpose of the group is to maximise the contribution of the membership to the development of the Trust. The aim is to enable Governors to be more visible and available to members and the public, listening to their point of view, sharing the Trust's objectives and attracting more members. The Council of Governors approved the Group changing its name to the Membership and Community Engagement Group to reflect the intention to involve members and to also raise awareness among the community. The group meets regularly and reports to the wider Council and Board every quarter.

Members of the Public and Patient Involvement Working Group continue to support the Trust's research by raising patients' awareness of the Trust's research activity, and inviting them to ask their clinical teams about research studies that may suit their needs.

Membership

As a Foundation Trust, we are directly accountable to our local community through our members and elected Governors. By joining our organisation, our members have chosen to show their support and their interest in how our hospitals are run. The involvement and participation of our members is very important to us. It is a key aim of ours that our membership is a reflection of our patient population and the community we serve. The conversation with Trust members and the wider public is enabled through a combination of mechanisms including face to face, social media and surveys. Our Board of Directors meetings and our Council of Governor meetings are held in public and publicised through our newsletter and notice of dates released to the local press. We also provide members with insights into our services by holding Health Focus talks which feature talks from our clinicians. All our events are open to members and the general public and we aim to hold talks in each of our constituencies which are free and advertised widely.

Public membership is divided into four constituencies:

- North Hampshire and West Berkshire;
- Mid and East Hampshire;
- West and South Hampshire; and

- Rest of England and Wales.

Staff membership is divided into five constituencies:

- Administrative, Clerical and Managerial;
- Allied Health Professionals;
- Medical and Dental Practitioners;
- Nursing and Midwifery; and
- Support Services staff.

Engaging with both our public and staff members and our community in 2018-19

During 2018/19 we held Health Focus talks across our geography in Andover, Winchester, Alton and Eastleigh featuring talks by our clinicians on a range of topics including heart disease, breast services, developing plans for Winchester Hospice and an informative talk on celebrating nursing. In September we were delighted to hold a Heritage Open Day at Royal Hampshire County Hospital, a very well attended event that was part of a national programme. In addition, our Annual General Meeting was held in Basingstoke with exhibition stands and the opportunity to meet staff, Governors and the Board.

This has been the year in which the NHS celebrated its 70th anniversary and the Trust hosted a range of activities from planting trees to hosting tea parties for volunteers and staff. We were joined by many healthcare providers in an all-day exhibition in Westquay Southampton and were honoured to participate in a cathedral service held at Winchester cathedral. During that week the Trust also held a 'staff focus' event with 5 days of activities, conferences and talks all aimed at providing health and wellbeing opportunities and to reward and recognise the hard work of staff. Our Staff Governors were integral to the success of these events and this was demonstrated by the full engagement of staff members.

We held our AGM in July 2018 which was attended by members, the public and stakeholders. As well as an update from the executive team on Trust performance and future plans, an interactive exhibition took place which gave visitors the chance to find out more about the work that goes on across the Trust. The exhibition allowed attendees to practice performing CPR and first aid with the clinical skills team, and the team also performed a simulated cardiac arrest to demonstrate what happens in a real life clinical setting. Attendees were also able to find out more about the facilities services that keep our hospitals running and Trust Governors were on hand to talk to members about the Trust and how to get involved. Consultant physician, Professor John Ramage, delivered a talk on research and innovation at Hampshire Hospitals; past, present and future to mark the landmark 70th birthday of the NHS.

This year we undertook engagement with the community of Whitehill and Bordon on the proposed move of services. This was undertaken in close collaboration with our commissioners, South East Hampshire CCG, who supported our programme of face to face meetings with local community and patient groups including carer's network, GP patient and public representative groups and other local and community networks. This was further supported by an online survey promoted widely to the local community and to patients using services at the Chase community hospital. The Trust's Chief Executive met with local authority East Hampshire District council and Whitehall and Bordon council and presented on several occasion to the Health and Adult Social Care Committee of Hampshire County Council. All engagement channels received a good response and the feedback was taken into consideration in the discussions about the re-provision of services by other local

providers, demonstrating our and our commissioners' ongoing commitment to listen to the public on service change.

In the development of our Trust objectives for 2019-20 we invited a broad range of stakeholders to help us shape our priorities for the year ahead. A survey inviting stakeholders to rank priorities was sent to 3,000 of our members who we reach by email, and also sent to our staff, made available on our website and through the media to our communities and to our stakeholders, who include a wide range of partners and including local authorities, healthcare partners and community groups. Through this process our members and our public will have had an active opportunity to influence the focus of the organisation for the year ahead and at the time of writing over 800 responses have been received.

This year we also initiated the redevelopment of our external public facing Trust website. The functionality and usability were shaped by a user group consisting of members, Governors, patients, maternity services users, staff and colleagues from our Project Choice initiative for people with learning disabilities, difficulties and/ or autism. We also shared information with Patient Experience Group of Governors. Members, staff and the public were invited to contribute to a survey to assist with website development and to ensure the broad and representative input to what our website should deliver for our users. The new website is scheduled for launch 31 March 2019.

Membership strategy development

Engagement with our members is key to our Trust wide stakeholder strategy which reflects how we engage with partners and the public. This corporate stakeholder engagement strategy was approved by the Board of Directors in January 2019. In addition, our membership engagement strategy was updated and reviewed by the membership and community engagement group (MCEG) which is a working group of Governors in January 2019. Within this strategy we included a number of key recommendations as follows:

- Governors take an active role in interacting with groups and networks in their communities, including attendance at Health Focus events;
- Governors are further supported by the communications team to be able to reach into the Trust's community and engage with members and the public; including stands at events, in public areas and in each of the three hospitals.
- MCEG review and update the Membership Communications Strategy and continue to liaise closely with the Patient Experience Group.

These recommendations further underpin our membership objectives to:

- Ensure that our membership community is representative of the patient population we serve and the wider population;
- Welcome new members and grow the membership where possible;
- Develop an understanding of the level of engagement that members wish to have; and how this can best be achieved.
- Support the visibility of Governors within the Trust and to our community;
- Ensure that we have a cost-effective communication strategy that enables member involvement;
- Foster a partnership approach between members and management to encourage co-creation relationships and dialogue;
- Ensure that our membership strategy continues to innovate, develop and evolve.

We strive to ensure that the membership represents the patient and wider community's population served by HHFT in terms of geographical spread, ethnicity, socio-economic groups, gender and age, monitoring our membership statistics regularly. We have a duty and a desire to engage with young people, minority ethnic people and those others whose voice is rarely heard such as LGBT, the homeless and people in custody and this is a particular challenge that we aim to address in our strategy. A breakdown of membership data (as at March 2019) is shown below.

Governors are key to reaching into the local community and engaging directly with networks in their constituencies. Governors are supported in this engagement by provision of posters, presentations and other materials to enable them to talk to and engage with the public in their area. Interaction with members is steered by the Membership Communications and Engagement Group (MCEG) which is a working group of the Council of Governors. Governors are provided with materials and support to enable them to interact with their local community groups and networks. It is recommended that Governors attend all health focus events and other Trust events so that they may interact with those they represent. Board of Directors and Council of Governors are promoted to the public and members via press releases and direct emails. There is an opportunity at the end of Council of Governors meetings to interact with the public observers. It is recommended that Governors reinstate the regular Governor/ membership stands at Trust events and in each of the three hospital sites to increase opportunities for engagement with the public, patients and staff.

Governors support our public meetings and events and we support Governors as speakers at local community groups and colleges to promote membership and explain the role of the Governor. We provided an induction session for new Governors elected in January 2018 including a session which focused on the Governors' role in actively engaging with our members and the wider community. It also introduced and explained the role and remit of the MCEG. The MCEG met four times in the year to consider member communications and events. Governors attended the Health Focus events and the AGM hosting stands at each event on the role of Governors and membership. Governors select the monthly WOW! Award winners from the thousands of nominations received. More information is available on our website hampshire.hospitals.nhs.uk

Our membership and community engagement working group plans for 2019/20 include to:

- Continue to increase the proportion of our members with whom we can communicate via email
- Encourage increased attendance and interaction with members and the public through social media as well as face to face events
- Hold the Trust's Annual General Meeting in Basingstoke in July 2019
- Further expand and develop opportunities for Governors to engage with members, community groups/organisations and the wider public, including staff Governors and patient champions
- Develop plans for a wider range of health focus talks in a variety of hospital and community locations for members and the public.

Membership development

All staff are members unless they choose to opt out. We also have five Governors appointed from local organisations as set out earlier in this chapter.

Details of membership, including an online application form, can be found at:

<http://www.hampshirehospitals.nhs.uk/membership>

The list of named Governors and their attendance at meetings can be found in Annex B of this report. Governor profiles and details of the Council of Governors are online at:

<http://www.hampshirehospitals.nhs.uk/governors>

An email address hampshire.hospitals@hhft.nhs.uk publicised through the newsletter and HHFT website which members and the public can use to get in contact with Governors or if they have any general queries.

The total membership for Hampshire Hospitals NHS Foundation Trust on 31 March 2019 is as shown below:

Membership HHFT 31 March 2019	
Public	8420
Staff	6098
Total	14,518
Number of members in each constituency	
North Hampshire and West Berkshire	2773
Mid and East Hampshire	2529
West and South Hampshire	2709
Rest of England and Wales	400
Out of Trust area (Scotland, NI and overseas)	9

The age profile of our membership is broadly matched to the age profile of our patient population. Below is a table showing the distribution of our membership by age profile, compared with the age profile of the population of our catchment area

Age	No. Members	% membership	% population
16 and under*	1	0.01	20.63
17-21	56	0.67	5.2
22-29	208	2.47	8.16
30-39	299	3.55	11.69
40-49	565	6.71	13.78
50-59	956	11.35	14.61
60-74	2692	31.97	16.77
75+	3595	42.7	9.16
Unknown	48	0.57	0

*Membership is only open to those aged 16 years and older; therefore the membership figure for this age group is low in comparison to the community population.

Staff Report

Our workforce

An analysis of the number of WTE staff substantively employed is shown below, as at 31 March 2019:

Category	FTE
Medical and Dental	786
Administration and Estates	1669
Healthcare Assistants and Other Support Staff	1017
Nursing, Midwifery and Health Visiting Staff	1545
Scientific, Therapeutic and Technical Staff	363
Healthcare Scientist Staff	192
Grand Total	5572

Key workforce performance indicators for the year are shown below:

Indicator	Mar-16	Mar-17	Mar-18	Mar-19
Sickness absence	3.51%	3.65%	3.34%	4.00%
Staff appraised (All staff rolling 12 months)	62.75%	66.72%	66.79%	72.22%
Staff turnover Voluntary	11.91%	12.77%	13.45%	11.38%

HHFT is committed to supporting staff, equipping them with the skills which will allow them to deliver to their full potential and also recognising and celebrating their achievements. The commitment of our staff is reflected in the many positive comments we and they receive from patients and their families.

Our values were reviewed and relaunched in 2012 and we continue to promote these to ensure they are embedded in staff's day-to-day activities. We are using our values to help to recruit the best people as well as in our induction, our appraisals and our developmental activities.

Compassion, caring about our patients and our staff
 Accountable and responsible, always improving
 Respect for all colleagues, patients and their families
 Encouraging and challenging each other to always do your best

Developing our staff

2018 was a year marked by positive action and change for the Education and Workforce Development team at HHFT. In January 2018 the Trust became a training provider - designed, developed and began delivering in-house apprenticeship programmes for newly recruited HCSWs and existing staff members, and the education team, itself, grew exponentially. 2018 also saw the first cohorts of apprentice nurses and TNAs at the Trust allowing us to 'grow our own' workforce. Work was also begun to develop and support clear and accessible career pathways for all staff ensuring that career development remained at the heart of what we do. Perhaps most importantly, was the realisation of the inherent and important role education and training plays in the recruitment and retention of high quality staff, which in the end, is at the very centre of delivering excellent patient care.

Technological enhanced learning continues to be a top priority and focus as the Trust explored and embraced both clinical and non-clinical training opportunities that were both responsive to needs and supports service delivery both now and in the future. Responding to real 'shop floor' training needs, the clinical skills team successfully developed in-house training packages that included bespoke video content connected to QR codes placed on posters found in clinical areas, making learning downloadable, readily available to multiples of staff, and training that is responsive and relevant to Trust needs. Simulation uses real life scenarios at the bedside and allows staff to learn and rehearse multidisciplinary skills together in a safe environment to ensure that the best outcomes for patients are achieved. This year the Trust invested in a full scale maternity manikin which will enhance existing simulation training and allow for new and innovative learning opportunities. The Trust is leading on the development and creation of a national Simulation Technician Apprenticeship which will allow HHFT and other Trusts and employers to access levy funds to train staff for this underutilised role. The Education team has plans to increase its use of in-house videos to provide, both training platforms and promotional tools to advertise the excellent learning opportunities available at HHFT, with the aim of attracting the next generation of healthcare workers to the Trust.

HHFT recognises the value of Apprenticeships at both organisational and individual level as we believe that they can help a public sector enterprise like ours to grow, that they engage employees and thereby nurture the skilled workforce needed for the future. We foresee that apprenticeships will enable our learners to develop a broader and more specialist range of skills and knowledge, and to improve their career prospects all whilst learning on the job and earning a wage. We believe that our apprenticeship scheme will enable our apprentices to develop their skills, gain in self-confidence and progress their careers, benefitting themselves and at the same time, enabling the Trust to grow and improve. HHFT was successful in achieving Main Training Provider status in January 2018 when their RoATP application was approved by the ESFA. A business case was then prepared outlining the benefits and risks involved for the Trust and this was presented to, and approved by, the Trust Exec Board in May 2018. The business case was built around three pillars of improvement: quality, compliance, and financial benefits to the Trust, all of which feed into an overall Trust strategic recruitment and retention plan. In the previous two years HHFT's Healthcare Support Workforce (HCSW) had experienced a consistent and substantial turnover. Approximately 130 new posts were recruited to each year and half of these new recruits didn't stay beyond six months. Additional to this was an extremely poor completion rate of Care Certificates (CC) amongst HCSWs. Awareness of this extremely disappointing situation was the spur to innovate and began the drive to become a training provider so as to provide a quality experience for our trainees thereby addressing these issues. The Trust agreed that from October 2018 all new HCSW posts would be considered as apprenticeship roles providing new recruits with a consistent and substantial training offer. HHFT's Education Team set about creating an apprenticeship programme that would support HCSWs to

achieve the Level 3 SHCSW apprenticeship and diploma in Healthcare. The clinical skills leads soon developed a programme that not only meets the apprenticeship standard, but brings added value to HHFT's workforce needs. HHFT sought to develop the highest level of training through a variety of teaching methodologies including: extensive face-to-face classroom sessions, simulation scenario training, online learning modules, assessor/trainer 1to1 support, e-portfolio programme, apprentice QI projects, in-house created teaching videos, and bespoke training sessions such as NEWS2 and 'The Deteriorating Patient'. The plan provides for cohorts of 30 apprentices to be recruited quarterly and each cohort supported by a team that includes a Band 7 Clinical Skills Lead, a Band 6 Clinical Skills Trainer (a registered nurse or AHP), and two senior HCSW assessors. All the clinical skills team will remain in their various professional practices (all educational roles are part-time), allowing them to remain clinically up to date, and will either come with teaching/assessing credentials or will be up-skilled with these qualifications. It is hoped that this extensive training offer will have a dramatic effect on the Trust's recruitment and retention of its HCSW workforce and financial benefits will be seen by the Trust utilising more than half of its levy on this programme alone. Additional to this will be compliance benefits by allowing the Trust to reach its Public Sector target for apprenticeship uptakes (2.3%) and significantly, the Trust will move from 20% to 100% completion rates for the CC. While HHFT is essentially operating as an employer provider HHFT will soon provide apprenticeship training outside of the Trust, to GP practices throughout the Wessex region. HHFT is currently working with Health Education England (HEE) to enable our non-levy paying colleagues access to the HHFT HCSW apprenticeship programmes, with the first cohort of 12 apprentices set to join us in April 2019. This would be income generation for the Trust.



YOURSELF

YOUR TEAM

YOUR TRUST

The Trust has been involved with piloting the development of the Nursing Associate role. This is a new NMC registered role that will sit alongside existing nursing care support workers and fully-qualified registered nurses to deliver hands-on care for patients. Delivered by one of our academic partners, ten of our staff are due to complete their second year of this 2-year academic programme and are ready to graduate in March 2019. In April of 2018 the Trust recruited 11 new Nurse Associate Apprentices to continue to develop existing staff's skills and opportunities. Once fully introduced this genre of staff has the potential to help us transform our nursing and care workforce and assist us to attract and retain the best staff.

Focus on clinical skills continued this year with our clinical skills team continuing its cascade training model which aimed to train band 7 leaders with various clinical skills who would then pass on this knowledge and learning to the rest of the workforce. The clinical skills team has continued to provide an internal training program to overseas nurses in preparation for OSCE completion. Our 100% pass rate reflects the quality of the training, which has seen the recruitment of a number of new band 5 nurses to the Trust. On completion of the OSCE exams, we recognised that the transition from being a band 4 HCSW and new recruit to the Trust, to becoming a band 5 staff nurse was proving to be a little overwhelming for some (information gained from group feedback). The clinical skills team now provides a program to help further support the candidates on completion of the OSCE exam in preparation for becoming a band 5 nurse within Hampshire Hospitals. This being further theoretical training (Trust policies and procedures), we also provide clinical supervision as a group to help ensure each member feels empowered with the tools required to practice safely and successfully on the wards. We hold group discussions and meet with each member on a 1:1 basis

within the clinical setting. We involve a number of stakeholders to support us with the training delivery. 2019 will see a number of new trainers from varied clinical settings around the hospitals. This will help the clinical skills team to again enhance the quality of our training delivery, provides team leads with an insight to the program and expectations on each of the students, hence enhancing the support to the overseas nurses. The trainers who volunteered to support the program also see the benefits by gaining teaching experience. 2019 will also see us introduce a new online clinical skills platform which will provide educational resources to support training and best practice in clinical skills.

To ensure vocational learning and the development of our valuable non-clinical support workforce, we have continued to offer training opportunities to many of them through apprenticeships and have commissioned and offered a diverse range of vocational courses. Our apprenticeship offer has grown and expanded as we have engaged with numerous training providers and are now utilising the levy pot to fund all apprenticeship training. In 2018 the Trust engaged a company called the Skills Network to deliver a wide range of Level 2 online training courses as well as bite-size CPD courses. The level 2 courses are free to the Trust and the CPD courses are funded through the HEE Bands 1-4 budget and are available through the Trust's intranet site or by contacting the Education Team directly. The Level 2 courses range from certificates in Mental Health awareness, Counselling skills, Principles of Care Planning, etc. while the CPD courses offer training in such things as Stress Management, Understanding Anxiety, Organising and Delegating, Performance Management etc. Recognising that functional skills are important proficiencies for successful career progression, integrated within, or a pre-requisite to apprenticeship training, and not to mention key to patient safety, the Trust continued to provide free functional skills training for all staff that required this. As part of our new role as training provider, in 2019 the Trust will need to subcontract out our provision of functional skills to a suitable provider and in order to maintain due diligence, will engage with a tender process to procure the right provider.

In order to recruit and retain the best nursing and allied health professionals we have continued to engage with a variety of educational partners both locally and beyond to provide high quality learning environments and practice placements alongside mentorship and coaching support across our 3 hospital sites. Our preceptorship numbers have remained high and stable at 100-110 preceptees per year: nurses (newly qualified, returning to practice or working in the UK for the first time), ODPs, midwives and therapists. We are working with AHP and health sciences leads to look at how the benefits of preceptorship can be offered to other professional groups. A new preceptorship programme will also be offered to the Nursing Associates who qualify in Spring 2019. We are working with our stakeholders in the Trust on the design of the band 4 programme and also taking the opportunity to review the band 5 programme to ensure that it offers high quality support to attract and retain staff.

We have continued to attract and offer work experience opportunities to our local community of schools, colleges and third sector partners all aimed at interesting local talent to become our future workforce. We have maintained our Gold Award status - a national accreditation which 'recognises those organisations offering high quality work experience opportunities to their learners, and managing risk effectively', when we were audited by Fair Train in December 2017. The Trust is now in the process of engaging an international company called Generation who run the largest youth employment programme in the world. Working alongside our apprenticeship team Generation will help recruit young people facing social and economic adversity from our communities, offer a 1-4 week pre-employment programme, and on-going pastoral care in order to bring a new pipeline of potential HCSWs to our apprenticeship programme. The Trust has agreed to pilot this programme with cohorts in July and October 2019.

Our passion for widening participation, particularly for people with learning disabilities, is evidenced by the fact we are members of both the Apprenticeship Diversity Champions Network and Pacesetters. In September 2018 HHFT launched an HEE funded LDD internship programme called Project Choice. With our own support team of a manager and coordinator in place, the programme allows 12 interns from the community to become 'ready for work' by experiencing and exploring work at HHFT. The programme runs over a twelve-month academic year with the interns having up to three placements during this year spending four days a week on placement within the Trust and one day a week in college studying Maths/English (delivered by BCoT) and Employability Skills which are delivered by the Project Choice team. The programme has been very well received by the Trust, area managers, mentors and the interns alike, with many of the interns flourishing in the workplace. It is hoped that we can transition some of these individuals onto assisted apprenticeships at the Trust, and eventually into permanent jobs. HHFT are the first Trust in the south to pilot this programme.

Project Choice

Making a Difference

We have continued our alliances with the Step into Health programme. This initiative connects employers in the NHS to people from the Armed Forces community, by offering an access route into employment and career development opportunities. The programme recognises the transferable skills and cultural values that Armed Forces personnel develop when serving and how they are compatible with those required within NHS roles. HHFT continues to support Armed Forces personnel with career guidance and bespoke work experience opportunities in order for them to explore potential employment within the NHS.

The priorities for the coming year include:

- Development of clear and accessible career pathways;
- Delivery of robust and innovative education and development programmes;
- Become a leading supplier of healthcare education to both HHFT and our wider system; and,
- Drive and monitor quality improvements related to education and development activity;

Developing our managers and leaders to provide them with the skills and knowledge to lead their teams in delivering excellent patient care is vital to the continued success of the Trust. Over the last year we have been able to combine some excellent in-house training with external opportunities in order to do this. We launched a Colours Discovery Day and Facilitated Colours Feedback in-house for those growing in their leadership role, in addition to staff accessing external opportunities including management and leadership apprenticeships and programmes run by the NHS Leadership Academy. Further to this we have a network of both internal and external coaches who have supported staff at all levels including managers and leaders by providing work-based coaching opportunities designed to help individual staff to reach their potential. The Education/Apprenticeship Teams are readying to deliver the Level 3 Team Leader/Supervisor apprenticeship, in-house in January 2019 for those staff new to these roles, and also the Level 5 Operations/Departmental Manager Apprenticeship. Both of these can be accessed as part of upskilling existing staff (through CPD or appraisal referrals) or can be used to attract new staff to the organisation.

As well as developing individual staff it is also imperative that we develop teams as the work of Michael West has shown that successful team-based working leads to a range of positive outcomes

for both staff and patients. As such we have, this year, trained 14 staff as Aston OD coaches who are working with team leaders and managers through a programme designed to help teams develop clear roles and objectives and improve how they work together and with other teams in the organisation. In addition to this we have worked with numerous teams to provide team development sessions to improve team effectiveness.

Core Mandatory Training

Ensuring our staff have the skills and knowledge they need to deliver outstanding patient care is one of our top priorities and as such the provision of our core mandatory training is vitally important. 2018/19 has been a year of focusing on improving access to training and the facilities available to support its delivery. The refurbishment within the Education Centre in Winchester to create an Education Suite facility for simulation and clinical skills training enables staff to experience real life scenarios during their training in a realistic clinical environment, to maximise their learning. This has been supported by the purchase with charitable funds of a high fidelity mannekin who has been named Victoria. The extremely lifelike mannekin can for example, simulate giving birth, including with a range of complications, and as such can support the creation of the most effective environment for learning- one which enables our staff to practice their skills, and learn new ones, in an entirely safe but true to life scenario.

The Trust has also invested in technology to support access to learning with the purchase of a new online training platform which we have termed Green Brain. This is launching in May 2019 and will allow staff quick and easy access to the training they require including online learning. The team have also been developing innovative online learning which will be included within this new platform such as our dementia e-learning which enables amongst other things- our staff to experience some aspects of what everyday life is like living with dementia. We have also continued to focus on the quality of the training delivered to maximise the learning derived from it- and as such have continued to expand the use of technology such as our voting system, to enable staff to interact during the training and demonstrate the knowledge gained.

This innovative approach to learning has extended across our core mandatory training topics and we now have 18 new key BLS trainers- members of staff within clinical areas who can offer training within their departments therefore increasing the availability and flexibility of training- and this model is also being utilised with our manual handling training. This approach has been further supported by the development of 50/50 training in key topics- where staff can complete online learning followed by a short face to face session to ensure they have all the necessary skills and knowledge. All of these innovations are key to enabling our staff to access their training in a timely manner whilst ensuring they receive all the necessary learning and skills.

Ensuring patient safety- resuscitation

In addition to the provision of life support training, and supporting the development of our key trainers across the organisation, our resuscitation team play an important role in providing direct support for their frontline clinical colleagues. In addition to overseeing the investment in, and roll out of new resuscitation equipment across the organisation this year they have also led the implementation of a new checklist process to ensure the equipment is regularly inspected. Scenario based learning has also been used by the team beyond the classroom with two resuscitation drills taking place in situ at Adnover War Memorial Hospital to ensure that the policies and protocols work in practice. These drills were a fantastic opportunity for the resuscitation team to work alongside clinical colleagues in ensuring that in the event of an emergency the best possible care is provided.

Developing our leaders and our teams

Developing our managers and leaders to provide them with the skills and knowledge to lead their teams in delivering excellent patient care is essential to the continued success of the Trust. Following the successful establishment of the Trust as a training provider for apprenticeships we have begun to offer management apprenticeships in-house as an additional route for management development alongside our internal Ready to Lead programme and the external opportunities such as those offered by the NHS Leadership Academy. We have also continued to focus on leadership development across the organisation with monthly Leadership Forums offering our leaders the opportunity to both network and also participate in a learning session on a range of topics such as health and wellbeing, the use of predictive analysis in healthcare and workforce race equality. Our managers and leaders are also benefiting from our network of internal coaches within the organisation, members of staff who as qualified coaches can create valuable opportunities for managers and leaders to work through their challenges and opportunities to reach their potential in service of their teams.

Supporting the development of future NHS leaders is also a priority for Hampshire Hospitals, and as such we have hosted a number of graduate trainees from the national NHS Graduate Scheme within the Trust in general management, finance and human resources. The scheme provides a brilliant opportunity for the Trust- not only to support the development of future leaders but also to gain valuable insights from talented graduates who come into the organisation with “fresh eyes” and therefore provide extremely valuable ideas and enthusiasm.

As well as focusing on managers and leaders, a successful organisation also focuses on the whole team and supporting them to have a combined understanding and approach to enable the delivery of excellent patient care. We have continued to use the Affina OD team development programme within the organisation which enables our leaders to work with their teams through a team journey to ensure all the fundamental elements of effective team working are in place and understood across the team. In addition to this we have also been utilising the Insights colours programme with various teams across the organisation as a means of providing a mechanism by which staff can appreciate their own preferred styles of working- and those of their colleagues- to facilitate a more productive and enjoyable working environment.

In addition to developing our leaders within the Trust we have also introduced a programme to develop leadership across the system- the 20/20 programme- based on a programme successfully running in Frimley STP. This innovative year long programme was launched in January 2019 with a first cohort of 31 drawn from organisations across the north and mid-Hampshire region including Hampshire County Council, Hampshire Constabulary, Clinical Commissioning Groups, South Central Ambulance Service and Hampshire Hospitals. The aim of the programme is to bring together some of the most enterprising, entrepreneurial and courageous managers and clinicians across the clinical, social care and public health systems to help redesign and lead changes for a better future. During the programme participants work together on real-life problems facing the systems they work in- therefore providing an ongoing tangible benefit from their participation in the programme. On leaving the programme participants should be feeling empowered, with the new skills and confidence to work together, as one complete Care System, bringing what they have learnt into practice within their places of work and making the future for care in our area much brighter.

Supporting learning and evidence based practice within the Trust

Underpinning all our education and development activities within the organisation are our library services in Andover, Basingstoke and Winchester hospitals. Not only do the libraries provide a facility within which students on placement at the Trust, staff who are undertaking learning such as an apprenticeship, and in fact all Trust staff can have peaceful space to learn, but the library team also provide valuable input. Our library staff support our learners within the organisation with accessing resources, but also conduct literature searches- many of which directly support the delivery of patient care- for example during 2018 our knowledge specialists carried out 700 literature searches for Trust staff including in areas such as liver cirrhosis, pneumonia and sepsis. In addition some of our knowledge specialists take part in ward rounds to enable them to provide literature and evidence when required to support the delivery of care based on the most current evidence available.

Engaging our staff

Creating an environment where we are in continuous dialogue with our staff is vital to ensure they feel valued, supported and listened to on an ongoing basis. Creating this engagement amongst our workforce is a key part of a culture of openness and improvement where staff are empowered to improve our processes and systems on an ongoing basis to ensure they provide the best possible care to our patients.

Culture Change Programme



During 2018 we embarked on an exciting process of culture and leadership change within the organisation. Undertaking this process is part of the Trust's Leadership and OD strategy as well as one of the actions from the 2017 staff survey results (and subsequent focus groups which explored the survey results) where themes around links between staff and senior management, bullying and harassment and staff morale emerged.

This three phase programme is based on the NHSI Culture and Leadership programme- this evidence based approach utilises resources developed by NHSI, the King's Fund and the Centre for Creative Leadership and which were tested by three NHS Trusts. The programme is based on the fundamental principle of collective leadership- where staff at all levels are empowered as individuals and in teams to act to improve care within the Trust.

15 culture change ambassadors were recruited from across the organisation including nurses, a doctor, a physiotherapist, a biomedical scientist and staff from administration and facilities functions to lead phase one of this programme- Discover. During this phase our 15 culture change ambassadors have been speaking with staff across the organisation at all levels including our Trust Board, to understand how staff feel about working at the Trust and how they experience the culture here. The ambassadors have also been reviewing extensive data from across the organisation

including the staff survey, CQC report and governance reports. Phase one of this programme will culminate in a presentation by the culture change ambassadors to the Trust Board in June 2019 of their thematic findings and their recommendations as to what action should be taken as a result of what they have discovered. Phase two of the programme led by a second cohort of culture change ambassadors will then involve designing the interventions identified as necessary and recommended from phase one.

Staff Focus Week

One of our key focuses of 2018 around staff engagement was our Staff Focus Week. This was also one of the actions from the 2017 staff survey results/ focus groups where themes around staff morale and engagement emerged.

The Staff Focus Week was also part of our recognition as an organisation that we want our staff to feel valued and appreciated throughout the year and this was one mechanism by which we wanted to focus on that. The Staff Focus week was held during the week of 25 June 2018 and formed part of the NHS 70 celebrations for the Trust. The week had a difference focus every day including- staff health and wellbeing, thank you, career development and education, and walk in my shoes. Key highlights of the week included:

- The Mental Health (Time to Talk) conference– of which 130 staff from across the Trust, clinical and non-clinical and from a range of staff groups and grades attended
- Over 80 staff participated in health and wellbeing activities during the week (health checks, holistic therapies and relaxation workshops).
- The Education Through the Ages event which was held in the Education Centre in RHCH Winchester- this showcased how the education and development of staff within the NHS has changed through the decades and which over 55 staff attended.
- Over 7000 Hampshire Hospitals NHS 70 badges were distributed to staff and volunteers.
- Over 6000 thank you cards were distributed across the organisation to enable staff to say thank you to those colleagues who have helped and supported them, or just brightened their day.
- Over 160 different wards/ departments/ areas visited by the members of the Trust board throughout the week during which they spoke with staff from across the organisation to thank them in person for everything which they do every day to support our patients/ service users and colleagues.
- Over 45 staff undertook job shadowing or made a pledge to do so in the next three months.



Other actions from the 2017 staff survey

In addition to the culture and leadership change programme and the staff focus week there were a number of other actions as a result of the 2017 staff survey results which included:

- Appraisals- The 2017 survey highlighted that the not only were the Trust results for the number of appraisals undertaken one of our lowest five scores compared with other NHS acute organisations, but our results for quality of appraisals were also lower than we would want them to be. As such we committed to review our current appraisal system entirely and relaunch a new approach. Our new appraisal system is being launched on 1 April 2019 and includes a number of new aspects including a health and wellbeing section to support our staff in maintaining their work life balance and their own wellbeing, and a career conversation section to support us in enabling all our staff to reach their full potential.
- Management and Leadership Development- Following focus groups held to discuss the 2017 survey results, one of the themes was that managers and leaders were unclear as to the development opportunities available to them. Partly in response to this, as well as the survey results more widely, a Leadership and OD strategy was created and launched to set out our plans in this area for the coming three years- which included the culture change programme and our appraisal relaunch. In addition to this we have collated our management and leadership offering into an easily accessible central place in order that our managers and leaders can access the development most appropriate for them.

In addition to these specific measures the Trust has also created a new role in the organisation- Head of Engagement which was introduced in December 2018 to focus on staff engagement across the organisation as the wellbeing and development of our staff is central to our delivery of outstanding patient care.

Understanding the levels of engagement amongst our staff

NHS Staff Survey

One of the ways in which we seek to measure the engagement of our staff is through the NHS staff survey which is conducted annually. From 2018, 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 43.4% (2,591 staff). Scores for each indicator together with that of the survey benchmarking group (89 Acute Trusts) are presented below:

STAFF REPORT

	2018/19		2017/18		2016/17	
	Trust	Benchmarking group	Trust	Benchmarking group	Trust	Benchmarking group
Equality, diversity and Inclusion	9.0	9.1	9.1	9.1	9.2	9.2
Health & Wellbeing	5.9	5.9	6.2	6.0	6.3	6.1
Immediate Managers	6.5	6.7	6.7	6.7	6.8	6.7
Morale	6.0	6.1				
Quality of appraisal	5.4	5.4	5.4	5.3	5.6	5.3
Quality of care	7.3	7.4	7.5	7.5	7.6	7.6
Safe environment - bullying and harassment	8.0	7.9	8.2	8.0	8.3	8.0
Safe environment - violence	9.4	9.4	9.5	9.4	9.3	9.4
Safety culture	6.6	6.6	6.8	6.6	6.8	6.6
Staff engagement	7.0	7.0	7.2	7.0	7.2	7.0

*data for the morale indicator is not available prior to 2018/2019

The response rate for the 2018/2019 survey of 43.4% represents a 0.1% increase in response rate compared with the previous 2017/2018 year. Our results as an organisation have deteriorated from the 2017 to 2018 survey in nine of the ten key indicators- with quality of appraisal being the exception which remained the same.

A key part of our response to the survey- which is already underway- is our culture change and leadership programme which encompasses all aspects of working at Hampshire Hospitals and will drive change across the organisation which is led by staff and endorsed by the Trust Board. Phase two of this programme which will commence in Summer 2019 will involve our second group of change ambassadors designing key interventions to support change for our staff across the organisation- and which therefore will hopefully positively impact on all of the survey's indicators.

In addition to the continuation of the culture change programme we have developed an action plan to address key areas from the 2018 survey results which for this year will focus on:

- Staff Retention
- Bullying and Harassment
- Appraisals
- Staff Health and Wellbeing
- Line Management

STAFF REPORT

Staff Friends and Family Test

In addition to the National Staff Survey we undertake the Staff Friends and Family Test three times a year, which asks our staff whether they would recommend us as a place to work and as a place to receive treatment/ care.

The table below shows the Trust's most recent response to both the WORK and CARE question alongside the local and national view for comparison. There remains a disparity nationally, regionally and within our organisation with regards to significantly fewer staff recommending their organisation as a place to work compared with recommending it as a place to be treated. This is something which we take very seriously as an organisation and the success of the interventions outlined above as a response to the survey will be assessed in part by the staff friends and family test results throughout the year.

Q2 results for- NHS England Hampshire, Isle Of Wight & Thames Valley

Organisation Name	Total Responses	Workforce Headcount	Percentage Recommended (work)	Percentage Recommended (care)
England	130,555	1,149,726	64%	81%
Berkshire Healthcare NHS Foundation Trust	1,252	4,096	73%	84%
Buckinghamshire Healthcare NHS Foundation Trust	324	5,895	56%	71%
Frimley Health NHS Foundation Trust	2,114	8,994	71%	88%
Hampshire Hospitals NHS Foundation Trust	1,041	6,075	63%	86%
Isle Of Wight NHS Trust	262	3,082	44%	59%
Oxford Health NHS Foundation Trust	1,045	5,155	63%	79%
Oxford University Hospitals NHS Foundation Trust	1,336	11,708	53%	83%
Portsmouth Hospitals NHS Trust	535	7,148	58%	78%
Royal Berkshire NHS Foundation Trust	1,030	5,263	68%	88%
Solent NHS Trust	1,301	3,386	71%	85%
South Central Ambulance Service NHS Foundation Trust	360	3,514	56%	85%
Southern Health NHS Foundation Trust	792	5,721	61%	73%
University Hospital Southampton NHS Foundation Trust	2,689	10,490	80%	94%

Future priorities and targets

Our key priority areas for 2019/20 with regards to staff engagement/ our response to the staff survey are as follows:

- **Culture change and leadership programme-** this will encompass a range of areas within the survey and is an organisation wide approach to staff engagement which will support a number of the other areas of focus for the survey. The specific areas of design undertaken in phase two of the programme will be individually evaluated and measured when established, overall however it is hoped that the programme will have a positive impact on all staff survey indicators- however most notably we hope to see improvement within the morale and staff engagement indicators.
- **Staff Retention-** this relates to a number of areas within the staff survey including staff feeling there are enough staff to do their job, and the rates of staff indicating they are considering leaving the organisation. In addition to developing a retention strategy with associated action plans we will be developing retention training for managers to support them in caring for and supporting their teams. We will also be focusing on key retention activities such as a second staff focus week. Each of these measures will be individually measured and evaluated, and staff retention levels will be monitored on an ongoing basis through turnover figures which are reviewed at divisional performance meetings. In addition the 2019 survey questions regarding levels of staff intending to leave the organisation will be a key indicator of how the work in this area is impacting within the organisation.
- **Appraisals-** the roll-out of the new appraisal system will commence on 1st April 2019. The success of this will be monitored through attendance at the update training, completion rates for appraisals within the organisation in addition to ongoing work with managers regarding implementation of the new system. The results of the 2019 staff survey in quality of appraisals will be an important indicator of how well the new appraisal system is embedded within the organisation and the impact it is having.
- **Staff Health and Wellbeing-** key activity within this area will be the introduction of our staff health and wellbeing strategy which is planned for completion in early summer 2019 and the workstreams generated from this. Initially progress will be measured against the action plan which will underpin the strategy, with a view to the 2019 survey response seeing an improvement in the health and wellbeing indicator. Longer term, and in addition to the work undertaken within other key priority areas such as the culture and leadership programme, and line management, we would hope to see a reduction in sickness absence- specifically in relation to the duration of individual absences.
- **Line Management-** key activities within the other areas of focus, namely the introduction of the new appraisal system and the retention training for managers will be expected to have an impact within this area. In addition it is expected that some of the workstreams coming from the conclusion of phase one of the culture change and leadership programme will also impact in this area. In addition to this and to continuing our existing training provision for managers/ leaders we will be introducing an in-house training option for middle management level- which will be individually evaluated. The results of the 2019 survey regarding line management will be an indicator of any changes in the relationships between staff and line managers in addition to ongoing monitoring of associated metrics such as

turnover rates.

- **Response rate**- one of our other key areas of focus is to improve the response rate for the next survey from its 2018 level of 43.4%, and we are currently reviewing both our communication campaign surrounding the survey in addition to our methods of survey delivery with a view to improving these for the 2019 survey.

In addition to the specific focused areas of measurement for each of the areas outlined the quarterly staff friends and family test, both in terms of response rate and results is an ongoing indicator of how engaged staff are feeling with the organisation and of staff morale.

Staff Health and Wellbeing

The promotion of physical and mental health and wellbeing amongst our staff is a key component of our approach to supporting our workforce and maintaining a positive and healthy work environment for them. This is not only of benefit to our staff as there is substantial evidence of the link between staff health and wellbeing and positive patient outcomes.



Our Zest4Life programme for staff health and wellbeing is therefore of vital importance and is something which has continued to grow during 2018/19. During the year the areas of staff wellbeing and manual handling/ health ergonomics were combined under a single management lead which has enabled significant progress in both areas. In addition to our existing mental health first aid course which supports our staff to recognize mental health distress in others, we have this year introduced a relaxation and wellbeing workshop for our staff which is run by I-Talk- a local mental health services provider. These workshops provide space for staff to focus on their own mental health and provide practical advice and guidance to aid relaxation and wellbeing. Our training to support managers in dealing with instances or allegations of bullying and harassment has also continued throughout the year, with participants working through scenarios to help manage conflict between colleagues. In addition to this our Schwartz Rounds remain a key part of our organization, providing a forum within which staff can discuss the challenges associated with working in a healthcare environment. On an ongoing basis the Health4Work team also co-ordinate ongoing exercise classes within the organisation which staff can attend, and during this year Quit4Life clinics for staff have been introduced within the Health4Work department, so staff can access support and guidance on quitting smoking.

In addition to our ongoing staff health and wellbeing activities there were specific events during the year with a health and wellbeing focus- for example staff wellbeing was one of the areas of focus for our Staff Focus Week. This included a Mental Health Conference entitled Time To Talk- which over 130 staff from across the Trust- both clinical and non-clinical, attended. The conference was addressed by a range of speakers who had personal experience of mental health issues and provided a space for staff to reflect on their own mental health and that of their colleagues- and was extremely well received by all who attended. Across the staff focus week a range of health and wellbeing activities were offered to staff including holistic therapies, health checks, relaxation workshops and mindfulness activities.

Our Zest4Life programme also oversaw our New Year, New You event which ran in January 2019. Throughout the month our Health4Work team visited departments across the organisation to share what is available as part of our Zest4Life programme. In addition during the event we were able to signpost staff with specific concerns or areas they wanted guidance- to help and support available both within the organisation and via external organisations a number of which supported the event including Quit for Life and WW. In addition over 250 staff participated in a survey to enable us to shape our future wellbeing offering.

A key focus for our Health4Work department this year was our annual staff flu vaccination campaign which commenced in October 2018- as protecting our patients, colleagues and families from influenza is a high priority due to the devastating impact it can have. The team were at the centre of this Trust-wide campaign which included training peer vaccinators who were able to deliver the vaccine within their department. This was supported by the Health4Work team undertaking walkarounds in all three hospitals at various times of the day across seven days a week- visiting departments to offer the vaccine to staff. This resulted in over 60% of frontline staff having a flu vaccination- and is a figure we hope to improve during next years' campaign

Underpinning all of these activities is the core service provided by the Health4Work team which provides ongoing support and advice to both staff and managers regarding health in the workplace and sickness absence. As part of this the team are able to utilize a staff physiotherapy referral scheme to enable staff to access support as soon as possible, and a counselling service which can provide both telephone and face to face counselling for staff who need this additional support. Staff are also able to access a range of self-help advice via the Trust's internal intranet site about all aspects of health and wellbeing including healthy eating, physical activity and mental health.

Ensuring patient safety- manual handling/ health ergonomics

Ensuring the safety of both our patients and staff is of paramount importance to us as an organisation and as such the work of the manual handling/ ergonomics team in delivering the five year strategy in this area remains vital. This year saw the introduction of a new process for workplace assessment including an ergonomic office equipment workstation for assessment within Health4Work. This enables staff that may require specialist equipment to support them whilst working at a computer to, for example, try out the latest equipment and be assessed for the most suitable for them.

Manual handling activities across the organisation are supported by a network of over 100 Manual Handling Champions who are a key source of knowledge and advice for colleagues about how best to support and care for patients who may be experiencing mobility issues. Further in support of this the Trust has purchased Molift Raiser Pro's for all relevant departments to support moving patients safely and comfortably from one place to another- this equipment mirrors that which is given to patients who require this support when they return to their homes and as such this can facilitate a smoother process for patients to return home with equipment they are already familiar with. We have also continued our ongoing programme of investment in replacing our standing hoists and specific departmental focused equipment such as the purchase of specialist walking harnesses for children who are supported by our paediatric therapy team. With the support of charitable funds we have also been able to purchase a weighing system that enables patients to be weighed in their bed when they are not well enough to be weighed by other means. Continued investment in upgrading our equipment in addition to providing training and development for staff enables our patients to be moved safely and helps to prevent harm to both patients and our staff.

Trade Union Facility Time Publication Report 2018-19

The Trade Union (Facility Time Publication Requirements) Regulations 2017 came in to force on 1 April 2017. Under the terms of these regulations, Hampshire Hospitals NHS Foundation Trust, in common with all NHS and other public organisations, is required to publish specified information on trade union officials employed by the Trust and the total amount and cost of their paid facility time (i.e. paid trade union duties and activities). The information for the period 1 April 2018 to 31 March 2019 is shown in the below tables:

Table 1**Relevant union officials**

What was the total number of your employees who were relevant union officials during the relevant period?

<i>Number of employees who were relevant union officials during the relevant period</i>	<i>Full-time equivalent employee number</i>
49	41.38

Table 2**Percentage of time spent on facility time**

How many of your employees who were relevant union officials employed during the relevant period spent a) 0%, b) 1%-10%, c) 11%-20%, d) 21%-30%, e) 31%-40%, f) 41%-50%, g) 51%-60%, h) 61%-70%, i) 71%-80%, j) 81%-90%, k) 81%-90%, or l) 100% of their working hours on facility time?

<i>Percentage of time</i>	<i>Number of employees</i>
0%	18
1%-10%	29
11%-20%	2
21%-30%	0
31%-40%	0
41%-50%	0
51%-60%	0
61%-70%	0
71%-80%	0
81%-90%	0
91%-100%	0
100%	0

Table 3

Percentage of pay bill spent on facility time

Provide the figures requested in the first column of the table below to determine the percentage of your total pay bill spent on paying employees who were relevant union officials for facility time during the relevant period.

<i>First Column</i>	<i>Figures</i>
Provide the total cost of facility time	£28,636
Provide the total pay bill	£276,641,000
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.01%

Table 4

Paid trade union activities

As a percentage of total paid facility time hours, how many hours were spent by employees who were relevant union officials during the relevant period on paid trade union activities?

<i>Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100</i>	16.28%
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Equality, Diversity and Inclusivity

1. Introduction

Hampshire Hospitals NHS Foundation Trust (HHFT) is committed to providing an environment where all staff, patients, their relatives and carers and members of the public enjoy equality of opportunity. We respect and value the diversity of our patients, their relatives and carers and our staff, and are committed to delivering high quality care and meeting the needs of the diverse communities we serve. The Trust acknowledges the benefits and contribution that managing and embedding equality, diversity and inclusivity has in the areas of employment, service planning and service delivery.

Promoting equal opportunities, eliminating discrimination and valuing diversity are fundamental to building strong and inclusive communities and services. The Trust is committed to:

- Developing policies, processes, procedures, practices and behaviours which promote equality of opportunity at all levels; and
- Creating an organisation that harnesses, values and respects different perspectives and skills of all staff and provides a working environment free from discrimination, harassment or victimisation.

It is important to emphasise and recognise that advancing equality, diversity and inclusivity is a journey and we continue to learn and develop this area of work. As such, the Trust needs to continue to enhance its levels of engagement with patients and our staff and local communities to ensure it supports and focuses on areas that advance equality of opportunity and address any inequalities identified. The Trust has adopted the national Equality Delivery System 2 (EDS2), Workforce Race Equality Standard (WRES) and Gender Pay Gap reports as a framework to engage, assess and monitor our performance and the impact of our objectives in improving the services we deliver to the local community and in providing a better working environment for our staff.

Much of the work during 2018/19 has been to raise awareness and progress the implementation of these national reporting structures and work towards achieving the Trust's equality objectives. The report will highlight both achievements and next steps being undertaken to sustain and improve our services and employment experience.

2. Legislative context

The Equality Act 2010 places an Equality Duty on public bodies (Public Sector Equality Duty) such as the Trust and encourages us to engage with the diverse communities affected by our activities to ensure that our policies and services are appropriate and accessible to all and meet the different needs of the communities and people we serve.

The Public Sector Equality Duty (PSED) requires public bodies to identify appropriate objectives to further three main aims. It requires the Trust to have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and any other conduct prohibited by the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Having due regard means that we must take account of these three aims as part of our decision-making processes; in how we act as an employer; how we develop, evaluate and review policy; how we design, deliver and evaluate services; and how we commission and buy services from others.

The PSED sits alongside the NHS Constitution which makes clear that healthcare and human rights go hand in hand. As the largest employer in Europe, the NHS has a **moral, legal, financial** and a **quality** of patient care case for change and responsibility to lead and advance equality of opportunity and reduce inequalities in care. This is vital as the evidence shows that a motivated, included and valued workforce helps deliver high quality patient care, increased patient satisfaction and better patient safety; and greater innovation and efficiency.

3. Equality, diversity and inclusivity at the Trust

3.1 Inclusivity Network

The Trust has established an Inclusivity Network for staff. The network was established at the beginning of 2018 and consists of clinical and non-clinical staff from across the Trust. This includes representation from healthcare assistants, trade unions, nurses, librarians, Learning Disabilities Liaison Team, Project Choice, Chaplaincy, Communications, Governance, Human Resources, Therapies, Radiography, Leadership and Management Development and Midwifery; as well as the Head of Engagement and Social Media, Head of Education & Workforce Development and Patient Experience Manager. The Trust's Equality and Diversity Adviser reports on progress to the network and utilises the group's expertise in many areas of the Trust to mainstream equality into all business areas. The group also provides feedback and supports monitoring the implementation of the Trust's objectives and key equality projects.

The network meets on a quarterly basis and has discussed progress on the EDS2, the WRES and Gender Pay Gap. Over the past 12 months, the focus for the group has been to grow and develop this network and enhance communications / awareness of equality, diversity and inclusivity into business as usual activity.

In 2019, the group have developed a network logo that will be incorporated within their communications as well as Inclusivity Champion profiles. These profiles will be published on the Trust's Intranet and through corporate communication channels and will be used to help promote and raise awareness of the support available for staff through the network.

It is hoped that as this network continues to grow and develop that additional networks will be launched that champion a specific protected characteristic and look at any potential issues for employees and patients when accessing HHFT services. For example, a staff Disability; Black and Minority Ethnic Origin (BME); or Lesbian, Gay, Bisexual and Transgender (LGBT) Network.

3.2 Training

Across 2018, training for staff on equality, diversity and inclusivity continued through a variety of methods with face-to-face training now available at Trust and Volunteer's Induction. Other methods for training include an updated Trust handbook and e-learning module. The training aims to support employees and volunteers to better understand the benefits of and how equality, diversity and inclusivity principles are incorporated into their daily working lives and the shared responsibility they have in promoting these. Equality, diversity and inclusivity are not an additional activity, but are integral and core to our day to day working.

In 2019, as part of further embedding equality, diversity and inclusivity, the Trust will review its management training programmes to ensure these principles are weaved into these sessions, and

will continue to review and update its training material accordingly. This includes the 'Ready to Lead' programme, with the Trust currently reviewing options to deliver unconscious bias training, including a bespoke session for HHFT's Board.

3.3 Equality Analysis

At the end of 2018, the Trust updated its Equality Impact Assessment training and trained a new cohort of 12 Equality Analysis Leads for Trust policies. The training applied to all policy development and is focused on the analysis and recording of evidence to support decisions made that could have an impact on our patients and staff with a protected characteristic, and any other disadvantaged groups not covered by the Equality Act 2010 (e.g. refugees). This process can also be applied to service development and projects and is a method to improve the Trust's services through identifying unintended consequences and mitigating / removing them as far as possible; and actively supporting the advancement of equality and fostering good relations between different groups of people. Refresh training and updates will be offered to this new cohort (alongside existing Equality Analysis Leads) during 2019, with some of these leads also part of the Trust's Inclusivity Network. All of the Trust's policies undergo equality impact analysis to ensure compliance with the Equality Act 2010.

3.4 Project Choice

From 10 September 2018, 11 interns have joined the Trust as part of the Project Choice programme. This is a one year pre-employment programme to help young people with learning disabilities gain the skills they need to get meaningful paid jobs. The interns are aged 17-25 years, and rotate into a different placement each academic term. There are interns across the Trust's three sites with placements being offered in departments such as Facilities and Medical Records. Interns are matched to their placements in terms of skills, abilities and interests and are being supported by their local mentors who work alongside them in each department as well as the Project Choice team. HHFT is the first NHS organisation in the south of England to support and implement such programme, and follows the success of similar initiatives such as Project Search in Mid Yorkshire Hospitals NHS Trust.

3.5 NHS Employers Equality, Diversity and Human Rights Week

To coincide with NHS Employers Equality, Diversity and Human Rights Week 2018, the Trust celebrated and highlighted the activities being undertaken to create a fairer and more inclusive service for our staff, patients and visitors. This included circulating NHS Employers diversity infographic posters and publishing a range of staff videos / profiles on services / programmes such as the Chaplaincy, apprenticeships, Project Choice, Learning Disabilities Liaison Team and the Inclusivity Network. For this week, HHFT also hosted a series of sensory loss workshops that invited local charities such as Open Sight Hampshire and RNIB (supporting people with sight loss) to raise awareness of their services and support available.

To coincide with NHS Employers Equality, Diversity and Human Rights Week 2019, the Trust is planning to host its first Inclusivity Event. Planning for this event is at early stages, but the current draft programme includes guest speakers, a simulation workshop with actors (e.g. linked to unconscious bias), personal stories shared from our staff and patients that have a protected characteristic and their workplace / service experience, group interview panel with members from Project Choice and Learning Disabilities Liaison team, as well as showcasing BME staff that have been involved / are part of the national and local leadership development programmes. The Trust hopes to involve our local charities and system partners in either the programme and / or joining the event, with these details to be confirmed.

3.6 Equality and Diversity Awareness

In 2019, the Trust is supporting a number of awareness events under the equality and diversity banner. This includes LGBT History Month in February, Disability Awareness Day in July and Black History Month in October. For LGBT History Month, the Trust has organised a programme including guest speakers, a bespoke Schwartz round, focus groups / engagement workshops with staff and a quiz. These awareness events are being promoted through the Trust's corporate communication channels, including social media and are aiming to raise awareness, advance education and promote the benefits of equality, diversity and inclusivity and the support available. A small number of members from the Inclusivity Network have been involved in planning and contributing to this event, with it due to be held at the end of February 2019. Going forward, the Trust is aiming to increase its number of awareness events and will be publishing an equality and diversity awareness calendar through its communication channels.

3.7 Leadership and personal development

During 2018, the Trust has continued to promote NHS Leadership Academy's leadership development programmes and the Florence Nightingale Foundation Windrush Leadership Programme for nurses or midwives. The Trust has had staff complete the NHS Leadership Academy's Ready Now Programme that is aimed at BME leaders working in bands 8a or above, and also has employees currently completing the Stepping Up Programme that is aimed at BME staff working in bands 5 to 7. BME staff have also participated in local leadership development opportunities provided through the Thames Valley and Wessex Leadership Academy such as the Self Discovery Workshops. These are positive action workshops, and as such are only open to BME staff and offer an opportunity for employees to explore their career journey and to formulate a personal development plan that they can take away and discuss with their line manager as well as link into their organisation's performance evaluation processes.

3.8 Improving patient and carer experiences and outcomes

Over the past 12 months, HHFT has established a Learning Disabilities Liaison Team that covers Basingstoke, Winchester and Andover hospital sites. The team work with adults with learning disabilities and can support inpatients, outpatients and emergency patients. The team support staff to understand how someone's learning disability may affect them and how it may be presenting; and therefore will help prevent diagnostic overshadowing. They also support patients understanding through providing easy read information and resources about treatments / procedures and planned care, keeping them informed and supporting decision-making and adhering to the Mental Capacity Act. In addition, they provide advice on reasonable adjustments that may be needed to keep patients calm and enable them to access services, and for staff to provide the healthcare that they need, and are a useful link between community services in regards to outpatients appointments and admission and discharge planning. The team also provide training to hospital staff and have developed leaflets / posters for wards and a hospital passport and charter for patients with learning disabilities.

On 25 September 2017, HHFT and its local delivery system partners became the first area in the Wessex region to implement the Recommended Summary Plan for Emergency Care and Treatment (ReSPECT). ReSPECT is a process that creates and records personalised recommendations for a person's clinical care at a future time, when they may be unable to make or express choices. It provides health care professionals caring for these people with a summary of recommendations to help them to make immediate decisions about a person's care and treatment.

ReSPECT is a plan created through conversations between the person and their clinicians. It is recorded in brief on a ReSPECT form and includes their personal priorities for care, and agreed clinical recommendations about care and treatment that could help achieve the outcome that they would want, that would not help, or that they would not want. The ReSPECT process helps to

reduce unnecessary or unwanted interventions for the person and can be complementary to wider advance care planning. The conversations taking place as part of the ReSPECT process are been formally recorded in one place, which is easily identifiable by professionals in an emergency situation.

In addition, the Trust continues to support and operate John's campaign on all inpatient wards, allowing relatives to support patients with dementia outside of usual visiting hours. HHFT also supports and promotes the 'This is Me' hospital passport for patients with dementia and the Sunflower Scheme, which aims to improve the care and safety of a patient with dementia whilst they are in hospital. By placing a discreet sunflower picture above the patient's bed, all staff will be able to identify those patients who need additional support, reassurance and assistance. The Trust has also developed a Dementia Volunteers Network and dementia training for staff and holds monthly dementia carer's cafes. HHFT has raised awareness of learning disabilities and Carers through running stands and using poster displays and leaflets during Learning Disability Week and Carer's Week in June 2018, and has also delivered training sessions for staff on the Mental Capacity Act.

3.9 Mainstreaming Equality and Diversity

In 2019/20, the Trust will be updating its documentation and communications regarding service benchmarking in relation to equality, diversity and inclusivity. The aim of this exercise is for services to undertake a service benchmark of their patients from the perspective of the Equality Act 2010. This benchmark will also look at what engagement activities each service undertakes in support of their patients and staff and ask the services to identify potential equality actions for 2019/20. These will then be reviewed periodically and published on the Trust's website.

4. Equality Delivery System 2 (EDS2)

Under the Equality Act 2010, every public sector organisation has a duty to promote equality in employment and service delivery.

The EDS2 is an NHS specific framework that has been developed to support the implementation of equality objectives. It helps Trusts measure progress in terms of embedding equality and diversity principles into everyday activities and to meet the requirements of the equality duty. Its purpose is to help NHS organisations, in discussion with local partners review and improve their performance for people with characteristics protected by the Equality Act 2010.

The EDS2 has 4 goals and 18 outcomes spread across these goals. The Trust's 2017/18 position had 16 outcomes 'green' - achieving (people from most protected groups fare as well as people overall) and 2 outcomes 'amber' - developing (people from only some protected groups fare as well as people overall). 'Purple' – excelling (people from all protected groups fare as well as people overall) is the highest status that can be awarded. To arrive at these gradings, the EDS2 documentation was shared and validated, with evidence gathered and stakeholders engaged at HHFT's Patient Voice Forum, Patient Experience Group, Joint Consulting Negotiating Committee (JCNC) (joint meeting between union representatives and senior management), and Inclusivity Network and with senior management, HR Business Partners, Staff Governors and Board.

The full analysis of the Trust's activities and progress against the EDS2 outcomes can be found on the Equality and Diversity pages of the Trust's website.

5. Workforce Race Equality Standard (WRES)

The WRES is a set of metrics that require all NHS organisations to demonstrate progress against a number of indicators of race equality in a range of staffing areas (e.g. recruitment, bullying and harassment and formal disciplinary process), and includes a specific indicator to address the low

levels of BME Board representation. Data collected against these indicators compare the employment experience of BME Origin staff to White Ethnic Origin staff.

The WRES was introduced in 2015 as part of the NHS standard contract in England. It was the first time that workforce race equality had been made mandatory in the NHS and was introduced to enable employees from BME backgrounds to have equal access to career opportunities and receive fair treatment in the workplace. The WRES helps organisations to meet the aims of the NHS Five Year Forward View and NHS Long Term Plan, as well as the principles and values set out in the NHS Constitution. It encourages NHS organisations to scrutinise their workforce and staff survey data, to start engaging with their BME staff in meaningful and sustainable ways and to start exploring the reasons for differences between the treatment and experiences of White and BME staff; and crucially how these existing gaps can be closed.

As at the snapshot date of 31 March 2018, 4328 White Ethnic Origin staff and 982 BME origin staff were in post (please note – refers to substantive staff only). In total, 15.7% of HHFT's workforce population have declared themselves as being from a BME background, and this has increased from 14.6% in 2017. 15.7% is below the 2017 national BME average of 20%, but is above our peer trusts (Dorset County Hospital, Portsmouth Hospitals, Royal Surrey County, Solent, Southern Health, Surrey and Borders Partnership, Surrey and Sussex Healthcare, Royal Bournemouth and Christchurch, University Hospital Southampton) average of 14.9% (2017), as well as the local census (2011) which showed an average BME representation of 5.23%.

Key findings from the Trust's latest WRES results showed that BME staff continued to be underrepresented in senior Agenda for Change (AfC – national terms and conditions for non-medical staff) pay bands, with the majority of Non-Clinical BME staff being in band 1, with a large proportion of Clinical (of which Non-Medical) in bands 5 and 6. The Trust increased its number of Consultants from 47 (2017) to 59 (2018) and Trainee Grades from 85 (2017) to 97 (2018) from a BME background. There remains no BME representation on the Board (as like 2016 and 2017), and this is below the national average of 7% (2017).

In addition, BME employees are less likely to be appointed from shortlisting, and are more than twice as likely to report experiencing discrimination at work from their manager / team leader or other colleague compared to White Ethnic Origin staff. The total number of formal disciplinary cases has reduced in HHFT, but a higher proportion of these have involved BME staff (3.58 times more likely to enter the formal disciplinary process), and this is significantly above the national average of 1.37 times (2017). In 2017, HHFT's staff survey results found that similar proportions of White Ethnic Origin (24.84%) and BME Origin (24.56%) staff are likely to experience harassment, bullying or abuse from staff in the last 12 months, and this is above the national average of 23.70% (2017).

As part of the Trust's response to these findings and to support developing its 2018/19 WRES action / annual plan this data was shared at various forums. This included holding WRES Workshops for HHFT staff, as well as disseminating and gathering responses from colleagues within senior management, JCNC and Board in September. The Trust also held a bespoke Leadership Forum on the WRES with Yvonne Coghill, Director of WRES Implementation, NHS England in June 2018. Through these forums, HHFT aimed to raise awareness about the WRES and provide an opportunity for colleagues to engage, contribute and be involved in the Trust's response. Such engagement is part of the Trust's approach in trying to embed a cultural change on workforce race equality, and improve experiences for all staff and patients.

6. Gender Pay Gap Reporting

In 2018 the Government made gender pay gap reporting mandatory by amending the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 so that all public sector employers with more than 250 employees are required annually to measure and publish their gender pay gap on their organisation's website and the Government website. This includes all employees who are under a contract of employment, a contract or apprenticeship or a contract personally to do work.

The gender pay gap is the difference between the **average** pay of men and women, expressed as a percentage. The gender pay gap is not the same as equal pay. Equal pay is concerned with pay differences between men and women who carry out the same jobs, similar or work of equal value. It is unlawful to pay people unequally for the same job because they are a man or a woman. In the NHS, it's important to note that the pay rates for jobs are based on national terms and conditions, and underpinning job evaluation systems based on qualifications, skills, competences, and the responsibility that the post holder will have.

Nationally, the gender pay gap has persisted for many years and whilst the gap has been closing, overall progress has been, and remains, slow. The Government has introduced these new reporting requirements to try and improve the rate of progress in closing this pay gap. There are many factors which contribute to, or cause, a gender pay gap, and these will vary between different employers. Some relate to wider society, such as the type of career choices men and women have typically tended to make, and some may be specific to the particular organisation.

As at 31 March 2017, HHFT employed 6,357 staff, of which 78.2% are female. HHFT reported a mean gender pay gap of 24.6% (i.e. based on average hourly pay rate, males receive 24.6% more than females), and a median gender pay gap of 1.2%. This pay gap appears comparable to other similar sized NHS Trusts who have a similar trend in composition of workforce. Further analysis shows that all staff on AfC terms and conditions are reporting at a -5.5% mean gender pay gap (i.e. females are on average paid more than males), but a wider discrepancy can be seen within the medical and dental staff groups of 20.0%. The greatest disparity in these grades is at consultant level, HHFT's most senior and experienced medical staff, where the staff group is predominantly male due to historic social patterns of more males entering the medical field. When compared to the more junior grades (those staff on route to qualifying as a consultant), there is a much closer balance between male and female staff, with a significantly higher proportion of females now entering medicine.

7. Workforce Disability Equality Standard (WDES)

The WDES is a set of 10 specific measures (metrics) that will enable NHS organisations to compare the experiences of disabled and non-disabled staff. The metrics cover areas such as the Board, recruitment, bullying and harassment, engagement and the voices of disabled staff. The WDES seeks to enable NHS organisations to better understand the experiences of their disabled staff, support positive change for existing employees and enable a more inclusive environment for disabled people working in the NHS.

There are currently 31,322 people who have disclosed and identified themselves as disabled and employed in the NHS, which represents 2.6% of the workforce (2018). As of November 2018, 1.25% of HHFT's total workforce (substantive and bank) had declared and identified themselves as disabled. Research presented to the NHS Equality and Diversity Council (EDC) in 2016 showed that disabled staff have had poorer experiences in areas such as bullying and harassment, attending work when feeling ill, and quality / value of appraisals when compared to non-disabled staff. As such, NHS England accepted the EDC's recommendation that the WDES should be mandated through the NHS standard contract in England, with the WDES drawing on, and learning from the WRES. NHS England

has consulted with NHS organisations on the WDES metrics with HHFT participating in regional engagement events held in 2018.

The information from the WDES will be used to help HHFT develop a local action plan and to demonstrate progress against the indicators of disability equality. The Trust will be required to report annually on disability equality, with the first WDES metrics and action plan to be published on HHFT's website in August 2019.

8. NHS Long Term Plan

The NHS Long Term Plan refers to the NHS needing to 'strengthen and support good, compassionate and diverse leadership at all levels – managerial and clinical' (p.79, NHS Long Term Plan). The plan recognises that one of the top reasons people leave the NHS is that they do not receive the development and career progression that they need, with staff **retention** a key and urgent priority over the next decade. To make the NHS a consistently great place to work, the plan states that it needs to:

'Seek to shape a modern employment culture...promoting flexibility, wellbeing and career development, and redoubling...efforts to address discrimination, violence, and bullying and harassment...Respect, equality and diversity will be central to changing the culture...The NHS draws on a remarkably rich diversity of people to provide care to our patients. But we fall short in valuing their contributions and ensuring fair treatment and respect.'

To support this cultural change, the plan outlines that:

'Each NHS organisation will set its own target for BAME representation across its leadership and broader workforce by 2021/22. This will ensure teams and Boards more closely represent the diversity of the local communities they serve. We will also develop a Workforce Disability Equality Standard (WDES)...we need to ensure equality for women, who make up three quarters of our workforce...concerns about the experiences of LGBT staff are highlighted by the staff survey' (pp.86-7, NHS Long Term Plan).

Further details regarding these plans will be published in a workforce implementation plan later in 2019 which will be reviewed and used to help inform HHFT's equality objectives.

9. Equality Objectives

Following the evidence collected / reviewed through these national reporting frameworks and strategic plans, HHFT has identified the following equality objectives for 2019/20:

- **Improve Trust wider inclusivity information** (i.e. monitoring patient / staff data in relation to the protected characteristics) to improve our assessment of the appropriateness of our services and drive on-going service and employment improvements.
- **Improve Trust wide engagement and communications with patients, staff and local community groups**, raising the profile of awareness events and educating and promoting the benefits of equality, diversity and inclusivity.
- **Improve the experiences of BME, LGBT and disabled staff:**
 - Continue to build on the engagement developed with BME, disabled and LGBT staff through the Inclusivity Network and bespoke forums such as the WRES workshops;
 - Develop a staff BME, Disability and LGBT network;

- Recruitment – increase BME representation in senior AfC pay bands. Develop and deliver unconscious bias training for managers and have BME staff representation on interview panels for all bands 8a and above roles; and review recruitment processes and support provided for candidates / employees with a disability (build upon existing Disability Confident Employer commitment).
- Raise the profile of BME, LGBT and disabled staff through engagement initiatives / events;
- Review the content of existing leadership and management training material and ensure equality, diversity and inclusivity principles are weaved into these;
- Implement a staff disability passport;
- Continue to promote and encourage BME staff to utilise existing national / regional leadership development opportunities and monitor uptake of such programmes;
- Board support and visibility – engagement workshops with BME and disabled staff (e.g. mentoring);
- Develop and deliver a policy outlining guidance to support transgender patients and staff. Explore engagement mechanisms to raise awareness / promote this support.

HHFT measures its achievements against objectives by reviewing changes in the annual staff and patient surveys, staff data analysis and liaison with local community organisations that provide feedback on equality and diversity issues.

The Trust takes positive action in considering applications for roles from disabled persons, such that an interview is always offered to any applicant declaring a disability who fulfils the minimum criteria for the role. Reasonable adjustments are made for employees who are disabled or who become disabled during the course of their employment. Training is provided in multiple modes to meet the needs of individuals. Employees are appraised and developed based on their individual achievements and capabilities.

Further information regarding the Trust's equality objectives can be found on the HHFT website (www.hampshirehospitals.nhs.uk).

10. References

NHS England, 2017. NHS Workforce Race Equality Standard 2017 Data Analysis Report for NHS Trusts Available: <https://www.england.nhs.uk/wp-content/uploads/2017/12/workforce-race-equality-standard-wres-data-report-2017-v2.pdf> [Accessed 14 September 2018]

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NHE Employers, 2018. Equality, Diversity and Human Rights Week 2018. Available: <https://www.nhsemployers.org/your-workforce/plan/diversity-and-inclusion/campaigns-and-events/eqw2018> [Accessed 1 April 2018]

NHS Employers, 2019. Gender Pay Gap Reporting. Available: <https://www.nhsemployers.org/your-workforce/pay-and-reward/job-evaluation/equal-pay-for-equal-value/gender-pay-gap-reporting> [Accessed 18 January 2019]

STAFF REPORT

Countering Fraud and Corruption

The Trust takes all allegations of fraud and corruption seriously in line with the Anti-Fraud, Bribery and Corruption policy. All allegations should be reported to the Local Counter Fraud Specialist (LCFS) and are treated in confidence. In line with Trust policy, if the concern is related to the LCFS or Chief Financial Officer, a report can be made directly to the NHS Fraud and Corruption Reporting line or the fraud reporting website. All allegations will be investigated to determine whether offences have been committed contrary to the Fraud Act 2006, the Bribery Act 2010 and other relevant legislation. The Trust pursues appropriate sanctions against those shown to have acted dishonestly.

Workforce

Work in 2018/19 focused upon aiming to ensure that when at work our staffs are free from abuse, harassment, bullying and violence from any source and improving the appraisal rate Trust-wide.

The table overleaf shows the diversity of our workforce:

31-Mar-19

Age Band	Headcount	%
Under 16	0	0.00%
16 - 44	4473	57.03%
45 - 54	1855	23.65%
55 - 64	1302	16.60%
65 and over	213	2.72%
Total	7843	100.00%
Ethnic Group		
White	5066	64.59%
Asian/Asian British	555	7.08%
Black/ African/Caribbean/Black British	229	2.92%
Mixed/Multiple Ethnic Groups	105	1.34%
Other Ethnic group	359	4.58%
Unspecified	1529	19.50%
Total	7843	100.00%
Gender		
Female	6113	77.94%
Male	1730	22.06%
Total	7843	100.00%
Disabled		
No	3261	41.58%
Not Declared	4484	57.17%
Yes	98	1.25%
Total	7843	100.00%
Executive and Non-Executive Directors		
Female	4	36.36%
Male	7	63.64%
Other Senior Managers		
Female	7	63.64%
Male	4	36.36%

STAFF REPORT

Staff Costs

The table below shows the staffing costs broken down by staffing groups:

Category	Total £m
Medical and Dental	85
Administration and Estates	47
Healthcare Assistants and Other Support Staff	39
Nursing, Midwifery and Health Visiting Staff	80
Scientific, Therapeutic and Technical Staff	19
Healthcare Science Staff	7
Total	276

Consultancy Expenditure

The Trust's total spend on consultancy in 2018/19 was £419,858 (2017/18 - £1,047,562). The single largest element of this related to externally funded contract with 20:20 Consultancy to review and implement service development improvements in ED and Patient Flow. The remainder was on various suppliers to support bespoke procurement (such as the Southern Counties Pathology Network procurement) and other of efficiency and productivity reviews.

Off-payroll arrangements

The Trust had no off payroll engagements in place during 2018/19 as the Trust policy is not to engage with individuals on this basis.

Exit payments

The tables below shows exit payments made in 2018/19. Staff that are eligible for redundancy payments are paid in accordance with Agenda for Change NHS Terms and Conditions.

Exit package cost band (including any special payment element)	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
	Number	£000	Number	£000	Number	£000	Number	£000
<£10,000			12	39	12	39		
£10,000 - £25,000			3	46	3	46		
£25,001 - £50,000			1	32	1	32		
£50,001 - £100,000								
£100,001 - £150,000								
£150,001 - £200,000								
>£200,000								
Total			16	117	16	117		

Regulatory Ratings – The Single Oversight Framework

NHS Improvement assessment of Foundation Trusts

NHS Improvement (“NHSI”), the independent regulator of NHS Foundation Trusts, stipulates certain conditions that each Foundation Trust must meet to remain in compliance with their Provider Licence. The key conditions which must be met relate to financial sustainability and organisational governance. NHSI assesses the Trust against these requirements on the basis of financial and performance submissions.

a) Single Oversight Framework

NHSI monitors the performance of NHS providers using the Single Oversight Framework.

The table below shows the performance in 2018/19 against the Use of Resources rating under the Single Oversight Framework.

		2018/19			
		Q1	Q2	Q3	Q4
Use of Resources Rating	Plan	2	2	2	2
	Actual	3	3	3	3

Use of Resources Rating 1-4 = Good to Bad

The Trust was in NHSI Segment 2 (1-4 = Good to Bad) for its overall standing under the Single Oversight Framework throughout the year at the year end.

REGULATORY RATINGS – THE SINGLE OVERSIGHT FRAMEWORK

Total Year: 2018/19			
Indicator	Threshold	NHSI Quality of Care Indicator	2018/19
Operational Performance Metrics for NHSI			
Cancer 62 Day Waits for first treatment inc rare cancers (from urgent GP referral)	>85%	NO	78.2
Referral to treatment time, 18 weeks in aggregate, incomplete pathways	>92%	NO	89.5
A&E Clinical Quality - Total Time in A&E under 4 hrs	>95%	NO	83.6
Diagnostics waiting over 6 weeks (% of total)	<1%	NO	3.2
Other Metrics			
Clostridium Difficile - meeting the Clostridium difficile objective	33	YES	25
MRSA	0	YES	0
Cancer 31 day wait for second or subsequent treatment - surgery	>94%	NO	97.5
Cancer 31 day wait for second or subsequent treatment - drug treatments	>98%	NO	100.0
Cancer 31 day wait for second or subsequent treatment - radiotherapy	>94%	NO	80.4
Cancer 62 Day Waits for first treatment (from consultant led screening service referral)	>90%	NO	96.0
Cancer 31 day wait from diagnosis to first treatment	>96%	NO	98.2
Cancer 2 week (all cancers)	>93%	NO	94.3
Cancer 2 week (breast symptoms)	>93%	NO	94.9

Referral to treatment waiting times

Part of the Trust's objective to put patients at the centre of everything we do involves making sure that patients are diagnosed and start treatment as soon as possible. Across the entire year the Trust achieved an average monthly performance of 89.5% across the period higher than the national NHS level of performance. The Trust experienced significant demand and capacity pressures in a small number of specialties which reduced the overall performance. Over the winter period performance was impacted by the severe pressure on non-elective activity faced by the Trust and the wider NHS in general.

Cancer waiting times

HHFT met 6 of the 8 national targets overall for 2018/19. It has been a challenging year in delivering cancer performance, with Trusts across England struggling to meet the '62-Day (Urgent GP Referral To Treatment) Wait For First Treatment, All Cancers' target. The Trust overall performance was 78.2% versus the target of 85%. Across the year the Trust did not achieve the Cancer 31 day wait for second or subsequent treatment for radiotherapy. Performance across the year was 80.4% versus the target of 94%. Performance was impacted particularly Q3 where capacity and demand was misaligned within the constraints of our single radiotherapy machine.

Diagnostic Waits

HHFT did not achieve the national target patients waiting less than 6 weeks for diagnostic tests for the year. Across the entire year the Trust achieved an average monthly performance of 96.8% across the period versus the target of 99%.

Emergency waiting times

Across the year we did not achieve the national waiting time target for seeing and treating 95% of patients arriving at the Emergency Department (ED) within 4 hours. We have continued to see an increasing number of patients arriving in EDs in Basingstoke and Winchester, or referred directly by primary care, who have required admission to our hospitals. In addition, a large number of patients in our hospitals who are medically fit cannot be discharged quickly because they need significant support either in their own home or in a nursing/residential home. The Trust continued to deliver significant progress throughout the year through improving discharges, maintaining flow through our admissions units, reducing our non-elective length of stay. Significant new capital investments were made in the ED departments in Q4 which have improved the patient environment and flow within the department. Across the year the Trust saw a 4.2% growth in non-elective activity.

Going forward, we continue with actions to sustain and embed this improved performance internally, and to work with our partners to reduce demand and to improve the availability of community health and social care. This will allow us to ensure our patients are discharged more promptly and providing us with the capacity to deal with the pressures the department faces.

Clostridium Difficile infection

This target was achieved in 2018/19. The number of hospital-acquired cases for the year was 25 versus a target of 33.

Sustainability Report

Sustainable development, understood as development that improves environmental, social and economic outcomes, must form a central part of all organisations' agenda. The NHS is no exception. The Trust recognises that by implementing principles of sustainable development, we contribute to the long-term health and prosperity of people and the rest of the natural world in our local region and beyond.

Sustainable development starts with clear strategic planning. Our *Sustainable Development Management Plan (SDMP) 2015-2020* states:

HHFT believes that sustainability and corporate social responsibility is essential to the business of providing an efficient, effective and good value health service for the future.

In 2019-20, we will look to review our current SDMP and CMP in line with SDU guidance and in particular, will focus on:

1. How our Trust uses plastics and investigate how circular economy could improve practices
2. Introduce more recycling zones in both clinical and non-clinical areas
3. Organisation wide interventions relating to energy reduction through Behaviour Change
4. Energy Performance Contracting, specifically collaborating with both the University of Winchester and Basingstoke & Dean Borough Council to look at opportunities to introduce District Heating.
5. Introducing an Electric Vehicle Estates fleet and Pool car system, with EV charge points for patients, visitors and staff.
6. Improving Biodiversity

HHFT's Board Level lead for Sustainability is Malcolm Ace, Chief Finance Officer. The principle person responsible for implementing sustainable development is Gillian Brown, the Trust's Sustainability Manager.

In the past year we have:

- Secured Salix Finance funding to implement a pilot LED lighting upgrade
- Introduced Warp-it to help redistribute office items around the Trust rather than buying new.
- Introduced a new Travel Plan and secured funding for secure cycle parking at all three sites
- Secured funding for Electric Bike trials at all three sites.
- Purchased reusable HHFT branded coffee cups
- Planted over one hundred wildflowers at our BNHH site
- Purchased 100% green electricity

Sustainable Development Management Plan (SDMP)

The Trust has a Board approved SDMP, which ensures that our organisation fulfils its commitment to conducting all aspects of its activities with due consideration to sustainability, whilst providing high quality patient care. This plan will be refreshed in 2019-20 to reflect new SDU guidance.

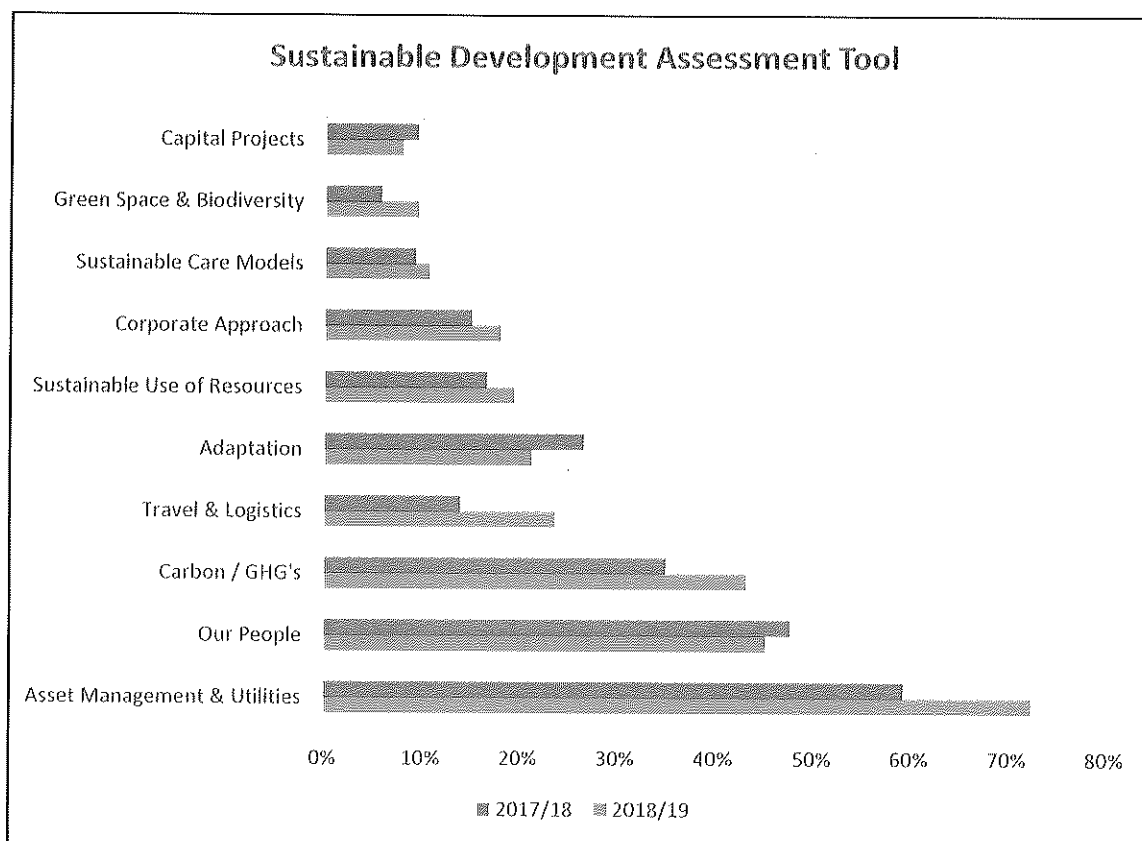
The new plan will consider both the potential need to adapt the organisation's activities and its building and estate as a result of climate change. Adaptation to climate change will pose a challenge to both service delivery and infrastructure in the future.

Sustainability issues are included in our analysis of risks facing our organisation. NHS organisations have a statutory duty to assess the risks posed by climate change. Risk assessment, including the quantification and prioritisation of risk, is an important part of managing complex organisations.

In addition to our focus on carbon, we are also committed to reducing wider environmental and social impacts associated with the procurement of goods and services. This is set out in HHFT's policies on sustainable procurement.

Good Corporate Citizenship

The Sustainable Development Assessment Tool (SDAT) was completed in February 2019 for the second year in a row and achieved an overall improved score of 28%, compared to 24% in January 2018. Detailed scores and explanations can be found in the following graph and table:



SUSTAINABILITY REPORT

Area	2017/18	2018/19	Reasons for increase / decrease
Asset Management & Utilities	59.42%	72.46%	Regular meetings for space utilisation focusing on reducing unoccupied space. Identifying hotspots for reducing carbon emissions.
Our People	47.78%	45.16%	Pipeline projects in 2017-18 that were not progressed giving lower score.
Carbon / GHG's	35.14%	43.24%	Improved quality of reporting and monitoring of all data.
Travel & Logistics	13.98%	23.66%	Board approved Travel Plan informed by staff survey, with initiatives approved and funded.
Adaptation	26.67%	21.33%	Climate Change added to risk register and incorrect 2017-18 data amended.
Sustainable Use of Resources	16.67%	19.44%	Introduction of Warp-it reuse scheme and improvements to recycling.
Corporate Approach	15.03%	18.00%	Approval of Travel Strategy
Sustainable Care Models	9.33%	10.67%	Medicine Waste Management improvements.
Green Space & Biodiversity	5.80%	9.52%	Undertaken biodiversity surveys with local nature Group and improvements made.

Sustainability performance

The Trust has partnered with the Centre for Environment and Sustainability at the University of Surrey and is currently hosting a Practitioner Doctorate student. The project title is 'Maximising opportunities at Hampshire Hospitals to support a sustainable health and care system', which runs from September 2017 until September 2020.

In the past year our sustainability PHD student has been researching behaviour and practice change interventions with the aim of reducing resource use by staff and visitors. At the moment, observations are being carried out within sample areas ahead of the trial interventions.

Waste

The Trust secured funding to increase recycling opportunities in both clinical and non-clinical areas. A rolling programme commenced in Feb 2019 to remove small waste bins in office areas to encourage correct segregation at recycling and waste zones and the Waste Management Group has been reinstated to monitor and oversee projects to improve sustainable waste management.

The Sustainability Team has collaborated with Catering to initiate a 5-month program that will introduce the following initiatives, starting March 2019:

- Use of staff own containers in the Restaurant to reduce disposable takeaway containers
- Switching from plastic to glass cups at water machines
- Purchase of HHFT branded bamboo coffee cups to give away when waste training is completed and which will also be sold in Trust Restaurants. Surcharge also being added to coffee cost for any disposable cups used.
- Disposable coffee cup recycling
- Investigation into the use of biodegradable single use items such as plastic cups, cutlery and

takeaway containers.

Figures for waste can be found below. Overall, the quantity of waste has reduced somewhat compared to the previous year in both categories – recycling and other recovery. We are aiming to continue this trend in the coming year, whilst trying to increase the share of recycling.

Waste		2014/15	2015/16	2016/17	2017/18	2018/19
Recycling	(tonnes)	244	244	416	411	373
	tCO ₂ e	5.12	4.88	8.74	8.94	8.12
Other recovery	(tonnes)	1,193	1,193	1,534	1,669	1,459
	tCO ₂ e	25.05	23.86	32.21	36.32	31.75
High Temp disposal	(tonnes)	238	238	0	0	0
	tCO ₂ e	52.36	52.12	0	0	0
Landfill	(tonnes)	246	246	115	0	0
	tCO ₂ e	60.13	60.13	35.65	0	0
Total Waste (tonnes)		1,921	1,921	2,065	2,080	1,832
% Recycled or Re-used		13%	13%	20%	20%	20%
Total Waste tCO ₂ e		142.66	140.99	76.60	45.26	39.86

Energy

The Trust is actively participating in energy efficiency and reduction initiatives. In the past year we have:

- Secured £330k of Salix funding for LED lighting at BNHH
- Engaged separately with University of Winchester and BDBC to investigate the potential for District Heating using Energy performance contracting through the REFIT framework.
- Externally revalidated our Energy data and initiated invoice validation
- Undertook a market testing exercise for the purchase of energy
- Signed up to purchase 100% green electricity

We have been collaborating with BEIS and Basingstoke and Deane Borough Council to determine the feasibility of a District Heat Network, located at BNHH. This technology would provide a sustainable and resilient energy source for the future, bringing social, environmental and economic benefits. The project has recently completed the second techno-economic feasibility stage, with the next stage currently under discussion.

The Trust is a Member of Hampshire Public Sector Sustainable Development Group (PSSDG). The group comprises of representatives from various public sector bodies and meets twice a year for progress updates, knowledge sharing and projects discussions. The latest meeting took place on 14 February 2019, where waste, energy and transport related projects undertaken by individual members were presented.

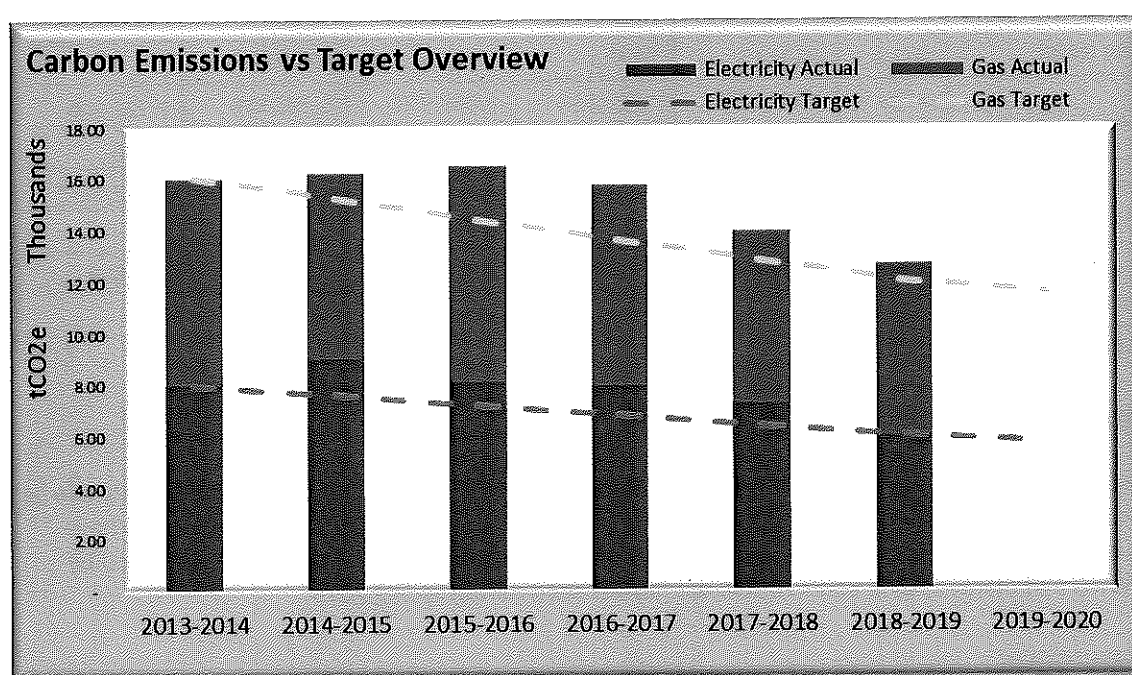
The following table provides an outline of energy cost, consumption and associated CO₂ emissions. The increased electricity consumption (kWh) during 2018-19 is a direct result of the CHP reaching end of life midway through 2017-18. Installation of LED lighting at BNHH has also gone some way to minimise this increase. The overall decrease in CO₂ for HHFT is mostly a result of grid

SUSTAINABILITY REPORT

decarbonisation and has allowed the Trust to keep in line with NHs targets.

Energy	2014/15	2015/16	2016/17	2017/18	2018/19
Electricity (kWh)	16,963,589	16,281,558	17,722,575	18,956,305	19,618,500
Gas (kWh)	38,850,778	39,896,391	37,457,071	36,374,518	36,300,025
Total kWh	55,814,367	56,177,949	55,179,646	55,330,823	55,918,525
Electricity (tCO ₂ e)	9,043	8,146	7,963	7,287	6,027
Gas (tCO ₂ e)	7,187	8,350	7,828	6,699	6,678
Total tCO ₂ e	16,231	16,496	15,791	13,986	12,705
Total spend (£)	3,068,818	3,157,957	2,781,726	3,045,868	2,979,004

Note: Historical energy data has been cleansed and kWh and CO₂ figures may differ to previous annual report submissions



Water

Water consumption remains steady for the Trust. All water accounts have moved to a single supplier as of April 2019, with hopes of providing greater assistance to look at water conservation.

Unit	2014/15	2015/16	2016/17	2017/18	2018/19
m ³	218,388	198,937	203,713	202,636	208,171
tCO ₂ e	199	181	185	184	190
Spend (£)	£ 372,974	£ 336,271	£ 328,152	£ 291,263	

Travel

As part of our new Healthy Travel Plan, The Trust is aiming to reduce car travel during staff commute and encourage greener modes of travel. An Action Plan has been produced outlining what measures will be undertaken to achieve a 4% reduction (200 Single occupancy vehicles) by May 2020 based on

SUSTAINABILITY REPORT

May 2018 figures.

Funding has been secured from Charitable funds to install secure cycling and provide a 6-month trial of electric bikes at each site.

The Trust will use the new HCC framework for installing Electric Vehicle charge points for staff, visitors and patients and which will include provision for changing our existing Estates vehicle fleet to electric. There will also be investigations into the provision of electric pool cars.

The figure for travel and transport are found below. Overall the mileage and carbon emissions remain steady and the trend seems to be stabilised. The aim of the Trust is to pursue further carbon reduction in the area of travel in the coming year.

Business Travel	Mode	2014/15	2015/16	2016/17	2017/18	2018/19
Patient and visitor own travel	miles	27,849,591	28,577,590	29,641,507	30,246,526	30,071,066
	tCO ₂ e	10,232	10,334	10,712	10,777	10,715
Staff commute	miles	4,881,858	4,906,834	5,052,938	5,222,878	5,222,100
	tCO ₂ e	1,793	1,774	1,826	1,861	1,860
Business travel and fleet	miles	2,161,063*	2,011,610*	1,878,959*	1,614,903*	1,642,279*
	tCO ₂ e	795	728	679	574	427
Active & public transport	miles	241,164	269,092	235,645	218,183	259,884
	tCO ₂ e	25	27	25	22	27

*these figures are estimated

Biodiversity

The Trust has engaged with Hatch Warren Nature Group (HWNG) to look at how biodiversity can be improved for the benefit of wildlife, staff, patients and visitors at our BNHH site. Two sites have been selected for improvement, and so far around 100 wildflower plants have been donated by HWNG and planted, with plans to sow wildflower seed during Spring 2019.

Procurement

The Procurement team considers environmental and social impacts of products and services on a case by case basis. Where a concern over a particularly high impact occurs, the Trust's Sustainability manager is consulted before final decision is made. The suppliers' adherence to the legislation is checked during the quarterly review meetings or through a request for the management information data. All procurement contracts follow the standard NHS terms and conditions, including Modern Slavery Act 2015 and Public Services (Social Value) Act 2012. Individual monitoring of supplier's practices is not carried out.

The Trust aims to foster social and environmental value in the local community, e.g. when procuring food. Our vegetables come from an independent family company, owned and operated by its founders. Their produce is sourced daily from New Covent Garden Market in London from local growers when available. The meat is sourced from the local butchers based in Hook, Hampshire. In the future we aim to expand this agenda into procurement of non-clinical goods, where possible.

In 2018 the Trust introduced Warp It, an online platform used to encourage reuse and trading of used items which reduces spend on procurement, waste and transport. To date based on Warp It website figures the Trust has avoided costs of £27,000, which is equivalent to 10,000 CO₂e.

Food

In January 2018 we joined the newly formed Winchester Sustainable Food Partnership. Its aim is to promote healthy, seasonal and sustainable food choices among people in Winchester. Among its members are representatives of charities, local businesses and the University of Winchester. The group has recently obtained membership from Sustainable Food Cities, a key objective of the group.

Equality & Diversity

In terms of our current employment practices, we are committed to providing the highest quality clinical and working environment where all staff, patients, visitors and contractors can be employed, cared for, welcomed, respected and treated in a consistent and non-discriminatory manner. Equality Delivery System 2, Workforce Race Equality Standard, Gender Pay Gap reports and further statements are available on: <http://www.hampshirehospitals.nhs.uk/about-us/equality-and-diversity/reporting-and-monitoring.aspx>

Flexible working

The Trust believes that flexible working can benefit both the Trust and its employees. The Trust has therefore developed flexible working arrangements to enable all employees to balance work responsibilities with other aspects of their life throughout their career including supporting the transition from work to retirement. The option includes, 'job sharing', 'flexi-time', 'home (tele) working', 'wind down', among others. Further information and results of the staff survey in relation to flexible working can be found in the Staff Report within this document.

Slavery and Human Trafficking Statement

We published Slavery and Human Trafficking Statement, which was approved by our board of directors on 26 May 2017. In the statement we show a zero-tolerance approach towards any form of modern slavery and human trafficking and we expect our suppliers to subscribe to the same principles. Further details and progress on this issue can be found on our website: <http://www.hampshirehospitals.nhs.uk/about-us/publications/slavery-and-human-trafficking-statement.aspx>

Patient and public involvement is central to planning changes to services and driving improvements within the Trust. We encourage participation through:

- developing good communications with the local community;
- providing patients and public with information to make informed choices about their care;
- working in partnership with patients and the broader community to make decisions about service improvement.

The interests of patients are also reflected within the Patient and Public Involvement Group (PPIG), which meet regularly with the Trust. In addition, we welcome adolescents between 11 and 16 years old to join the Basingstoke Hospital Youth Forum, whose feedback will help us shape children's services at Basingstoke.

Statement of Accounting Officer's Responsibilities

Statement of the Chief Executive's responsibilities as the Accounting Officer of Hampshire Hospitals NHS Foundation Trust

The NHS Act 2006 (the "Act") 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's 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 Hampshire Hospitals 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 Hampshire Hospitals 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 Group Accounting Manual (the "Manual") and in particular to:

- Observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements and apply suitable accountable 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 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; 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 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 
Alex Whitfield, Chief Executive

Date 24/05/2019

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 Hampshire Hospitals NHS Foundation Trust,
- evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in Hampshire Hospitals 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

Leadership of risk management

The Board of Directors has overall accountability for the Foundation Trust's risk management strategy and oversees that appropriate structures and robust systems of internal control and management are in place. The Foundation Trust's Chief Medical Officer and Chief Nurse are the designated Executive directors with Board level accountability for risk management and for clinical quality and safety supported by a central governance function.

The Chief Operating Officer is accountable for the development, implementation and testing of the Foundation Trust's business continuity plan. All Executive directors, divisional operation directors, associate directors, heads of service and clinical leads have a key role in developing a strong risk management approach in all aspects of the Trust's activities both clinical and non-clinical.

The Foundation Trust operates a unified approach to clinical and non-clinical risks, which are recorded on a computerised risk register. The Board of Directors has delegated key duties and functions to its sub-committees chaired by Non-Executive directors.

Until January 2019, the Board of Directors had 4 formal sub-committees:

- (i) Audit;
- (ii) Risk;

- (iii) Remuneration; and
- (iv) Nomination.

Following review of the Board and committee structure it has been decided to establish three additional sub committees:

- (v) Quality and Performance;
- (vi) Finance and Investment; and
- (vii) Workforce and Organisational Development.

The Board has divided governance responsibility as follows:

- Risk Committee to review and assess our risk management processes and highlight key risks to the Board;
- Quality and Performance Committee to provide the Board of Directors with assurance on all aspects of clinical quality and performance in relation to patient safety, experience and effective outcomes, governance processes, quality monitoring, clinical risk management and the regulatory standards of quality, safety and performance;
- Audit Committee to assess internal controls and financial rigour;
- Finance and Investment Committee to provide assurance that resources are used in the most creative way to benefit our population and that the Trust is meeting the requirements of our regulators in providing outstanding care within available resources; and
- Workforce and Organisational Development Committee to lead on the assurance of the workforce and organisational development needed to deliver a workforce with the capacity and capability to provide high quality, safe patient care.

The terms of reference of the sub-committees of the Board of Directors have been reviewed. The Board of Directors receives regular minutes and reports from the nominated sub-committees that report into it.

The Board of Directors itself is responsible for the Annual Governance Statement and for the co-ordination of the activities of all of the sub-committees of the Board of Directors.

Staff and risk management

We are committed to enabling good practice to be developed and disseminated throughout the organisation through:

- individual appraisal and personal development planning for all staff;
- risk management training, including bespoke training for departments and teams based on local needs;
- policies that encourage reporting and investigation of adverse incidents and near misses;
- root cause analysis of problems and incidents, and creating a culture which avoids 'blame';
- root cause analysis of serious incidents;
- policies and procedures which help managers identify and remedy problems at an early stage;
- mechanisms which encourage and enable staff to address issues and concerns about their performance in non-threatening ways, e.g. appraisal, substance abuse policies, counselling

- and occupational health (Health for Work) services;
- clinical and non-clinical audit;
- the prompt dissemination of safety alerts, recommendations and guidelines made by central bodies such as NHS England, the Medical Healthcare Regulatory Authority (MHRA) and the National Institute for Health and Care Excellence (NICE);
- sharing learning and good practice across the Trust. Learning is also shared across the divisions through the divisional governance leads and their participation in the monthly governance forum;
- the cascade of SERG learning points i.e. learning points and their application, from Serious Incidents reviewed at the Trust Serious Event Review Group (SERG);
- sharing learning and quality improvements through the Trust Patient Safety, Experience and Effectiveness Group (PSEEG);
- the Evidence of Serious Incident Improvement Panel (ESIIP) has been established to actively seek assurance that learning has taken place following serious incidents and that there is sustainable change. ESIIP aims to bring together and share exemplar initiatives and innovations to inspire collaborative improvement for the benefit of patients and staff.
- socialisation of the Trust Vision and Values and the adoption of the Quality Improvement strategy with a clear focus on improvement and engagement; and
- all staff are given information about risk management and training as part of their induction, and kept up to date through staff briefings and the Governance team pages on our intranet.

The risk and control framework

Risk management strategy

The Trust's risk management structure and approach to managing its risks is set out within a single document, the Risk Management Framework, comprising staff responsibilities for risk management, risk assessment and scoring, use of the risk register and strategy implementation. The Board of Directors has endorsed the Trust's risk management strategy to support the delivery of the Trust's strategic objectives. The purpose of the framework is to create and embed a risk aware culture through the implementation of sound risk management processes. More specifically, the risk management objectives are:

- To ensure that patient safety, quality assurance and quality improvement are central to the activities of the Trust, through applying the principles of sound corporate governance and risk management, ensuring clear lines of individual accountability for managing risk.
- To provide a risk management framework for the Trust that enables future activity to take place in a consistent and controlled manner by reducing risk exposure, improving decision making, contributing to more efficient use and allocation of capital and resources, protecting and enhancing assets and reputation, developing and supporting people and the organisation's knowledge base and optimising operational efficiency.
- To ensure the Board of Directors can effectively evaluate its systems of internal control through the provision of current and accurate risk management information.

The Risk Management Framework has been published on the Trust's intranet which is available to all staff and bespoke training is available alongside resources with documented guidance on risk and safety management including policies and procedures available on the intranet. There is also a Trust

'Freedom to Speak Up (whistle blowing) policy, Freedom to Speak Up Guardians and a 'Speak in Confidence' system in place.

The Risk Committee is a sub-committee of the Board of Directors and reviews risk management processes and carries out functions of supervision, oversight and monitoring of risks faced. The Committee considers the risk appetite of the Foundation Trust, looking at risk categories including clinical, operational, financial, strategic, reputational, commercial and other relevant risks. Risks external to the Trust are also considered, and these may include political, economic, social, technological, environmental and legal risks.

The Risk Committee reviews the individual Divisional risk registers and the overall Trust Directors' risk register as prepared by the executive team. The Divisional Medical Director and Operational Director for each division attend the Risk Committee once a year to present their Risk Register and the mitigating action plans.

The Risk Committee also looks forward to identify future potential risks and necessary mitigating actions. The Risk Committee reviews the annual Board Assurance Framework (BAF) which focuses on the main risks to the organisation's annual business plan being achieved and challenges the prioritisation and mitigating action plans.

The Risk Management Framework provides the mechanism through which risks and control measures are reported within the organisation, through the Risk Committee, to the Board of Directors. It also identifies the internal and external processes in place to assure the Board that the control measures are working effectively. These assurances, plus other internal and external evidence, inform the annual statement of internal control.

The risk management processes are managed and facilitated by the Governance function with responsibility devolved to individual divisions and departments for their active participation in the processes.

Risk Appetite

The risk appetite is discussed and reviewed by the Risk Committee. The Trust will continue to be risk averse in all matters relating to clinical safety and regulatory and legal requirements. In all other matters we will take prudent, well considered risks with a view to securing our objectives.

Risk Strategy

Risk Management

Risk management is an integral function of the organisation, from risk management in divisions through to the Risk Committee, Audit Committee, Trust Senior Management Team and Board of Directors.

The Risk Management Framework is integrated alongside other strategies, e.g. our Equality and Diversity Strategy. Equality Impact Assessments ensure that policies and processes are assessed to identify the real or potential risk of detrimental impact on individuals or groups.

The Trust's governance team have prepared a guide to risk registers to bridge the gap between the Framework and more detailed standard operating procedures, setting out how risk owners and divisional governance leads should update the Datix risk management system, which provides common reporting and analysis of risks and a consolidation of management information.

Each divisional risk register is presented to the Risk Committee on a rotational basis, with each register reviewed once per year by the Committee. In addition, business unit risks are reviewed by

divisional management at monthly performance meetings and divisional health and safety risks are scrutinised at the Trust Health and Safety Committee.

The Trust's risks registers and BAF include gross (initial) risks ratings, as well as net (current) ratings that take into account the controls in place that mitigate the risks. In each meeting the Risk Committee reviews these registers and progress on mitigating actions.

Risk management is also embedded in the Foundation Trust through our use of an online incident reporting system which supports the timely, easy reporting of incidents. Incidents are reviewed and acted upon at divisional level and our Serious Event Review Group (SERG) has a role in ensuring consistent reporting and monitoring of actions following serious incidents. Monthly data quality audits carried out by the governance team also supports improving the quality of information. The learning from incidents is shared from SERG through a "Learning Points" bulletin which is circulated through the Trust in the Midweek Message and through divisional 'shared learning' communications. They are also shared by the Chief Executive at the monthly "In Touch" sessions for all staff. Health and Safety risks are reviewed at the Trust Health and Safety Committee, which is chaired by the Chief Nurse and reported to the Risk Committee.

We promote learning and support an open culture in relation to incident reporting and learning and the efficacy of this is monitored through regular patient safety walkarounds by executive and non-executive directors. The Chief Executive also included information about incident reporting in the "In Touch" sessions during 2018/19.

Quality Governance

Quality governance is delivered across the organisation through an integrated approach. The quality governance arrangements for the Foundation Trust that were originally developed using the Monitor Quality Governance Framework are now reviewed against the Well Led Framework and 8 key lines of enquiry. An independent review of leadership and governance was undertaken in 2018 using this framework.

The central governance function is led operationally by the Associate Director of Governance who is accountable to the Chief Nurse and Chief Medical Officer supported by the Chief Nursing Office and three Associate Medical Directors, each a clinician, with an interest in patient safety, clinical effectiveness, patient experience and delivering high quality care. The clinical divisions have a monthly divisional governance meeting and clinical governance is reviewed corporately at the Quality and Performance Committee which reports to the Board of Directors and includes Executive and Non-Executive Directors in its membership.

The Patient Safety, Experience and Effectiveness Group (PSEEG) is a sub-group of the Quality and Performance Committee and ensures that there is a robust forum for driving quality improvements in terms of patient safety; sharing learning from effective clinical outcomes and monitoring compliance. It is also the main forum to focus on learning and improvements in relation to patients experiences. The PSEEG is chaired by an Associate Medical Director for Governance. Learning from deaths identified through the mortality surveillance group is also shared through this group.

The Directors receive a monthly governance report which includes a quality scorecard and reviews of key elements – patient safety, clinical effectiveness and patient experience. The governance report also includes information to demonstrate compliance with the CQC registration requirements. Clinical governance and data quality are a key part of the monthly divisional performance review at Trust Senior Management Team meeting.

The Well Led Governance Framework has been used to assess overall quality governance within the Foundation Trust. The elements of the framework are reviewed at the Trust Quality and Performance Committee.

Risks to data security are identified through the established risk management processes at departmental and divisional level as well as Trust-wide through the roles of Caldicott Guardian and the Data Protection Officer. The Caldicott Guardian is a Consultant Haematologist who is also the Chief Clinical Information Officer and is supported by the Data Protection Officer. Incidents and near misses in relation to data security are reviewed by the Data Protection Officer and Serious Incidents Requiring Investigation (SIRIs) are reviewed at the Trust Serious Event Review Group (SERG). They are also reported to the Board of Directors and the Trust Senior Management Team in the Governance paper.

Management of major risks, in-year risks and future risks

For 2018/19 the most significant risks in year were identified in the Board Assurance Framework as:

- If we do not maintain an appropriate skilled and engaged workforce, operating under one unified organisation-wide culture then this may lead to a failure to deliver our vision of a single service across multiple sites, poor care for our patients and dissatisfaction amongst staff
- If we do not meet our regulatory and contractual responsibilities then this will impact on the quality of our services, our reputation and financial stability
- If we do not continue to develop our strategic plan then this may result in an inability to maintain organisational stability
- If we do not maintain and develop our major capital assets (estate, medical and non-medical equipment) as well as backlog maintenance, reconfiguration and equipment replacement then there may be unacceptable clinical, regulatory and financial consequences
- If we do not achieve our cost improvement and productivity plans then we will be unable to meet our financial challenges
- If we do not meet quarterly financial control total targets then the Trust will lose Provider Sustainability funds (PSF)

Management of information risks

We have a comprehensive structure and process in place to identify and manage information risks. The Chief Executive Officer has Board responsibility for information risk and is supported by the Caldicott Guardian. The Data Protection Officer supports the Chief Executive with the co-ordination and monitoring of progress against the Data Security and Protection Toolkit and the action plan. The Data Protection Officer is a member of the IT department and is accountable to the Chief Finance Officer as Senior Information Risk Officer (SIRO).

Annual surveys are used to identify risks to information systems and business continuity; this process links to our risk register. There was no change to the target risk exposure of the risk related to accelerating the adoption of technological transformation and the Trust is part of the NHS Global Digital Exemplar programme in partnership with University Hospital Southampton NHS Foundation Trust.

Each year, Hampshire Hospitals NHS Foundation Trust must report our Data Protection compliance by completing the Data Security and Protection Toolkit hosted by NHS Digital. This report assesses the Trust's annual performance against National Data Guardian's (NDG) data security standards

which includes: Data Security and Protection, Confidentiality and Data Protection Assurance, Information Security Assurance, Clinical Information Assurance, Secondary Use Assurance and Corporate Information Assurance. Hampshire Hospitals NHS Foundation Trust completed all mandatory assertions of the Data Security and Protection Toolkit and achieved 'Standards Met' status for 2018/19.

The Data Security and Protection Training Strategy incorporates the success of the IT based approach to the delivery of Data Security and Protection training, supported by bespoke face to face training. The overall monitoring of training compliance is through the Divisional Performance Reviews, the Trust Senior Management Team structures and the GDPR Steering Group. The Trust met NHS Digital's requirement to have 95% of all staff compliant with Data Protection training (95.5% of staff completed the training).

Patient and public involvement in risk management

Patient forums meet regularly with key members of our staff to exchange information and discuss concerns and to be engaged and actively involved in quality improvement initiatives.

Patient Voice Forum members undertake patient satisfaction surveys and visits to wards and departments and carry out assessments of the care environment. They gather valuable feedback about patient experience as well as identifying concerns and potential risks.

We liaise closely with the Council of Governors over matters of risk and strategy. Three joint meetings a year between the Board of Directors and Council of Governors discuss issues such as the annual plan and longer-term strategy. All of these discussions include reference to risks and how they are being managed.

Governors' working groups for specific subjects, such as patient experience and membership and community engagement, discuss relevant risk issues, as do individual Governors on their visits to wards and departments.

Workforce strategies and staffing systems

The Trust has established systems and strategies to provide assurance that staffing processes are safe, sustainable and effective. An established reporting structure ensures workforce, quality and financial indicators are aligned and integrated. Divisional and Trustwide reporting brings together the quality scorecard, financial reporting and workforce dashboards in the same documentation. All three are addressed together at Trust Senior Management Team meetings and Board of Directors meetings. The scorecards, and associated narrative, are used to agree key areas for action.

Safe staffing reports by ward are received by the Board of Directors on a monthly basis and reports on the Carter metric for care hours and red flags. The Board of Directors receives a workforce plan that is updated annually and discussed in a public meeting of the Board of Directors. Ongoing programmes of recruitment and retention including partnership work with Higher Education Institutions are reported through the monthly workforce report received by the Board of Directors and initiatives to improve staff engagement and retention including flexible working, clinical supervision, internal transfers and career conversations.

The Workforce and Organisational Development Committee has been established as a sub-committee of the Board of Directors to lead on the assurance of the workforce and organisational development needed to deliver a workforce with the capacity and capability to provide high quality, safe patient care. The committee will receive and escalate any risks associated with staffing that continue or increase and mitigations prove insufficient to the Board of Directors.

Evidence based tools for acuity and dependency, professional judgement and outcomes are used in safe staffing processes and there are a number of operational management initiatives to establish dynamic staffing risk assessments and formal escalation processes within operational policy and procedure to respond to day to day operational challenges. There is a process for budgeted approved establishments and a report provided to the Board of Directors twice a year with an assessment of the nursing establishment and skill mix in accordance with National Quality Board guidance.

There is a process for Quality Impact Assessments particularly in relation to cost improvement plans and any service change where there is redesign or introduction of new roles.

Other risk issues

Care Quality Commission

The Foundation Trust is not fully compliant with the registration requirements of the Care Quality Commission (CQC). Following an unannounced inspection in June and July 2018 the CQC published their inspection report and gave the Trust an overall rating of 'requires improvement'. They issued 8 requirement notices, a section 29A warning notice and a section 31 notice of decision. The Trust was given an overall 'Good' rating for caring and 'Requires Improvement' for safe, effective, responsive and well-led.

Our quality plans for the coming year are, in part, driven by having the conditions under the section 31 and the section 29A warning notice lifted and improving to the level of 'Good' overall and as we aim to progress to 'Outstanding'. The Trust have submitted weekly section 31 reports which have described ongoing improvements around the compliance of the emergency department checklist, the staffing numbers and the environment improvements.

The Trust has had an action plan to deliver the section 29A improvements specifically – these are privacy and dignity, medical equipment, health and safety, staff training, medicines management and infection prevention. The Trust has also had a Trust-wide action plan which addresses all of the issues identified under the five CQC domains - safe, effective, caring, responsive and well-led.

The Trust has held weekly meetings to review the compliance of the CQC action plans and once a month, it has a specific Executive focus with external stakeholders invited e.g. NHS Improvement, NHS England and the Clinical Commissioning Groups. The outcomes will continue to direct our quality improvement plans. We will continue our careful monitoring against the CQC insight tool which we review each month.

Leaving the European Union

As required by the Department of Health and Social Care the Trust has undertaken business continuity risk assessments to ensure any gaps in controls are addressed in preparation for an exit of the EU. An EU Exit Working Group and EU Exit Response Group provide the forum for risk assessment and planning and response to occurrences respectively with oversight provided by the EU Exit Assurance Board. Tests of Business Continuity and Incident Management Plans against EU Exit risk assessment scenarios have been undertaken and Risk Assessments and Business Continuity Arrangements have been reviewed against the following preparedness areas as advised by the Department of Health and Social Care:

- Supply of medicines and vaccines
- Supply of medical devices and clinical consumables
- Supply of non-clinical consumables, goods and services;

- workforce;
- reciprocal healthcare;
- research and clinical trials; and
- data sharing, processing and access.

Performance

The Trust has not achieved compliance with the national standards for a maximum 4 hour wait in the Emergency Department, a maximum of 62 days from referral to treatment for patients with a cancer diagnosis and a maximum 18 week wait from Referral to Treatment (RTT) and for diagnostics waiting over 6 weeks.

The Trust has worked closely with NHS Improvement and NHS England together with system partners to develop a comprehensive programme to improve patient flow within our Emergency Department and across our wards. Transformation programmes for theatre productivity and outpatient productivity and the development of a clinical strategy alongside system partners prioritise a focus maintain on improved performance against the key national standards for A&E, Cancer Standards, the 18 week RTT standard and diagnostics.

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.

NHS Pension Scheme

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.

Equality, Diversity and Human Rights

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

The effectiveness of governance structures

We have an integrated approach to governance and consider the three elements of quality governance (patient experience, patient safety and clinical effectiveness), performance and finance together. There are structures within the three clinical divisions for integrated governance and these flow through to the Trust Senior Management Team and the Board of Directors.

Reporting within the monthly governance paper to the Board of Directors and the Trust Senior Management Team includes quality and performance measures.

Divisional Governance Boards (DGB) play a significant part in the early warning system deployed by the Trust. DGBs are part of the monthly upward cascade of information to Executives and down to departments.

Divisional Performance Reviews (DPR) provide the mechanism for Divisions to raise and escalate issues and bring to the attention of the executive team. DPRs are part of the framework for ensuring that the senior team are aware of operational concerns and risks.

Risk Registers now feature on the cycle for both the Board of Directors and Trust Senior Management Team and are a regular feature of operational management and Board discussions.

The Associate Director of Governance chairs the monthly forum with divisional governance leads to support integrated governance and the Chief Medical Officer has appointed Associate Medical Directors with links to governance, specifically patient safety, clinical effectiveness and patient experience, to provide clinical leadership replicated across the divisional structure.

The trust has undertaken a risk assessment as part of a sustainable development management plan (SDMP) in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projections. The SDMP is due to be renewed for the period 2020 – 2030 and risk assessments will be updated to reflect UK Climate Projections 2018 (UKCP18) to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

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

We have control processes in place to ensure the economic, efficient and effective use of resources:

- Expenditure budgets are prepared as part of annual business planning and are reviewed and challenged by the Senior Management Team (formerly the Executive Committee) and Board of Directors;
- Headcount and pay budgets are reviewed against national benchmarks and challenged through peer review and by the Senior Management Team meeting;
- Recruitment (including replacement) of consultants requires a business case which is reviewed and approved by the Senior Management Team meeting;
- Pay and non-pay expenditure is rigorously and regularly reviewed against budgets and forecasts. Significant variances are explored to understand the causes and address any underlying issues;
- The Trust Cost Improvement Plan is monitored monthly by the Senior Management Team meeting and the Finance and Investment Committee;
- Purchase orders are required for all non-pay expenditure;
- All spending requires sign-off by increasingly senior management as the transaction value increases; and
- Sums up to £50,000 require associate director approval; up to £250,000 require Executive Director approval; up to £500,000 require CEO approval and those above £500,000 require review and approval by the Board of Directors.

A programme of internal audit activities reviewed the underlying systems and controls and reached the overall conclusion that Reasonable Assurance can be given that there is a generally sound system of internal control on key financial and management processes.

Information Governance

HHFT reported one incident to the Information Commissioner's Office (ICO) in 2018/19. No further action was required by the ICO. The incident related to sensitive data being found in a public place which was recovered safely and was not considered by the ICO to be a serious breach.

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 exercise of the 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.

We have taken steps to ensure the Quality Report provides a balanced view and that there are appropriate controls in place to ensure the accuracy of data. We have achieved this through governance and leadership, policies, systems and processes, people and skills, data and reporting as described below.

Governance and leadership

The Quality Report was developed as part of the Annual Reporting process, led by the Chief Executive Officer. The production of the Quality Report was led by the Chief Nurse (CNO) and Chief Medical Officer (CMO), the executive leads for governance. The CNO and CMO sponsor the monthly Governance Report to the Board of Directors and Executive Committee.

Throughout the year the Governance Report includes the quality scorecard which incorporates patient safety, clinical effectiveness and patient experience measures. Each measure reported is also assessed for the level of data quality. The quality scorecard is provided monthly and is reviewed by the Trust Senior Management Team as well as the Board of Directors and includes data that is shared with commissioners as part of the contract reporting process. The quality scorecard is reviewed annually and refreshed to ensure that it reflects the priorities identified for the year.

Planning for the Quality Report has taken place throughout the year to ensure that the Quality Report includes quality initiatives taking place within the year. Learning from the production of the Quality Report from previous years was used to support engagement and data quality improvement. A joint Board of Directors and Council of Governors meeting was held to discuss the quality priorities for 2019/20. At the meeting it was also agreed which quality indicator would form part of the auditors testing for the quality report assurance. Information and feedback from incidents, complaints and surveys as well as contract requirements and national quality initiatives were also used in this process. The Board of Directors received regular feedback on the progress of the quality priorities.

Patient experience feedback from a range of sources including the results from local and national surveys, complaints and concerns and incidents also informed the quality indicators. Results from audits have also contributed to the provision of data for this report.

Policies

The Policy Approval Group is chaired by an Associate Medical Director of Governance and supported by the governance team. The policy approval process ensures that there is consistency of approach across the Foundation Trust and the process requires engagement from a wide range of staff. This involvement supports the successful implementation of the policies and raising awareness across the Foundation Trust to ensure the delivery of high quality care.

There are a number of work streams in relation to the Patient Safety Strategy and the Risk Management Strategy which have also contributed to the quality of care delivered and reporting in the Quality Report.

These policies and plans from the work streams provide a framework to support the delivery of high quality care.

Systems and processes

The Programme Lead for Quality and the Associate Director of Governance have taken the lead in developing the Quality Report with input from the Associate Medical Directors for Governance. The report has been developed through internal review of the data and documents and gathering comments from the Executive lead and Executive team. There has been an external review of two mandated indicators and one local indicator chosen by the Governors.

Mandated Indicators:

- Percentage of patients with a total time in A&E of four hours or less from arrival to admission, transfer or discharge
- Maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers

Local Indicator:

- The Summary Hospital level Mortality Indicator (SHMI) selected as recommended by NHS Improvement for NHS foundation trusts providing acute services, for 2018/19.

The external assurance work on the two mandated indicators concluded that there is not sufficient evidence of the accuracy of data to provide a limited assurance opinion.

The testing of the A&E maximum waiting time indicator identified issues of inconsistency in how ambulance handovers were recorded and discrepancies in the recording of discharge times where patients were awaiting transport. Action has been taken to address the reporting and the quality of reporting will be monitored and audited. This will be reported on to the Board of Directors.

The significant investments made in the estate and facilities in both Emergency Departments and engagement in targeted improvement programmes to support rapid assessment and patient flow are expected to have a significant impact on the ambulance handover procedure and discharge of patients who are clinically ready to leave the department but are waiting for support to do so such as patient transport.

The testing of the 62 day cancer waiting time indicator identified issues of discrepancies in the recording of a referral and entry into treatment dates. Action has been taken to address the reporting and the quality of reporting will be monitored and audited with the introduction of a data quality check scorecard to document weekly checks. Actions are also in place to improve access to supporting documentation to confirm the actual date that events occurred. These actions will be reported on to the Board of Directors.

For the local indicator, SHMI, the auditors have concluded from the external assurance work undertaken that they would be in a position to provide a limited assurance opinion.

People and skills

The internal review of the Quality Report has been carried out by members of the governance and performance teams who have the appropriate skills to analyse and review the data provided.

Data use and reporting

Data from a variety of sources is used in the monthly Governance Report to the Board of Directors and is incorporated in the quality metrics. The data and the methods of collection are subject to internal review and validation by members of the Governance team and others with specialist

knowledge as required, e.g. Consultants and Clinical Leads. The data used includes data and reports used in contract reporting to the Clinical Commissioning Groups and Specialist Commissioners.

The utilisation of the most appropriate, skilled personnel in the process of data collection, analysis and reporting ensure that not only is there a consistent approach to data handling but the findings and implications are investigated appropriately, actions taken and results shared.

Review of effectiveness of internal control

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, by the Risk Committee and by the Quality and Performance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Board of Directors reviewed organisational risks quarterly via the Board Assurance Framework. A monthly governance report to the Board of Directors presented qualitative and quantitative data on patient safety, clinical effectiveness and patient experience. The Risk Committee also reviewed high level operational risks and risk management.

The Internal Audit Programme was developed by the Executive Directors in conjunction with the internal auditors, RSM, who performed a risk based assessment to inform the areas to be reviewed. The Internal Audit Programme was subsequently reviewed by the Audit Committee and the Board.

During the year, reviews were performed in the following areas:

- Key Financial Controls
- Data Security and Protection Toolkit (Inc. post GDPR actions)
- Electronic Referrals – Waiting Lists
- Serious Incidents and Complaints
- Backlog Maintenance
- Digitisation of Medical Records
- CQC Action Plan

Recommendations arising from these reviews were agreed with management and follow-up actions were monitored by the Audit Committee.

The Committee received the Internal Auditor report on Key Financial Controls, which gave the opinion that “the Board can take reasonable assurance that the controls in place to manage (Cash/Charitable Funds/Payroll and Financial Management Information) are suitably designed and consistently applied.”

Other review and assurance mechanisms included monthly contract meetings with our main commissioners and a monthly meeting at which the quality components of contracts were discussed

and actions agreed. These meetings provided an opportunity to review performance and share information about service improvements.

The Trust Senior Management Team performed detailed reviews of financial and clinical activity performance and was aware of actions to maintain the core clinical standards and in particular those for A&E, cancer, diagnostics and RTT.

The Trust has worked closely with NHS Improvement and NHS England together with system partners to develop a comprehensive programme to improve patient flow within our Emergency Department and across our wards. Transformation programmes for theatre productivity and outpatient productivity and the development of a clinical strategy alongside system partners prioritise a focus maintain on improved performance against the key national standards for A&E, Cancer Standards, the 18 week RTT standard and diagnostics.

A Serious Event Review Group met monthly to monitor the progress of actions from serious incident reviews and ensure that learning is shared across the organisation.

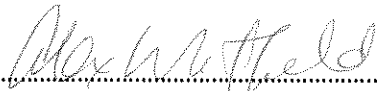
We also received statements from our external auditor on their audits of the Financial Statements and the Quality Report.

Head of Internal Audit Opinion

The Trust's internal auditor, RSM, has issued the opinion that the Trust 'has an adequate and effective framework for risk management, governance and internal control.' The internal auditor has identified further enhancements to the framework of control and specific actions and timescales have been agreed for senior staff within the Trust to implement these enhancements.

Conclusion

Although the internal controls are generally satisfactory, the Trust recognises that performance against the constitutional targets for ED, RTT, Cancer and Diagnostics need to be improved sustainably and this is the focus of transformation programmes in partnership with NHSI, NHSE and system partners. Actions will be taken to address the inconsistencies identified in the reporting of the mandated indicators for external assurance in respect of the A&E four hour wait and the cancer 62 day wait to ensure the accuracy of data. The establishment of the Quality and Performance Committee as a formal sub-committee of the Board will provide the Board of Directors with assurance on all aspects of clinical quality and performance in relation to patient safety, experience and effective outcomes, governance processes, quality monitoring, clinical risk management, and the regulatory standards of quality, safety and performance. The Trust will continue to progress the actions to deliver the improvements against the issues identified by the CQC in the 5 domains of safe, effective, caring, responsive and well-led and embed these improvements across the Trust in our aim to be 'outstanding'.

Signed 
Alex Whitfield, Chief Executive

Date 20/05/2019

Quality Report

Part 1: Chief Executive's statement

On behalf of the Trust Board of Directors and staff working at Hampshire Hospitals NHS Foundation Trust (HHFT), I am pleased to introduce you to our Quality report for the year 2018/19. Hampshire Hospitals NHS Foundation Trust provides hospital services across multiple sites including Andover War Memorial Hospital, Basingstoke and North Hampshire Hospital and Royal Hampshire County Hospital in Winchester.

Once again, we have much to be proud of in our achievements during the last 12 months. We have continued to make improvements in quality and safety whilst facing significant financial and operational challenges, these achievements are highlighted throughout our report. This Quality Report also reports our progress on the quality priorities identified last year and sets out the focus for improvement in the coming year.

We have continued to experience pressures relating to emergency admissions and capacity within our hospitals throughout the year, this affects most NHS Trusts across the country especially during the winter months. We are presently working with our partners including NHS Improvement and 2020 to improve the flow of patients throughout our hospital and facilitate timely discharge, including working with them on improvement programmes. 2020 are an independent organisation that can assist with improving Trust's emergency pathway and flow through the hospital. I am also delighted to inform you that our new Rapid Assessment and treatment bays and new Paediatric Assessment Unit has opened in the Emergency department at Basingstoke and shortly opening at Winchester.

I am enormously proud of our staff at HHFT for the care and compassion they have demonstrated to patients, their carers and to each other, once again evident through the number of WOW award nominations received from members of the public.

Last September the Care Quality Commission (CQC) published their inspection report and the Trust was given an overall rating of requires improvement. We have had a robust CQC action plan in place now for over 6 months and have already delivered on over 149 actions. We have embraced the opportunity to improve a number of systems and processes across the Trust such as medical equipment testing, cleanliness schedules and improving our mandatory and statutory training rates to name but a few. Alongside this we have introduced an internal quality assurance peer review process and to date have carried out over 20 peer reviews. The peer reviews enable us to identify the good practice across the Trust and to share it. Improvements are also identified as part of our ongoing quality improvement programme.

Our Research team here at the Trust were recognised at the Clinical Research Network (CRN) Wessex Awards for their outstanding collaborative working to mobilise and deliver a research study on the ReSPECT process across all three hospitals. The awards, run by the National Institute for Health Research (NIHR), saw nominees from across Hampshire, Dorset, South Wiltshire and the Isle of Wight gather in Southampton to celebrate how their research is helping to improve patient care and champion innovation in the NHS.

I am also delighted to say that we are planning on building a new 10 bed hospice on our Winchester site; we have just heard that we have been given a grant for £750,000 towards the new build.

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Having now raised £2.2million, this is a really exciting time for the Winchester Hospice as we are closer than ever to our goal of supporting local residents and their families.

Our Endoscopy teams at the Trust are celebrating after their services were awarded sought-after national accreditation. Endoscopy services at our hospitals have received accreditation from the Joint Advisory Group on GI Endoscopy, known as JAG. In order to receive this accreditation, the teams carrying out endoscopies at all three hospitals had to show a team of assessors that they were delivering the service against criteria that test quality, focusing on the patient experience.

I hope you enjoy reading this quality report and all the work we have done to improve quality and safety in our hospitals. We look forward to our continuous quality improvement journey taking us further in 2019/20.



Alex Whitfield

Chief Executive

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

2.1 Priorities for Improvement

2.1.1 Performance against 2018/19 quality improvement priorities

The quality priorities for 2018/19 were the second year of the five quality priorities agreed for the two year period 2017 to 2019. They remain important to patients in terms of patient safety, patient experience and clinical effectiveness. This section outlines how we have performed against the delivery of our 2018/19 quality priorities.

Quality Priority 1. Achieved

We said we will participate in programmes to improve the care of frail elderly

The Trust has made significant improvements in the care for patients admitted with frailty to the two acute hospital sites in Basingstoke and Winchester.

The two Integrated Frailty Intervention Teams (IFIT) led by frailty matrons have developed differently to trial two alternative frailty intervention approaches. These improvements have led to patients spending less time in hospital and receiving more timely support to meet their needs.

Reason for choice:

This was identified as an important quality priority and linked with the strategic objective to improve patient flow, patient experience and to achieve the 4 hour Emergency Department standard.

70% of inpatient hospital admissions are patients over the age of 75 and are at risk of being or becoming frail. It is recognised that coming into hospital can be the initial event that heralds an intensive period of health and social care use, especially for older people with frailty. The impact of hospital admission for older people living with frailty is an increased risk of hospital acquired harms; including falls, polypharmacy, pressure ulcers and prolonged length of stay. The evidence suggests that putting in place a multi-disciplinary response that initiates Comprehensive Geriatric Assessment (CGA) within the first 2 hours of arrival at hospital will result in improved outcomes and the risk of deconditioning is significantly reduced.

The frailty teams include geriatricians, nurses, physiotherapists, occupational therapists and pharmacists and have close links with adult social services, GP practices and other community teams to facilitate access to additional support and services. The frailty teams are at the front door of both hospitals assessing patients on arrival into the emergency department (ED) and ensuring an appropriate plan of care is put in place at the beginning of the patient's journey.

In Basingstoke the team have developed a multidisciplinary, multiagency team to provide care in the ED that is commenced within two hours and follows the patient through their hospital stay.

In Winchester the team has developed an Acute Frailty Unit (AFU); co-located in the Acute Admissions Unit, providing a 72 hour intensive assessment area with daily visits from the Geriatrician team running two multidisciplinary team reviews a day. There is also a smaller team who provide support directly to ED where a screening process has been developed to identify patients who are

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likely to be frail and would benefit from earlier assessment and intervention to support decision making.

The frailty assessment is now electronic and forms part of the electronic patient record system. This allows easy access to records on readmission and easy access for the MDT and outside agencies.

Monitoring, measuring and reporting:

The performance against this quality priority has been reported on a monthly basis at the departmental performance review meetings, where the measures below have been monitored and actions required discussed and agreed.

Metrics used to measure success:

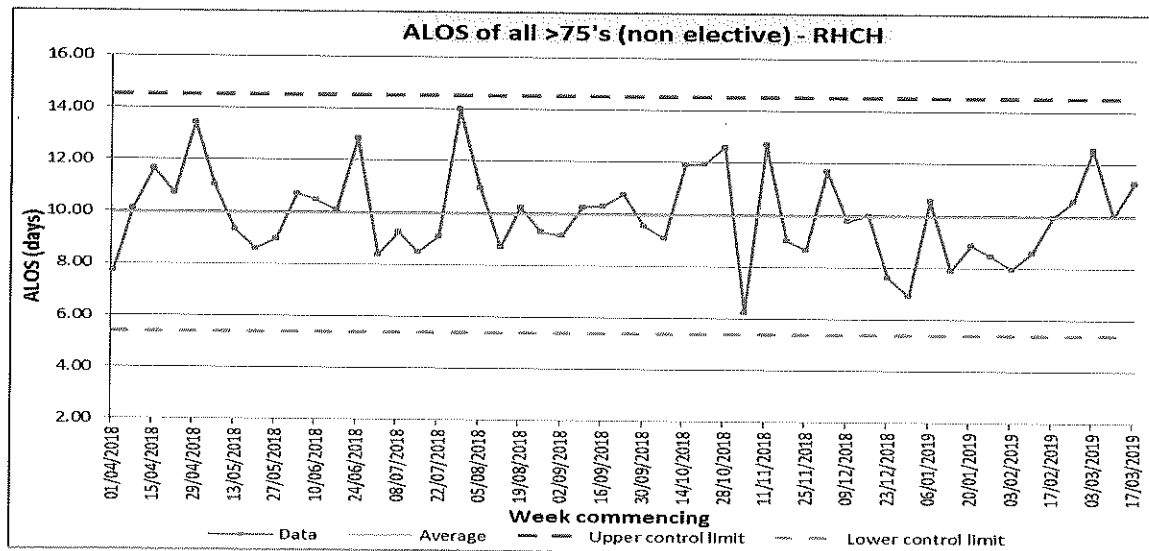
- Reduction in length of stay (LOS) for frail older people
- Increase in discharges within 72 hours
- Reduction in 'stranded' patients (patients with an extended length of stay of seven or more days)
- Increase in the number of CGA's completed and patients screened for frailty

Achievements:

A reduction in the LOS for frail elderly patients

The average LOS for patients aged over 75 at RHCH has continued at approximately 10 days or under, reducing to 9.3 days in July 2018 and then again further in January 2019 to 8.7 days.

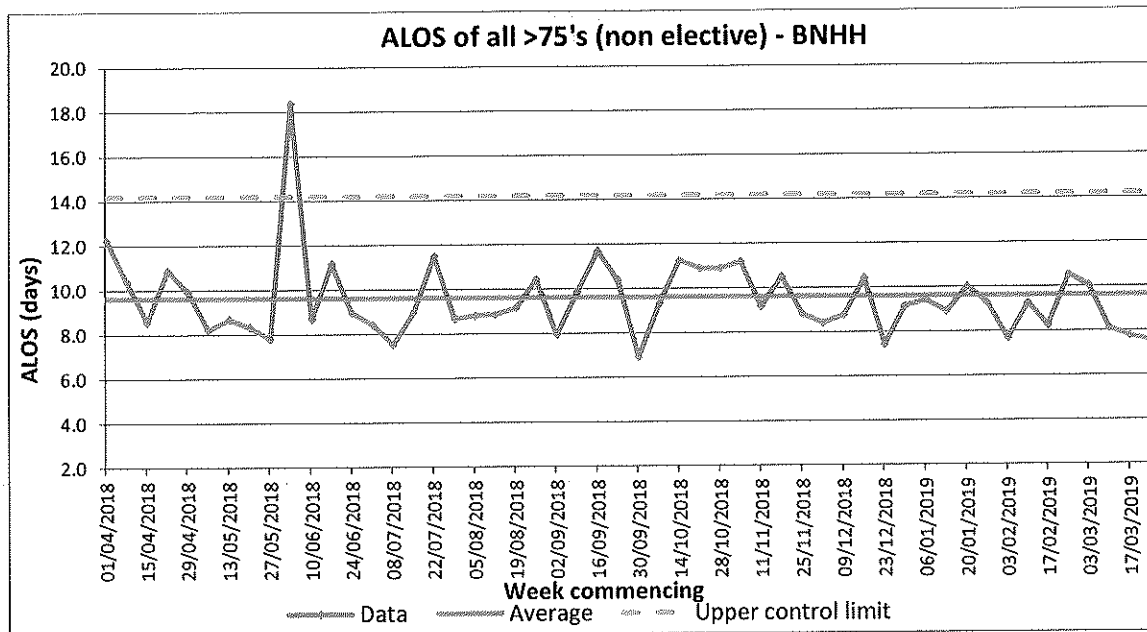
Graph 1: Average Length of Stay of all patients aged over 75 admitted as an emergency to RHCH in 2018/19



The average LOS for patients aged over 75 at BNHH was 10.3 days in April 2018 reducing to 8.8 days in December 2018 and continued at 9 days for the remainder of the year.

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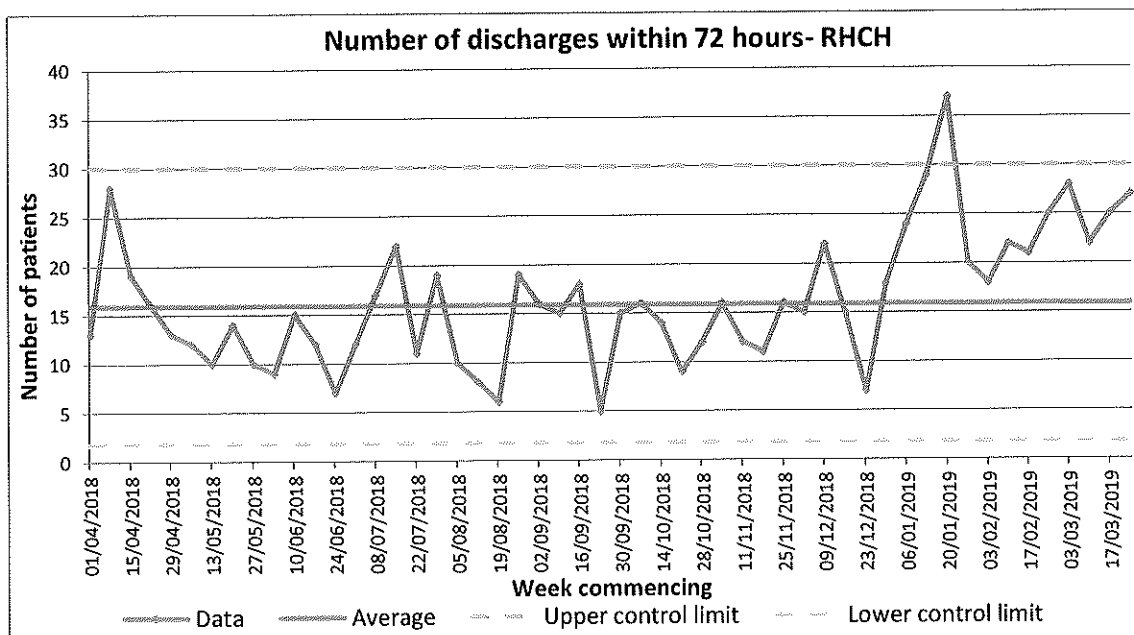
Graph 2: Average Length of Stay of all patients aged over 75 admitted as an emergency to BNHH in 2018/19



Increase in discharges within 72 hours for frail elderly patients:

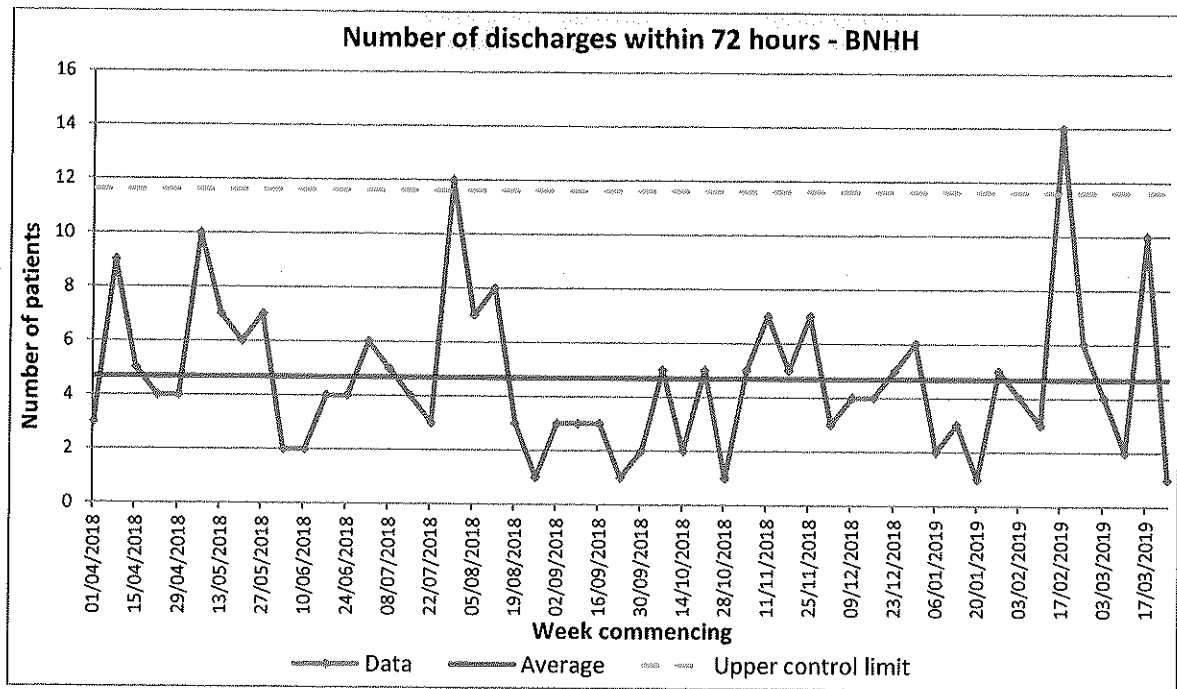
From April 2018 to March 2019, 38% of frail elderly patients at RHCH were discharged within 72 hours (0-3 days). In January 2019 49% of the patient discharges were within 72 hours including 12% of the patients being discharged in less than 24 hours. With support from the frailty team 168 patients were discharged in less than 24 hours during 2018/19.

Graph 3: Number of discharges within 72 hours at RHCH during 2018/19



From April 2018 to March 2019, 35% of frail elderly patients at BNHH were discharged within 72 hours (0-3 days). In February 2019 this included 32% of patients who were discharged in less than 24 hours. With support from the frailty team 88 patients were discharged in less than 24 hours during 2018/19.

Graph 4: Number of discharges within 72 hours at BNHH during 2018/19



Reduction in 'stranded' patients (patients with a prolonged LOS -7days or more)

Stranded patients can be identified as those with a length of stay (LOS) of seven days or more. We have continued to develop our approach to embed the principles of the SAFER patient flow bundle, a practical tool to reduce delays for patients in adult inpatient wards. The SAFER bundle blends five elements of best practice:

- S** – Senior Review – All patients will have a Consultant Review before midday
- A** – All patients will have an Expected Discharge Date (that patients are made aware of) based on the medically suitable for discharge status agreed by clinical teams
- F** – Flow of patients will commence at the earlier opportunity (by 10am) from assessment units to inpatient wards
- E** – Early discharge – patients to be discharged before 11am - home for lunch.
- R** – Review – A weekly systematic review of patients with extended lengths of stay (>7 days) to identify the issues and actions required to facilitate safe discharge and avoid unnecessary patient delays. We have extended these reviews to include patients staying for 15 days, 21 days and 50 days or more.

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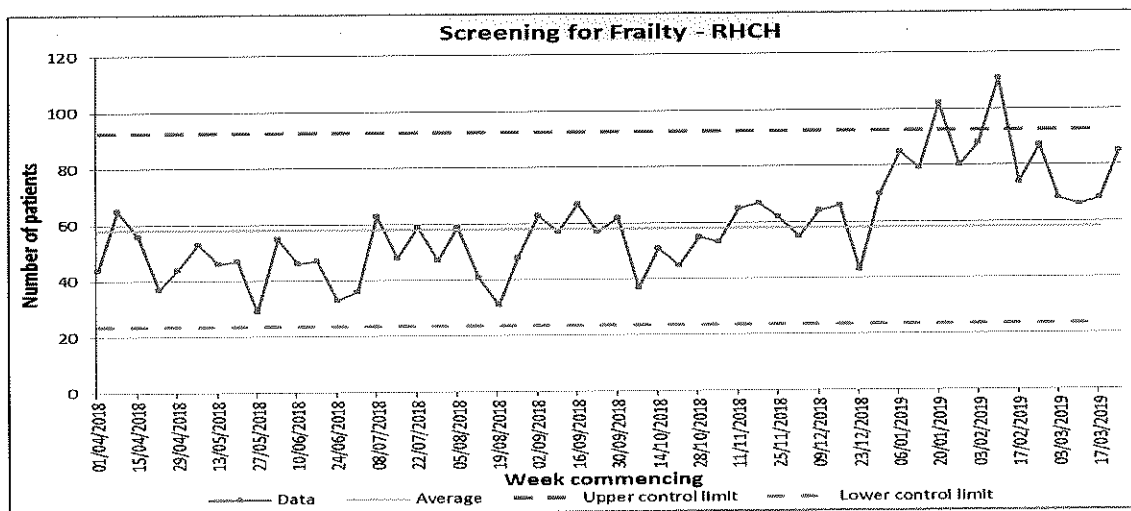
As part of the Improve patient flow programme, changes made to the daily bed meeting process are having a positive impact, as is the work being carried out on the wards to hold daily board rounds and discharge patients early in the day.

The total number of 'stranded' patients at RHCH reduced during the months of November 2018 - January 2019 to 109 days; however the number of stranded patients increased in the months after. BNHH had a similar trend with a reduction of 111 days in May 2018 and then maintained around 120 days before dropping back down to 114 days in December 2019.

Screening patients for frailty

From April 2018 – March 2019 the number of patients screened at RHCH has doubled since 2017 with 3,073 being screened using the Clinical Frailty Scale (Rockwood) tool. Of those patients screened 2,426 were found to be positive for frailty and 2,419 had a CGA started by the MDT.

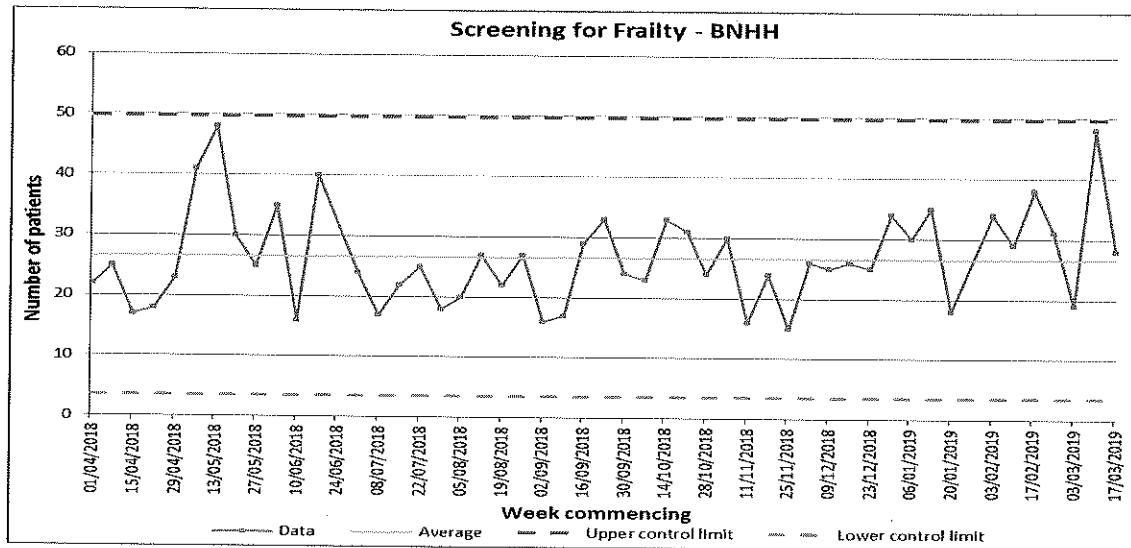
Graph 5: Number of patients screened for frailty at RHCH during 2018/19



From April 2018 – March 2019 3,658 patients at BNHH were screened using the Clinical Frailty Scale (Rockwood) tool. Of those patients screened 1,323 were found to be positive for frailty with 576 CGA's started by the MDT.

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Graph 6: Number of patients screened for frailty at BNHH during 2018/19



Quality Priority 2. Partially Achieved

We said that we would reduce unnecessary bed moves for non-clinical reasons and the number of patients cared for as outliers over a 2 year period by focusing on key groups:

- Patients with Dementia
- Patients with a learning difficulty
- Patients with mental illness

Although there has been some improvement in the number of bed moves for non-clinical reasons it has proved more difficult than anticipated to clearly differentiate between non-clinical and clinical moves and also to specifically identify vulnerable patients in the bed move data.

Reason for Choice

This quality priority was identified by the Board of Directors as an important area of improvement, for patient safety and patient experience and links to strategic work programme to improve patient flow within the emergency departments and the rest of the hospitals.

Measuring, Monitoring and Reporting

HHFT commenced a detailed project in 2017 to reduce Out of Hours Bed Moves, identifying two key areas of focus – firstly ensuring patients who are at risk of falling,, learning disabilities, confusion and patients at the end of their lives were not moved out of hours, and secondly that we reduced the number of patients moved out of hours across the organisation. Audits and actions were undertaken in year one to prevent these inappropriate moves.

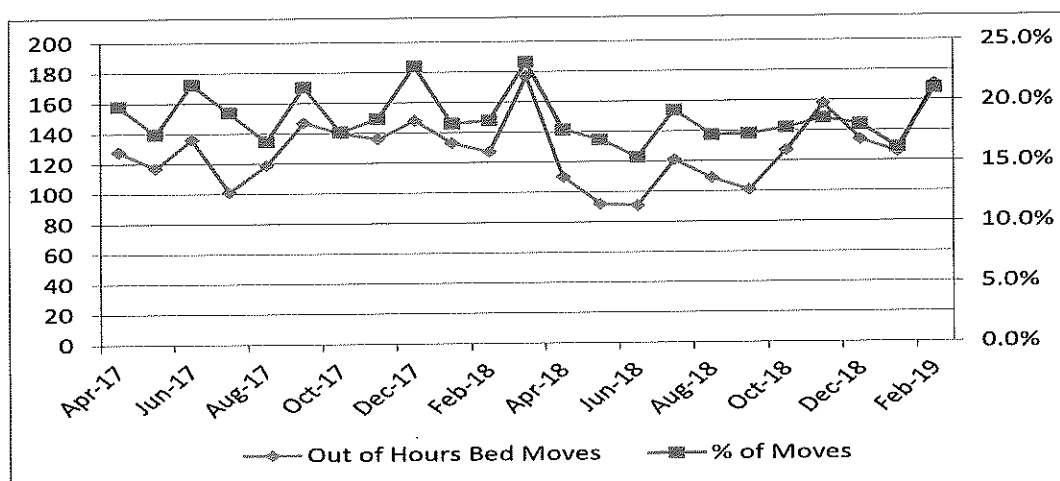
Achievements

There is now a hugely increased awareness that vulnerable patients should not be moved out of hours as it will cause additional challenges to them and the staff caring for them.

This included new standards being developed and implemented by both site co-ordinator teams and ward staff. Although there appeared to be some improvement during the summer this improvement became very challenged over the winter months when the Trust experienced significant bed pressures.

The number of patients moved out of hours each month across the Trust ranged from the highest at 177 in March 2018 to the lowest at 91 in June 2018. The average bed moves per month slightly reduced between 2017/18 and 2018/19 from 134 per month to 122 per month. Across the Basingstoke and Winchester sites this equates to 2.2 moves a night, per site in 2017/18 and 2 moves per night, per site in 2018/19. The average percentage of moves that occurred out of hours dropped slightly from 19.6% to 17.7% from 2017/18 to 2018/19.

Graph 7: The number and percentage of Bed Moves and Out of Hours Bed Moves from April 2017 to February 2019.



The Trust has continued to treat this issue as a quality priority and is currently implementing a number of further projects to support improved safe patient transfer:

- **ImprovED flow:** - There are several elements of this programme that will enable earlier discharges, and therefore improve flow earlier in the day including; support for SAFER principles on wards, expediting 'To Take Out' medication (TTO's) and discharge summaries, and internal communications and information flow.
- **ImprovED:** - The project in ED is aimed at improving care of patients in the ED resulting in rapid assessment and treatment and transfer or discharge.
- **Transfer Teams** have been put in place between 17.00 and 22.00 to ensure that patients transfer in a timely way without relying on ward staff at peak times.
- **Increased support** – the site team capacity has been increased to match the predicted busy periods.
- **Improved Trust communication** on actions raised to support periods of extreme pressure including text messaging to key staff.

Priority 3 Achieved

We said we will implement the national maternity programme for safer maternity care

Reason for choice

This quality priority was selected as an opportunity to improve maternity care for women as part of the national maternity care improvement programme. The National programme involves a two stage programme with year one (2017-2018) classed as a planning phase and year two (2018-2019) the implementation phase.

During 2018/19 we have continued with this quality priority in line with the national implementation phase and we have:

- invested in the capability and skills of the maternity workforce to promote effective multi-professional team working
- developed a learning and development plan for the entire multi-disciplinary team to promote continued learning and development.
- developed a quality improvement plan aimed at reducing the rate of stillbirths, neonatal death and brain injury.

Measuring, Monitoring and Reporting

The quality improvement plan includes the following measures that have been monitored and reported:

- The creation of a learning system to reduce harm events by 20% by the year 2020
- Designing and implementing a highly reliable and effective pathway of care for fetal monitoring to reduce the number of babies born with Apgar scores of less than 7 at 5 minutes by 20% by the year 2020.
- Improve the proportion of smoke free pregnancies by 20% by the year 2020
- Working with mothers and families to increase the number of women and babies staying together by 20% increase by 2020

Achievements:

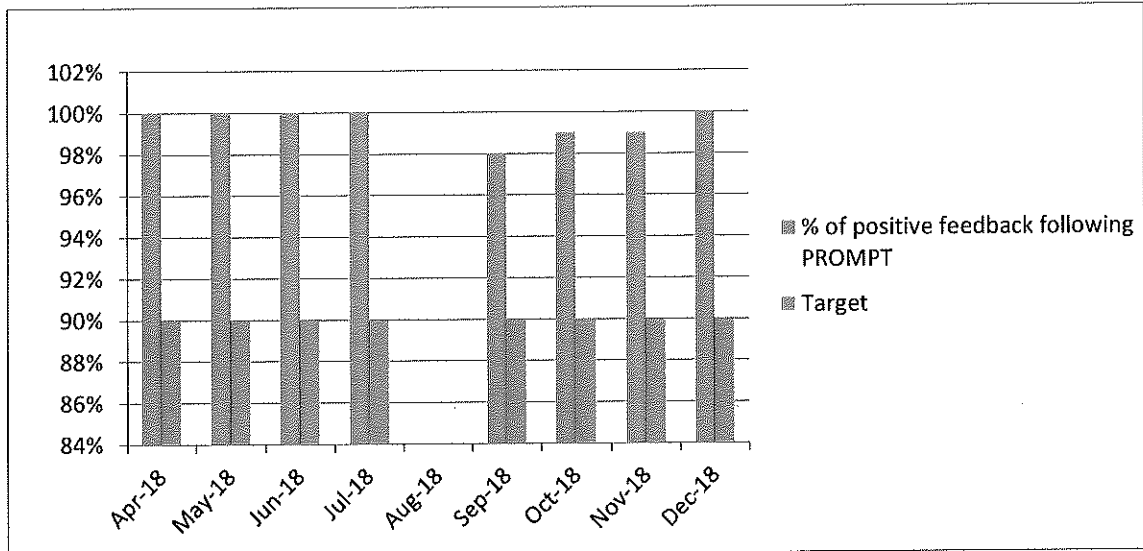
1. The creation of a learning system to reduce harm events by 20% by the year 2020

We have redesigned the delivery of our multidisciplinary Practical obstetric multi-professional training (PROMPT). There is growing evidence that training together in multi-professional teams improves both team working and clinical outcomes. The PROMPT training involves all of the maternity team and is an annual mandatory course. The training includes communication skills, team roles and leadership and situational awareness. A variety of teaching methods are used to embed the latest evidenced based practice into the care we provide including simulation scenarios and skill sessions.

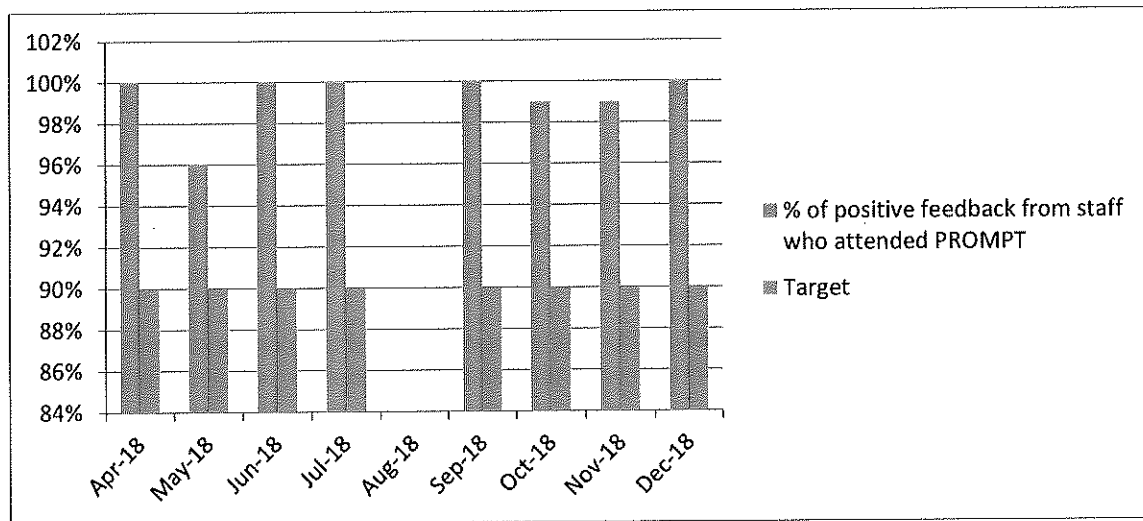
We have set a 90% target for the percentage of staff who would recommend the PROMPT course to a colleague and the percentage of staff who report that the PROMPT course would have a positive impact on their practice. Feedback received in 2018 is presented in the graphs below (N.B: there was no course in August 2018).

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Graph 8: Percentage of staff that felt PROMPT course would have a positive impact on practice against target of 90%.



Graph 9: Percentage of staff who would recommend the PROMPT course to a colleague against target of 90%.



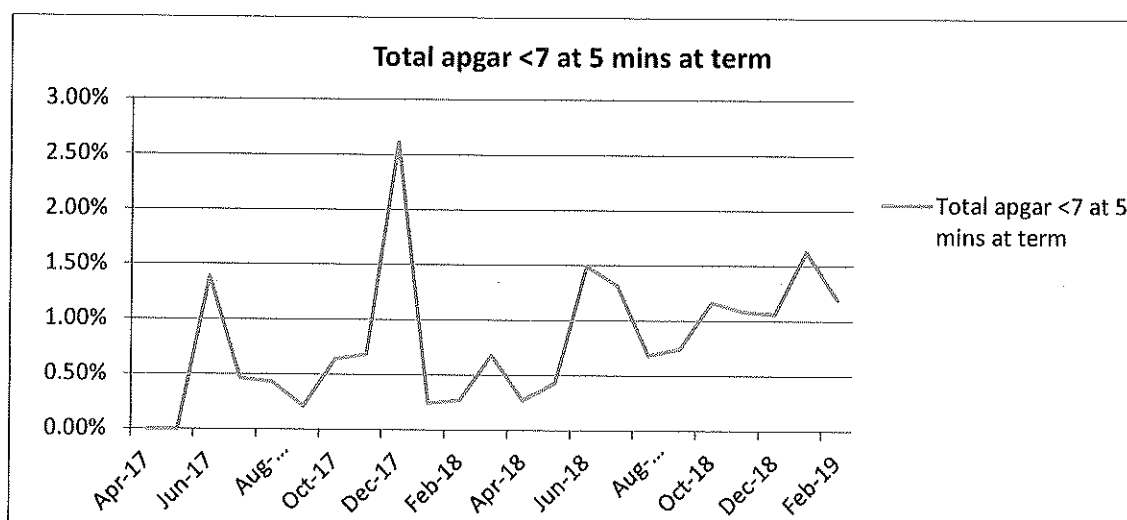
2. Designing and implementing a highly reliable and effective pathway of care for fetal monitoring to reduce the number of babies born with an Apgar score of less than 7 at 5 minutes by 20% by the year 2020.

An Apgar score less than 7 at 5 minutes is an indication of how well a baby is at birth (this is a score out of 10 where 2 points are given for each of the following: heart rate, breathing, colour, muscle tone and response to touch – 10 being the best score).

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As part of the implementation phase we have reviewed and updated our Fetal monitoring guideline and we are introducing a new fetal monitoring pathway. It is anticipated that this will reduce the number of babies with Apgar scores of less than 7 at 5 minutes. We have not seen a decrease in the number of babies with Apgar scores of less than 7 at 5 minutes. However, we have seen a reduction in the number of babies relating to serious incidents with misinterpretation of fetal monitoring.

Graph 10: The percentage of term babies with an Apgar score of less than 7 at 5 minutes between April 2017 and February 2019.



3. Improve the proportion of smoke free pregnancies by 20% by the year 2020

The overall aim of reducing the number of smoke free pregnancies to reduce the risk of stillbirth by 20% by 2020 is underway.

The smoke free pregnancy target is challenging and we have recently introduced carbon monoxide monitoring testing at every antenatal appointment. This quality improvement project identifies women with a carbon monoxide level of 4 and above to refer for appropriate support.

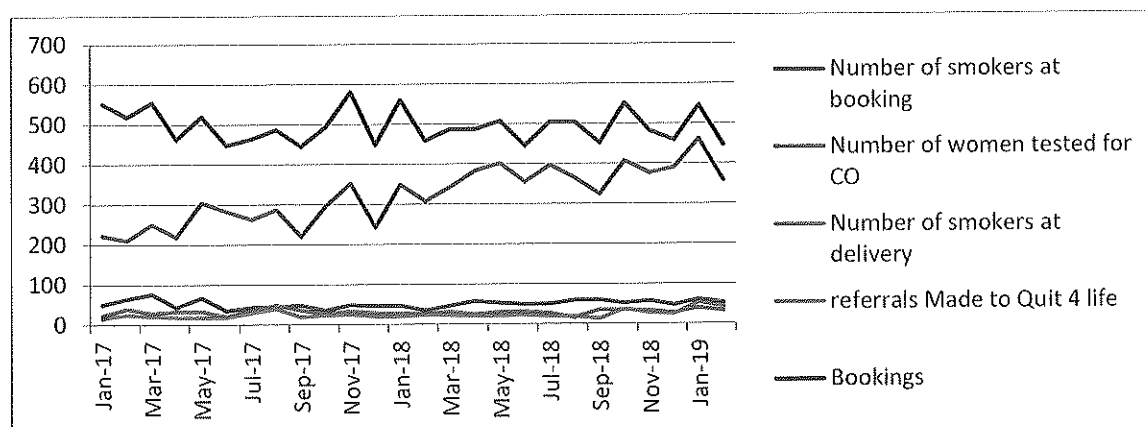
To increase compliance with the 95% national target we have provided training for community midwives which included motivational interviewing techniques to encourage women to engage with this testing.

We are also collating data of women that have ceased smoking during their pregnancy and those that have been referred from the booking appointment. This has shown that our referrals to the stop smoking services and women's engagement are steadily increasing.

Since linking with Hampshire County Council and their sponsoring of new carbon monoxide testing equipment in November 2018 we hope to see a further improvement of our testing at booking rate.

Smoking data for Hampshire Hospitals is shown in the graph below from January 2017 – January 2019 with an overall increase in the number of women being tested for carbon monoxide and a gradual increase in referrals to Quit for Life.

Graph 11: Smoking data from January 2017 to January 2019



4. Working with mothers and families to increase the number of women and babies staying together by 20% increase by 2020

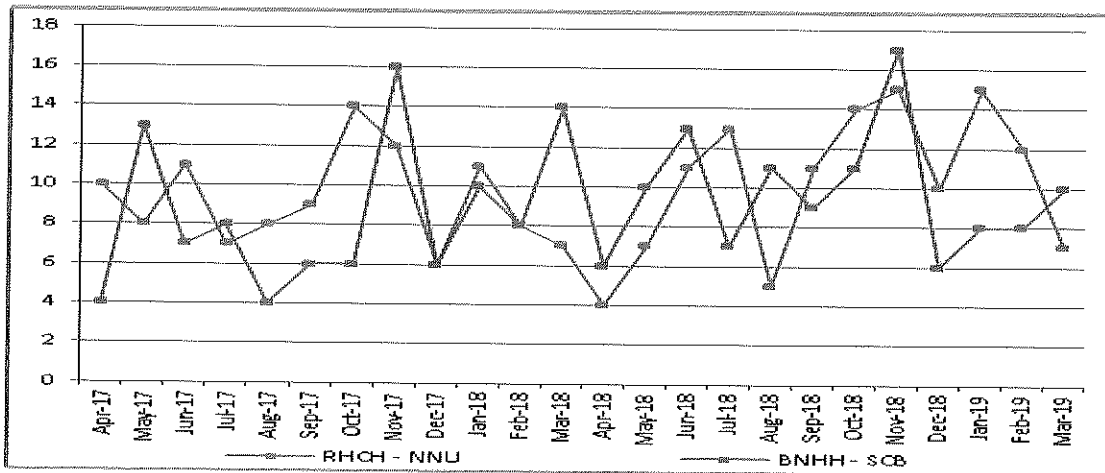
Transitional care units were introduced at BNHH and RHCH in October 2018, located on the postnatal ward areas. The transitional care units provide additional support in terms of monitoring and treatment required and extra care including support with feeding to reduce the need for admission of babies to the neonatal unit by providing additional support so more mothers and their babies can remain together. This is part of the national Avoiding Term Admissions into neonatal units (ATAIN) Programme.

Since the opening of the transitional care units there has been a reduction in term admissions to the neonatal unit (NNU). BNHH are currently running at 4.25 % and RHCH at 5.6 % for the last quarter with a target rate of 5%.

There has been some variation noted with the number of full term babies admitted to NNU at BNHH and RHCH. The birth rate is different on both sites. Initial review shows a larger percentage of term admissions are born by caesarean section. The number of babies who required neo-natal intensive care on the NNU is the same. Further work is being undertaken by the Multi-disciplinary team to review the reason for admission as part of the ATAIN programme.

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Graph 12: Number of Full term babies admitted to Neo-natal units at RHCH and BNHH from April 2017 to March 2019.



Colostrum harvesting was introduced in July 2018. This is an on-going service for all women who have chosen to breast feed and would like to collect colostrum before the birth (from 37 weeks pregnant) with a particular focus on women who have elective caesarean section and small or large for dates babies.

The quality improvement project to assess risk at birth and beyond known as the 'golden hour' was implemented on the 1st March 2019. All midwives supporting women to birth will be expected to stay with the women for the first hour to support this pathway.

Priority 4 Not Achieved

We said we will improve responsiveness to patient experience – through improving the quality of communication with patients according to individual need around the scheduling of outpatient appointments and surgery, avoiding short notice cancellations of outpatient appointments and surgery where possible.

We recognise that short notice cancellation of outpatient appointments and surgery has a significant impact for patients and provides patients with an unacceptably poor experience.

Reason for Choice:

Patients tell us that the cancellation of outpatient appointments particularly at short notice cause unnecessary inconvenience and anxiety. The Trust has an outpatient transformation programme that has overseen a number of projects aimed at improving the experience of patients receiving care as an outpatient and although there have been some improvements within some specialties, the overall improvement has been disappointing.

Improvements have included reductions in the cancellation rates for services provided in the following specialties:

- Rheumatology by 14%
- Gynaecology by 8%
- Respiratory by 4%
- Neurology by 8%

There has also been a positive reduction in the number of patients who did not attend (DNA) with a 6.2% DNA rate for the Trust against a peer median rate of 7.4%. The Trust has developed its appointment reminder service which has had an impact on the number of appointments not attended. A low DNA rate has a significant impact on the ability to reallocate outpatient appointments for patients and to make more appointment available.

The transformation of outpatients remains a key focus for us during 2019/20. It is anticipated that by reducing the number of face to face consultations with the expansion of telephone consultations that additional outpatient capacity will be released which will result in less outpatient appointments being cancelled. It will also provide an alternative and more approach to consultations and follow up appointments.

Improvement work to agree standard operating procedures for booking will reduce variation across the Trust and provide a more consistent approach that is easier for patients to access. The Digital Care Programme will help us improve the way we communicate with patients and allow patients access to more information. Patients are involved in reviewing the plans for a patient hub which will provide patients with the ability to access information relating to their appointments without waiting for a letter in the post and access to self-service appointments booking systems to accept, cancel or re-book appointments.

The Trust has a theatre transformation programme aimed at improving the experience and safety of patients requiring surgical care.

The Theatre Transformation Programme has improved care with the following initiatives in 2018/19:

- Identification of the 'Golden Patient' – this is the first patient on the list and a process map has been developed to ensure that the first patient is 'patient ready' and list starts on time
- Pre-operative Assessment improvement to enhance pre-op assessment, theatre scheduling and availability of short notice call patients.
- An improved booking and listing process to reduce short notice cancellations
- Reducing the number of staffed lists lost through addressing reasons for list cancellation and booking processes

The Theatre Transformation Programme continues to focus on patients cancelled on the day of surgery and reviewing the data to mitigate the impact on both the patient and the utilisation of the theatre space. The overall number of operations undertaken has increased by 752 in 2018/19.

Work has been undertaken to ensure communication with the patients has improved with Netcall implementation and text reminders to patients for both outpatient appointments and pre-assessment appointments.

Patient information has been reviewed, improving the layout and ensuring the information is clear and in chronological order for the patient's journey. The pre-assessment teams have worked hard to reduce the incidence of repeat attendance, collating short notice call patients to back fill lists and to ensure that patients are well informed and prepared for surgery.

The Theatre Transformation programme for 2019/20 is to:

- reduce on the day surgery cancellations
- reduce under-scheduling of lists and have access to robust short call lists
- maximise chances of improved utilisation when booking lists
- exploit opportunity to complete more procedures with the same resources

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- Improve communication with an electronic flagging system to identify all patients who are available for surgery and have been optimised pre-operatively.

Delivered through the following projects:

- Pre-assessment: Large scale improvement exercise in pre-assessment
- Booking process: A re-design of booking process to improve list scheduling
- Booking tools: Develop / adopt tools that more accurately guide booking to maximise utilisation
- Timetabling: Review theatre timetable and session times to address mismatch in start times for teams

Priority 5 Achieved

We said we will improve the quality and timeliness of discharge through:

- Planning for discharge from admission
- Prioritising daily review for discharge
- Ensuring discharge summaries are completed in real time and contain quality information to ensure that patients receive the right care and treatment once they have been discharged from hospital.

Reason for choice:

This is a quality priority because of the benefits of ensuring that patients are cared for in the most appropriate setting and the importance of facilitating a timely discharge to maintain individuals' independence. When considering the development of this quality priority discussions with commissioners highlighted the links with the quality indicator around the "improving patient". The ongoing work to improve discharge summaries for patients and their GPs also helps with continuity of care and future care planning.

Monitoring, measuring and reporting:

This quality priority is sponsored by the Chief Operating Officer and a 'consistency of care board' was introduced and meets monthly. It is chaired by a Divisional Medical Director and its aims are to support:

- the improvement of patient experience
- operational transformation across the divisions in the Trust in relation to discharge planning
- the reduction of medical outliers (patients who are admitted to a ward different to the specialty medical ward)

Measures have been developed to support the monitoring of the programme of work and enable a review of the implementation of the SAFER patient flow bundle which is an NHS Improvement mandated approach for acute hospitals.

The measures are:

- Emergency Department 4 hour performance
- Average medical non-elective length of stay
- Stranded Patients (i.e. all patients with a length of stay (LOS) over 7 days)
- Delayed Transfer Of Care % rate (DToC)
- Readmission rate: medical patients
- Medical outliers numbers
- % discharged patients left the ward by 12:00

MADE events and Focus on discharge weeks

We have had a number of Multi Agency Discharge Event (MADE) events, in which our partners in health and social care were onsite to specifically work with us to ensure the best care for those patients that have had a longer stay. For example on one MADE event in April on our Basingstoke site we were able to assess 68 complex patients, 28 of those patients were discharged home or to a more appropriate setting. In Winchester, 80 complex patients were reviewed and 42 of them were discharged from hospital.

We had a specific 'driving home for Christmas' campaign with the aim of ensuring the Trust went into the holidays with empty beds to manage the increase in attendances and admissions. By having more beds available, we can make sure that patients are quickly able to move into the most appropriate bed for their needs, and reduce the pressure on those teams working over the holidays, including our emergency departments.

'Stranded' Patients

We are working to reduce the number of patients with a length of stay of 21 days or over, sometimes referred to as 'Super Stranded' patients. We have established a daily routine of working between social care and the complex discharge team with other community partners including Continuing Healthcare and Southern Health contributing, whereby we review all patients with a length of stay of 15 days plus. We are able to ensure that all the necessary documentation is completed and referrals submitted in a timely way. We are able to identify any further actions or alternative pathways which will hasten effective discharge, liaising with specialist services and community partners as required.

Community Hospitals

We have been able to improve and streamline our use of community hospitals which is giving patients the benefit of being able to complete their rehabilitation nearer to home and away from the acute wards. Daily updates are circulated within the Trust of bed availability and patients who have been referred and wards are guided with transfer processes including what the requirements of the receiving hospitals are for accepting our patients. Information and updates on transfers are available for the site teams to support flow of patients.

Discharge Lounges

We are promoting the use of the Discharge Lounges on both sites to encourage early movement from the wards in line with SAFER principles and the 'Home for Lunch' principles. Patients for discharge are collected from the wards and cared for while waiting for medications to take home or for their transport collection. The Discharge Lounge in Winchester is open Monday to Friday 8am until 8pm and the Basingstoke Discharge Lounge will be open until 8pm from the summer when new staff are orientated.

Continuing Healthcare

Continuing Healthcare Funding is for patients with who have identified as having a primary healthcare need. Work is continuing to meet the government ambition that 85% of Continuing Healthcare assessments should be completed outside the acute setting, and the latest data demonstrates that we have achieved 90% with over 180 patients benefitting from this new process.

Patients who require a nursing home level of care on discharge and who would be considered for Continuing Healthcare Funding are being identified by the complex discharge team in collaboration with Hampshire Social Services and referred onto the Continuing Healthcare pathway. A suitable placement is identified by Social Services and the patient is moved from hospital for the entire

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funding decision process and this is reducing unnecessary time on the ward, for each individual this reduces hospital waiting time for an estimated 2 weeks minimum.

Patients who are at the end of their lives may be eligible for the Continuing Healthcare Funding known as Fast Track Funding, and the Continuing Healthcare Team have commissioned a spread of nursing home beds for patients who require this level of care. This pathway means that patients can generally be moved from the hospital to a more suitable setting within a few days, this previously would have been a process that lasted several weeks and some patients would not achieve their ambition to die out of the acute hospital setting.

HHFT Quality Priorities 2019/20

HHFT's Quality Priorities for the coming year have been developed in consultation with the public, Governors and Foundation Trust members, staff and partners. They have been drawn from the governance overview of the organisation, collaboration with clinical Divisions, local commissioning intentions, the work of the CQC and national quality agenda. Feedback from patients, relatives and staff was considered and incorporated, as well as lessons from incidents and external feedback.

Patient safety, clinical effectiveness and patient experience remain intrinsic to the quality priorities.

Domain	Quality Priority	Rationale for choice/Measurement
Safety	High Impact Actions to prevent patient falls	Building on the significant developments we have made in our frailty services during 2018/19 we will participate in the national CQUIN 2019/20 for falls and complete year 1 of the plan to implement High Impact Actions for falls and reduce the harm from falls. The three key falls prevention actions will be key measures alongside the continued reporting of falls as incidents, the associated harm and lessons learned.
	Mental Health and learning Disability Care	We will agree a strategy implementation plan through the mental health and mental capacity committee to improve the care we provide for patients with mental health issues and people with learning disabilities. We will appoint a lead mental health nurse
	Equipment Maintenance	<ul style="list-style-type: none"> We will ensure that there is sufficient equipment that is safe for use and used in a safe way to deliver outstanding care by putting in place a: clear process for checking all equipment system for identifying staff competency in using named equipment. managed programme in place for equipment including replacement.

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Experience	Patient Experience and engagement strategy	We want the experience of our patients and carers to be the best it can be and for their voices to shape our decisions about future services so we can provide outstanding care. We will develop and implement an approved Patient Experience and Engagement strategy to better understand the experience of our patients and to engage and involve patients and the public.
	Estate and Refurbishment programme	<p>We understand the direct impact of the estate and facilities on patient experience and the quality of care.</p> <p>We will implement an agreed estate and refurbishment programme that will support our clinical strategy and that is consistent with the development of alternative ways of providing outstanding care whether through technology or workforce innovations.</p>
	Explore the feasibility of Midwifery led co-located units	We will evaluate the options for co-located midwifery led units at BNHH and RHCH as part of our commitment to offer more choice and personalisation for women and their families and reduce the need for medical intervention.
Effective	Antimicrobial prescribing	<p>We recognise the importance of using antibiotics effectively in accordance with NICE guidance to optimise outcomes for patients whilst minimising unintended consequences related to antibiotic usage. We will participate in the national CQUIN for antimicrobial resistance to:</p> <ul style="list-style-type: none"> • Reduce the number of lower urinary tract infections in older people and • Increase the number of people who have antibiotic prophylaxis for elective colorectal surgery.
	Deteriorating Patient and NEWS2	<p>We recognise the importance of identifying the deteriorating patient and the timely escalation and implementation of appropriate care and treatment to minimise the likelihood of serious adverse events and achieve better outcomes for patients. We will continue to embed screening and escalation tools such as the ED checklist / PEWS/NEWS2 and measure compliance of these.</p> <p>We will roll out eObservations as part of our digital care programme to support early detection, diagnosis and escalation and monitor the number of number of serious incidents that</p>

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		relate to the management of the deteriorating patient.
Responsive	Same day access for AF, PE and pneumonia	We will develop same day access service in place for patients attending ED aged 18 and over with confirmed diagnosis of Pulmonary Embolus / Atrial Fibrillation/ community acquired pneumonia. We will participate in the national CQUIN 2019/20 to enhance our emergency care and same day assessment services to manage patients in a same day setting where clinically appropriate.
	Meet national standards for waiting times	We believe that the national waiting time standards are a measure of quality, and in our survey, patients said that the most important thing to them was being seen quickly, so we have committed to achieving our planned trajectories for waiting times, whether that is in the emergency departments, for elective surgery, or for cancer patients.
Well led	Quality Improvement	<p>We will roll out year 2 of the Quality Improvement programme to deliver our vision that 'everyone is an improver' and achieve 3 key improvement outcome objectives to:</p> <ul style="list-style-type: none"> • Reduce harm; • Improve patient satisfaction; • Increase patients receiving the right care, in the right place, at the right time. <p>This will be monitored via the following process measures:</p> <ul style="list-style-type: none"> • The number of registered ideas; • The number of active QI projects; • The number of projects achieving a positive patient outcome.
	Health Promotion	<p>We will increase the opportunities for health promotion and focus on the prevention agenda with our participation in the 2018/19 CQUIN for Alcohol and tobacco brief screening and advice.</p> <p>We will implement the Make Every Contact Count (MECC) strategy to use the day-to-day interactions that we have as an organisation and as individuals with people to support them to better manage their conditions and in making positive changes to their physical and mental health and wellbeing.</p>

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	CQC	Our quality plans for the coming year are, in part, driven by having the conditions under the section 31 and the section 29A warning notice lifted and progressing to 'Outstanding'
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All of the above quality priorities will report on a quarterly basis to the Quality and Performance Committee against agreed metrics to measure success.

The quality elements of the contract and the national CQUIN programme and the priorities identified by HHFT provide a programme of quality improvement that incorporates all the elements of the NHS Constitution keeping patients at the centre and engaging with the local Hampshire and Isle of Wight Health and Social Care System Sustainability and Transformation Plan (STP) challenges. The quality elements will improve support for population of patients with multiple chronic conditions and mental health conditions. There is support for improvements to our frailty pathway, hip fracture care, heart failure team care and Emergency Department flow.

The quality improvement plans addressing keys areas such pressure ulcers, sepsis and infection prevention and control are part of standard reporting and specific actions are being developed for each of these.

2.1.2 Review of the Quality Programmes

Hampshire Hospitals has continued to strengthen and evolve its approach to quality improvement, transformation and assurance.

Following the CQC findings in September 2018 a detailed review of the Governance framework has been undertaken and new committee and meeting structures have been implemented. This has included a review of the Serious Incident Process and the introduction of a peer review process has been introduced that replicates the CQC methodology to gain assurance of the standards of care provided.

The Quality and Performance Committee has been established as a formal sub-committee of the Board of Directors. The committee is responsible for providing the Board of Directors with assurance on all aspects of clinical quality and performance in relation to patient safety, experience and effective outcomes. The Committee will provide scrutiny and challenge of quality and performance issues to provide assurance that the risks associated with clinical quality and performance and the Trust's provision of outstanding care are identified, managed and mitigated appropriately. It will also provide oversight of the areas which best support delivery of the Trust's strategic objectives and quality priorities in relation to patient safety, experience, patient outcomes and effectiveness.

There are a range of groups and committees established to scrutinise and review the systems in place to ensure, monitor and improve patient safety, clinical effectiveness and patient experience. These will report to the Quality and Performance Committee with arrangements to ensure that best practice and lessons learned are shared across the Trust.

Care Quality Commission

Hampshire Hospitals NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is licensed.

Following an inspection carried out within medical and surgical services across all 3 of our hospitals at Basingstoke, Winchester and Andover on 12, 13, 14 June and our Emergency Departments at Basingstoke and Winchester on 5, 11 July 2018, the CQC published their inspection report in September 2018. The Trust was given an overall rating of 'requires improvement'. They issued eight requirement notices, a section 29A warning notice and a section 31 notice of decision.

The Trust was given an overall 'Good' rating for Caring and 'Requires Improvement' for safe, effective, responsive and well-led.

Hampshire Hospitals NHS Foundation Trust has the following conditions on registration as a service provider in respect of a regulated activity—section 31 notice of decision:

1. The registered provider must ensure that there is an effective system in place to assess and monitor the ongoing care and treatment to patients whilst in the emergency department.
2. The registered provider must ensure that there are sufficient numbers of suitably qualified staff competent on duty in the emergency department at all times to care for children.
3. The provider must ensure that children and young people are cared for in an environment which is suitably secure so as to protect children and young people from unauthorized visitors or adult patients, and tailored to meet the needs of children and young people, and which is staffed, at all times by competent staff.
4. The provider must ensure at least one member of staff is available each shift who is trained in advanced paediatric life support.
5. The registered provider must ensure that there are a sufficient numbers (based on demand) of suitably qualified, skilled and experienced health professionals deployed throughout the emergency department to support the care and treatment of patients of all age groups.
6. From 3 August 2018 and on the Friday of each week by 16:00 the Registered Provider must submit a report to the Care Quality Commission which (a) describes the actions taken to ensure that the conditions listed above are complied with and (b) sets out the evidence that demonstrates that those actions are being taken.

The Trust have submitted weekly section 31 reports which have described ongoing improvements around the compliance of the emergency department checklist, the staffing numbers and competencies and the improvements to the environment including the development of rapid assessment and treatment bays and paediatric assessment units at Basingstoke and Winchester

The notice served under Section 29A of the Health and Social Care Act 2008 referred to significant improvements required in respect of the following:

- Patients were not treated with dignity and respect.
- Patients privacy was not always maintained.
- Risks to the health and safety of patients were not always assessed.
- Not all staff had the necessary skills to deliver safe care.
- Equipment was not always safe for use.
- Medicines were not always managed safely
- The risk of preventing, detecting and controlling the spread of infections was not always effectively managed.

The Trust has had an action plan to deliver the section 29A improvements specifically – these are focused on privacy and dignity, medical equipment, health and safety, staff training, medicines management and infection prevention. The Trust is progressing well with these actions.

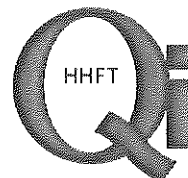
The Trust has also had a Trust-wide action plan which addresses all of the issues identified under the five CQC domains - safe, effective, caring, responsive and well-led.

The Trust has held weekly meetings to review the compliance of the CQC action plans and once a month it has a specific Executive focus with external stakeholders invited including, CQC, NHS Improvement, NHS England and the Clinical Commissioning Groups.

The CQC Winter Pressure Team completed an unannounced visit to the Emergency Department at Basingstoke on 4 February 2018. This was a Monday after very heavy snowfall, which saw the department and the hospital very full and under extreme pressure. The Lead Inspector noted a sea change in the culture of the department and they saw really good examples of compassionate care and excellent communication between staff and patients. They recognised that the flow in the department had improved and the impact of the Paediatric Assessment Unit, the Rapid Assessment and Treatment bays and the Emergency Decision Unit. No significant concerns were raised. This was a focussed unannounced inspection of the emergency department at Basingstoke. The CQC did not inspect the whole core service therefore there are no ratings associated with this inspection. The final quality report identified four must do actions which have been embedded into our Trust wide action plan.

Quality Improvement (QI) at Hampshire Hospitals

We recognise the absolute importance of quality improvement as a means of improving care and remain committed to supporting increased conversation of improvement ideas to actual improvements in patient care to change services in a way that maximises the benefits for patients and for our staff providing care and support. Our focus remains on patients receiving the right care, in the right place at the right time, reducing harm and improving patient experience and satisfaction.



The Quality Improvement (QI) programme provides a systematic approach to personal and organisational learning, development and improvement, in the face of challenging problems. Not all change will result in improvement but all improvement requires change. Raising awareness of QI and engaging staff to generate a ground up interest in making change happen is fundamental to achieving success.

Building on from the launch of the Trust's QI strategy in 2017, with its stated vision '*Everyone is an improver*' the Trust has achieved the following in 2018/19:

- Held the second QI conference incorporating audit. 40 presentations from staff showcasing their improvement work
- QI Academy – 89 QI practitioners completed training, 16 QI coaches trained
- Successful Health Education England (HEE) funding bid for QI coach programme
- 2 members of staff completed their Health Education England QI fellowships
- 6 members of staff are members of the Q community
- A training programme is now in place for Junior doctors

Examples of improvements as a result of QI projects:

Patient Safety

- 220 days with no patients having pressure ulcers on an elderly care ward following the introduction of safety huddles
- 75% reduction in interruptions when undertaking medication rounds.
- The implementation of NEWS2 a process for assessing, monitoring and escalating a deteriorating patient has resulted in no significant incidents for 135 days.

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Patient Flow:

- A 50% reduction in the time taken to triage referrals for DEXA scans has improved access for patients.
- Increased numbers of patients receiving frailty screening in the emergency department with a 77% screening rate.

There is a plan to implement year 2 of the QI strategy. This will include the support of a further 3 QI practitioner training cohorts and training a further QI coaches (experts). Support will be received from Bournemouth hospital as part of the NHSI buddying programme and training will include all clinical matrons in 2019/20.

Sign Up to Safety (SU2S) Campaign

The Trust continues to participate in the national sign up to safety campaign which aims to strengthen patient safety in the NHS and make it the safest healthcare system in the world. The national patient safety priorities for this campaign for 2018/19 were:

- improving the management of sepsis
- learning from medication errors
- falls prevention
- pressure ulcer prevention
- learning from deaths

Our progress against these is summarised in the table below:

Improvement area	Targets
Improving the management of sepsis	<p>Reducing the impact of serious infections CQUIN 2018/19:</p> <p>Screening for sepsis for prompt recognition and initiation of treatment for all patients for all those arriving at hospitals via Emergency Departments and for inpatients.</p> <p>% patients screened for whom sepsis screening is appropriate and % patients presenting with suspected sepsis and administered antibiotics within 1 hour</p>
Achievements <ul style="list-style-type: none"> • New clinical (consultant) lead for sepsis appointed July 2018 • Two new sepsis nurses appointed in July 2018 providing an ongoing role in education of staff and development of sepsis tools. • Implementation of NEWS2 physiological observations in line with recommendations (effective 1 October 2018) • New sepsis in Adults Recognition Policy February 2019 and updated National Adult Early Warning Score Policy February 2019 to support the prompt recognition and management of acute illness including sepsis to ensure that rapid initiation of treatment occurs. • Participation and achievement in the national CQUIN programme • CUSUM alerts are now an agenda item at the Trust's Mortality Surveillance Group • The Trust implemented mortality review processes in August 2017 and to date 73% of total deaths have been screened (August 2017 – March 2019) and during 2018/19 there were 53 	

<p>reviews progressed to a Structured Judgement Review.</p> <ul style="list-style-type: none"> • The introduction of the Accelerate Pheno system gives rapid organism identification and sensitivities within 7 hours (as opposed to 2 days) for positive blood cultures ensuring correct treatment for patients with bacteremia. The anticipated arrival of the MaldiTOF using mass spectrometry will also facilitate rapid identification of pathogens from many samples. • A working group has been established to steer the strategic implementation and oversee the management of the recognition and treatment of the deteriorating adult. The group aims to provide oversight, scrutiny and guidance on subsidiary work streams which focus on the recognition and management: <ul style="list-style-type: none"> • Sepsis and deterioration • Use of NEWS2 and escalation • Implementation of NEWS2 physiological observations into an electronic platform eObs as part of the HHFT Digital Care Programme • Unplanned Admissions into Critical Care • Cardiac Arrest events 	
<p>Learning from medication errors</p>	<p>To improve medication safety across the Trust by:</p> <ol style="list-style-type: none"> 1. To reduce the number of missed doses of critical medicines with a focus on: <ol style="list-style-type: none"> a) Doses not prescribed and b) Doses prescribed but not administered 2. To improve transition of care issues with medication at discharge 3. To develop a robust and consistent plan for ensuring shared learning
<p>Achievements</p> <p>1. Work to reduce missed doses through the Trust Missed Doses Group has been active working with individual wards where the most missed doses have been identified and Clinical Matrons and ward staff have been focussing on reducing the number of missed doses across the Trust. The main focus was to ensure that patients are not missing critical medicines that could impact on their care.</p> <p>The Missed Doses Group are planning to re-audit in May 2019 and this audit will help to inform actions for the coming year.</p> <p>2. This links to the World Health Organisation (WHO) Global Patient Safety Challenge: Medication Without Harm which includes improving the transfer of information about medicines when patients move between care settings. The Transfers of Care Around Medicines (TCAM) project where there is an increase in the support in the community for patients leaving hospital went live in February 2019. A pre-TCAM audit has been completed and plans are in place to re-audit TCAM later in the year.</p> <p>3. The MERG (Medicine Event Review Group) reviews medication incidents and has been able to produce two shared learning posters which were developed from themes that emerged from the investigation into medications incidents. These included safe storage of medicines, prescription of Intravenous fluids and disposal of Controlled Drugs.</p> <p>Medicines security and storage audits are undertaken every 6 months. The response rates have been:</p> <p>100% complete for Family division</p> <p>79% complete for surgery</p> <p>71% complete for medicine</p>	

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A number of the measures were 100% - these were security for controlled drugs and internal medicines, TTOs and prescription pads.

Further work is required on:

Room temperatures being routinely monitored and routine changing of PIN codes for access for medicines storage.

Falls prevention	<p>1) To improve falls prevention through focused work in relation to two key areas:</p> <ul style="list-style-type: none"> • The use of hot debriefs to identify preventative measures and learning in a timely way after a fall; and • The provision of falls information of patients, families and carers on discharge.
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Achievements

Activity to reduce inpatient falls rates include:

1. Trust-wide implementation of the post inpatient fall 'Hot debrief' where the patient's falls risk is re-assessed and an individualised care plan is reviewed to ensure that the patient is getting the care they need.
2. The 'Red Bag' initiative which supports the transition of patients between care homes and hospitals was implemented this year. The 'Red Bag' initiative focuses on elderly residents in care homes who are transferred to the Emergency Department at RHCH or BNHH. The Red Bag contains standardised paperwork about the care home resident and stays with them if they go to hospital until they return to their care home. It contains vital information about the resident's general health including falls risk factors.

HHFT have also developed a new 'Enhanced Care and Observation Policy' which defines one to one nursing care for critically ill or vulnerable patients.

Pressure ulcer prevention	To prevent the development of hospital acquired pressure ulcers
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Achievements

As per the Trust's pressure ulcer prevention strategy, all patients should have a pressure ulcer risk assessment. Between April 2018 and February 2019 the percentage of patients in the Trust having a pressure ulcer risk assessment on admission rose from 83.4% to 88.7%. Data for each division over this time period also shows an improvement:

Medical Services 87.2% - 87.7%

Surgical Services 81.9% - 88.6%

Family and Clinical Support Services 59.1% - 100%

In June 2018 NHS Improvement (NHSI) released recommendations concerning reporting pressure ulcers and standardising education for preventing pressure ulcers.

All pressure ulcers (including deteriorating pressure ulcers) are recorded as an incident through the Trust's incident reporting system, Datix.

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The Tissue Viability Nurse (TVN) team have reviewed their strategy which takes into account the latest recommendations from NHS Improvement in 2018. The strategy is broken down into the following Factors:

Education – Workbooks are currently being completed by all clinical staff in the Trust as part of their mandatory training.

Data Reporting – The team have been working closely with Governance to ensure the data collected on DATIX through incident reporting is accurate and meets the recommendations of NHSI.

Record keeping – The TVN team have been reviewing how they document their actions and are working with ward staff to improve written communication.

Learning from deaths	<p>Compliance with 'real time' mortality screening for inpatient deaths.</p> <p>Implementation of a structured mortality review process, in line with national guidance, including for deaths of patients who have a learning disability or mental health condition.</p> <p>Implementation of learning from mortality reviews.</p>
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Achievements

Compliance with mortality screening of patient deaths is currently 73% from 1st August 2017 to March 2019.

The process for mortality screening of all patients who died whilst under the care of HHFT was reviewed in September 2018. The new 'Purple box' mortality screening process was then introduced. This is where purple boxes are delivered directly to a group of consultants, senior nurses and Allied Health Professionals (AHP's) who are part of the mortality screening rota.

Two extra questions were added to the mortality screening form in January 2019 to identify patients who:

1. Died following a Fractured Neck of Femur; and
2. Who were admitted to hospital within 30 days of previous discharge and died.

The learning from these themes will be shared across the Trust via the Mortality Surveillance Group when the reviews have been completed.

During 2018/19 53 patient deaths have had a Structured Judgement Review (SJR; the second stage review). This represents 3.17% of patients who died under our care during the same period.

Of the patients who had SJR; 3 patient deaths (0.2% of patient deaths) were found to have a more than 50% chance of avoid ability.

Peer reviews

In January 2019 the Trust introduced the peer review programme. The aim of the programme was to review a number of clinical quality standards across the Trust on a variety of wards and departments. The peer review process has been developed based on the Southern Health NHS Foundation Trust model and refined for use in the Trust. Reviews during 2018/19 have been

completed in the following areas:

- Emergency Departments (ED) at both sites
- Theatres in Basingstoke
- Day Case Department in Andover,
- Paediatric wards on both sites,
- Orthopaedic wards at Basingstoke
- Wards at RHCH: McGill, Freshfield, Clark wards
- Wards at BNHH: E1, E2, E3, E4, and Isolation wards, Overton and Lyford and Candover

We have also had a specific privacy and dignity thematic review where questions and observations were made across 30 different wards and departments.

Going forwards the peer reviews will be linked to a Ward Accreditation scheme being developed by the Chief Nurse, as well as general Trust initiatives such as privacy and dignity.

The reviews are carried out by an experienced team which will include Divisional Chief Nurses, specialist teams such as the Infection Prevention and Control Leads, CCG colleagues and colleagues from outside the Trust.

The review concentrates on 12 focus areas within the 5 CQC domains of safe, effective, caring, responsive and well-led:

- Recognition of the Deteriorating Patient
- Assessments
- Record Keeping
- Care Planning
- Medicines
- Equipment
- Infection Prevention and Control
- Learning Safety
- Training
- Safety Priority
- Vision and Values
- Management Requirements

It is not always possible to cover every area in every visit but the team focus on areas that were highlighted in the relevant parts of the CQC reports as well as information on complaints/ incidents and ward level performance dashboards which are shared with the review team prior to the visit.

The peer review process provides valuable insights and learning for the department being visited and facilitates the spread of learning from one department to another.

As an example the improvements resulting from the peer reviews into the Emergency Departments have been in:

- Compliance with Advanced Paediatric Life Support (APLS)/ Paediatric trained staff on duty
- The impact of the ED Full protocol
- Improved Statutory and Mandatory training including safeguarding and Mental Health Training
- Use of performance data via com cell / stand up for standards
- Use of Quality and Clinical Standards Noticeboards
- Examples of good record keeping and holistic care

- Process of identifying high risk patients in the department (vulnerable patients) “code green”
- Better compliance with NEWS 2

Clinical Standards for Seven Day Hospital Services

Our Trust is committed to implementing the four priority standards for seven day working within the prescribed time frame and is pleased to have been identified as a “second wave compliant site” by NHS England, which recognises the progress we have made in this area.

The standard is met for over 90% of patients admitted in an emergency.

Standard 2:

All emergency admissions must be seen and have a thorough clinical assessment by a suitable consultant as soon as possible but at the latest within 14 hours from the time of admission to hospital.

The Medical Acute Assessment Unit and Ambulatory Care Unit had a significant impact on the number of admissions and improving time to Consultant review. This resulted in 100% compliance for clinical standard 2 for medical admissions. Compliance for general surgery is 96% during weekdays and 100% at weekends.

Standard 5:

Hospital inpatients must have scheduled seven-day access to diagnostic services, typically ultrasound, computerised tomography (CT), magnetic resonance imaging (MRI), echocardiography, endoscopy and microbiology.

Consultant-directed diagnostic tests and completed reporting will be available seven days a week:

- *Within 1 hour for critical patients*
- *Within 12 hours for urgent patients*
- *Within 24 hours for non-urgent patients*

This standard has been fully met for a number of years. All of the key diagnostic services are provided within the Trust, with Microbiology and Echocardiology provided via specialist rotas covering both sites. Other services are provided on both sites, 7 days a week.

Standard 6:

Hospital inpatients must have timely 24 hour access, seven days a week, to key consultant-directed interventions that meet the relevant specialty guidelines, either on-site or through formally agreed networked arrangements with clear written protocols. These interventions would typically be:

- *Critical care*
- *Interventional radiology*
- *Interventional endoscopy*
- *Emergency general surgery*
- *Emergency renal replacement therapy*
- *Urgent radiotherapy*
- *Stroke thrombolysis*
- *Percutaneous Coronary Intervention*

- *Cardiac pacing (either temporary via internal wire or permanent)*

Critical care, Interventional Endoscopy, Emergency surgery and emergency renal replacement therapy are all available 7 days a week on both sites. Haemofiltration is available through the critical care units on both sites. A network has been arranged for urgent renal dialysis to be provided by Portsmouth. There is a formal network for Interventional Radiology. Urgent radiotherapy is provided by Southampton. Acute stroke services are located on the Winchester site and Cardiology on the Basingstoke site.

Standard 8:

All patients with high dependency needs should be seen and reviewed by a consultant TWICE DAILY (including all acutely ill patients directly transferred and others who deteriorate). Once a clear pathway of care has been established, patients should be reviewed by a consultant at least ONCE EVERY 24 HOURS, seven days a week, unless it has been determined that this would not affect the patient's care pathway.

We have achieved over 90% compliance for twice daily review during the week and weekends for all patients admitted in an emergency.

Duty of Candour

Our approach to candour underpins a commitment to providing high quality of care, understanding and sharing the truths about harm at an organisational as well as an individual level, and learning from them. It is about our organisational values being rooted in genuine engagement of staff, our clinical leadership building on professional accountability, and on every member of staff's personal commitment to the safety of patients.

The Trust has a Duty of Candour policy which outlines its approach to implementing the Duty of Candour. The policy identifies the steps staff should take in identifying and reporting notifiable patient safety incidents as well as the steps to be followed to deliver the Duty of Candour.

This policy underpins the Trust's values and aims to ensure:

- the patient's right to openness from the Trust is clearly understood by all staff;
- that this right is integrated into the everyday business of the Trust;
- the Trust learns from mistakes with full transparency and openness;
- patients and their families and carers can trust us to share information with them in an open and collaborative way;
- the Trust works in partnership with others to protect patients;
- Trust staff ensure appropriate support is offered to the patient/families/carers/colleagues and;
- That line managers understand an individual or team may well require support during and after an incident. Support for employees is available from the Employee Counselling and Occupational Health Service and the Human Resources Department in the Trust.

The Trust is currently developing an e-learning training package to support face to face training and the resources currently available.

Speaking up

In September 2018, Hampshire Hospitals undertook a 'Freedom to speak up' self-assessment which was submitted to the National Guardian's Office. The self-assessment identified the need for the Trust to triangulate better the multiple ways of raising concerns. In response to this, there will be a

formal mechanism for the Trust to triangulate the concerns raised with other data e.g. HR, incidents, staff surveys and feedback from Trade Unions and this will be in place by August 2019.

In response to the National Guardian's Office annual report, the Trust have appointed a new lead Freedom to Speak Up Guardian and in November the Board agreed to extend the Freedom to Speak Up Guardian role to a wide range of clinical and non-clinical staff across all grades. The Trust Freedom to Speak Up: Raising Concerns (Whistleblowing) Policy was updated in January 2019.

The Trust is aiming to produce a freedom to speak up strategy by August 2019 and the Board will also receive, review and discuss details of concerns raised on an annual basis.

Guardian of Safe Working

The Junior Doctor's contract was implemented in October 2016, initially by Obstetrics and Gynaecology. As of October 2017, all doctors are now on the new contract.

Within this contract there is a provision for a Guardian of Safe Working. The Guardian is to act as a champion of safe working hours, monitoring compliance against the terms set in the new contract and providing assurance to the Trust that doctors are being rostered safely.

Exception reports enable doctors to inform the Trust when day to day work varies significantly and/or regularly from what has been agreed in their work schedule. This can be in relation to a variation in hours of work and/or rest or training issues.

The exception reports throughout the year highlighted gaps within the rotas due to rotational HEW (Health Education Wessex) gaps, sickness, maternity leave and staff leaving the Trust. The HR department advertised the positions and some of these have since been filled, however as it was difficult to fill gaps, particularly in medicine, many were re-advertised before success in recruitment. A key point to note is that many of the rota gaps were identified late which hampered recruitment. Although rotations were released by the HEW within the 12 week Code of Practice timeframe, a number of rotations were changed at short notice and changes to trainee circumstances impacted on rotas.

Continuing from last year there has been a number of staff members on long term sick leave (1 month or more) which equated to approximately 9 doctors. There were three resignations. There have been no work schedule reviews as all reports so far have been closed at level 1 and agreed between the doctor and the educational supervisor.

At present, the Trust has not received any financial penalties as a result of any exception reports.

To help improve the workload pressures within Medicine, the Trust has recruited doctors from overseas and created a number of additional supporting posts to improve resilience in the rota. Recruitment is underway to add extra staff to the on call rotas at weekends to support patient pathways through ED. The success of overseas recruitment under the MTI (Medical Training Initiative) programme sponsored by the Royal College has agreement to an ongoing campaign to replace appointees when their placement comes to an end.

2.2 Statements of assurance from the Board

Review of services

During 2018/19 Hampshire Hospitals NHS Foundation Trust provided and/or sub-contracted 45 relevant health services.

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Hampshire Hospitals NHS Foundation Trust has reviewed all the data available to it on the quality of care in all 45 of these relevant health services.

The income generated by the relevant health services reviewed in 2018/19 represents 100 per cent of the total income generated from the provision of relevant health services by the Hampshire Hospitals NHS Foundation Trust for 2018/19.

When reviewing the quality of service delivery, Hampshire Hospitals NHS Foundation Trust uses the model which incorporates patient safety, clinical effectiveness and patient experience. This is applied consistently to all services provided and is monitored through the FT's governance arrangements. This includes reporting to the Board of Directors through the use of a quality scorecard incorporating the model thus reporting on all three elements of patient safety, clinical effectiveness and patient experience. This model is also used for reporting at Divisional level and at the Quality and Performance Committee.

The domains of patient safety, clinical effectiveness and patient experience are also reviewed by Commissioners through contract quality reporting meetings. The amount of data available for review has not impeded this objective.

Clinical Audits

During 2018/19, 53 national clinical audits and 7 national confidential enquiries covered relevant health services that Hampshire Hospitals NHS Foundation Trust provides.

During that period Hampshire Hospitals NHS Foundation Trust participated in 100 per cent of national clinical audits and 100 per cent of 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 Hampshire Hospitals NHS Foundation Trust was eligible to participate in during 2018/19 are shown as follows in the table below.

The national clinical audits and national confidential enquiries that Hampshire Hospitals 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.

The reports of 25 national clinical audits and 4 national confidential enquiry reports were reviewed by the provider in 2018/19 and Hampshire Hospitals NHS Foundation Trust intends to take forward actions to improve the quality of healthcare provided, as identified in the table below:

National audit	Is HHFT eligible to participate	Is BNHH participating	Is BHCH participating	% submission of no. of registered cases required	External audit reports published in 2018/19 and reviewed	Outcome or actions taken as a result of audit
Acute Care						
Adult critical care (ICNARC CMPD)	Yes	Yes	Yes	100%	Yes	Report reviewed and is not identified an outlier for any of the domains. No actions required by HHFT.

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National audit	Is HHFT eligible to participate	Is BNHH participating	Is RHCH participating	% submission of no. of registered cases required	External audit reports published in 2018/19 and reviewed	Outcome or actions taken as a result of audit
National Emergency Laparotomy Audit	Yes	Yes	Yes	100%	Yes	Report has been reviewed. Both sites are below the national mortality rate. Action plan in place to improve involvement of geriatricians in geriatric patients laparotomies
National Joint Registry (NJR)	Yes	Yes	Yes	100%	Yes	Report has been reviewed. The Trust has not been identified as an outlier for any hip or knee revisions from 2012.
Major Trauma Audit	Yes	Yes	Yes	100%	n/a	.n/a
Seven Day Hospital Services Self Assessment Survey	Yes	Yes	Yes	100%	n/a	n/a
Surgical Site Infection Surveillance Service	Yes	Yes	Yes	100%	Yes	Report has been reviewed. No further action required
Vital Signs in Adults – care in emergency department	Yes	Yes	Yes	100%	n/a	n/a
VTE Risk in Lower Limb Immobilisation – Care in Emergency Department	Yes	Yes	Yes	100%	n/a	n/a
Feverish In Children (care in emergency departments)	Yes	Yes	Yes	100%	n/a	n/a
Blood and Transplant						
Serious Hazards of Transfusion (SHOT)	Yes	Yes	Yes	100%	Yes	The report has been reviewed and action plan in place to comply with the national recommendations.
Mandatory Surveillance of bloodstream infections and clostridium difficile infection	Yes	Yes	Yes	100%	n/a	Results are monitored and reported to Trustboard & CCG
National Comparative Audit of Blood Transfusion programme – Neonates & under 18s	Yes	Yes	Yes	100%	n/a	n/a
National Comparative Audit of Blood Transfusion programme – Large volume blood loss	Yes	Yes	Yes	100%	n/a	n/a
Cancer						
Bowel Cancer (National Bowel Cancer Audit Programme)	Yes	Yes	Yes	100%	Yes	The report has been reviewed. Actions are in place to ensure accurate submission of the data.
Lung Cancer (National Lung Cancer Audit)	Yes	Yes	Yes	100%	n/a	.n/a
Oesophago-gastric Cancer (National O-G Cancer Audit)	Yes	Yes	Yes	100%	Yes	The report has been reviewed. No further action is required.
Prostate Cancer	Yes	Yes	Yes	100%	Yes	The report has been reviewed.

QUALITY REPORT

National audit	Is HHFT eligible to participate	Is BNHH participating	Is RHCH participating	% submission of no. of registered cases required	External audit reports published in 2018/19 and reviewed	Outcome or actions taken as a result of audit
						No further action is required.
National Audit of Breast Cancer in Older People (NABCOP)	Yes	Yes	Yes	100%	Yes	The report has been reviewed. No further action required.
Heart						
Acute Myocardial Infarction & other ACS (MINAP)	Yes	Yes	Yes	100%	Yes	The report has been reviewed. No further action required.
National Cardiac Audit Programme (NCAP) – National Heart Failure Audit	Yes	Yes	Yes	100%	Yes	The report has been reviewed. No further action required.
National Audit of Percutaneous Coronary Interventions (PCI) (Coronary Angioplasty)	Yes	Yes	n/a	100%	Yes	The report has been reviewed. No further action required.
National Audit of Cardiac Rehabilitation	Yes	Yes	Yes	100%	Yes	HHFT achieved certification for meeting their standards.
National Adult Cardiac Arrest Audit	Yes	Yes	Yes	25%	n/a	n/a
National Vascular Registry	Yes	Yes	Yes	100%	Yes	The report has been reviewed. No further action is required.
Long Term Conditions						
National Diabetes Footcare Audit	Yes	Yes	Yes	100%	Yes	The report has been reviewed. No further action is required
National Pregnancy in Diabetes Audit	Yes	Yes	Yes	100%	Yes	The report is has been reviewed with HHFT above the national average with many of the key measures.
National Diabetes Inpatient Audit	Yes	Yes	Yes	100%	n/a	n/a
National Diabetes Audit – Reporting on inpatient harms	Yes	Yes	Yes	100%	n/a	n/a
Inflammatory Bowel Disease (IBD)	Yes	Yes	Yes	100%	n/a	n/a
National Chronic Obstructive Pulmonary Disease (COPD) Audit programme Secondary Care	Yes	Yes	Yes	100%	n/a	n/a
National Asthma and Chronic Obstructive Pulmonary Disease (COPD) Audit Programme (NACAP) – Adult asthma hospital admittance	Yes	Yes	Yes	n/a	n/a	n/a

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National audit	Is HHFT eligible to participate	Is BNHH participating	Is RHCH participating	% submission of no. of registered cases required	External audit reports published in 2018/19 and reviewed	Outcome or actions taken as a result of audit
National Adult Non-Invasive Ventilation (NIV) Audit	Yes	Yes	Yes	n/a	n/a	n/a
Adult Community Acquired Pneumonia	Yes	Yes	Yes	100%	n/a	n/a
Rheumatoid and early inflammatory arthritis	Yes	Yes	Yes	100%	n/a	n/a
National Audit of Dementia	Yes	Yes	Yes	100%	n/a	n/a
Mental Health						
Learning Disability Mortality Review Programme	Yes	Yes	Yes	100%	Yes	n/a
Older People						
Falls and Fragility Fractures Audit Programme (FFFAP)	Yes	Yes	Yes	100%	Yes	Actions are in place to support the recommendations from the HHFT mortality review and the British Orthopaedic Association Review of Hip Fracture Care.
National Hip Fracture Database						
Falls and Fragility Fractures Audit Programme (FFFAP)	Yes	Yes	Yes	n/a	n/a	n/a
Inpatient Falls						
Sentinel Stroke National Audit Programme (SSNAP)	Yes	Yes	Yes	100%	Yes	HHFT continues to perform well in this audit with the results for key indicators generally above the national average
Other						
Elective Surgery (National PROMs Programme)	Yes	Yes	Yes	78%	n/a	n/a
Ophthalmology	Yes	Yes	Yes	100%	Yes	Report has been reviewed. No actions required by HHFT.
National Audit of Care at the End of Life	Yes	Yes	Yes	n/a	n/a	n/a
National Mortality Case Record Review	Yes	Yes	Yes	100%	Yes	Report has been reviewed. No actions required by HHFT.
Reducing the impact of serious infections (Antimicrobial Resistance and Sepsis) Antibiotic consumption	Yes	Yes	Yes	100%	n/a	n/a
Reducing the impact of serious infections (Antimicrobial Resistance and Sepsis) Antimicrobial Stewardship	Yes	Yes	Yes	100%	n/a	n/a
Women's and Children's Health						
Maternal, Infant and Newborn Programme (MBRRACE-UK)	Yes	Yes	Yes	100%	Yes	Report shows neonatal mortality rates for HHFT 10% lower than the UK average.
Neonatal Intensive and Special Care (NNAP)	Yes	Yes	Yes	100%	Yes	Report has been reviewed All parameters are above or in line with the national average.

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National audit	Is HHFT eligible to participate	Is BNHH participating	Is RHCH participating	% submission of no. of registered cases required	External audit reports published in 2018/19 and reviewed	Outcome or actions taken as a result of audit
Paediatric Diabetes	Yes	Yes	Yes	100%	Yes	Report has been reviewed BNNH was identified as a positive outlier (above three standard deviations of the national average) for the four key performance standards and RHCH was in-line with the national average.
National Pregnancy in Diabetes Audit	Yes	Yes	Yes	100%	n/a	n/a
National Maternity and Perinatal Audit	Yes	Yes	Yes	100%	n/a	n/a
UK Cystic Fibrosis Registry	Yes	Yes	Yes	100%	n/a	n/a
Seizures & epilepsies in Children & Young Peoples	Yes	Yes	Yes	100%	Yes	The report has been reviewed. A dedicated epilepsy nurse has now been appointed.
National Asthma and Chronic Obstructive Pulmonary Disease (COPD) Audit Programme (NACAP) – Paediatric acute asthma	Yes	Yes	Yes	n/a	n/a	n/a
Medical and Surgical Clinical Outcome Review (NCEPOD)						
Acute heart failure	Yes	Yes	Yes	100%	Yes	The report and the recommendations have been reviewed by the cardiology team. The majority of the recommendations are fully or partially met and an action plan has been developed.
Diabetes – perioperative care	Yes	Yes	Yes	100%	Yes	Report is currently under review
Pulmonary Embolism	Yes	Yes	Yes	100%	n/a	n/a
Acute Bowel Obstruction	Yes	Yes	Yes	n/a	n/a	n/a
Child health clinical outcome review programme (NCEPOD Children)						
Cancer in children & young people	Yes	Yes	Yes	100%	Yes	Report reviewed and HHFT is compliant with all the recommendations
Cerebral palsy	Yes	Yes	Yes	100%	Yes	The report contains 35 recommendations which have been reviewed by the Child Health team. An action plan has been developed for those recommendations not fully met.
Young Peoples Mental Health	Yes	Yes	Yes	100%	n/a	n/a

Note: n/a – is not applicable, it has been used in the above table to report for the following:

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- When an audit report has not been published;
- When the report has not been published and data for the audit is still being collected, analyzed or not yet started, so % submission of number of registered cases cannot be provided;
- When a published report does not contain hospital level data.

Local clinical audits

The reports of 114 local clinical audits were reviewed by the provider in 2018/19. The table below illustrates the key findings and actions from some of these audits. These actions are intended to improve the quality and outcome of care for our patients.

Audit Details	Key findings	Actions taken/ Outcomes
<p>Reduce the risk of harm from oral bowel cleansing solutions (OBCS)</p> <p>Pharmacy</p> <p>Trustwide</p> <p>April 2018</p>	<p>The National Patient Safety Agency (NPSA) issued an alert regarding potential harm associated with oral bowel cleansing preparations and the need to implement safeguards to reduce the risk of their occurrence. This audit was carried out to identify that HHFT comply with the standards issued to ensure their safe use. 53 patients who underwent an endoscopic procedure were included in the audit.</p> <ul style="list-style-type: none"> • 100% was achieved with the standards of care in relation to the safe supply of the oral bowel cleansing solutions to patients • 92% of RHCH and 80.6% of BNHH patients met the standards in relation to the accuracy of clinical assessment and requesting of endoscopic procedures • 93% of RHCH and 91% of BNHH patients had an adequate bowel preparation 	<p>The results from the audit confirm safe use of the solutions.</p> <p>Further improvement actions include:</p> <ul style="list-style-type: none"> • all requests to be completed electronically on ICE to facilitate the screening and ensure the safety supply of the product to the patient • the provision of training for medical staff involved in prescribing of oral bowel cleansing solutions • completion of electronic requests to ensure all necessary information is accurate and up to date
<p>Stroke Mortality Audit</p> <p>Medicine</p> <p>May 2018</p>	<p>This audit was completed as the Sentinel Stroke National Audit Programme (SSNAP) data for April 2016 – March 2017 indicated a slightly higher than national average (but not outside the funnel plot) standardised mortality rate for HHFT.</p> <p>All deaths of patients included in the Stroke Audit over a year were reviewed to identify if any potential deficiencies or unusual factors in care were identified.</p>	<p>Following a casenote review and discussions involving all of the stroke consultants. No deficiencies in care or preventable deaths were identified</p>

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Audit Details	Key findings	Actions taken/ Outcomes
<p>Chest Drain Audit</p> <p>Medical</p> <p>Trustwide</p> <p>August 2018</p>	<p>In 2008 the NPSA issued an alert relating to the safety of chest drain insertions. It was recommended that an annual audit of these procedures be performed to identify any areas of concern. Since then an annual audit has been completed.</p> <p>Key findings from this audit are:</p> <p>Ultrasound</p> <p>In accordance with the guideline ultrasound guidance was used in 100% of non- traumatic cases of effusion.</p> <p>Consent</p> <p>Guidelines suggest that written consent be obtained where ever possible. In previous audits documentation of consent has been poor. This audit showed that 60% of patients had written consent and 12% verbal.</p> <p>Type and size of drain used</p> <p>This was recorded in 80% of cases which is improvement on previous audits.</p> <p>Complications</p> <p>It is reassuring that no complications related to drain insertion were identified.</p>	<p>The chest drain training program for doctors is ongoing and continues to emphasise the need for comprehensive documentation including written consent wherever possible. A re-audit is planned for 2019.</p>
<p>Audit and re-audit of NICE guidelines on pre-operative blood tests.</p> <p>Surgery</p> <p>September 2018</p>	<p>NICE guidelines for surgical procedures state that patients undergoing grade 1 and grade 2 surgeries which have none or little blood loss do not require pre-operative blood tests. The majority of these patients are admitted via the emergency department where a standard group of blood tests are done.</p> <p>The audit results showed that over a month, 56% (34) patients undergoing this type of surgery had an unnecessary blood test.</p> <p>To improve our compliance with the NICE guidance, education was provided</p>	<p>Following the implementation of the posters the re-audit showed improvement with</p> <ul style="list-style-type: none"> 34% (48) patients having unnecessary blood tests. A reduction of 20% from the initial audit. <p>The audit demonstrated that minor cost savings could be made by reducing the number of blood tests, as well as improving the patient experience and adhering to NICE guidance.</p>

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Audit Details	Key findings	Actions taken/ Outcomes												
	to the surgical doctors and guidelines on posters were displayed in the locations patients undergo initial assessments and blood investigations.													
Audit and re-audit of antibiotic stewardship Surgery October 2018	<p>National guidance and local policy state that prescriptions for IV antibiotics should be reviewed daily with consideration to the oral route when appropriate. This audit reviewed the compliance with antibiotic IV to oral switch therapy. Documentation was reviewed of 61 surgical patients who were prescribed oral antibiotics within 24 hours of admission over a 72 hour period. The key findings at the 48-72 hour antibiotic review were:</p> <table border="1" data-bbox="427 987 898 1261"> <thead> <tr> <th>Standard</th><th>Initial Audit</th><th>Re-Audit</th></tr> </thead> <tbody> <tr> <td>Patients continued on IV with <u>no</u> documented rationale</td><td>70%</td><td>7%</td></tr> <tr> <td>Senior antibiotic review within 72 hours of admission</td><td>62%</td><td>81%</td></tr> <tr> <td>Switch made to oral antibiotics within 72 hours</td><td>8%</td><td>25%</td></tr> </tbody> </table>	Standard	Initial Audit	Re-Audit	Patients continued on IV with <u>no</u> documented rationale	70%	7%	Senior antibiotic review within 72 hours of admission	62%	81%	Switch made to oral antibiotics within 72 hours	8%	25%	<p>The action that improved compliance at the re-audit was that all new surgical admissions had an 'antimicrobial review sticker' added to the post-take ward round page of the existing surgical clerking pro forma. As well as being a reminder for junior doctors regarding documentation it also encouraged senior clinicians to review antibiotics earlier in the patients stay.</p> <p>These results have been shared with the antimicrobial and infection control teams who are all very encouraged by the outcomes.</p>
Standard	Initial Audit	Re-Audit												
Patients continued on IV with <u>no</u> documented rationale	70%	7%												
Senior antibiotic review within 72 hours of admission	62%	81%												
Switch made to oral antibiotics within 72 hours	8%	25%												
Complications rates of Hysterectomy Family Services October 2018	<p>This audit was undertaken to assess if complication rates for both abdominal and laparoscopic hysterectomies were in line with the national published rates. A sample of 119 patients over an 11 month period was included in the audit.</p> <p>This includes; 0% mortality, ureteric, bladder or bowel injury, or thromboembolism. Infection rates for abdominal hysterectomy were 4.8% less than half the national average. There were 3 patients who needed to have conversion from abdominal to laparoscopy. This was due to adhesions and probably not preventable or predictable.</p>	<p>The results showed that our outcomes for complications are all below the national average. A re-audit is planned in 12 months.</p>												

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Audit Details	Key findings	Actions taken/ Outcomes
<p>Outcomes of perineoplasty</p> <p>Obstetrics</p> <p>December 2018</p>	<p>This audit was completed to evaluate the post-operative outcomes for VY advancement and ZZ plasty (perineoplasty surgery techniques). Since its recent introduction this procedure is offered to patients with superficial dyspareunia after labour due to a perineal tear.</p> <p>Patients were asked via a questionnaire to mark on a ten point visual analogue scale (VAS) the degree of pain before and after surgery and the effect of symptoms on their quality of life. A patient global impression of improvement (PGI-I) scale for post-operative result was used.</p> <ul style="list-style-type: none"> • 100% patients were pleased with the result of surgery when reviewed in outpatients at three months and excellent anatomical results were noted with no skin splitting. • 100% patients would recommend the procedure to a friend. • 100% patients showed improvement on the PGI-I scale. • A patient also nominated the team for a hospital WOW award. 	<p>The results showed that no complications were identified and the estimated blood loss was minimal. All women were discharged home the same day. This new surgical approach to superficial dyspareunia has produced good surgical outcomes with excellent patient satisfaction and significant improvement in pain scores and patients quality of life.</p>
<p>Documentation of patients with acute lower back pain</p> <p>ED</p> <p>December 2018</p>	<p>The audit was undertaken as lower back pain is a common presentation in the emergency department and requires swift exclusion of cauda equina syndrome, a surgical emergency. The majority of medical-legal cases surrounding lower back pain arise from poor documentation. This project was completed to identify if the introduction of a pro forma which was designed with advice from a medical-legal lawyer to improve documentation.</p> <p>The results of the audit of 20 patients are shown below:</p>	<p>The use of a pro forma to document the assessment of patients demonstrated improved documentation across most outcome measures. This audit has been presented locally at the doctor's quality improvement day, and at the orthopaedic governance meeting. The introduction of the pro forma improved standards of care.</p>

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Audit Details	Key findings	Actions taken/ Outcomes																		
	<table><tr><th>Standard</th><th>Non-pro forma</th><th>Pro forma</th></tr><tr><td>Time of onset of symptoms</td><td>40%</td><td>70%</td></tr><tr><td>Neurological examination</td><td>70%</td><td>100%</td></tr><tr><td>PR examination</td><td>70%</td><td>90%</td></tr><tr><td>Chaperone</td><td>30%</td><td>80%</td></tr><tr><td>Bladder function</td><td>50%</td><td>100%</td></tr></table>	Standard	Non-pro forma	Pro forma	Time of onset of symptoms	40%	70%	Neurological examination	70%	100%	PR examination	70%	90%	Chaperone	30%	80%	Bladder function	50%	100%	
Standard	Non-pro forma	Pro forma																		
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PR examination	70%	90%																		
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Bladder function	50%	100%																		
Administration of Vitamin K in the Neonatal Period Child Health January 2019	<p>NICE Clinical Guideline advises that ‘all parents should be offered vitamin K prophylaxis for their babies to prevent the rare disorder of vitamin K deficiency bleeding. This audit was completed to establish the uptake of vitamin k by parents of neonates. Data was collected over a 6 week period and included 117 babies.</p> <ul style="list-style-type: none">The results showed that 98.3% (115/117) of neonates received vitamin k at birth; only 2 neonates did not receive vitamin k at birth due to parental refusal.	<p>To ensure ongoing compliance a re-audit is planned for June 2019. This audit has been presented at Foundations Doctors teaching session and Paediatric departmental meetings.</p>																		
Re-audit of Chest X-ray before CT Pulmonary Angiogram Radiology January 2019	<p>NICE guidance for investigations into potential pulmonary embolism (PE) is the use of a CT pulmonary angiogram (CTPA) and a chest x-ray (CXR) prior to the scan, to rule out any other pathology. This audit was undertaken to measure whether the patients who undergo a CTPA have had a CXR prior to their scan. Data was collected over a 2 week period and included 87 patients.</p> <ul style="list-style-type: none">The results showed that 84% (73) of patients did receive a chest x-ray prior to their CRPA; these results are similar to the previous audit.	<p>The planned action to improve compliance is to amend the electronic requesting PE pathway to emphasis the requirement of a CXR prior to CTPA. This is being supported by the lead consultant radiologists.</p>																		

Research

The Trust supports clinical research as a means of improving patient care and contributing to wider health improvement. The Trust is a partner organisation of National Institute for Health Research (NIHR) Clinical Research Network: Wessex.

The number of patients receiving relevant health services provided or sub-contracted by Hampshire Hospitals NHS Foundation Trust in 2018/19 that were recruited during that period to participate in

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research approved by a research ethics committee was 3,775. This is the most successful year in terms of numbers of patients recruited ever seen at HHFT.

A total of 65 clinical staff (including students' investigators) led 121 clinical research studies successfully recruiting patients at Hampshire Hospitals NHS Foundation Trust since 01 April 2018. Of the 3,775 participants recruited into studies, currently 3,580 were recruited into National Institute for Health Research portfolio studies. It is anticipated that once all data has been uploaded to the necessary systems, recruitment to NIHR studies will exceed 3,700. The target recruitment for the NIHR portfolio studies in 17/18 was 1,754.

There has been a significant increase in the number of studies or number of staff leading research projects - recruitment in 2018/19 has been significantly enhanced by recruitment into two studies in particular – The ReSPECT Evaluation Study (non-commercial portfolio) recruiting 626 participants and the Arthroplasty S. aureus SSI NI Study (commercial portfolio) recruiting 1,156 participants.

A summary of recruitment into NIHR studies by study type since 2015/16 can be seen in figure 1.

Figure 2 shows recruitment in 2018/19 by study speciality:

- Observational- Non-commercial observational research
- Large scale – Non- commercial observational studies with total sample size =>10,000
- Interventional – Non-commercial interventional research including CTIMPs
- Commercial – Commercially sponsored and fully funded research studies

Figure 1: Recruitment into NIHR studies by study type since 2015/16:

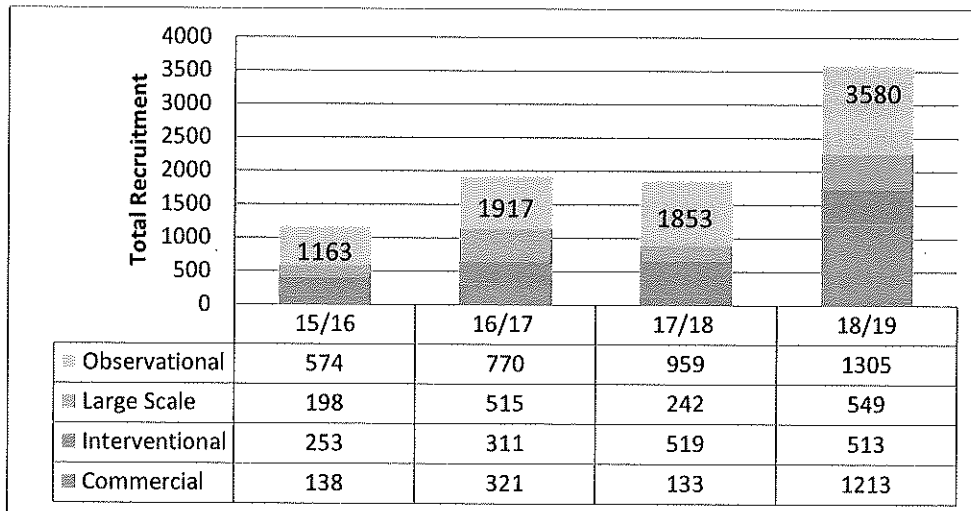
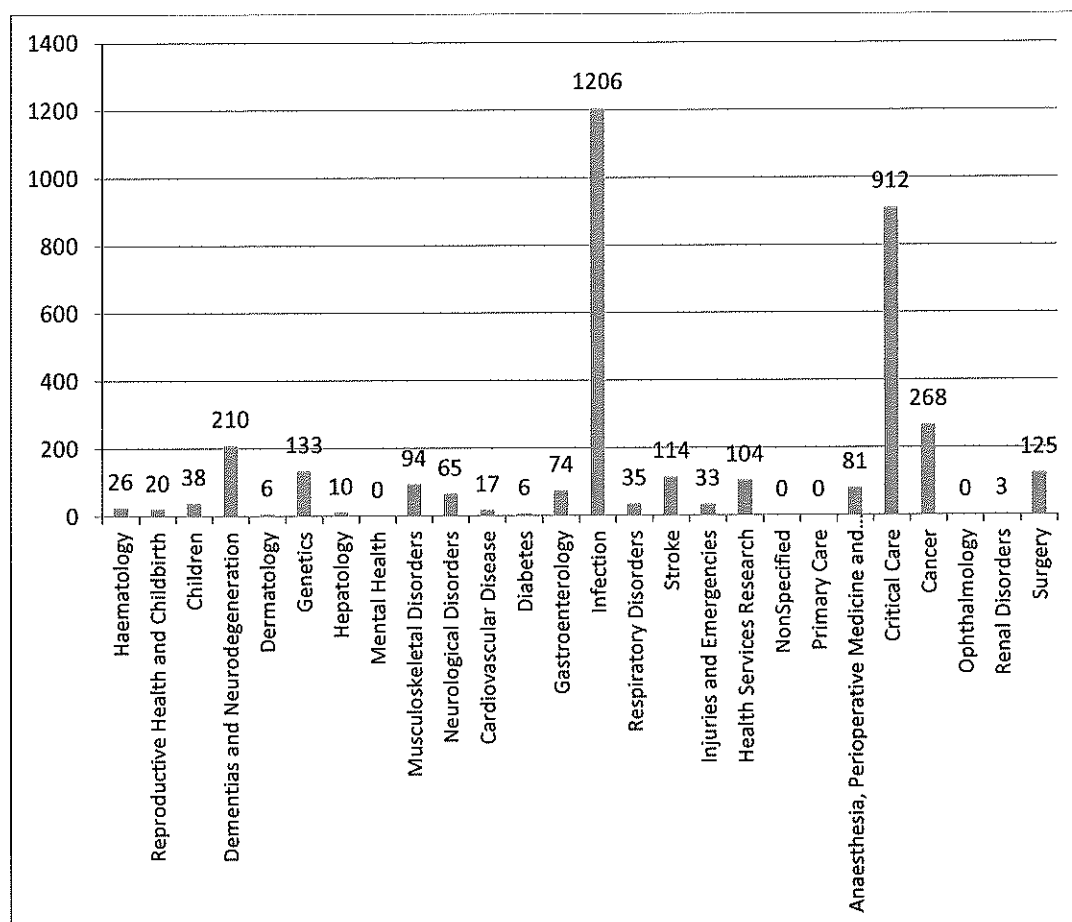


Figure 2: HHFT recruitment into NIHR research studies by specialty for 2018/19:



Studies are often supported by more than one specialty, such as Cancer studies supported by Surgery or Gastroenterology. This is not reflected in the data above. Some specialties also incorporate multiple HHFT teams, such as Musculoskeletal specialty including both Rheumatology and Orthopaedic research.

Achievements from 2018/19 include:

Increase in recruitment to research studies and clinical trials

The ReSPECT Evaluation Study recruited 626 participants at all of BNHH, RHCH and AWMH, across 37 wards on two single days in May 18. This was only possible through the dedicated planning and organisation of the research team. All research staff across the Trust were deployed to support the study, alongside many non-research clinical and non-clinical staff, including ward clerks, junior doctors and library staff, who volunteered to support on the day. The local data collected as part of the evaluation has already helped to improve the ReSPECT process at HHFT. It has raised awareness of research across the Trust and given non-research staff an opportunity to get involved in a research study. A poster describing how we delivered this study has been accepted for presentation at the National R&D Forum Conference 2019, and the research department have been shortlisted for the Outstanding Collaborative Working Award at the annual CRN Wessex Awards.

The Arthroplasty S. aureus SSI NI Study, is an epidemiologic study of surgical site infections following hip and knee replacements. The target number of patients was high, and the amount of data to be collected was significant. This was a commercial study with funding which allowed us to recruit an additional Clinical Trial Assistant to support data collection. Without this investment, it would not have been possible to successfully deliver the study. This member of staff will now go on to support further research within the clinical specialty.

HHFT is currently the third highest recruiting Trust in the CRN Wessex region in 2018/19, behind University Hospital Southampton NHS Foundation Trust and Portsmouth Hospitals NHS Trust.

First Global Patient

The Haemophilia Research Team were successful in recruiting the first global participant to the Bioverativ 242HA201 commercial study, a prospective study in patients with severe Haemophilia A.

It is a significant achievement for an organisation to recruit the first global participant, with support and coordination from R&D, the research team and study sponsor to make this happen.

70@70 NIHR Senior Nurse and Midwife Research Leader Programme

Lead Research Nurse Cindy Whitbread has been accepted onto the 70@70 NIHR programme after a competitive recruitment process. The aims of the programme are to strengthen the research voice and influence of nurses and midwives in NHS provider organisations. It will also enhance the connection between the research voice and perspectives of NHS nurses and midwives with the NIHR research agendas. The selected leaders will work to develop the research capacity and capability of the workforce particularly the nurse and midwifery workforce. They will also ensure direct care research priorities are identified and used to inform NIHR commissioning activity, and will be committed to championing the promotion of an embedded research active culture among nursing and midwifery staff in their organisations. This is a three year programme with funding support for salary costs.

During 2019/20 the HHFT Research and Development team will:

- Recruit our first Patient Research Ambassadors to help champion and support research and improve communication to staff and the public about research opportunities.
- Work with internal and external colleagues to develop and embed research into the workforce, through the 70@70 programme and collaborative work with the University of Winchester.
- Support the Trust to ensure that research indicators now included in the CQC well-led inspection framework are met.
- Continue to develop and support collaborative research studies between HHFT and the University of Winchester, particularly with the Health and Wellbeing Research Group, Department of Sports and Exercise Science and Department of Psychology.
- Continue plans to develop a Clinical Trials laboratory at HHFT.

Commissioning for Quality and Innovation

A proportion of Hampshire Hospitals NHS Foundation Trust's income in 2018/19 was conditional on achieving quality improvement and innovation goals agreed between Hampshire Hospitals 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.

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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/> within the 2017/2019 CQUINs.

The monetary total income for 2018/19 conditional on achieving quality improvement and innovation goals is £7,667,414 and for 2017/18 the monetary total for the associated payment was £7,032,385 including the additional risk CQUIN of 0.5% received from NHSI. Very good progress has been made on all the CQUINs in 2018/19

The CCG Schemes:

- Improvement of Health and Wellbeing of NHS staff
- Healthy food for NHS staff, visitors and patients
- Improving uptake of Flu vaccinations for front line clinical staff
- Timely identification and treatment of patients with sepsis in Emergency Departments and Acute Inpatient Settings
- Assessment of clinical antibiotic review between 24-72 hours of patients with sepsis
- Reduction in antibiotic consumption per 1,000 admissions
- Improving services for people with mental health needs who present to A&E
- Electronic Advice and Guidance implementation
- Preventing ill health by risky behaviours – alcohol and tobacco screening/advice/referral and medication.

Specialist and other schemes:

- Heamtrack Severe Haemophilia Home Reporting
- Nationally Standardised Dose banding for Adult Intravenous Anticancer Therapy
- Optimising Palliative Chemotherapy Decision Making
- Hospital Medicines Management Optimisation
- Dental – Managed Clinical Network attendance and project completion
- Public Health – Agreed Local Arrangements
- Armed Forces – Increased covenant adoption

The Trust is currently assuming 100% for Specialist Commissioning and public health/dental contracts and 80% for all other commissioners pending confirmation of CQUIN outcomes after Q4 data submission.

Information on data quality

Various external and internal data quality metrics are routinely checked and monitored within the Business Intelligence Department (e.g. Secondary Users Services (SUS) DQ Dashboard, completeness and validity reports). These are then used as a pointer for the Data Quality Group to add to their agenda as necessary. Data Quality is a devolved task within the Trust with the Data Quality Group used to communicate potential actions.

Completeness and Validity Reports (APC and OP)

This report was a requirement of previous IG Toolkit submissions. For APC and OP a download is taken from SUS (in this instance April 2018 – September 2018) and matched against national definitions. The % rating is then matched against a scoring and weighting system to give an overall average score. The final score out of 10 is then assigned a Level:

- Level 1 Over 3
- Level 2 Over 6
- Level 3 Over 9

SUS DQ Dashboards

These are nationally produced dashboards which, when selected at a hospital level, comparisons can be made against national and local trust averages. Dashboards are published for APC, OP, ED, Maternity and Critical Care.

The Data Security Protection Toolkit 2018-19

Each year, Hampshire Hospitals NHS Foundation Trust must report our Information Governance compliance by completing the Data Security and Protection Toolkit hosted by NHS Digital. The Trust expects to meet all the required standards of the DSPT in 2018-19.

The Data security protection toolkit (DSPT) replaced the Information Governance (IG) Toolkit in April 2018. The DSPT is completed once in each financial year and is an online, self-assessment tool for demonstrating compliance with the 10 data security standards that have been laid out by NHS Digital. It has been designed for health and social care organisations. All organisations that have access to NHS patient data and systems must use this toolkit to provide assurance that they are practising good data security and that personal information is handled correctly.

HHFT reported 1 incident to the Information Commissioner's Office (ICO) in 2018/19. No further action was required.

Hampshire Hospitals 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. This is for the period 01 April 2018 – 31 January 2019.

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

- 99.7 per cent for admitted patient care;
- 99.9 per cent for outpatient care; and
- 98.3 per cent for accident and emergency care.

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

- 99.9 per cent for admitted patient care;
- 99.9 per cent for outpatient care; and
- 99.7 per cent for accident and emergency care.

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Hampshire Hospitals NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during the reporting period by the Audit Commission. A local clinical coding audit was undertaken during the reporting period and the error rates for that period for diagnoses and treatment coding (clinical coding) were:

- 91.5% per cent for primary diagnosis coded correctly
- 93.3% per cent for secondary diagnosis coded correctly
- 97.4% per cent for primary procedure coded correctly
- 98.4% per cent for secondary procedure coded correctly.

The results should not be extrapolated further than the actual sample audited.

The audit reviewed the clinical coding accuracy of 200 Finished Consultant Episodes (FCEs) of activity undertaken across Hampshire Hospitals NHS Foundation Trust. The audit sample was selected randomly from period October – December 2018. This was a cross specialty audit. The specialties reviewed included:

- General Surgery
- Trauma & Orthopaedics
- Gastroenterology
- Cardiology
- General Medicine; and
- Paediatrics

Hampshire Hospitals NHS Foundation Trust will be taking the following actions to improve data quality:

1. Provide guidance to coders on information from case notes to use when coding a patient based on the referral letters and pre-assessment documentation to capture all mandatory comorbidities, as well as other relevant conditions.
2. Operation note coding and exercises to be carried out with coders to assist with extracting all information from operation notes.
3. Share the audit findings with the team, specifically raise awareness of indexing conditions when other conditions are present.
4. Feedback to clinicians to improve the quality of information provided on the discharge summaries and the correct use of ICD-10 codes.
5. Review staffing levels within the clinical coding teams which will support the review of histology reporting and amendment of the coding with this information.

Learning from Deaths

During 2018/19 there were 1,653 patient deaths at Hampshire Hospitals NHS Foundation Trust. This comprised the following number of deaths which occurred in each quarter of that reporting period:

- 412 in the first quarter
- 358 in the second quarter
- 419 in the third quarter
- 464 in the fourth quarter

By 31 March 2019 1,019 case record reviews and 52 investigations have been carried out in relation to 1,653 of the deaths (as total above).

In 37 cases a death was subjected to both a case review and an investigation. The number of deaths in each quarter for which a case record review or an investigation was carried out was:

- 358 in the first quarter
- 289 in the second quarter

- 305 in the third quarter
- 119 in the fourth quarter

3 patient deaths representing 0.18%, 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 patient death representing 0.24% for the first quarter;

1 patient death representing 0.28% for the second quarter;

1 patient death representing 0.24% for the third quarter; and

0 patient deaths representing 0% for the fourth quarter.

233 case record reviews and 24 investigations completed after 1 April 2018 which related to deaths which took place before the start of the reporting period.

0 patients representing 0%, of the patient deaths before the reporting period, are judged to be more likely than not to have been due to problems in the care provided to the patient.

4 patient deaths representing 0.23%, of the patient deaths during 2017/18 (the previous reporting period) are judged to be more likely than not to have been due to problems in the care provided to the patient.

These numbers have been estimated using the national guidance on learning from deaths and the definitions:

Case record review: The application of a case record/note review to determine whether there were any problems in the care provided to the patient who died in order to learn from what happened.

HHFT has developed an electronic mortality screening tool which is used by clinical staff, trained to screen, to determine any potential problems in care or potential avoid ability or just to identify potential learning.

Investigation: The act or process of investigating; a systematic analysis of what happened, how it happened and why. This draws on evidence, including physical evidence, witness accounts, policies, procedures, guidance, good practice and observation - in order to identify the problems in care or service delivery that preceded an incident to understand how and why it occurred. The process aims to identify what may need to change in service provision in order to reduce the risk of future occurrence of similar events.

At HHFT the investigation is carried out using the Structure Judgement Review process by the Royal College of Physicians and/or the Trust SIRI investigation process. The investigation is presented at the Mortality Surveillance Group (MSG) where there is scrutiny of the review, the findings and recommendations and learning is identified.

- (i) **Death due to a problem in care:** A death that has been clinically assessed using a recognised methodology of case record/note review and determined more likely than not to have resulted from problems in healthcare and therefore to have been potentially avoidable.

This definition is used in the determination of the Likert score at the Mortality Surveillance Group (MSG) meetings and reporting. Consistency in judgement case reviews is achieved through the use of a standardised two stage process with robust scrutiny and challenge at the MSG.

Actions taken in relation to the learning from deaths and the impact of these from 2018/19

During 2018/19 the Trust has continued to develop mortality review processes and the Learning from Deaths Policy has been reviewed.

The Trust Mortality Surveillance Group identified the theme of the recognition and treatment of sepsis as learning from mortality reviews. The Trust has undertaken a strategic approach to improve the identification and timely management of deteriorating patients, including those patients who are at risk of sepsis. Quality Improvement initiatives include:

- New clinical (consultant) lead for sepsis appointed July 2018
- Two new sepsis nurses appointed in July 2018 providing an ongoing role in education of staff and development of sepsis tools
- Implementation of physiological observations in line with recommendations (effective 1 October 2018)
- New sepsis in Adults Recognition Policy February 2019 and updated National Adult Early Warning Score Policy February 2019 to support the prompt recognition and management of acute illness including sepsis to ensure that rapid initiation of treatment occurs
- Participation in the national CQUIN programme (on-going)
- A working group has been established to steer the strategic implementation and oversee the management of the recognition and treatment of the deteriorating adult. The group aims to provide oversight, scrutiny and guidance on subsidiary work streams which focus on the recognition and management of:
 - Sepsis and deterioration
 - Use of physiological observations and escalation
 - Implementation of physiological observations into an electronic platform as part of the HHFT Digital Care Programme
 - Unplanned admissions into Critical Care
 - Cardiac arrest events

In 2018, the Trust was identified as having a higher than national average mortality rate following fractured neck of femur surgery. A clinical review of patients was undertaken by the Trust and an external review by the British Orthopaedic Association was commissioned and undertaken in November 2018. There were common themes in the recommendations of both reports which are being implemented:

- Dedicated nutritional assistant support
- Ortho-geriatric consultant appointment starting April 2019
- New anaesthetic protocol with more use of blocks and haemoglobin measurement for all in recovery
- Reconfiguration of wards to provide close observation bay especially in the first 24 hours post operatively
- Monthly hip fracture meetings to include all of the multidisciplinary team

Part 2.3: Reporting against core indicators

The tables below provide an overview of Hampshire Hospitals NHS Foundation Trust's performance in 2018/19 against the key national priorities. Where possible this data is presented with comparisons with the national average and other hospitals.

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The data is presented for the last two reporting periods and the table includes notes on definitions, data quality, improvement actions that have been taken or are planned and notes on data sources. Reference is also made to the NHS Outcomes Framework Domains that are relevant to each indicator.

Indicator	Jan 17 - Dec 17	Apr 17 - Mar 18	Jul 17 - Jun 18	Oct 17 - Sep 18	National Average Oct 17 - Sep 18	Best Figure Oct 17 - Sep 18	Worst Figure Oct 17 - Sep 18	NHS Outcomes Framework Domain
SHMI - value	1.03	1.01	1.01	1.02	1.00	0.69	1.27	1. Preventing people from dying prematurely
SHMI - banding	2	2	2	2	2	3	1	
SHMI – % deaths with palliative care coding	36.4	38.1	40.5	41.3	33.7	59.5	14.3	2. Enhancing quality of life for people with long term conditions
Definition SHMI – Summary Hospital-level Mortality Indicator SHMI measures deaths that happen both in an NHS hospital and that occur within 30 days of discharge from a hospital stay. It is the ratio between the actual number of patients who die following a treatment at the Trust and the number that would be expected to die on the basis of average England figures, given the characteristics of the patients treated there. The data used to produce the SHMI is generated from data the trusts submit to the Secondary Uses Services (SUS) linked with data from the Office for National Statistics (ONS) death registrations to enable capturing of deaths which occur outside of hospitals. SHMI gives an indication for each hospital trust in England whether the observed number of deaths within 30 days of discharge from hospital was higher than expected, lower than expected or as expected when compared to the national baseline. Banding 1 means “Higher than Expected”, Banding 2 means “As Expected” and Banding 3 means “Lower than Expected”. The Hampshire Hospitals NHS Foundation Trust considers that this data is as described for the following reasons: There is robust reporting and scrutiny at multidisciplinary quality committees and groups including the Trusts Mortality Surveillance Group and Quality and Performance Committee in regard to mortality review as set out in the Trust’s Learning from Deaths policy. There are established processes in place to review data quality. The Hampshire Hospitals NHS Foundation Trust intends to take the following actions to improve this indicator and so the quality of its services: continuing to develop the approach to reviewing deaths at specialty level in morbidity and mortality meetings, developing the mortality review process for all deaths with the proposal and implementation of the medical examiner role and sharing lessons learned from the Trusts Serious Event Review Group and Deteriorating Adult Patient Group. Notes on data sources Data source – NHS Digital The palliative care indicator is a contextual indicator The best and worst figures are for all hospitals not medium sized acute trusts The data shown here is for the period October 2017 – September 2018. Data after September 2018 is not available The Summary Hospital-level Mortality Indicator (SHMI) data is for a rolling one year period, and is in arrears								

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Indicator	2015/2016	2016/2017	2017/2018	National Average 2017/2018	Best Figure 2017/2018	Worst Figure 2017/2018	NHS Outcomes Framework Domain
PROMS Score – Groin Hernia Surgery	0.102	0.100	0.119 (Apr 17-Sep 17)	0.089 (Apr 17-Sep 17)	0.137 (Apr 17-Sep 17)	0.029 (Apr 17-Sep 17)	3. Helping people to recover from episodes of ill health or following injury
PROMS Score – Varicose Veins Surgery	*	*	*(Apr 17-Sep 17)	0.096(Apr 17-Sep 17)	0.134(Apr 17-Sep 17)	0.035(Apr 17-Sep 17)	
PROMS Score – Hip Replacement Surgery – primary	0.446	0.451	0.492	0.468	0.566	0.376	
PROMS Score – Knee Replacement Surgery – primary	0.319	0.309	0.346	0.338	0.417	0.234	
Definition PROMS – Patient Reported Outcome Measures are a means of collecting information on the effectiveness of care delivered to NHS patients as perceived by the patients themselves. It is reported at Trust level and the value for each procedure is the “case-mix adjusted average health gain” as determined by the EQ-5D Index. The Hampshire Hospitals NHS Foundation Trust considers that this data is as described for the following reasons: There is a robust process in place to administer the PROMS programme and ensure surveys are distributed and responses collated and shared with clinical teams as part of the review of clinical effectiveness to inform improvement initiatives. The Hampshire Hospitals NHS Foundation Trust intends to take the following action to improve this indicator and so the quality of its services: continuing to provide the outcome data that is available at specialty level within the Trust and triangulating the data with other sources of data to inform quality reviews and benchmarking activities. Notes on data sources Data source – NHS Digital The best and worst figures are for all providers not medium sized acute trusts Data for 2016/17 has been refreshed. Verified data for 2018/19 is not available. PROMS data on Groin Hernia and varicose vein surgery ceased to be collected on 1 October 2017 following the consultation on the future of PROMs by NHS England *Insufficient data: due to reasons of confidentiality, small figures have been suppressed							

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Indicator	2015/16	2016/17	2017/18	2018/19 (Apr – Nov)	National Average 2018/19	Best Figure 2018/19	Worst Figure 2018/19	NHS Outcomes Framework Domain
% of patients aged 0-15 readmitted within 28 days of discharge	8.10%	8.42%	8.54%	8.44%	Data not available	Data not available	Data not available	3. Helping people to recover from episodes of ill health or following injury
% of patients aged 16 or over readmitted within 28 days of discharge	5.64%	7.05%	7.62%	7.69%	Data not available	Data not available	Data not available	
Definition Readmission Rate - the percentage of patients readmitted to a hospital which forms part of the trust within 28 days of being discharged from a hospital which forms part of the trust during the reporting period; aged: 0-15 and 16 or over. The Hampshire Hospitals NHS Foundation Trust considers that this data is as described for the following reasons: The data is unavailable nationally and so it has been produced from HED in accordance with the requirements specified (as closely as possible to the requirements specified) to gather the data for Hampshire Hospital NHS Foundation Trust. National Average and Best and Worst figures for 2018/19 are not available. The Hampshire Hospitals NHS Foundation Trust intends to take the following action to improve this indicator and so the quality of its services: Readmission data is reported to the Board of Directors on a monthly basis and reviewed at Divisional Governance Performance Reviews for themes and trends by specialty. Readmissions will be a focus of review within the improvement programmes focusing on patient flow with engagement from health and social care partners to help prevent readmissions. Notes on data sources Data source – HED Published data from NHS Digital is not available for beyond 2011/12								

Indicator	2015/16	2016/17	2017/18	National Average 2017/18	Best Figure 2017/18	Worst Figure 2017/18	NHS Outcomes Framework Domain
Responsiveness to personal needs of patient	71.1	70.2	71.9	68.6	85	60.5	4. Ensuring that people have a positive experience of care

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Definition

This is the Trust's score with regard to its responsiveness to the personal needs of its patients during the reporting period. It is the average weighted score of 5 questions relating to responsiveness to inpatients' personal needs (score out of 100).

The Hampshire Hospitals NHS Foundation Trust considers that this data is as described for the following reasons :

This is a composite score calculated as the average of five survey questions from the National Inpatient Survey undertaken on behalf of the Trust by an approved contractor. Each question describes a different element of the overarching theme, "responsiveness to patients' personal needs" and reflects the feedback provided by patients:

- Were you involved as much as you wanted to be in decisions about your care and treatment?
- Did you find someone on the hospital staff to talk to about your worries and fears?
- Were you given enough privacy when discussing your condition or treatment?
- Did a member of staff tell you about medication side effects to watch for when you went home?
- Did hospital staff tell you who to contact if you were worried about your condition or treatment after you left hospital?

Hampshire Hospitals NHS Foundation Trust has taken the following action to improve this indicator and so the quality of its services:

The five elements of responsiveness remain a focus for the Trust and are reflected in the CQC action plan, peer review programme and ward improvement plans. These questions will remain the focus of patient satisfaction surveys and patient involvement and engagement activities to ensure we are responsive to patient's personal needs as part of our vision to deliver outstanding care for all our patients.

Notes on data sources

Data source – NHS Digital

The best and worst figures are for all providers not medium sized acute trusts

Data is not available for 2018/19 from NHS Digital

Indicator	2016	2017	2018	National Average 2018	Best Figure 2018	Worst Figure 2018	NHS Outcomes Framework Domain
% of staff employed who would recommend the trust as a provider of care to their family or friends	78	77	71	70	90	41	4. Ensuring that people have a positive experience of care
Definition <p>This the percentage of staff employed by, or under contract to, the trust during the reporting period who would recommend the trust as a provider of care to their family or friends. The question was: If a friend or relative needed treatment I would be happy with the standard of care provided by this organisation.</p> <p>The Hampshire Hospitals NHS Foundation Trust considers that this data is as described for the following reasons:</p> <p>The data reflects the overall feedback from staff in the 2018 staff survey and the deterioration from 2017 to 2018 in nine of the ten indicators. The results from the staff Friends and Family Test Survey provide insights into the reasons staff would and would not recommend the Trust as a provider of care to their family or friends.</p> <p>The Hampshire Hospitals NHS Foundation Trust intends to take the following action to improve this indicator and so the quality of its services: A key part of our response to the staff survey is our culture change and leadership programme which encompasses all aspects of working in the Trust and involves change ambassadors designing key interventions to support change for our staff across the organisation and which will hopefully positively impact on all of the surveys indicators.. Comments from the staff Friends and Family Test Survey provide insights into the</p>							

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reasons staff would and would not recommend the Trust as a provider of care to their family or friends and will be triangulated with our sources of feedback. Our priorities for 2019/20 are aligned to our vision to provide outstanding care for our patients.

Notes on data sources

Data source – NHSStaffSurveys.com

The best and worse figures are for all acute trusts

The data is from the results of the staff surveys 2016, 2017 and 2018

This data is unweighted

Indicator		Apr 2018	May 2018	Jun 2018	Jul 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	NHS Outcomes Framework Domain
HHFT A&E Friends and Family Test Score	% Would Recommend	90%	86%	87%	87%	87%	88%	88%	87%	88%	90%	88%	89%	4. Ensuring that people have a positive experience of care
	% Would not Recommend	5%	8%	6%	7%	7%	7%	7%	8%	7%	5%	6%	6%	
National score	% Would Recommend	87%	87%	87%	87%	88%	86%	87%	87%	86%	86%	85%	86%	
	% Would not Recommend	8%	7%	7%	8%	7%	8%	8%	8%	8%	8%	9%	8%	
HHFT Inpatient Friends and Family Test Score	% Would Recommend	97%	96%	97%	96%	96%	96%	96%	96%	96%	96%	96%	96%	
	% Would not Recommend	1%	1%	1%	1%	2%	1%	1%	1%	1%	1%	1%	1%	
National score	% Would Recommend	96%	96%	96%	96%	96%	96%	96%	96%	96%	96%	96%	96%	
	% Would not Recommend	2%	1%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	
HHFT Maternity Birth Friends and Family Test Score	% Would Recommend	99%	98%	97%	98%	99%	99%	97%	97%	99%	99%	99%	97%	
	% Would not Recommend	0%	1%	1%	0%	0%	0%	1%	0%	0%	0%	0%	2%	
National score	% Would Recommend	97%	97%	97%	97%	97%	96%	97%	97%	97%	97%	97%	97%	
	% Would not Recommend	1%	1%	1%	1%	1%	2%	1%	1%	1%	1%	1%	1%	
HHFT Outpatients Friends and Family Test Score	% Would Recommend	94%	94%	93%	94%	93%	94%	95%	93%	94%	95%	93%	94%	
	% Would not Recommend	2%	2%	3%	2%	3%	2%	2%	2%	2%	2%	3%	2%	
National score	% Would Recommend	94%	94%	94%	94%	94%	93%	94%	94%	94%	94%	94%	94%	
	% Would not Recommend	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	

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Definition

The Trust's Friends and Family Test score from a single question survey which asks patients whether they would recommend the NHS service they have received to friends and family who need similar treatment or care.

The Hampshire Hospitals NHS Foundation Trust considers that this data is as described for the following reason: There is a robust process for administering the Friends and Family survey with a number of channels used to encourage and support participation. Response rates above the national average provide sufficient data to represent patient experience and the feedback is triangulated with other sources of feedback.

The Hampshire Hospitals NHS Foundation Trust intends to take the following actions to improve this indicator and so the quality of its services: Continuing to develop the usefulness of the Friends and Family Test Survey by sharing the results and comments with each ward and department and using as part of the information within Quality Improvement projects, transformation programmes, peer review programme and ward accreditation scheme and demonstrating that the feedback has been used with evidence of "You said - We did"

Notes on data sources

Data source – NHS England

Inpatient data excludes independent sector providers

Indicator	2016/17	2017/18	Apr 18 – Dec 18	National Average Apr 18 – Dec 18	Best Figure Apr 18 – Dec 18	Worst Figure Apr 18 – Dec 18	NHS Outcomes Framework Domain
% of patients admitted and were risk assessed for venous thromboembolism	96.41	96.75	96.61	95.59	100	70.94	5. Treating and caring for people in a safe environment and protecting them from avoidable harm
Definition <p>The percentage of patients who were admitted to hospital and who were risk assessed for venous thromboembolism (VTE) during the reporting period.</p> <p>The Hampshire Hospitals NHS Foundation Trust considers that this data is as described for the following reasons:</p> <p>There are processes and policies in place to provide a standardised approach to the assessment, documentation and prescribing in the management of VTE. The metric is reviewed as part of the Governance scorecard on a monthly basis and subject to data quality review The Trust is achieving the CQUIN target of 95% of admissions risk assessed for VTE. Each VTE event is subject to a root cause analysis.</p> <p>The Hampshire Hospitals NHS Foundation Trust has taken the following actions to improve this indicator and so the quality of its services:</p> <p>The building of new Electronic Patient Record (EPR) infrastructure will support electronic recording of VTE assessment for elective and non - elective admissions and the introduction of eWhiteboards to all wards will provide visibility and prompts for VTE assessment. The anticoagulation in-reach service provides ongoing support to all wards to support them in both anticoagulation and thromboprophylaxis and a move to largely electronic working in the haematology team provides automated triggers for counselling of patients new to anticoagulation.</p> <p>Notes on data sources Data source – NHS Improvement</p> <p>The best and worst figures are for all hospitals not medium sized acute trusts</p> <p>Data is not available for Q4 onwards 2018/19 from NHS Improvement</p>							

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Indicator	2015/16	2016/17	2017/18	National Average 2017/18	Best Figure 2017/18	Worst Figure 2017/18	NHS Outcomes Framework Domain
Rate per 100,000 bed days of cases of C Difficile	14.3	10.4	9.2	13.2	0	91.0	5. Treating and caring for people in a safe environment and protecting them from avoidable harm
Definition The rate per 100,000 bed days of cases of C Difficile infection that have occurred within the trust amongst patients aged 2 or over during the reporting period. The Hampshire Hospitals NHS Foundation Trust considers that this data is as described for the following reasons: T Trust continues to monitor this data on a monthly basis at multidisciplinary quality forums and at the Infection Prevention and Control Committee. The Trust delivered under the annual trajectory for C-difficile in 2018/19. There are robust systems in place to reduce the risk of infection in hospital, to manage appropriately those that do occur and to support the organisation in an attitude of zero tolerance to hospital acquired infection. There are established programmes of surveillance, audits, staff training and participation in local and national campaigns The Hampshire Hospitals NHS Foundation Trust intends to take the following actions to improve this indicator and so the quality of its services: The Trust will ensure that infection prevention and control principles are incorporated into all clinical and non-clinical activities of the trust e.g. cleanliness, decontamination, bed management, new purchases of medical equipment and building work and will continue to implement periods of increase surveillance to support improvement and raise the profile of infection prevention and control throughout the Trust.							
Notes on data sources Data source – Gov.UK website The best and worst figures are for all hospitals not medium sized acute trusts Data for 2016/17 has been refreshed Data is not available for 2018/19 from the Gov.UK website							

Indicator	Apr 16 – Sep 16	Oct 16 – Mar 17	Apr 17 – Sep 17	Oct 17 – Mar 18	National Average Oct 17 – Mar 18	Best Figure Oct 17 – Mar 18	Worst Figure Oct 17 – Mar 18	NHS Outcomes Framework Domain
Number of patient safety incidents	4,219	4,009	4,366	4,768	5,449	*19,897	1,311	5. Treating and caring for people in a safe environment
Rate of patient safety incidents	31.1	30.2	34	35.2	42.6	124.0	24.2	
Number of patient safety	19	20	22	18	19	0	99	

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incidents that resulted in severe harm or deaths								and protecting them from avoidable harm
% of patient safety incidents that resulted in severe harm or deaths	0.14	0.15	0.17	0.13	0.16	0.00	0.55	
<p>Definition</p> <p>The number and where available, rate of patient safety incidents that occurred within the trust during the reporting period, and the percentage of such patient safety incidents that resulted in severe harm or death.</p> <p>Following advice from the NRLS any pressure ulcers that occurred outside the organisation should no longer be included in the data submitted.</p> <p>The Hampshire Hospitals NHS Foundation Trust considers that this data is as described for the following reason:</p> <p>The trust encourages a reporting culture and this reflects a positive patient safety culture. All patient safety incidents are reviewed and reported to the National Reporting and learning System (NRLS). The latest report published by the NRLS compares our patient safety incident reporting from April to September 2017 to April to September 2018. There was no significant change in our reporting rate per 1,000 bed days with 34.02 incidents reported per 1,000 bed days April to Sept 2017 and 37.52 incidents per 1,000 bed days between April and Sept 2018. No evidence for potential under reporting identified.</p> <p>Incidents are reviewed for level of harm and all incidents resulting in moderate, severe or death harm are investigated. A review of the Serious Incident Review Process has been undertaken and a 48 hour panel implemented to review the incidents that may meet the definition of a serious incident. All serious incident investigations are undertaken in accordance with the Serious Incident Framework and reviewed at the Trust Serious Event Review Panel (SERG).</p> <p>The Hampshire Hospitals NHS Foundation Trust intends to take the following actions to improve this indicator and so the quality of its services: The Trust will continue to develop its approach to the reporting and learning from incidents incorporating the learning into quality reviews and improvement initiatives. The Trust will respond to new guidance expected in 2019 in relation to the Serious Incident Framework. .</p> <p>Notes on data sources</p> <p>Data source – NHS Digital</p> <p>From April 2014 the national average, highest and lowest figures are for acute non specialist trusts</p> <p>Data is not available for 2018/19 from NHS Digital</p> <p>Rate is per 1,000 bed days</p> <p>*Advised by NHS Digital, this is a new organisation and the rate should be used with caution. The next highest figure for number of patient safety incidents is 15,779</p>								

QUALITY REPORT

NHS Improvement Quality Indicators

The table below illustrates Hampshire Hospitals NHS Foundation Trust performance against the NHS Improvement Quality indicators for 2018/19.

Total Year: 2018/19			
Indicator	Threshold	NHSI Quality of Care Indicator	2018/19
Operational Performance Metrics for NHSI			
Cancer 62 Day Waits for first treatment inc rare cancers (from urgent GP referral)	>85%	NO	78.2
Cancer 62 Day Waits for first treatment (from consultant led screening service referral)	>90%	NO	96.0
A&E Clinical Quality - Total Time in A&E under 4 hrs	>95%	NO	83.6
Diagnostics waiting over 6 weeks (% of total)	<1%	NO	3.2
Clostridium Difficile - meeting the Clostridium difficile objective	33	YES	25
Referral to treatment time, 18 weeks in aggregate, incomplete pathways	>92%	NO	89.5

Each breach should be specifically reviewed to identify if the extended delay has caused harm to the patient. This is undertaken through a process of individual root cause analysis and clinical harm review within the specialty.

If extended delay is shown to have resulted in serious harm of available evidence suggests that this may have been the case the Trust will follow its policy of Reporting, Managing and Learning from Incidents policy including serious incidents requiring investigations.

Data Quality Definitions

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

Percentage of patients receiving first definitive treatment for cancer within 62 days of an urgent GP referral for suspected cancer

Numerator

The number of patients receiving first definitive treatment for cancer within 62 days following an urgent GP referral for suspected cancer within a given period for all cancers

Denominator

The total number of patients receiving first definitive treatment for cancer following an urgent GP referral for suspected cancer

Indicator format

Reported as a percentage

The testing of the 62 day cancer waiting time indicator identified issues of inconsistency relating to the entry into treatment date and the actual date that first treatment was provided. Action has been taken to address the reporting and the quality of reporting will be monitored and audited with the introduction of a data quality check scorecard to document weekly checks. Actions are also in place to improve access to supporting documentation to confirm the actual date that events occurred. These actions will be reported on to the Board of Directors.

Percentage of patients with a total time in A&E of four hours or less from arrival to admission, transfer or discharge

Numerator

The total number of patients who have a total time in A&E of four hours or less from arrival to admission, transfer or discharge. Calculated as:

(Total number of unplanned A&E attendances) – (Total number of patients who have a total time in A&E over 4 hours from arrival to admission, transfer or discharge)

Denominator

The total number of unplanned A&E attendances

Indicator format

Reported as a percentage

The testing of the A&E maximum waiting time indicator identified issues of inconsistency relating to the recording of ambulance handover time for patients attending the Emergency Departments at the Royal Hampshire County Hospital and Basingstoke and North Hampshire Hospital and to the discharge recording at the Royal Hampshire County Hospital. Action has been taken to address the reporting and the quality of reporting will be monitored and audited. This will be reported on to the Board of Directors.

The significant investments made in the estate and facilities in both Emergency Departments and engagement in targeted improvement programmes to support rapid assessment and patient flow are expected to have a significant impact on the ambulance handover procedure and discharge of patients who are clinically ready to leave the department but are waiting for support to do so such as family or patient transport.

Local Indicator

There is a requirement to get assurance through the substantive sample testing of one local indicator included in the quality report, to be selected by the governors of the Trust.

The Governors selected the Summary Hospital level Mortality Indicator (SHMI) as the local indicator as recommended by NHS Improvement for NHS foundation trusts providing acute services, for 2018/19. This is an area that our auditors have not looked at previously and so would provide a new source of assurance and is also an area of national priority in relation to the focus on 'learning from deaths'.

There were no issues of concern raised following the testing of the local indicator: SHMI

Other information

The Trust has chosen a range of indicators reflecting patient safety, clinical effectiveness and patient experience for inclusion in this section. The indicators were initially chosen after consultation with a range of stakeholders including patient groups, governors and Foundation Trust members. The Associate Medical Directors (AMDs) of Governance have reviewed the indicators and confirm to the Board of Directors that they best reflect the quality of the services we deliver.

The indicators reflect clinical effectiveness, patient safety and patient experience work carried out at HHFT. Where available the indicators are presented with historical and benchmarked data and comments or explanatory notes are included.

Hampshire Hospitals NHS Foundation Trust additional indicators

Patient Safety

Hampshire Hospitals NHS Foundation Trust continues to focus on a range of patient safety indicators. The indicators for 2018/19 are presented below. All of our data below is governed by standard national definitions where available.

Indicator	2015/16	2016/17	2017/18	2018/19
No. of serious incidents requiring investigation (excluding Never Events)	38	40	51	91
Data source: staff incident reporting				
No. of Never Events	6	3	2	1
Data source: staff incident reporting				
Medication errors per 1,000 bed days (low numbers indicate better performance)	3.43	3.49	4.44	4.26

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Indicator	2015/16	2016/17	2017/18	2018/19
Data source: staff incident reporting				
Patient falls resulting in injury per 1,000 bed days (low numbers indicate better performance)	2.13	1.76	1.86	1.77
Data source: staff incident reporting				
Hospital acquired pressure ulcers per 1,000 bed days (low numbers indicates better performance)	0.99	0.75	0.85	1.57
Data source: staff incident reporting				
No. of patient safety walkrounds (high numbers indicate better performance)	68	68	39	43
Data source: patient safety programme				

Data note: The number of SIRI's recorded for 2017/18 has been decreased from 52 to 51. A SIRI was downgraded following review.

Data note: Additional categories of incidents are included in the SIRI definition for 2018/19

Data note: It should be noted that the Trust has additional safety visits including Health and Safety walkrounds, Governor visits, Non-Executive Director walkrounds and a programme of peer review visits alongside the patient safety executive walkrounds.

Patient safety executive walkrounds

Executive Patient safety executive walkrounds (PSWs) have been an integral part of patient safety in HHFT since 2012 and are an opportunity for the Executive Team to visit wards and departments in the Trust to promote patient safety and to learn from frontline staff. It should be noted that the Trust has additional safety visits including Health and Safety walkrounds, Governor visits, Non-Executive Director walkrounds and a programme of peer review visits.

Each PSW is followed up with a report which contains general comments and actions for improvements. The aim of the PSW is:

1. To give frontline staff an opportunity to communicate quality and safety concerns
2. To identify opportunities to improve quality and safety
3. To encourage staff to report incidents
4. To engage with patients about quality and safety issues

The number of PSWs by HHFT site

Site	April 2018 – March 2019
AWMH	2
RHCH	16
BNHH	25
Total	43

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There were a total of 43 PSWs from April 2018 to March 2019. Following the PSW a report is formulated by the patient safety lead and actions agreed by the clinical matron. There were 144 actions generated by the PSWs in this period.

Some of the key themes resulting from the actions generated by the PSWs were:

Theme	Number of actions
Environment	20
Equipment	19
Communication	14

Examples of actions taken:

Theme	Action	Action completed and comment
Environment	CCU BNHH: There was confusion amongst the cleaning staff about what needs to be flushed when a shower/bathroom is not being used.	The cleaning staff and estates clarified the process of flushing out-of-use water outlets.
Equipment	D1 ward BNHH: The staff expressed concern about call bell system for patient to call for assistance. There is an electrical malfunction where when multiple bells are pressed this results in difficulties identifying which ward and which bed a patient emergency was happening in.	The new call bell system is currently being installed.
Communication	Clarke ward RHCH: the friends and family information board was out of date.	The information was updated and process put in place for regular update of information.

Comments on the PSW reports

During each PSW the patients and staff have the opportunity to discuss a range of issues with the member of the Executive team. Some of the issues discussed do not require actions and are therefore documented on the report as 'Comments'. There were 382 comments from PSWs April 2018 to March 2019

The top 4 themes resulting from the comments generated by the PSWs were:

Theme	Number of comments
Staffing	64
Service improvement	41
Patient care	37
Patient safety	36

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These are examples of good practice discussed during PSWs

Theme	Comment
Staffing	Labour ward RHCH: The ward recruitment process involves promotion of some of the current staff. There are plans for further recruitment activities.
Service improvement	C3 ward BNHH: The team on C3 expressed their pride in opening the Surgical Assessment Unit (SAU) on C3. There is a plan to recruit staff to the SAU and recently the team have reorganised the beds in SAU so that there are no patients subject to mixed sex breaches.
Patient care	HASU RHCH: The 'PJ Paralysis' initiative, where patients are encouraged to dress every day, is working well on HASU. This highlights the importance of 'wellness' to patient recovery when we assist them to dress during the day.
Patient safety	E4 ward BNHH: The AuditR results for E4 were very good showing that the pressure ulcer and falls risk assessments and prevention/care plans were up-to-date. This shows the commitment of the staff on E4 to improving patient safety.

Future plans

There has been improvement in the feedback from wards and departments on the completion of actions in the reports and this will be monitored.

There are plans to review Patient safety executive walkrounds with a view to integrating them into the 'Peer review' process the Trust has been trialling in the last quarter.

Clinical effectiveness

Clinical effectiveness and outcome measures are continuously monitored and remain stable or improved for the majority of measures. Mortality rates continue to be monitored with a programme of peer reviews for deaths in place.

Indicator	2015/16	2016/17	2017/18	2018/9
Stroke – in hospital crude mortality rate (%) (low % indicates better performance) Data source: Healthcare Evaluation Data	16.26	17.04	17.11	14.07 (Apr 18- Jan 19)
Hip fracture – in hospital crude mortality rate (%) (low % indicates better performance) Data source: Healthcare Evaluation Data	4.60	5.31	9.37	7.25 (Apr 18- Jan 19)
Acute myocardial infarction – in hospital crude mortality rate (%) (low % indicates better performance) Data source: Healthcare Evaluation Data	8.82	8.72	10.47	6.85 (Apr 18- Jan 19)
Average Length of Stay for in-patients (excluding day cases) (low figure indicates better performance)	5.16	4.79	4.58	4.37

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Indicator	2015/16	2016/17	2017/18	2018/9
Data source: Business Intelligence				
Day case rate (% for all elective procedures)				
(high % indicates better performance)	84.74	87.49	88.59	89.27
Data source: Business Intelligence				
Emergency readmission rate (% within 30 days)				
(low % indicates better performance)	6.10	7.39	7.88	7.96 (Apr 18-Dec 18)
Data source: Healthcare Evaluation Data				

Indicator	2015/16	2016/17	2017/18	2018/19
Weekday admission – hospital standardised mortality rate				
(low figure indicates better performance)	116.99	115.77	100.32	100.83 Apr 18-Jan 19
Data source: Healthcare Evaluation Data				
Weekend admission – hospital standardised mortality rate				
(low figure indicates better performance)	114.12	116.45	119.74	104.98 Apr 18-Jan 19
Data source: Healthcare Evaluation Data				

Data quality note: All data with a data source of Healthcare Evaluation Data has been refreshed.

Patient Experience

The data presented here relates to the 2017 National Inpatient Survey, the results of which were published in 2018. The Trust participated in the 2018 survey and awaits the publication of the results by the CQC.

In response to the 2017 survey the results show positive responses in indicators relating to overall experience with the Trust performing **better** when compared to most other Trusts taking part in the survey for the following questions:

Question	CQC score / 10
Did nurses talk in front of you as if you weren't there?	9.4 Better
Did you find someone in the hospital staff to talk about your worries and fears?	6.7 Better
Do you feel you got enough emotional support from hospital staff during your stay?	7.9 Better

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Beforehand were you told how you could expect to feel after you had the operation or procedure?	8.1 Better
Did you feel well looked after by the non-clinical hospital staff?	9.6 Better

The responses to the following questions were also scored positively by our patients with a score of 8.5/10 for patients responding that overall they had a very good experience.

Question	CQC score / 10
In your opinion how clean was the hospital room or ward that you were in?	9.2
Did you have confidence and trust in the nurses treating you?	9.2
In your opinion, were there enough nurses on duty to care for you?	8.0
In your opinion, did the members of staff caring for you work well together?	9.1
Overall, I had a very good experience	8.5

Work to improve the information provision on discharge and the information to support the understanding of side effects and purpose of medications and being able to take own medication when needed continues. We continue to develop the ways to increase the opportunity for patients to tell us about their experience and increase confidence to raise concerns quickly with us so we can seek to resolve and put things right. Work continues to ensure that all patients receive the information and support they require to support a positive experience. We will continue to use the feedback from the national survey programme as a benchmark and to triangulate with the other sources of feedback we receive to better understand patient experience so we can share the good practice and make changes to improve the things we could do better at.

Indicator (% of patients)	2013	2014	2015	2016	2017
Overall rated experience less than 7/10 (low % indicates better performance)	18	17	14	13	9
Not treated with respect or dignity (low % indicates better performance)	22	20	15	13	11
Room or ward not very or not at all clean (low % indicates better performance)	2	3	1	2	2
Did not always have confidence and trust in doctors and nurses (low % indicates better performance)	20	21	18	18	15

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Indicator (% of patients)	2013	2014	2015	2016	2017
Wanted to be more involved in decisions (low % indicates better performance)	43	43	36	43	38
Could not always find staff member to discuss concerns with (low % indicates better performance)	60	64	58	59	52
Not always enough privacy when discussing condition/treatment (low % indicates better performance)	27	25	23	23	22
Not fully told side-effects of medication upon discharge (low % indicates better performance)	65	62	58	64	60
Not told who to contact if worried after leaving hospital (low % indicates better performance)	21	15	19	16	20
Did not always get enough help from staff to eat meals (low % indicates better performance)	38	45	35	37	35

Indicator (staff score)	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Would recommend hospital (to work or receive treatment) (staff survey results – scores out of 5, not %) (scores closest to 5 better)	3.74	3.74	3.85	3.88	3.87	3.74

Indicator	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Number of formal complaints	606	608	676	555	569	728
Number of formal complaints responded to within 25 working days	54%	51%	38%	54%	61%	51%
Number of formal complaints referred to the PHSO	9	5	7	7	5	3
Number of formal complaints upheld by the PHSO	1 (partly upheld)	1 (upheld) 2 (partly upheld)	1 (upheld) 2 (partly upheld)	0	2 (partially upheld)	2 (partly upheld)

Notes on data sources

Data sources – 2017 Inpatient Survey (Picker Institute Europe) and 2018 National NHS Staff Survey

The complaints indicator data source is the electronic risk management system Datix where all formal complaints logged with the customer care team are recorded.

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The response within 25 working days is an internal trust target. There are no national targets set for this. Where complaints are complex and require an extended period of time to investigate, this is negotiated and agreed with the complainant.

Complainants who are dissatisfied with the response from the Trust are entitled to refer their complaint to the Parliamentary Health Service Ombudsman (PHSO) as the second stage of the NHS complaints process. Following their independent review of the evidence and response made by the Trust the PHSO may uphold the complaint in part or in full or not uphold the complaint.

Healthwatch Hampshire Feedback on the Quality Report Process

Healthwatch Hampshire response to Hampshire Hospitals NHS Foundation Trust Quality Report 2018/19

As the independent voice for patients, Healthwatch Hampshire is committed to ensuring local people are involved in the improvement and development of health and social care services.

Each year, we are asked to comment on several Quality Accounts from NHS Trusts. In the past, we have allocated scarce time to read drafts and give guidance on how they could be improved to make them meaningful for the public.

We recognise that this process is imposed on Trusts. However, as the format has largely continued to remain inaccessible to the public, we have concluded that it is not a process that benefits patients or family and friend carers unless the format is changed. So we will no longer comment on Quality Accounts individually.

This will release time for us to use our resources to challenge the system with integrity, so we can create more opportunities for local people and communities to co-producing service change.

If you have not already done so, we would ask you to look at the guidance on involvement from Wessex Voices (www.wessexvoices.org.uk) which aims to make sure local people are involved in designing and commissioning health services. Five Local Healthwatch alongside NHS England (Wessex) have produced a Wessex Voices toolkit to support patient and public involvement in commissioning. You can use this to ensure that your quality processes are in line with patients' views, and with the guidance from NICE (www.nice.org.uk/guidance/ng44) and Healthwatch England. (www.healthwatch.co.uk/reports/5-things-communities-should-expect-getting-involved)

If we can help you in planning co-design and participation in future activities, we'd be pleased to hear from you. We will continue to provide feedback to the Trust through a variety of channels to improve the quality, experience and safety of its patients.

Thank you for inviting us to comment.

Commissioners' Feedback on the Quality Report Process



NHS West Hampshire Clinical Commissioning Group

NHS North Hampshire Clinical Commissioning Group

Alex Whitfield

Chief Executive Officer

Hampshire Hospitals NHS Foundation Trust

8 May 2019

Via email: alex.whitfield@hhft.nhs.uk

Dear Alex

West Hampshire and North Hampshire Clinical Commissioning Groups are pleased to be able to formally respond on Hampshire Hospitals NHS Foundation Trust's Quality Report for 2018/19. Both Clinical Commissioning Groups (CCGs) have continued to work with the Trust over the year in monitoring the quality of care provided to the local population and identifying areas for quality improvement.

We are satisfied with the overall content of the Quality Report and believe that it meets the required mandated elements.

2018/19 Quality Review

We fully supported Hampshire Hospitals NHS Foundation Trust with their five quality priorities for 2018/19 and would like to congratulate the Trust on the full achievement of three of these and the impact that they have had on patient outcomes which includes:

- a reduction in the length of stay for frail older patients and an increase in discharges within 72 hours (priority one)
- ensuring frail older patients have an appropriate plan of care in place at the beginning of their journey by embedding the *Integrated Frailty Intervention Teams* at the front door of the hospital (priority one)
- developing electronic comprehensive geriatric assessments to inform future admissions and support communication with the wider care system (priority one)

- reviewing and updating the foetal monitoring guidelines to support the Trust in reducing the number of babies born with an Apgar score of less than 7 at 5 minutes by 20% by 2020 (priority three)
- ensuring all patients with a length of stay of 15 or more days are reviewed by the complex discharge team, social care and other community partners on a daily basis to ensure plans are in place to ensure safe and effective discharges at the earliest opportunity (priority five).

The Trust did not meet two of their quality priorities; however one of these which focused on reducing bed moves (priority two) was partially met and led to:

- a reduction in moves throughout the summer of 2018
- a slight reduction in the average percentage of 'out of hours' bed moves - from 19.6% in 2017/18 to 17.7% in 2018/19
- an increase in site team support during times of increased activity to ensure one site team member can focus on facilitating moves during the day shift
- transfer teams being put in place to fully support those bed moves which have to take place 'out of hours'.

The CCGs recognise the challenges the organisation had in fully achieving this priority and would like the Trust to continue to focus on reducing bed moves during 2019/20 as the impact that this has on improving clinical effectiveness, safety and patient experience is well documented.

The Trust did not meet the quality priority relating to improving the responsiveness of patient experience in relation to outpatients and surgery with regards to scheduling and short notice cancellations (priority four). Despite this, the CCGs are aware that improvements have been seen in some isolated specialties with regards reducing cancellation rates and that the Trust has outpatient and the theatre transformation programmes in place for 2019/20 which should lead to further improvements in these areas.

It is pleasing to note that the Trust has further developed their Quality Improvement (QI) Academy and during the year have developed 16 QI coaches and 89 QI practitioners. The quality projects undertaken during 2018/19 have resulted in some excellent improvements, including:

- the introduction of safety huddles on an elderly care ward resulting in 220 'pressure ulcer' free days
- a 50% reduction in referral vetting times in dual-energy x-ray absorptiometry (DEXA) scanning to speed up patient access.

The CCGs look forward to supporting the Trust in its continued journey of quality improvement as demonstrated through the development of a local quality indicator in the 2019/20 NHS Standard Contract.

The Quality Account includes the new requirements for 2018/19 on progress in implementing the priority clinical standards for seven day hospital services and filling staff rota gaps. It is good to note included are details of ways in which staff can speak

up and how the Trust are supporting staff who do speak up to ensure they do not suffer detriment.

We are pleased that Hampshire Hospitals NHS Foundation Trust participated in all relevant national confidential enquiries (seven) and all national clinical audits (53) in which they were eligible to participate. It is also recognised that 114 local clinical audits were reviewed during 2018/19, some of these included re-audits which demonstrated improved practice, such as:

- a reduction of 20% for patients having unnecessary blood tests
- a 90% improvement in the documented rationale for patients being continued on intravenous antibiotics
- improvement in the documentation of consent and the type and size of drain used when inserting chest drains.

During 2018, the Trust was moved from a Care Quality Commission (CQC) rating of *Good* to *Requires Improvement* and was issued with eight requirement notices, a section 29A warning notice and a section 31 notice of decision. Key areas for focus related to workforce, safety, patient experience, leadership and governance. In response to the CQC findings, the Trust has developed robust improvement action plans and has involved the CCGs in the oversight and scrutiny of progress. The CCGs will continue to work with the Trust during 2019/20 to gain further joint assurance that actions are embedded in practice, review the impact of these on patient outcomes and support the Trust in their ambition to achieve outstanding ratings.

Over the year, Hampshire Hospitals NHS Foundation Trust has continued to find it a challenge to meet the constitutional standard regarding patients waiting longer in the Emergency Department than would have been expected. The CCGs recognise that a number of actions are being undertaken to improve performance in this area, including working with external organisations on the *ImprovED* patient flow programme and promoting timely discharges. From a quality perspective, the provider continues to focus on improving compliance with the patient safety checklist and National Early Warning Score (NEWS2) and undertaking regular assurance visits which have been supported by the CCG quality teams. The CCGs look forward to seeing significant progress against the achievement of the constitutional standards not met in 2018/19.

The CCGs will continue to work during 2019/20 with the Trust and partner organisations to review the long waits experienced by those patients with a mental health need attending the emergency department; key learning and recommendations following these reviews have been escalated to the relevant people.

In 2018/19 the provider declared one Never Event. This represents an improvement on the previous year and an 83% improvement since 2015/16. In June 2018, the Trust and the Clinical Commissioning Groups jointly led a Wessex-wide Surgical Never Event (NE) conference, on behalf of the local care system, with the aim of

reducing the occurrence of surgical NEs across the system by agreeing four system-wide pledges. The CCGs would like to extend their thanks to Mr Myddin Rees, Medical Director (Clinical Development) for supporting the development and chairing of this conference.

The provider has seen an increase in serious incidents reported, however, an improvement in reporting incidents has been noted, for example, the provider now declares pressure ulcers in their reporting. The CCGs will continue to work with the Trust in 2019/20 to ensure that these investigations are completed within the national timeframes.

Over the last year we have appreciated the Trust's collaborative approach in involving the CCGs in a number of quality focused activities, these have included:

- enabling the CCGs senior quality manager to undertake a patient safety climate survey, from staff across nineteen wards spanning all three sites to inform the falls and pressure ulcer deep dive work
- inviting the CCGs senior quality manager to become a core member of their Pressure Ulcer and Falls Panel, this is a subgroup of the Serious Event Review Group. The group was established in 2018 to ensure that all serious incidents pertaining to falls resulting in severe harm or death and category 3 and 4 hospital acquired pressure ulcers are robustly investigated, that improvement plans are delivered and that lessons are learnt and risks reduce
- involving the CCGs quality teams in supporting the Trust programme of peer reviews
- inviting the CCG quality leads to attend the monthly Evidence of Serious Incident Improvement Panel established in 2018
- agreeing to be one of two local acute Trusts to pilot the Learning Disability Friendly Hospital Requirements developed by West Hampshire CCG during 2019/20.

The CCGs look forward to further developing this joint working approach during 2019/20.

We are supportive of the 2019/20 quality priorities identified by Hampshire Hospitals NHS Foundation Trust and are keen to see the measurable impact and benefit that these have on patient outcomes. A number of the quality priorities are supported through the quality elements of our contract with Hampshire Hospitals NHS Foundation Trust, such as:

- ensuring 80% of older inpatients (aged over 65 years with length of stay at least 48 hours) receive key falls prevention actions
- improving the competence and capability of the workforce to care for people with a learning disability
- managing patients attending ED (aged 18 years and older) with a confirmed diagnosis of pulmonary embolus / atrial fibrillation/ community acquired pneumonia managed in a same day setting where clinically appropriate.

QUALITY REPORT

The CCGs would like to thank the Trusts' Governance Team for their continued engagement with the North and Mid Local Care Partnership Quality and Safeguarding Forum.

Overall, West Hampshire and North Hampshire Clinical Commissioning Groups are pleased to endorse the Quality Report for 2018/19 and look forward to continuing to work closely with Hampshire Hospitals NHS Foundation Trust during 2019/20 in further improving the quality of care delivered to our populations.

Yours sincerely

A handwritten signature in black ink, appearing to read 'H Hauschild', with a large, sweeping flourish at the end.

Heather Hauschild
Chief Executive Officer
NHS West Hampshire Clinical Commissioning Group

Governors Feedback on the Quality Report Process

The Governors Patient Experience Group (PEG) reviewed the Quality Report and provided the feedback below.

It is noted that the Trust, in common with most Trusts in England, has been struggling to maintain a high level of care in adverse circumstances, with ever rising demands and serious staff shortages in many areas. The Governors acknowledge that staff work very hard to raise standards and meet their targets.

In relation to our Quality Priorities, the PEG members recognise that priority one (development of the frail elderly pathway) has shown a reduction in length of stay and increased discharges within 72 hours. The specialist Frailty team has been embedded at the front door of both hospitals to ensure there is an appropriate plan of care in place upon admission.

The PEG members acknowledge that the reduction of unnecessary bed moves has only partially been achieved but that there are several initiatives in place to support this outcome moving forward.

The implementation of the national maternity programme is acknowledged as continuing to show improvement such as the pathway of care for fetal monitoring and the PROMPT training programme.

Concern has been raised that the Trust has not achieved quality priority 4 around improving the quality of communication with patients although it has been noted that Netcall has been implemented and there are regular monthly reports which track key indicators. The Governors have received positive feedback about Netcall, most particularly because the system allows a patient to re-book. There has been an improvement and reduction in the 'did not attend' resulting in more efficient use of appointment times.

The progress around priority 5, the quality and timeliness of discharge has been noted and the number of improvements that have been implemented as a result.

The sign up to safety campaign highlights the effectiveness of the management of sepsis, learning from medication errors, falls prevention and learning from deaths. There has been much work put into these topics but there are also improvements still to be made.

The introduction of the internal quality assurance peer review process is commended and should be built upon to embed good practice across the Trust, it was noted that this will assist with raising the current CQC rating of 'requires improvement'. It was noted that this should lead to greater effectiveness with a ward accreditation scheme as well. It is interesting to note the collaboration with the Clinical Commissioning Group (CCG) and colleagues from outside the Trust which should bring a critical friend view of effectiveness.

The critical statistics for the 7 day hospital services show better compliance and clinical effectiveness. 100% compliance for standard 5 is to be commended; standard 6 shows excellent co-working with other Trusts to meet relevant specialty guidelines and standard 8 now showing 90% compliance. The provision for a 'Guardian of safe working' for doctors provides the Trust with assurance that its doctors are rostered safely, this alongside the duty of candour policy underpins its clinical leadership, professional accountability ensuring every member of staff's commitment to the safety of their patients.

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It is hoped that the new approach to 'speaking up' will result in more staff confidence to voice concerns.

Whilst the Governors were somewhat disappointed by some elements of the CQC Report in summer of 2018 we have seen improvement in several areas which have contributed to a more positive working environment. Our whole staff team remain motivated, committed to excellence and patient care and we have been very active in responding to CQC. Recent changes and developments to the Emergency department have improved the patient experience especially for children.

It is hoped that patient involvement becomes an additional quality priority for the Trust as we know that patient safety improves when patients are more involved in their care.

It is pleasing to see that the patient safety walkrounds have had positive outcomes. It is reassuring to see the number of 'never' events fell from previous years to just one and that there has been a reduction in the number of falls. Concerns have been raised about the rise in number of serious incidents requiring investigation (almost doubled on previous year), and that the number of medication errors remains higher than in 2015-2017. It is noted that there has been an increase in the number of pressure ulcers compared to 2017-8 despite the efforts of staff to bring down the incidence. The number of patient safety 'walkrounds' has increased slightly since last year but is still well below the 2015-2017 level. It was pleasing to see evidence of a strong commitment to patient safety noted on ward E4 during Patient safety executive walkrounds.

The core indicators still show concerns re staffing levels which are bound to reflect in indicators/audits. Mortality rates for stroke, hip fractures, acute myocardial infarction and length of stay are all improved.

HHFT has participated in 26 national clinical audits and 4 confidential enquiries. Any requirements have all been dealt with. It is commendable that the Stroke National Audit Programme is above national standards. It is pleasing to see that a dedicated Epilepsy Nurse has been appointed. Action plans are in place for Acute Heart Failure and cerebral Palsy. HHFT has carried out 114 local clinical audits with positive action plans in situ where required.

This is the most successful year for the Trust in terms of research; the number of participating patients has increased by almost two thirds. The ReSPECT Evaluation Study has been very successful and a poster on this methodology has been submitted to the National research and Development Forum Conference. The Research Department has been shortlisted for the Outstanding Collaborative award at the annual CRN Wessex Awards. They were also successful in recruiting the First Global Patient in severe haemophilia A. The Lead research nurse has been accepted on the 70@70 Senior Nurse and Midwife Research Leader Programme. The Research team will be building on this with future plans for a further 5 innovations.

The PEG committee will continue to monitor the report and support the Quality team especially where actions were not met to ensure out-standings can be reported as successfully completed to the Trust and the CQC.

QUALITY REPORT

Hampshire Health and Adult Social Care Select Committee Contribution to the Quality Accounts Process



Hampshire
County Council

22 May 2019

Alex Whitfield
Chief Executive
Hampshire Hospitals NHS Foundation Trust

(by email)

Room 114, Elizabeth II Court
Hampshire County Council
The Castle, Winchester
Hampshire, SO23 8UJ

Tel: 01962 847336

E-mail: members.services@hants.gov.uk

Dear Alex,

Hampshire Health and Adult Social Care Select Committee contribution to Quality Accounts process

Thank you for sharing with the Hampshire Health and Adult Social Care Select Committee (HASC) the Stakeholder 2018/19 Quality Report for Hampshire Hospitals NHS Foundation Trust. I have circulated these priorities to Members of the HASC for their comments, and feedback received suggests that the quality report is impressively comprehensive and highlights many positive aspects of the trust's work.

It is noted that in the fifth paragraph of the Chief Executive's statement that already over 149 actions have been delivered. At this point in the statement, it would be appropriate to report how many remain outstanding and what the target date is for their completion. In the section on 'Metrics used to measure success' on page 3, a note to indicate that the increase in discharges within 72 hours is offset by the re-admissions statistics which are shown on page 6. The Graph A: showing the 'Percentage of staff that felt PROMPT course would have a positive impact on practice' is highly commendable.

The report highlights the further transformation that is required for the Trust to complete the required actions, and Members will monitor the progress of the Trust's journey through our ongoing scrutiny. Members particularly support the importance of quality improvement, peer reviews, and meeting clinical standards as key priorities, ensuring that patients, their carers and families continue to be at the heart of the treatment; we would encourage that these principles are applied to all provided services, and that stakeholder engagement and involvement remains a core focus of the Trust in achieving the quality priorities for 2019/20.

Should the statement re 'Foetal monitoring guideline has been reviewed and updated and will be going for formal ratification in April 2019' be revised?

It is noted and congratulations in order that where your work is continuing to meet the government ambition that 85% of Continuing Healthcare Assessments should be completed outside the acute setting, and your latest data demonstrates that you have achieved 90% with over 180 patients benefitting from this this new process – well done.

Equally well done on an 8-fold increase in zero-day discharges in patients with frailty. Much of the later report comprises tables with a column heading 'Outcome or actions taken as a result of audit'. This is a very useful gauge but would be much more powerful if where actions are required they are tagged with a target date for completion. 'In the next 12 months' or 'An action plan has been developed for those recommendations not fully met....' detracts from intent even though the tenor of the report is full of intent. However, the tables are well populated with 'No further action required' which is good. It is also clear that the trust's response to CQC inspections is responsible, robust, and resolute.

We therefore do not wish to recommend any additions to these priorities. We do however request and look forward to receiving the action plan that will be drafted following the publication of your Quality Accounts, in order to ensure that the priorities raised can be monitored and progress against them can be reviewed. We look forward to receiving the outcomes of any further CQC inspections in due course.

Please do not hesitate to contact me should you require any additional information on my comments above.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Roger Huxstep'.

Cllr Roger Huxstep
Chairman, Health and Adult Social Care Select Committee

Statement of Directors' responsibilities in respect of the Quality Report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare Quality Accounts for each financial year.

NHS Improvement has issued guidance to NHS foundation trust boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that NHS foundation trust boards should put in place to support the data quality for the preparation of the quality report.

In preparing the quality report, directors are required to take steps to satisfy themselves that:

- the content of the quality report meets the requirements set out in the *NHS foundation trust annual reporting manual 2018/19* and supporting guidance *Detailed requirements for quality reports 2018/19*
- 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, West Hampshire Clinical Commissioning Group and North Hampshire Clinical Commissioning Group dated May 2019
 - Feedback from governors dated May 2019
 - Feedback from Healthwatch Hampshire dated 22/05/2019
 - Feedback from overview and scrutiny committee dated 22/05/2019
 - The trust's complaints report published under Regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 2018/19
 - The national patient survey dated 2017
 - The national staff survey dated 2018
 - The Head of Internal Audit's annual opinion of the trust's control environment dated May 2019
 - CQC inspection report dated September 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
- other than those matters relating to A&E four hour wait and cancer 62 day wait identified and described herein in the Quality report 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
- the Quality report has been prepared in accordance with NHS Improvement's annual reporting manual and supporting guidance (which incorporates the quality accounts regulations) as well as the standards to support data quality for the preparation of the quality report.

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.

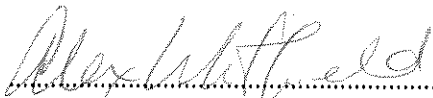
By order of the Board



.....
Chairman, Steve Erskine



.....
Date



.....
Chief Executive, Alex Whitfield



.....
Date

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF HAMPSHIRE HOSPITALS NHS FOUNDATION TRUST ON THE QUALITY REPORT

We have been engaged by the Council of Governors of Hampshire Hospitals NHS Foundation Trust to perform an independent assurance engagement in respect of Hampshire Hospitals 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:

- A&E: maximum waiting time of four hours from arrival to admission, transfer or discharge; and
- maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers.

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 8 May 2019;
- feedback from governors;
- feedback from local Healthwatch organisations;
- feedback from Overview and Scrutiny Committee, dated 22 May 2019;
- the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009;
- the latest national patient survey, dated 13 June 2018;
- the latest national staff survey, dated 26 February 2019;

- Care Quality Commission Inspection, dated 26 September 2018;
- the 2018/19 Head of Internal Audit's annual opinion over the trust's control environment, dated 17 May 2019; 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 Hampshire Hospitals 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 Hampshire Hospitals 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 Hampshire Hospitals NHS Foundation Trust.

Basis for qualified conclusion on the A&E maximum waiting time and 62 day cancer maximum waiting time indicators

As set out in the Statement on Quality from the Chief Executive of the Foundation Trust on pages 113 to 114 of the Trust's Quality Report, the Trust currently has concerns with the accuracy of data relating to maximum waiting time in A&E of four hours from arrival to admission, transfer or discharge and the maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers.

Our testing of the A&E maximum waiting time indicator errors in our sample testing relating to the recording of ambulance handover times for patients attending Accident and Emergency at the Trust's Royal Hampshire County Hospital and Basingstoke and North Hampshire Hospital sites, relating to the use of the arrival or handover time. We also identified errors within our sample relating to the recording of discharge times where patients were clinically fit to be discharged from the Accident and Emergency, however required collection and there was a delay in the patient being able to leave.

Our testing of the maximum waiting time of 62 days from urgent GP referral to first treatment of all cancers identified errors in our sample for the recording of referral dates and entry to treatment dates. These were caused by dates being recorded as the date on which data was entered into the patient system rather than the date on which referrals were received or treatment commenced.

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 A&E maximum waiting time and 62 day cancer maximum waiting time indicators' 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
15 Canada Square, Canary Wharf, London, E14 5GL

28 May 2019

Annex A

Membership of board committees and attendance of committee meetings of HHFT from 1 April 2018 to 31 March 2019

Audit Committee

Gary McRae (Chairman)
 Jeff Wearing
 Jane Tabor
 Chairman of the Risk Committee in attendance
 Steve Erskine in attendance by invitation
 Alex Whitfield in attendance by invitation
 Malcolm Ace in attendance by invitation

Risk Committee

John MacMahon (Chairman)
 Elizabeth Padmore (until 31 December 2018)
 Steve Erskine (from 1 January 2019)
 Andrew Bishop
 Alex Whitfield
 Chairman of the Audit Committee in attendance

Remuneration Committee (*)

Paul Musson (Chairman) (until 31 December 2018)
 Jane Tabor (Chairman) (from 1 January 2019)
 Elizabeth Padmore (until 31 December 2018)
 Steve Erskine (from 1 January 2019)
 Jeff Wearing
 Jane Tabor
 Gary McRae
 John MacMahon
 Alex Whitfield in attendance by invitation

Nomination Committee (**)

Elizabeth Padmore (Chairman) (until 31 December 2018)
 Steve Erskine (Chairman) (from 1 January 2019)
 John MacMahon
 Jeff Wearing
 Jane Tabor
 Paul Musson
 Gary McRae
 Alex Whitfield in attendance by invitation

Quality and Performance Committee

Jeff Wearing (Chairman)

Paul Musson

Andrew Bishop

Julie Dawes

Alex Whitfield

Malcolm Ace

Steve Erskine in attendance by invitation

Workforce and Organisational Development Committee

Paul Musson (Chairman)

Jane Tabor

Catherine Hope-MacLellan

Julie Dawes

Steve Erskine in attendance by invitation

Alex Whitfield in attendance by invitation

Finance and Investment Committee

Gary McRae (Chairman)

Jeff Wearing

Alex Whitfield

Malcolm Ace

Andrew Bishop

Steve Erskine in attendance by invitation

* agrees the remuneration of Executive Directors

** agrees the appointment of Executive Directors

Directors' Meeting attendance for HHFT for the period 1 April 2018 to 31 March 2019

	Board	Audit	Risk	Finance	Quality	Workforce	Remuneration	Nomination
Number of meetings in total for the period	10	4	4	2 ⁸	2 ⁹	2 ¹⁰	2	1
Elizabeth Padmore	7 ¹¹	1	3	n/a	n/a	n/a	2	n/a
Steve Erskine	3 ¹²	2	3	2	2	1	n/a	1
Alex Whitfield	10	4	4	1	2	1	2	1
Andrew Bishop	10	n/a	4	2	2	n/a	n/a	n/a
Malcolm Ace	10	4	n/a	2	2	n/a	n/a	n/a
Donna Green	4 ¹³	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Julie Dawes	6 ¹⁴	n/a	1	n/a	2	2	n/a	n/a
Julie Maskery	10	n/a	n/a	n/a	n/a	n/a	n/a	n/a
John MacMahon	10	2	4	n/a	n/a	n/a	2	1
Gary McRae	10	4	4	2	n/a	n/a	2	1
Jeff Wearing	10	4	n/a	1	2	n/a	2	1
Paul Musson	10	n/a	n/a	n/a	2	2	2	1
Jane Tabor	10	4	n/a	n/a	n/a	1	2	1
Phillip Whitehead	1 ¹⁵	n/a	n/a	n/a	n/a	n/a	n/a	n/a

⁸ Committee established in February 2019

⁹ Committee established in February 2019

¹⁰ Committee established in February 2019

¹¹ Left the Trust 31 December 2018

¹² Joined the Trust 1 January 2019

¹³ Left the Trust 31 August 2018

¹⁴ Joined the Trust on 3 September 2018

¹⁵ Left the Trust on 30 April 2018

Annex B

Membership of council of and attendance at meetings for HHFT for the period

1 April 2018 -31 March 2019

Governor name	Elected/appointed	Term of office	Public meeting attendance
Maurice Alston	Elected – Public Governor, representing Rest of England & Wales Nominated – Lead Governor	9 January 2012 – 8 January 2020	4/4
John Bird	Elected – Public Governor, representing Mid and East Hampshire	8 January 2017 – 7 January 2020	4/4
Anthony Bravo	Elected – public Governor, representing North Hampshire & West Berkshire, thereafter co-opted stakeholder Governor representing Further & Higher Education	28 June 2013 – 8 January 2018 Co-opted from 9 January 2018 – 31 March 2020	2/4
Keith Bunker	Elected – public Governor, representing North Hampshire & West Berkshire	8 January 2018 – 7 January 2021	4/4
Brian Collin	Elected – Public Governor, representing Mid & East Hampshire	9 January 2018 – 8 January 2021	4/4
Steph Clark	Elected – Staff Governor, representing other healthcare professionals	3 October 2018 – 8 January 2020	1/2
Kevin Conn	Elected – Staff Governor, representing Medical and Dental	9 January 2012 – 8 January 2020	3/4
Joy Deadman	Elected – Public Governor, representing North Hampshire & West Berkshire	9 January 2012 – 8 January 2021	4/4
Eugene Edwards replaced by Jeremy Farmer	Elected – Staff Governor, Support Staff	9 January 2018 – 8 January 2019 9 November 2018 – 08 January 2020	2/4 2/2

ANNEX B

Governor name	Elected/appointed	Term of office	Public meeting attendance
Tommy Geddes replaced by Simon Jobson	Appointed – Stakeholder Governor representing, Winchester University	1 April 2013 – 31 January 2019 (resigned) 1 February 2019 – 31 January 2022	4/4 1/1
Ruth Gower- Smith	Elected – Public Governor, representing West & South Hampshire	8 January 2018 – 7 January 2021	3/4
Rosemary Hamilton	Elected – Public Governor, representing West & South Hampshire	9 January 2012 – 8 January 2020	4/4
Erland James-Bailey	Appointed – Stakeholder Governor representing younger people	23 March 2018 -31 August 2019	1/4
Ann Jones	Elected – Public Governor, representing Mid & East Hampshire	9 January 2012 – 8 January 2021	3/4
David Leeks	Appointed – Stakeholder Governor, representing disabled people	1 April 2013 – 31 March 2019 Reappointed for a further 3 years until 31 March 2022	4/4
Gilda McIntosh	Elected – Public Governor, representing North Hampshire & West Berkshire	8 January 2017 – 7 January 2020	4/4
Gerald Merritt	Appointed – Stakeholder Governor, representing older people	19 September 2012 – 18 September 2018 Reappointed for a further 3 years until 17 September 2021	4/4
Beverley Morgan	Elected – Public Governor, representing Mid & East Hampshire	8 January 2017 – 7 January 2021	4/4
Vicky Booker replaced by Helen Allen	Elected – Staff Governor, Nursing and Midwifery	1 April 2018 – 1 November 2018 14 December 2018 – 31 March 2021	1/2 1/1
Douglas Ralph	Elected – Public Governor, representing North Hampshire and West Berkshire	8 January 2017 – 7 January 2020	4/4
Jennifer Ramsay	Elected – Public Governor, representing Mid & East Hampshire	9 January 2014 – 8 January 2020	4/4

ANNEX B

Governor name	Elected/appointed	Term of office	Public meeting attendance
Stephen Reid	Appointed – Stakeholder Governor representing Hampshire County Council	20 September 2013 – 04 May 2021	3/4
Brian Richardson	Elected – Public Governor, representing West & South Hampshire	9 January 2012 – 8 January 2020	4/4
Daughne Taylor	Elected – Public Governor, representing North Hampshire & West Berkshire	8 January 2018 – 7 January 2021	3/4
Keith Wiggans	Elected – Public Governor, representing West & South Hampshire	8 January 2018 – 7 January 2021	4/4
Mark Wilks	Elected – Staff Governor, Administration, Clerical and Managerial Staff	7 February 2017 – 8 January 2021	3/4

Remuneration Committee*

Tommy Geddes (Chairman) (until 31 January 2019)

Gilda McIntosh (Chairman) (from 1 February 2019)

Chairman/Senior Independent Director

Chief Executive

Kevin Conn

Brian Richardson

The Remuneration Committee met once to discuss and make a recommendation to the Council of Governors for a suitable remuneration package for the Chairman and Non-executive Directors of HHFT for 2018/19. Further information can be found in Chapter 4.

Nomination Committee**

Chairman/Senior Independent Director

Chief Executive

Maurice Alston

Rosemary Hamilton

Clare Barlow

The Nomination committee met once during the year to discuss and make a recommendation to the Council of Governors with regards to the expiry of the terms of two Non-executive Directors.

* agrees the remuneration of Non-executive Directors

** reviews the appointment of Non-executive Directors to the Board of Directors

Annex C

Glossary of Terms:

AHSN – Academic Health Science Network

AWMH – Andover War Memorial Hospital

BAF – Board Assurance Framework

BNHH – Basingstoke and North Hampshire Hospital

CCG – Care Commissioning Group

CTC – Cancer Treatment Centre

CTH – Critical Treatment Hospital

CQC – Care Quality Commissioners

CQUIN – Commissioning for Quality and Innovation Schemes

ED – Emergency Department

FT – Foundation Trust

FYFV – Five Year Forward View

HCC – Hampshire County Council

HHFT – Hampshire Hospitals Foundation Trust

H4W – Health For Work

MWG – Membership and Community Engagement Working Group

NHCCG – North Hampshire Care Commissioning Group

RHCH – Royal Hampshire County Hospital

RTT – Referral to Treatment Time

SHFT – Southern Health Foundation Trust

WHCCG – West Hampshire Care Commissioning Group

Hampshire Hospitals NHS Foundation Trust

Consolidated Financial Statements for the year ended

31 March 2019

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214	Notes to the accounts

Foreword to the Accounts

The consolidated accounts of Hampshire Hospitals NHS Foundation Trust are prepared in accordance with paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006.

Hampshire Hospitals NHS Foundation Trust's Annual Report and Accounts are presented to Parliament pursuant to Schedule 7, paragraph 25(4)(a) of the National Health Service Act 2006.

A handwritten signature in black ink, reading 'Alex Whitfield'. The signature is written in a cursive style with a large initial 'A'.

Alex Whitfield
Chief Executive

24 May 2019



Independent auditor's report

to the Council of Governors of Hampshire Hospitals NHS Foundation Trust

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

1. Our opinion is unmodified

We have audited the financial statements of Hampshire Hospitals NHS Foundation Trust ("the Trust") for the year ended 31 March 2019 which comprise the Group and Trust Statements of Comprehensive Income, Group and Trust Statements of Financial Position, Group and Trust Statements of Changes in Equity and Group and Trust Statements of Cash Flows, and the related notes, including the accounting policies in note 1.

In our opinion:

- the financial statements give a true and fair view of the state of the Group and the Trust's affairs as at 31 March 2019 and of the Group and Trust's income and expenditure for the year then ended; and
- the Group 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 Group and 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:	£7.6m (2017/18:£7.5m)
Group financial statements as a whole	1.8% (2017/18: 1.9%) of operating income

Coverage	100% (2017/18:100%) of Group income
-----------------	-------------------------------------

Risks of material misstatement vs 2017-18

Recurring risks	Valuation of land and buildings	▲
	Recognition of NHS and non-NHS income	◀▶
New:	Recognition of operating expenditure	▲

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 from those procedures in order that the Group and Trust's members as a body may better understand the process by which we arrived at our audit opinion. These matters were addressed, and our findings 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.

All of these key audit matters relate to the Group and the parent Trust.

	The risk	Our response
Property, plant and equipment (£169.4 million; 2017-18: £188.5 million) <i>Refer to page 50 (Audit Committee Report), page 216 (accounting policy) and page 232 (financial disclosures).</i>	Subjective valuation: Land and buildings are required to be held at fair value. As hospital buildings are specialised assets and there is not an active market for them they are usually valued on the basis of the cost to replace them with an equivalent asset. When considering the cost to build a replacement asset the Group may consider whether the asset would be realistically built to the same specification or in the same location. The Group and Trust engaged a professional valuer to carry out a full valuation of its land and buildings as at 31 March 2019. The valuation figures included in the Group accounts are estimates. 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. As part of developing the valuation the Group and Trust makes judgments about how the asset would be replaced. A key judgment relates to whether VAT would be able to be reclaimed were the Group and Trust to replace their current sites. The Group and Trust has prepared its valuation net of VAT as it is assumed that construction would be led by Hampshire Hospitals Contract Services Limited (HHCS) and that VAT would be able to be reclaimed. HHCS has not undertaken any significant capital work since its establishment and therefore does not have a history of reclaiming VAT on similar projects to confirm that this could be completed. The Trust has therefore reach this judgement based on its Board approved strategic intent and advice from its professional advisors.	Our procedures included: <ul style="list-style-type: none"> — Assessing valuer's credentials: We critically assessed the expertise and qualifications of the valuers engaged by the Group and Trust. We inspected the instructions for preparing the valuation to confirm that it was prepared in accordance with the requirements of the RICS Red Book; — Tests of detail: We evaluated the accuracy of the floor area data submitted to the valuers for the preparation of the valuation by reperforming measurements of a sample of the Group and Trust's properties; — Methodology choice: We used our own valuation specialist to assess the methodology used in preparing the valuation, including the choice of indices used to determine the valuation; — Our sector experience: We challenged the Group and Trust's assumptions used to prepare the valuation by comparing to our own expectations based on knowledge of the entity and industry norms. Specifically we challenged assumptions relating to the ability to reclaim VAT when valuing the assets and in assuming that an alternative site would be used for any replacement of the Group and Trust's land and buildings. We critically assessed the estates strategy approved by the Board in March 2019 and the professional advice obtained to assess its consistency with the judgments made in valuing the assets. — Accounting analysis: We assessed the accounting treatment of the adjustments made for the changes in valuation of the Trust's land and buildings following the valuation. Our findings <ul style="list-style-type: none"> — We found the resulting estimate to be optimistic (2017/18: optimistic).

	The risk	Our response
<p>NHS and non-NHS income</p> <p>(£423.5 million; 2017-18: £389.8 million)</p> <p><i>Refer to page 50 (Audit Committee Report), page 214 (accounting policy) and page 226 (financial disclosures).</i></p>	<p>Accounting treatment</p> <p>Of the Group's reported total income, £356.4 million (2017-18: £336.8m) came from commissioners (Clinical Commissioning Groups (CCG) and NHS England). Two CCGs and NHS England make up 79% (2017-18: 78%) of the Group's income. Income is contracted based on expected levels of activity and standard tariff prices for procedures, however the actual income for the year is based on the actual levels of activity completed during the year. Other performance based income is received from NHS Improvement (via local CCGs). This results in estimates being required at the year end.</p> <p>Income from NHS England and CCGs is captured through the Agreement of Balances exercises performed at months 6, 9 and 12 to confirm amounts received and owed. Mismatches in income and expenditure, and receivables and payables are recognised by the Trust and its counterparties to be resolved. Where mismatches cannot be resolved they can be reclassified as formal disputes.</p> <p>The Group and Trust recognised £15.1 million of income from the Provider and Sustainability Fund. Receipt of this income is contingent on achievement of quarterly financial targets agreed with NHS Improvement. The receipt of the income for the year was achieved partly as a result of an unbudgeted profit on the disposal of a property on 29 March 2019.</p>	<p>Our procedures included:</p> <p>Control operation: We undertook the following tests to assess whether controls had operated during the period:</p> <ul style="list-style-type: none"> — For the Group and Trust's five largest commissioners we inspected documentation to confirm that contracts had been agreed for the delivery of services; — For the Group and Trust's five largest commissioners we considered whether contract activity had been agreed with the commissioners by inspecting contract meeting minutes; and — We considered the extent to which the Group and Trust had agreed the income it was entitled to for 2018-19 through its participation in the Agreement of Balances exercise. <p>Tests of detail: We undertook the following tests of detail:</p> <ul style="list-style-type: none"> — We inspected supporting documentation for variances over £300,000 arising from the Agreement of Balances exercise to critically assess the Group and Trust's accounting for disputed income; — For income not included within the agreement of balances exercise we inspected supporting evidence, including invoices and receipt of cash on bank statements, for a sample of transactions recorded during the year; — We inspected a sample of sales made at the end of the financial year to assess whether they had been recorded within the correct period; — We inspected bank statements and the year-end confirmation received from NHS Improvement of the Group and Trust's entitlement to Provider Sustainability Funding for 2018-19; — We inspected the Group and Trust's calculation of accrued income for patient treatment that had commenced but not been completed at 31 March 2019 to assess the accuracy of the data used and calculation of the income the Group and Trust was entitled to; and — We confirmed receipt of the £3.0m payment on completion of the disposal of the property at the Winchester site, evaluated whether the contract included any performance conditions and critically assessed whether the counter party could afford to pay on demand the outstanding balance. <p>Our findings</p> <ul style="list-style-type: none"> — We found uncorrected errors, which were not material, for which we have reported an audit difference (2017/18: some errors, which were corrected).

	The risk	Our response
Operating expenses (£410.0 million; 2017-18: £389.5 million) <i>Refer to page 50 (Audit Committee Report), page 215 (accounting policy) and page 228 (financial disclosures).</i>	Accounting treatment 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 the Foundation Trust fulfils some of the characteristics of a governmental body there is as much focus on the expenditure being incurred as the generation of revenue. The risk of material misstatement due to fraud related to expenditure recognition may therefore be as significant as the risk of material misstatements due to fraud related to revenue recognition and so we have had regard to this when planning and performing audit procedures. We consider this risk to relate to the completeness of the expenditure recorded as there may be an incentive to seek to defer expenditure in order to achieve financial targets. The Group and Trust agreed a target for its financial performance with NHS Improvement for 2018-19, achievement of which entitled it to Provider Sustainability Funding. There may therefore be an incentive to defer expenditure or recognise commitments at a reduced value in order to achieve the control total agreed with NHS Improvement.	Our procedures included: — Historical comparison: We considered the trend in accruals compared to prior periods to assess the accuracy of accruals made in previous years. Where accruals had not been included we critically assessed the reason for an accrual not being made at 31 March 2019. Tests of detail: We undertook the following tests of detail: — We inspected transactions incurred around the end of the financial year to critically assess whether they had been included within the correct accounting period; — We inspected a sample of accruals made at 31 March 2019 for expenditure but not yet invoiced to assess whether the valuation of the accrual was consistent with the value billed after the year end; and — We inspected manual journals posted as part of the year end accounts preparation that reduced expenditure recorded by the Group and Trust to assess whether there was appropriate supporting evidence for the reduction in expenditure. Our findings — We found some errors, which were corrected.

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

Materiality for the Group financial statements as a whole was set at £7.6 million (2017-8: £7.5 million), determined with reference to a benchmark of operating income (of which it represents approximately 1.8%). We consider operating income to be more stable than a surplus- or deficit-related benchmark.

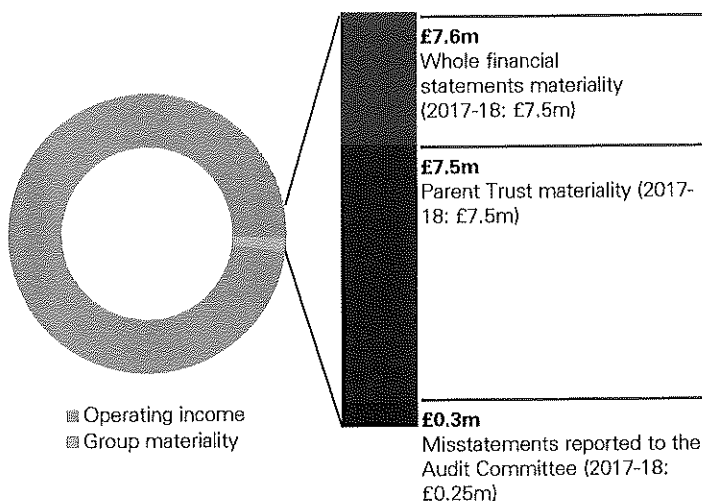
Materiality for the parent Trust's financial statements as a whole was set at £7.5 million (2017-18: £7.5 million), determined with reference to a benchmark of operating income (of which it represents approximately 1.8%).

We agreed to report to the Audit Committee any corrected and uncorrected identified misstatements exceeding £0.3 million (2017-18: £0.25 million), in addition to other identified misstatements that warranted reporting on qualitative grounds.

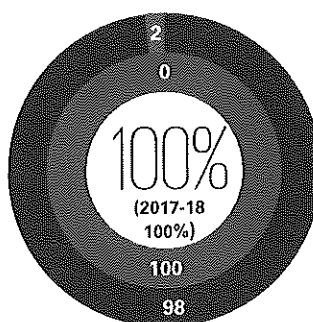
Of the group's two (2018: two) reporting components, we subjected one (2018: two) to full scope audits for group purposes and one (2018: zero) to specified risk-focused audit procedures. The latter were not individually financially significant enough to require a full scope audit for group purposes, but did present specific individual risks that needed to be addressed. The components within the scope of our work accounted for the percentages illustrated opposite.

Operating income
£423.5m (2017-18: £389.8m)

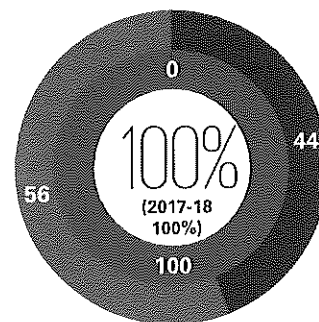
Group Materiality
£7.6m (2017-18: £7.5m)



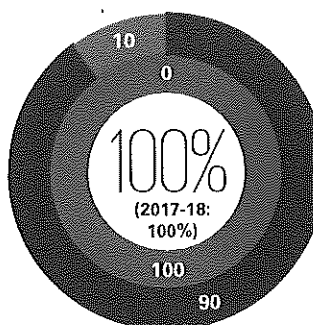
Group income



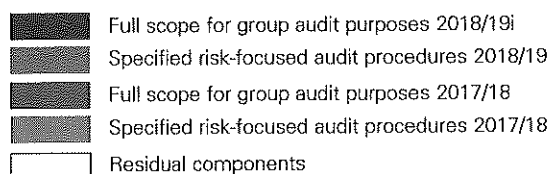
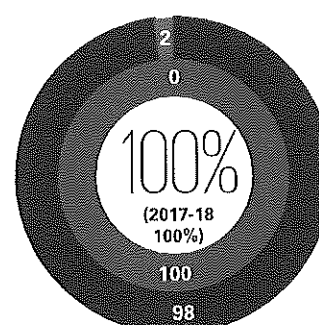
Group surplus/deficit



Group total assets



Group total expenditure



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 Group or 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 Group or the Trust will continue in operation.

In our evaluation of the Accounting Officer's conclusions, we considered the inherent risks to the Group's and Trust's business model, including the impact of Brexit, and analysed how those risks might affect the Group's and 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 1.1 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 Group and 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 Group'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 Group 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 98, the Accounting Officer is responsible for the preparation of financial statements that give a true and fair view. They are also responsible for: 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 Group and parent 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 Group and parent Trust without the transfer of their 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 to secure 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.

The significant risks identified during our risk assessment are set out below together with the findings from the work we carried out on each area.

Significant risk	Description	Work carried out and judgements
Care Quality Commission (CQC) inspection	<p>The Care Quality Commission undertook an inspection of the Trust's services in June and July 2018. The report from the inspection was published in September 2018 and assessed the Trust overall as 'requires improvement'.</p> <p>Within the report urgent and emergency care services were rated as inadequate. Following the inspection the Trust was issued with a Section 29A Warning Notice, which requires significant improvements to be made by a set date, and a section 31 Notice of Decision which requires the Trust to be able to demonstrate compliance with the improvements requested.</p> <p>Given the findings of the CQC we determined that there was a risk resources were not being utilised effectively in order to deliver safe and quality care.</p>	<p>Our work included:</p> <ul style="list-style-type: none"> — We considered the governance arrangements to monitor the delivery of the action plan in response to the CQC inspection report. — We considered how the Trust gained assurance that actions reported as implemented had improved the performance in areas where risks were identified. — We inspected records of the progress made by the Trust in delivering the action plan, especially against the 'must do' actions identified by the CQC and the areas for which the Warning Notice and Notice of Decision were issued. — We reviewed the work of internal audit in assessing the progress made by the Trust in delivering its action plan and the governance for overseeing delivery. <p>Our findings on this risk area:</p> <ul style="list-style-type: none"> — Detailed action plans were in place in response to each of the findings raised by the CQC. — A recovery plan was developed in response to the Section 29A Warning Notice. As at 31 March 2019 actions had been implemented for each of the actions identified, though in some areas further work is still required following feedback from peer reviews. — As at the end of March the Trust reported it had completed the actions to meet six of the 10 conditions imposed upon it following the inspection. The remaining four were in progress and expected to be completed by April 2019. — Monthly updates were provided to the Board on progress with delivery and on a weekly basis to the CQC for the must do actions.

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 Hampshire Hospitals 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.



Neil Thomas

for and on behalf of KPMG LLP (Statutory Auditor)

Chartered Accountants

15 Canada Square, Canary Wharf, London, E14 5GL

28 May 2019

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 March 2019

Statement of Comprehensive Income

		Group	
		2018/19	2017/18
	Note	£000	£000
Operating income from patient care activities	2	370,613	348,687
Other operating income	3	52,739	41,090
Operating expenses	5	(410,024)	(389,513)
Operating surplus/(deficit) from continuing operations		13,328	264
Finance income	9	96	32
Finance expenses	9	(526)	(382)
PDC dividends payable		(4,623)	(4,637)
Net finance costs		(5,053)	(4,987)
Other gains / (losses)		4,013	879
Surplus / (deficit) for the year from continuing operations		12,288	(3,844)
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	7	(3,037)	(97)
Revaluations		8,272	4,299
Other recognised gains and losses		-	(114)
Other reserve movements		(151)	-
Total comprehensive income / (expense) for the period		17,372	244
Surplus/ (deficit) for the period attributable to:			
Hampshire Hospitals NHS Foundation Trust		12,288	(3,844)
TOTAL		12,288	(3,844)

The notes on pages 214 to 251 form part of these financial statements.

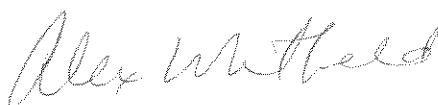
STATEMENTS OF FINANCIAL POSITION
As at 31 March 2019

Statement of Financial Position

	Note	Group		Trust	
		31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Non-current assets					
Intangible assets	10	2,717	1,522	2,676	1,475
Property, plant and equipment	11	195,048	188,508	185,563	178,621
Investments in associates and joint ventures	12	-	-	10,890	10,890
Total non-current assets		197,765	190,030	199,129	190,986
Current assets					
Inventories	13	7,170	5,626	6,338	4,951
Trade and other receivables	14	35,562	23,983	36,220	24,087
Cash and cash equivalents	15	6,712	7,783	6,331	7,569
Total current assets		49,444	37,392	48,889	36,607
Current liabilities					
Trade and other payables	16	(32,365)	(32,486)	(35,329)	(34,688)
Borrowings	17	(2,101)	(2,012)	(2,101)	(2,012)
Other financial liabilities		(148)	(148)	-	-
Provisions	18	(221)	(321)	(221)	(321)
Other liabilities	16	(1,742)	(1,588)	(1,742)	(1,588)
Total current liabilities		(36,577)	(36,555)	(39,393)	(38,609)
Total assets less current liabilities		210,632	190,867	208,625	188,984
Non-current liabilities					
Borrowings	17	(18,255)	(21,551)	(18,255)	(21,551)
Provisions	18	(2,321)	(2,390)	(2,321)	(2,390)
Other liabilities	16	(7,493)	(7,831)	(7,493)	(7,831)
Total non-current liabilities		(28,069)	(31,772)	(28,069)	(31,772)
Total assets employed		182,563	159,095	180,556	157,212
Financed by					
Public dividend capital		130,740	124,645	130,740	124,645
Revaluation reserve		43,681	39,639	42,868	38,855
Other reserves		6,366	6,366	6,366	6,366
Income and expenditure reserve		1,776	(11,555)	582	(12,654)
Total taxpayers' equity		182,563	159,095	180,556	157,212

The notes on pages 214 to 251 form part of these financial statements.

Alex Whitfield
Chief Executive



24 May 2019

STATEMENTS OF CHANGES IN TAXPAYERS EQUITY

Statement of Changes in Equity for the year ended 31 March 2019

Group	Public dividend capital £000	Revaluation reserve £000	Other reserves £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2018 - brought forward	124,645	39,639	6,366	(11,555)	159,095
Surplus/(deficit) for the year	-	-	-	12,288	12,288
Impairments	-	(3,037)	-	-	(3,037)
Revaluations	-	8,272	-	-	8,272
Transfer to retained earnings on disposal of assets	-	(1,193)	-	1,193	-
Public dividend capital received	6,095	-	-	-	6,095
Other reserve movements	-	-	-	(150)	(150)
Taxpayers' and others' equity at 31 March 2019	130,740	43,681	6,366	1,776	182,563

Statement of Changes in Equity for the year ended 31 March 2018

Group	Public dividend capital £000	Revaluation reserve £000	Other reserves £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2017 - brought forward	122,866	35,482	6,366	(7,642)	157,072
Surplus/(deficit) for the year	-	-	-	(3,844)	(3,844)
Impairments	-	(97)	-	-	(97)
Revaluations	-	4,299	-	-	4,299
Transfer to retained earnings on disposal of assets	-	(45)	-	45	-
Other recognised gains and losses	-	-	-	(114)	(114)
Public dividend capital received	1,779	-	-	-	1,779
Taxpayers' and others' equity at 31 March 2018	124,645	39,639	6,366	(11,555)	159,095

STATEMENTS OF CHANGES IN TAXPAYERS' EQUITY

Statement of Changes in Equity for the year ended 31 March 2019

Trust	Public dividend capital £000	Revaluation reserve £000	Other reserves £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2018 - brought forward	124,645	38,855	6,366	(12,654)	157,212
Surplus/(deficit) for the year				12,043	12,043
Impairments		(3,036)			(3,036)
Revaluations		8,242			8,242
Transfer to retained earnings on disposal of assets		(1,193)		1,193	-
Public dividend capital received	6,095				6,095
Taxpayers' and others' equity at 31 March 2019	130,740	42,868	6,366	582	180,556

Statement of Changes in Equity for the year ended 31 March 2018

Trust	Public dividend capital £000	Revaluation reserve £000	Other reserves £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2017 - brought forward	122,866	34,802	6,366	(7,808)	156,226
Surplus/(deficit) for the year				(4,893)	(4,893)
Revaluations		4,100			4,100
Transfer to retained earnings on disposal of assets		(47)		47	-
Public dividend capital received	1,779				1,779
Taxpayers' and others' equity at 31 March 2018	124,645	38,855	6,366	(12,654)	157,212

STATEMENTS OF CASH FLOWS
Year ended 31 March 2019

Statement of Cash Flows

	Note	Group		Trust	
		2018/19 £000	2017/18 £000	2018/19 £000	2017/18 £000
Cash flows from operating activities					
Operating surplus / (deficit)		13,328	264	13,257	(786)
Non-cash income and expense:					
Depreciation and amortisation	5	8,218	8,477	7,652	7,915
Net impairments	7	(1,352)	(2,133)	(1,185)	(1,644)
Income recognised in respect of capital donations	4	(2,011)	(1,247)	(2,011)	(1,247)
Amortisation of PFI deferred credit		(338)	(285)	(338)	(285)
(Increase) / decrease in receivables and other assets		(8,787)	(504)	(9,632)	(70)
(Increase) / decrease in inventories		(1,544)	(43)	(1,387)	125
Increase / (decrease) in payables and other liabilities		1,334	1,001	2,329	1,034
Increase / (decrease) in provisions		(196)	(364)	(196)	(364)
Net cash flows from / (used in) operating activities		8,652	5,166	8,489	4,678
Cash flows from investing activities					
Interest received		96	32	96	31
Purchase of intangible assets		(1,215)	(1,115)	(1,215)	(1,115)
Purchase of PPE		(11,330)	(8,684)	(11,330)	(8,684)
Sales of PPE		3,382	1,144	3,382	1,144
Receipt of cash donations to purchase assets		2,011	1,247	2,011	1,247
Net cash flows from / (used in) investing activities		(7,056)	(7,376)	(7,056)	(7,377)
Cash flows from financing activities					
Public dividend capital received		6,095	1,779	6,095	1,779
Public dividend capital repaid		-	-	-	-
Movement on loans from DHSC		(3,412)	2,788	(3,412)	2,788
Movement on other loans		246	-	246	-
Capital element of finance lease rental payments		(100)	(282)	(100)	(82)
Capital element of PFI, LIFT and other service concession payments		-	(180)	-	-
Interest on loans		(490)	(351)	(490)	(379)
Interest paid on finance lease liabilities		(16)	(18)	(16)	(14)
PDC dividend (paid) / refunded		(4,915)	(4,758)	(4,915)	(4,758)
Cash flows from (used in) other financing activities		(75)	-	(75)	-
Net cash flows from / (used in) financing activities		(2,667)	(1,022)	(2,667)	(666)
Increase / (decrease) in cash and cash equivalents		(1,071)	(3,232)	(1,234)	(3,365)
Cash and cash equivalents at 1 April		7,783	11,015	7,569	10,934
Cash and cash equivalents at 31 March	15	6,712	7,783	6,335	7,569

Statement of accounting policies

1. Accounting policies and other information

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2018/19 issued by the Department of Health. The accounting policies contained in the GAM follow International Financial Reporting Standards 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 trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to accounts.

1.1 Basis of preparation

Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment at their value to the business by reference to their current cost or modern equivalent cost.

Going concern

These accounts have been prepared on a going concern basis, following the submission of the operating plan for 2019/20 to NHSI projecting an income and expenditure surplus of £14.8m and cash holding of £11.8m at 31 March 2019.

1.2 Consolidation

Charity

Following Treasury's agreement to apply IAS 27 to NHS Charities from, 1 April 2013, the Trust has established that as it is the corporate trustee of the Hampshire Hospitals Charity, it effectively has the power to exercise control so as to obtain economic benefits. However, the transactions are immaterial (<5% of the net assets) in the context of the group and transactions have not been consolidated. Details of the transactions with the charity are included in note 12.

Subsidiaries

Subsidiary entities are those over which the Trust has the power to exercise control or a dominant influence so as to gain economic or other benefits. The income, expenses, assets, liabilities, equity and reserves of subsidiaries are consolidated in full into the appropriate financial statement lines.

Where the subsidiary's accounting policies are not aligned with those of the Trust (including where they report under UK FRS102) then amounts are adjusted during consolidation where the differences are material. Inter-entity balances, transactions and gains or losses are eliminated in full on consolidation.

The Group refers to the consolidation of Hampshire Hospitals NHS Foundation Trust and its subsidiary company Hampshire Hospitals Contract Services Limited. Unless otherwise stated the notes to the accounts refer to the Group and not the Trust, as the Trust's balances are not materially different. The Group have taken advantage of the exemption under s408 of the Companies Act to omit the statement of comprehensive income for the Trust. The Trust's surplus for the period was £13.257m (2017/18 deficit £4.777m).

1.3 Income recognition

Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for health care services. A performance obligation relating to delivery of a spell of health care is generally satisfied over time as healthcare is received and consumed simultaneously by the customer as the Trust performs it. The customer in such a contract is the commissioner, but the customer benefits as services are provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligns with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that are substantially the same and have a similar pattern of transfer. At the year end, the Trust accrues income relating to activity delivered in that year, where a patient care spell is incomplete.

Revenue from research contracts

Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. At contract inception, the Trust assesses the outputs promised in the research contract to identify as a performance obligation each promise to transfer either a good or service that is distinct or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer. The Trust recognises revenue as these performance obligations are met, which may be at a point in time or over time depending upon the terms of the contract.

NHS injury cost recovery scheme

The Trust receives income under the NHS injury cost recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

1.4 Expenditure on employee benefits

Short-term Employee Benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

Pension Costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

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 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 their 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 for the year ending 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 judgement 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.

1.4 Expenditure on other goods and services

Expenditure on goods and services is recognised when those goods and services are received and is accounted for applying the accruals convention. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment. Expenditure is measured at the fair value of the goods and services received.

1.5 Property, plant and equipment

Capitalisation

Property, plant and equipment is capitalised where:

- it is expected to be used for more than one financial year;
- it is held for use in delivering services or for administration purposes and it is probable that future economic benefits will flow to, or service potential be provided to, the group;
- the cost of the item can be measured reliably, and either
- individual items have a cost of at least £5,000; or
- costs represent a group of assets which individually have a cost of more than £250, collectively have a cost of at least £5,000, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- costs represent part of the initial setting-up cost of a new building or refurbishment of a ward or unit, irrespective of their individual or collective cost and comprise 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.

Valuation

Property, plant and equipment is stated at fair value. On initial recognition they are measured at cost (for leased assets, fair value) including any costs, such as installation, directly attributable to bringing them into working condition. The costs arising from financing the construction of non-current assets are not capitalised but are charged to the Statement of Comprehensive Income in the year to which they relate. Assets, including those held for their service potential, are carried at current value in existing use. For non-specialised assets current value in existing use is interpreted as market value for existing use.

Land and buildings are revalued using professional valuations in accordance with IAS 16. The group has adopted a policy of revaluations every five years, with a three year interim revaluation. More frequent desk-top valuations will be performed, as required by market conditions, to ensure that the carrying value of assets is not materially different to their fair value.

Valuations are carried out by professionally qualified valuers, Cushman & Wakefield LLP in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual. A desktop revaluation exercise was undertaken at 31st March 2019 using the indexation tables published in March 2019 by RICS to reflect current market conditions.

Assets in the course of construction are held at cost and are valued by professional valuers when they are brought into use.

The 2018/19 valuation for operational specialised property and land was on a modern equivalent asset (MEA) basis; an alternative method of calculating depreciated replacement cost for which alternative sites were considered. Operational equipment is valued at the lower of replacement cost or recoverable amount. Equipment surplus to requirements is valued at net recoverable amount. Where assets have a short life or low value, depreciated historic cost is taken as a proxy for fair value.

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 to the carrying amount of the assets recorded in note 11.

Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any existing carrying value of the item replaced is written-out and charged to operating expenses.

Depreciation and Impairments

Freehold land and assets under construction or development are not depreciated/amortised.

Items of property, plant and equipment are depreciated at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives. Useful lives and residual values are reassessed each year.

Assets in the course of construction and residual interests in Off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use.

Buildings, installations and fittings are depreciated on their current value over the estimated remaining life of the asset as assessed by the group's professional valuers. Leaseholds are depreciated over the primary lease term. In the 2018/19 valuation the group's buildings were allocated lives of between 10 and 99 years. Additional work and refurbishments to existing buildings are allocated the same life as the building to which they relate.

Equipment and intangible assets are depreciated on current cost evenly over the estimated life of the asset as follows:

Plant and Machinery:	5 to 20 years;
Furniture and Fittings:	5 to 15 years;
Transport Equipment:	7 to 10 years; and
Information Technology:	5 to 10 years;

Revaluation gains and losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating income.

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'.

Impairments

Impairments that arise from a clear consumption of economic benefits or of 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 of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure 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.

Derecognition

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 is highly probable i.e:
 - management are committed to a plan to sell the asset;
 - an active programme has begun to find a buyer and complete the sale;
 - the asset is being actively marketed at a reasonable price;
 - the sale is expected to be completed within 12 months of the date of classification as 'Held for Sale'; and
 - the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met.

Assets which are not held for their service potential and do not qualify for recognition as 'Held for Sale' are surplus assets held at current value in existence under adapted IAS 16, IAS40 or IFRS13 as appropriate

1.7 Intangible assets

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the group'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 group and where the cost of the asset can be measured reliably.

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. In addition software which is not integral to the operation of hardware e.g. application software, is capitalised as an intangible asset. In both cases the cost has to be at least £5,000.

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 fair value. 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 income. Decreases in asset values and impairments are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses. Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Any amortisation charged is included within other operating expenses within the Statement of Comprehensive Income.

Intangible assets that are no longer in use are de-recognised and shown as a disposal in-year.

Useful economic lives reflect the total life of an asset and not the remaining life of an asset. Intangible assets are depreciated evenly over the estimated useful economic life of the asset based on the current cost.

Intangible assets are depreciated on current cost evenly over the estimated life of the asset. An example of the estimated life of intangible assets as follows:

Software Licences

5 years

1.8 Donated assets

Donated assets are capitalised at their current value on receipt and this value is credited to the statement of comprehensive income. Donated assets are valued and depreciated as described above for purchased assets. Gains and losses on revaluations are taken to the revaluation reserve.

On disposal of a donated asset, the profit or loss on disposal is calculated as the difference between the carrying amount and net sale proceeds, and credited or charged to the SoCI.

1.9 Private Finance Initiative (PFI) transactions

PFI transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as 'on-Statement of Financial Position' by the group. The underlying assets are recognised as Property, plant and equipment at their fair value.

For schemes where there is a unitary payment:

- An equivalent financial liability is recognised in accordance with IAS 17. It is applicable under IFRIC 12 to capitalise the assets.
- The annual contract payments are apportioned between the repayment of the liability, a finance cost and the charges for services. The finance cost is calculated using the implicit interest rate for the scheme.
- The service charge is recognised in operating expenses and the finance cost is charged to finance costs in the Statement of Comprehensive Income.

For schemes where there is no unitary payment:

- An equivalent financial liability is recognised on inception representing the future service potential of the asset. On the first external valuation of the asset, the liability is re-measured in order to reflect the actual future service potential made available to the group.
- Subsequently the liability is released evenly over the lifetime of the arrangement with a credit recognised in other operating income.

1.10 Inventories

Inventories are valued at the lower of cost or net realisable value. The cost of inventories is measured using the weighted average cost method.

1.11 Cash, bank and overdrafts

Cash and bank balances are recorded at the current values of these balances in the group's cash book. These balances exclude monies held in the group's bank account belonging to patients (see "third party assets" below). Account balances are only set off where a formal agreement has been made with the bank to do so. Interest earned on bank accounts is recorded as "financial income" in the period to which it relates. Bank charges are recorded as operating expenditure in the periods to which they relate. The group's cash balance does not include any cash equivalents

1.13 Provisions

The group provides for legal or constructive obligations that are of uncertain timing or amount at the 31 March date on the basis of the best estimate of the expenditure required to settle the obligation assuming that it is probable there will be a future outflow of cash or other resources and a reliable estimate can be made of the amount. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates which range from 1.5% to 2.4% in real terms, except for early retirement provisions and injury benefit provisions which both use HM Treasury's pension discount rate of 0.29% in real terms. Details of provisions can be found in note 18.

1.14 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in note 25 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 25, 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.

1.15 Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the group pays an annual contribution to them, 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 group. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the group is disclosed at note 18. These are not provided for by the group as they would be matched by income due from the NHS Resolution.

1.16 Non-clinical risk pooling

The group participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the group pays an annual contribution to NHS Litigation Authority and in return receives assistance with the costs of claims arising. This is accounted for on a net basis. The annual membership contributions, and any 'excesses' payable in respect of particular claims are charged to operating expenses when the liability arises.

1.17 Value Added Tax (VAT)

Most of the activities of the group 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 fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.18 Corporation tax

Section 148 of the Finance Act 2004 amended S519A of the Income and Corporation Taxes Act 1988 to provide power to the Treasury to make certain non-core activities of Foundation Trusts potentially subject to corporation tax. This legislation became effective in the 2005/06 financial year.

In determining whether or not an activity is likely to be taxable a three-stage test may be employed:

- The provision of goods and services for purposes related to the provision of healthcare authorised under Section 14(1) of the Health and Social Care Act 2003 (HSCA) is not treated as a commercial activity and is therefore tax exempt;
- Trading activities undertaken in house which are ancillary to core healthcare activities are not entrepreneurial in nature and not subject to tax. A trading activity that is capable of being in competition with the wider private sector will be subject to tax;
- Only significant trading activity is subject to tax. Significant is defined as annual taxable profits of £50,000 per trading activity.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by IAS12.

1.19 Foreign exchange

The Group's functional currency and presentational currency is pounds sterling, and transactions that are denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. Resulting exchange gains and losses are taken to the statement of comprehensive income.

1.20 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the group has no beneficial interest in them. However, they are disclosed in a separate note to the accounts in accordance with the requirements of the HM Treasury Financial Reporting Manual

1.21 Leases

Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the group, the asset is recorded as Property, Plant & Equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The implicit interest rate is that which produces a constant periodic rate of interest on the outstanding liability.

The asset and liability are recognised at the inception of the lease, and are de-recognised when the liability is discharged, cancelled or expires. The annual rental is split between the repayment of the liability and a finance cost. The annual finance cost is calculated by applying the implicit interest rate to the outstanding liability and is charged to Finance Costs in the Statement of Comprehensive Income.

Operating leases

Other leases are regarded as operating leases and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease.

Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately. Leased land is treated as an operating lease.

1.22 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 original NHS Trust.

A charge, reflecting the cost of capital utilised by the group, is paid over as public dividend capital dividend. The charge is calculated at the real rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the group. Relevant net assets are calculated as the value of net assets, less donated assets and average daily cash balances held with the Government Banking Service. Average relevant net assets are calculated as a simple mean of opening and closing relevant net assets. This information comes from the audited prior year accounts and pre-audit current year accounts.

HM Treasury has concluded, with the agreement of FRAB, that PDC is not a financial instrument within the scope of IAS 32, and as such should continue to be presented within 'taxpayers' equity' in the Statement of Financial Position.

1.23 Financial instruments and financial liabilities

Recognition

Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the group's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs i.e. when receipt or delivery of the goods or services is made.

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described below.

All other financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument.

De-recognition

All financial assets are de-recognised when the rights to receive cashflows from the assets have expired or the group has transferred substantially all of the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Classification and Measurement

Financial assets are categorised as 'fair value through the statement of comprehensive income', loans and receivables or 'available-for-sale financial assets'.

Financial liabilities are classified as 'fair value through the statement of comprehensive income' or as 'other financial liabilities'.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. They are included in current assets.

The group's loans and receivables comprise: current investments, cash at bank and in hand, NHS debtors, accrued income and 'other debtors'.

Loans and receivables are recognised initially at fair value, net of transactions costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income.

Financial liabilities

All financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability. They are included in current liabilities except for amounts payable more than 12 months after the 31 March, which are classified as non-current liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to finance costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

Determination of fair value

For financial assets and financial liabilities carried at fair value, the carrying amounts are determined from the most appropriate valuation method (e.g. quoted market prices/independent appraisals/discounted cash flow analysis/other) to that particular asset or liability.

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.

The Trust analysed contract and other receivables, distinguishing between different classes of receivable. The expected credit loss % for each class of receivable were applied to the closing balances. The Trust did not recognise expected credit losses in relation to other NHS bodies.

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.

1.24 Judgemental areas and estimation techniques

The valuation of property and the calculation of accruals, are subject to judgement or estimation techniques. There are no other areas where judgement is used to estimate material balances in these accounts.

The group relies on the judgements of appropriately qualified external professional advisors who provide the property valuations. £167,384,308 of land and buildings are valued at fair value, and £24,489,618 of plant and equipment are valued at cost. 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 to the carrying amount of the asset or liability recorded in note 11.

Provision for non-payment is made against all receivables that are greater than 180 days old unless recoverability is certain. The provision against receivables at 31 March 2019 was £1,211,000 (see note 14).

The accruals balance of £14,142,000 is based on expenditure that has been incurred for invoices not yet received. The main sources of uncertainty relate to staff leave accruals; there is underlying evidence to support these balances which reduce their risk.

1.25 Accounting Standards that have been issued but have not yet been adopted

The DH GAM does not require the following Standards and Interpretations to be applied in 2018/19. These standards are still subject to HM Treasury FReM adoption, with IFRS 9 and IFRS 15 being for implementation in 2018/19, and the government implementation date for IFRS 16 still subject to HM Treasury consideration.

- IFRS 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. Work will be done to establish the impact of the adoption of this standard on the Group accounts.
- IFRIC 22 Foreign Currency Transactions and Advance Consideration – Application required for accounting periods beginning on or after 1 January 2018. The Group does not expect there to be a material impact as a result of the adoption of this standard.

1.26 Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Committee, which makes strategic decisions.

1.27 Carbon Reduction Commitment

The CRC scheme is a mandatory cap and trade scheme for non-transport CO₂ emissions. Where NHS foundation trusts are registered with the CRC scheme, they are required to surrender to the government an allowance for every tonne of CO₂ they emit during the financial year. Therefore, registered NHS foundation trusts should recognise a liability (and related expense) in respect of this obligation as CO₂ emissions are made.

1.28 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 that 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 NHS foundation trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

1.29 New Standards

IFRS 9 Financial Instruments as interpreted and adapted by the GAM has been applied by the Trust from 1 April 2018. The standard is applied retrospectively with the cumulative effect of initial application recognised as an adjustment to reserves on 1 April 2018.

IFRS 9 replaces IAS 39 and introduces a revised approach to classification and measurement of financial assets and financial liabilities, a new forward-looking 'expected loss' impairment model and a revised approach to hedge accounting.

IFRS 15 Revenue from Contracts with Customers as interpreted and adapted by the GAM has been applied by the Trust from 1 April 2018. The standard is applied retrospectively with the cumulative effect of initial application recognised as an adjustment to the income and expenditure reserve on 1 April 2018.

IFRS 15 introduces a new model for the recognition of revenue from contracts with customers replacing the previous standards IAS 11, IAS 18 and related Interpretations. The core principle of IFRS 15 is that an entity recognises revenue when it satisfies performance obligations through the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services.

As directed by the GAM, the Trust has applied the practical expedient offered in C7A of the standard removing the need to retrospectively restate any contract modifications that occurred before the date of implementation (1 April 2018).

2. Income

2.1 Income from patient care activities (by nature)	2018/19 £000	2017/18 £000
Acute services		
Elective income	76,712	72,808
Non elective income	104,450	101,302
First outpatient income	29,982	28,433
Follow up outpatient income	31,000	30,287
A & E income	16,947	16,173
High cost drugs income from commissioners (excluding pass-through costs)	34,218	34,226
Other NHS clinical income	63,419	54,932
Private patient income	6,894	6,849
Agenda for Change pay award central funding	4,154	-
Other clinical income	2,837	3,677
Total income from activities	370,613	348,687

The breakdown of the comparative figures for 2017/18 has been restated as per the revised GAM requirements for 2018/19.

2.2 Income from patient care activities (by source)	2018/19 £000	2017/18 £000
Income from patient care activities received from:		
NHS England	58,191	53,645
Clinical commissioning groups	298,201	283,010
Department of Health and Social Care	4,154	-
Other NHS providers	363	548
NHS other	177	165
Local authorities	1,135	877
Non-NHS: private patients	6,797	6,849
Non-NHS: overseas patients (chargeable to patient)	187	211
Injury cost recover scheme	554	1,327
Non NHS: other	854	2,055
Total income from activities	370,613	348,687

NHS injury cost recovery scheme income is subject to a provision for doubtful debts of 21.89% (2017/18 22.84%) to reflect the national NHS expected rate of collection.

2.3 Overseas visitors (relating to patients charged directly by the provider)	2018/19 £000	2017/18 £000
Income recognised this year	187	211
Cash payments received in-year	181	116
Amounts added to provision for impairment of receivables	57	36
Amounts written off in-year	2	-

3.1 Other operating income

	2018/19	2017/18
	£000	£000
Other operating income from contracts with customers:		
Research and development (contract)	1,547	1,849
Education and training (excluding notional apprenticeship levy income)	18,587	16,196
PSF	15,123	7,822
Other contract income	14,215	12,825
Other non-contract operating income:		
Receipt of capital grants and donations	2,011	1,247
Charitable and other contributions to expenditure	525	606
Rental revenue from operating leases	393	260
Amortisation of PFI deferred income / credits	338	285
Total other operating income	52,739	41,090

The income generated from non healthcare services, provides an invaluable contribution and it used by the Trust to fund essential training, research and investment into healthcare service. Other income is primarily from staff and services recharged to other NHS providers.

3.2 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 licence 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	2017/18
	£000	£000
Income from services designated as commissioner requested services	356,392	336,655
Income from services not designated as commissioner requested services	14,221	12,032
Total	370,613	348,687

3.3 Profits and losses on disposal of property, plant and equipment

During the year ended 31st March 2019 the Trust disposed of property at Royal County Hospital site and Bishops Waltham. The net book value of the land and buildings across both sites was £1,864,905 and the sale proceeds were £5,870,000. The property in Royal County Hospital site was purchased by The University of Winchester and has been leased back for a period of 2 years which will allow all current users of the site to be moved to other parts of the Hospital. Elms Hut in Bishops Waltham was in use and these services has been incorporated into other areas in the Trust

4 Segmental reporting

The group has determined the Senior Management Team meeting (formerly Executive Committee) to be the chief operating decision maker. The Senior Management Team meeting is a sub-committee of the Trust Board and is attended by the Executive Directors, the Clinical Divisional Directors and the Operational Directors. The Senior Management Team meeting has the power to make operational decisions and allocate resources. On occasions their decisions do require Trust Board approval. Operating segments are based on the reports made to the Senior Management Team meeting. Segments are reported on by expenditure and income, but assets are not recorded by individual segments.

Year Ended 31 March 2019

	Family & Clinical Support				
	Surgery	Medicine	Services	Other	Total
	£000	£000	£000	£000	£000
Clinical income	142,557	127,449	86,109	3,058	359,173
Private patient income	-	-	-	6,750	6,750
Other income	2,120	4,232	6,209	43,623	56,184
Total income	144,677	131,681	92,318	53,431	422,107
Pay costs	(78,878)	(82,473)	(74,207)	(41,849)	(277,407)
Drugs	(17,360)	(21,841)	(4,042)	(219)	(43,462)
Other non pay	(18,119)	(9,256)	(16,203)	(39,505)	(83,083)
Total expenditure	(114,357)	(113,570)	(94,452)	(81,573)	(403,952)
Depreciation	-	-	-	(8,218)	(8,218)
Interest received	-	-	-	96	96
Interest paid	-	-	-	(499)	(499)
PDC dividend	-	-	-	(4,623)	(4,623)
Net impairment reversal	-	-	-	1,353	1,353
Donated funds income	-	-	-	2,011	2,011
Profit on disposal	-	-	-	4,013	4,013
Total Financing	-	-	-	(5,867)	(5,867)
Surplus/(deficit)	30,320	18,111	(2,134)	(34,009)	12,288

The amounts within 'other' above includes the Corporate Services activities which do not meet the definition of an operating segment under IFRS8. Any item of income or expenditure that was not directly attributable to one of the clinical divisions (Surgery, Medicine or F&CSS) has been allocated to 'Other'.

5 Operating expenses

	2018/19	2017/18
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	2,441	2,118
Purchase of healthcare from non-NHS and non-DHSC bodies	4,012	1,027
Staff and executive directors costs	273,105	256,892
Remuneration of non-executive directors	165	165
Supplies and services - clinical (excluding drugs costs)	30,994	32,808
Supplies and services - general	6,456	6,593
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	43,347	42,265
Inventories written down	109	123
Consultancy costs	420	1,048
Establishment	6,310	7,459
Premises	12,007	10,865
Transport (including patient travel)	1,437	351
Depreciation on property, plant and equipment	8,042	8,284
Amortisation on intangible assets	176	193
Net impairments	(1,352)	(2,133)
Movement in credit loss allowance: contract receivables / contract assets	193	-
Movement in credit loss allowance: all other receivables and investments	-	321
Change in provisions discount rate(s)	(18)	25
Audit fees payable to the external auditor		
audit services- statutory audit	91	78
other auditor remuneration (external auditor only)	12	12
Internal audit costs	104	100
Clinical negligence	14,254	12,650
Legal fees	332	85
Insurance	165	171
Research and development	1,373	1,247
Education and training	2,890	2,586
Rentals under operating leases	2,200	1,885
Early retirements	-	(161)
Redundancy	-	175
Hospitality	-	3
Losses, ex gratia & special payments	145	45
Other services, eg external payroll	-	1,738
Other	614	495
Total	410,024	389,513
Of which:		
Related to continuing operations	410,024	389,513

6. Audit Fees

For the year ended 31 March 2019 external audit fees payable to the external auditor totalled £72,000 (2017/18 - £66,000). Non-audit fees payable to the external auditor are analysed across the following headings:

	2018/19 £000	2017/18 £000
Other auditor remuneration paid to the external auditor:		
1. Audit of accounts of any associate of the trust	-	-
2. Audit-related assurance services	13	12
3. Taxation compliance services	-	-
4. All taxation advisory services not falling within item 3 above	-	-
5. Internal audit services	-	-
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. Other non-audit services not falling within items 2 to 7 above	-	-
Total	13	12

Limitation on auditor's liability for external audit work carried out for the financial years 2018/2019 is £2million.

Note 7 Impairment of assets (Group)

	2018/19 £000	2017/18 £000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	(1,352)	(2,685)
Other	-	552
Total net impairments charged to operating surplus / deficit	(1,352)	(2,133)
Impairments charged to the revaluation reserve	3,037	97
Total net impairments	1,685	(2,036)

The group's land and buildings were revalued using professional valuations in accordance with IAS 16. The impairments shown above arose as a result of the revaluation exercise.

8. Staff costs and numbers

8.1 Total staff costs

	Group		2018/19	2017/18
	Permanent	Other	Total	Total
	£000	£000	£000	£000
Salaries and wages	218,020	1,423	219,443	207,577
Social security costs	22,300	-	22,300	21,115
Apprenticeship levy	1,073	-	1,073	1,016
Employer's contributions to NHS pensions	25,919	-	25,919	24,502
Pension cost - other	7	-	7	-
Other post employment benefits	-	-	-	-
Other employment benefits	-	-	-	-
Termination benefits	-	-	-	-
Temporary staff	-	10,390	10,390	7,786
NHS charitable funds staff	-	-	-	-
Total gross staff costs	267,319	11,813	279,132	261,996
Recoveries in respect of seconded staff	-	(767)	(767)	(743)
Total staff costs	267,319	11,046	278,365	261,253
Of which				
Costs capitalised as part of assets	1,867	-	1,867	1,508

8.2 The monthly average number of persons employed

Average number of employees (WTE basis)

	Group	
	2018/19	2017/18
	Total	Total
	Number	Number
Medical and dental	801	748
Administration and estates	1,390	1,436
Healthcare assistants and other support staff	1,456	1,306
Nursing, midwifery and health visiting staff	1,477	1,551
Scientific, therapeutic and technical staff	398	380
Healthcare science staff	127	132
Total average numbers	5,649	5,553
Of which:		
Number of employees (WTE) engaged on capital projects	32	26

8.3 Employee Benefits

The total value of employee benefits paid during the year was £nil (2017/18 - £nil).

8.4 The number of early retirements due to ill health

During 2018/19 there were 5 early retirements from the group agreed on the grounds of ill-health (2017/18 - 7). The estimated additional pension liabilities of these ill-health retirements is £311,000. (2017/18 - £556,000).

9. Finance income and finance costs

	2018/19 £000	2017/18 £000
Interest on bank accounts	96	32
Total finance income	96	32

	2018/19 £000	2017/18 £000
Interest expense:		
Loans from the Department of Health and Social Care	483	324
Finance leases	16	18
Total interest expense	499	342
Unwinding of discount on provisions	27	40
Total finance costs	526	382

10. Intangible assets

	Group		Trust	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Software Licence				
Gross cost brought forward	5,954	4,839	5,895	4,780
Additions	1,215	1,115	1,216	1,115
Reclassifications	163	-	163	-
Disposals/derecognitions	(45)	-	(45)	-
Gross cost at 31 March	7,287	5,954	7,229	5,895
Amortisation brought forward	4,432	4,239	4,420	4,234
Additions	183	193	178	186
Disposals/derecognitions	(45)	-	(45)	-
Amortisation at 31 March	4,570	4,432	4,553	4,420
Net Book Value at 31 March	2,717	1,522	2,676	1,475
Net Book Value at 1 April	1,522	600	1,475	546

Intangible assets are depreciated on current cost evenly over the estimated life of the asset, which for Information Technology Software is 5 to 10 years.

11. Property, plant and equipment

Note 11.1 Property, plant and equipment - 2018/19

Group	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation/gross cost at 1 April 2018 - brought forward	21,321	143,703	1,155	1,467	49,260	233	18,055	1,622	236,816
Additions	-	1,717	-	2,471	2,254	-	3,504	149	10,095
Impairments	(731)	(3,995)	-	-	-	-	-	-	(4,726)
Reversals of impairments	-	1,004	(16)	-	-	-	-	-	988
Revaluations	1,632	4,682	814	-	-	-	-	-	7,128
Reclassifications	-	(32)	-	3	-	-	(134)	-	(163)
Disposals / derecognition	(503)	(1,416)	-	-	-	-	(74)	-	(1,993)
Valuation/gross cost at 31 March 2019	21,719	145,663	1,953	3,941	51,514	233	21,351	1,771	248,145

Accumulated depreciation at 1 April 2018 - brought forward	-	-	-	-	35,656	231	11,107	1,314	48,308
Provided during the year	-	3,224	22	-	3,306	2	1,407	81	8,042
Impairments	-	(1,461)	-	-	-	-	-	-	(1,461)
Reversals of impairments	-	(570)	(22)	-	-	-	-	-	(592)
Revaluations	-	(1,144)	-	-	-	-	-	-	(1,144)
Reclassifications	-	-	-	-	-	-	(7)	-	(7)
Disposals / derecognition	-	(49)	-	-	-	-	-	-	(49)
Accumulated depreciation at 31 March 2019	-	-	-	-	38,962	233	12,507	1,395	53,097

Net book value at 31 March 2019	21,719	145,663	1,953	3,941	12,552	-	8,844	376	195,048
Net book value at 1 April 2018	21,321	143,703	1,155	1,467	13,604	2	6,948	308	188,508

11. Property, plant and equipment (continued)
11.2 Property, plant and equipment – Group 2017/18

Group	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation / gross cost at 1 April 2017 - as previously stated	21,391	135,211	1,155	212	49,886	236	16,453	1,622	226,166
Additions	-	4,616	-	1,807	1,358	-	1,714	18	9,513
Impairments	-	(954)	-	(552)	-	-	-	-	(1,506)
Reversals of impairments	-	1,922	-	-	-	-	-	-	1,922
Revaluations	-	3,107	-	-	-	-	-	-	3,107
Disposals / derecognition	(70)	(199)	-	-	(1,984)	(3)	(112)	(18)	(2,386)
Valuation/gross cost at 31 March 2018	21,321	143,703	1,155	1,467	49,260	233	18,055	1,622	236,816

Accumulated depreciation at 1 April 2017 - as previously stated	-	-	-	-	33,963	225	9,531	1,238	44,957
Provided during the year	-	2,795	21	-	3,691	8	1,687	82	8,284
Impairments	-	(853)	-	-	-	-	-	-	(853)
Reversals of impairments	-	(746)	(21)	-	-	-	-	-	(767)
Revaluations	-	(1,192)	-	-	-	-	-	-	(1,192)
Reclassifications	-	-	-	-	(14)	1	1	12	-
Disposals / derecognition	-	(4)	-	-	(1,984)	(3)	(112)	(18)	(2,121)
Accumulated depreciation at 31 March 2018	-	-	-	-	35,656	231	11,107	1,314	48,308

Net book value at 31 March 2018	21,321	143,703	1,155	1,467	13,604	2	6,948	308	188,508
Net book value at 1 April 2017	21,391	135,211	1,155	212	15,923	11	6,922	384	181,209

11. Property, plant and equipment (continued)
11.3 Property, plant and equipment – Trust 2018/19

Trust	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation/gross cost at 1 April 2018 - brought forward	21,321	135,840	1,155	1,467	45,552	233	17,986	1,524	225,078
Valuation/gross cost at start of period as FT									
Additions		1,717	-	2,471	2,254	-	3,504	149	10,095
Impairments	(731)	(3,995)							(4,726)
Reversals of impairments		946	(16)						930
Revaluations	1,632	4,682	814						7,128
Reclassifications		(32)					(134)		(163)
Disposals / derecognition	(503)	(1,416)		3			(74)		(1,993)
Valuation/gross cost at 31 March 2019	21,719	137,742	1,953	3,941	47,806	233	21,282	1,673	236,349

Accumulated depreciation at 1 April 2018 - brought forward

Provided during the year	-	-	-	-	33,901	230	11,053	1,273	46,457
Impairments		3,098	22	-	2,898	2	1,387	67	7,474
Reversals of impairments		(1,461)							(1,461)
Revaluations		(462)	(22)						(484)
Reclassifications		(1,144)							(1,144)
Disposals / derecognition		(49)					(7)		(7)
Accumulated depreciation at 31 March 2019	-	(18)	-	-	36,799	232	12,433	1,340	50,786

Net book value at 31 March 2019

Net book value at 31 March 2019	21,719	137,760	1,953	3,941	11,007	1	8,849	333	185,563
Net book value at 1 April 2018	21,321	135,840	1,155	1,467	11,651	3	6,933	251	178,621
			234						

11. Property, plant and equipment (continued)
11.4 Property, plant and equipment – Trust 2017/18

Trust	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation / gross cost at 1 April 2017 - as previously stated	21,391	127,820	1,155	212	46,062	237	16,379	1,507	214,763
Additions	-	4,605	-	1,807	1,357	-	1,714	19	9,502
Impairments	-	(954)	-	(552)	-	-	-	-	(1,506)
Reversals of impairments	-	1,547	-	-	-	-	-	-	1,547
Revaluations	-	3,021	-	-	-	-	-	-	3,021
Disposals / derecognition	(70)	(199)	-	-	(1,867)	(4)	(107)	(2)	(2,249)
Valuation/gross cost at 31 March 2018	21,321	135,840	1,155	1,467	45,552	233	17,986	1,524	225,078
Accumulated depreciation at 1 April 2017 - as previously stated	-	-	-	-	32,485	226	9,488	1,206	43,405
Provided during the year	-	2,669	21	-	3,306	8	1,673	69	7,746
Impairments	-	(853)	(21)	-	-	-	-	-	(874)
Reversals of impairments	-	(677)	-	-	-	-	-	-	(677)
Revaluations	-	(1,135)	-	-	-	-	-	-	(1,135)
Disposals / derecognition	-	(4)	-	-	(1,890)	(4)	(108)	(2)	(2,008)
Accumulated depreciation at 31 March 2018	-	-	-	-	33,901	230	11,053	1,273	46,457
Net book value at 31 March 2018	21,321	135,840	1,155	1,467	11,651	3	6,933	251	178,621
Net book value at 1 April 2017	21,391	127,820	1,155	212	13,577	11	6,891	301	171,358

11.5 Property, plant and equipment (continued)

Group	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Dwellings £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Net book value at 31 March 2019									
Owned - purchased	21,719	134,104	1,627	3,941	9,883	-	8,773	318	180,365
Finance leased	-	1,226	-	-	-	-	-	-	1,226
On-SoFP PFI contracts and other service concession arrangements	-	6,411	-	-	-	-	-	-	6,411
Owned - donated	-	3,922	326	-	2,669	-	71	58	7,046
NBV total at 31 March 2019	21,719	145,663	1,953	3,941	12,552	-	8,844	376	195,048

11.6 Property, Plant & Equipment - Group Financing 2017/18

Group	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Dwellings £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Net book value at 31 March 2018									
Owned - purchased	21,321	133,375	829	1,467	10,731	2	6,866	246	174,837
Finance leased	-	1,216	-	-	648	-	-	-	1,864
On-SoFP PFI contracts and other service concession arrangements	-	6,334	-	-	-	-	-	-	6,334
Owned - donated	-	2,778	326	-	2,225	-	82	62	5,473
NBV total at 31 March 2018	21,321	143,703	1,155	1,467	13,604	2	6,948	308	188,508

11.7 Property, Plant & Equipment - Trust Financing 2018/19

Trust	Buildings excluding dwellings		Assets under construction		Plant & machinery		Transport equipment		Information technology		Furniture & fittings		Total £000
	Land £000	Dwellings £000	Dwellings £000	construction £000	£000	£000	£000	£000	£000	£000	£000	£000	
Net book value at 31 March 2019													
Owned - purchased	21,719	126,201	1,627	3,941	8,338	1	8,778	275	170,880				
Finance leased		1,226											1,226
On-SoFP PFI contracts and other service concession arrangements		6,411											6,411
Owned - donated		3,922	326		2,669		71	58	7,046				
NEV total at 31 March 2019	21,719	137,760	1,953	3,941	11,007	1	8,849	333	185,563				

11.8 Property, Plant & Equipment - Trust Financing 2017/18

Trust	Buildings excluding dwellings		Assets under construction		Plant & machinery		Transport equipment		Information technology		Furniture & fittings		Total £000
	Land £000	Dwellings £000	Dwellings £000	construction £000	£000	£000	£000	£000	£000	£000	£000	£000	
Net book value at 31 March 2018													
Owned - purchased	21,321	125,512	829	1,467	8,778	3	6,851	189	164,950				
Finance leased	-	1,216	-	-	648	-	-	-	1,864				
On-SoFP PFI contracts and other service concession arrangements	-	6,334	-	-	-	-	-	-	6,334				
Owned - donated		2,778	326	-	2,225	-	82	62	5,473				
NEV total at 31 March 2018	21,321	135,840	1,155	1,467	11,651	3	6,933	251	178,621				

12. Subsidiaries

12.1 Hampshire Hospitals Charity

At 31 March 2019 the Hampshire Hospitals Charity had assets of £4,767,000 (31st March 2018 - £4,866,000), liabilities of £467,000 (31st March 2018 - £639,000) and reserves of £4,300,000 (31st March 2018 - £4,227,000). For the year ended 31 March 2019 the Hampshire Hospitals Charity had income of £1,242,000 (2017/18 - £471,000) and expenditure of £1,178,000 (2017/18 - £1,206,000) and net investment gains of £160,000 (2017/18 gains of £143,000). The comparative figures have been amended to match the numbers in the audited accounts of the charity, which were not available at the time of signing the group's 2018/19 accounts.

The Hampshire Hospitals NHS Foundation Trust is the sole beneficiary of the Hampshire Hospitals Charity. The Charity registration number is 1060133 and the registered address is The North Hampshire Hospital, Aldermaston Road, Basingstoke, Hampshire, RG24 9NA. Accounts for the charity can be obtained from <http://www.charity-commission.gov.uk/>.

12.2 Hampshire Hospitals Contract Services Limited

Hampshire Hospitals NHS Foundation Trust is the sole owner of Hampshire Hospitals Contract Services Limited. The Company was established to explore and take advantage of commercial opportunities in the operation of healthcare facilities, initially for the parent NHS organisation. The Company operated two facilities, both of which are run in accordance with NHS standards including all statutory compliance requirements.

	31 March 2019 £	31 March 2018 £
Shares at cost	<u>10,890,100</u>	<u>10,890,100</u>

No goodwill arose in respect of the subsidiary as the reporting Trust established the company and received an interest in the company equal to the fair value of assets on its formation.

13. Inventories

	Group		Trust	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Drugs	3,089	2,130	2,257	1,455
Consumables	4,060	3,480	4,060	3,480
Energy	21	16	21	16
Total inventories	<u>7,170</u>	<u>5,626</u>	<u>6,338</u>	<u>4,951</u>

Inventories recognised in expenses for the year were - £43,347,000 (2017/18 - £35,646,000). Write-down of inventories recognised as expenses for the year were £109,000 (2017/18 - £123,000).

14. Trade and other receivables

Those amounts meeting the definition of a financial asset are set out in note 26.

	Group		Trust	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Current				
Contract receivables	27,417	-	23,812	-
Trade receivables	-	7,323	-	7,323
Accrued income		6,529	-	6,529
Capital receivables	2,500	-		
Allowance for impaired contract receivables / assets	(1,211)		(1,211)	
Allowance for other impaired receivables	-	(1,041)	-	(1,041)
Prepayments (non-PFI)	2,979	2,815	2,965	2,764
PDC dividend receivable	305	13	305	13
VAT receivable	935	574	542	224
Other receivables	2,637	7,770	9,807	8,275
Total current receivables	35,562	23,983	36,220	24,087

The book values of trade and other receivables are considered to be approximately equal to their fair value.

Allowances for credit losses

	Group		Trust	
	receivables and contract assets £000	All other receivables £000	receivables and contract assets £000	All other receivables £000
Allowances as at 1 Apr 2018 - brought forward		-		-
Impact of implementing IFRS 9 (and IFRS 15) on 1 April 2018	1,041	(1,041)	1,041	(1,041)
Changes in existing allowances	193	-	193	-
Utilisation of allowances (write offs)	(23)	-	(23)	-
Allowances as at 31 Mar 2019	1,211	(1,041)	1,211	(1,041)

15. Cash and cash equivalents

	Group		Trust	
	2018/19	2017/18	2018/19	2017/18
	£000	£000	£000	£000
At 1 April	7,783	11,015	7,569	10,934
Net change in year	(1,071)	(3,232)	(1,238)	(3,365)
At 31 March	6,712	7,783	6,331	7,569
Broken down into:				
Cash at commercial banks and in hand	732	720	744	677
Cash with the Government Banking Service	5,980	7,063	5,587	6,892
Total cash and cash equivalents as in SoFP	6,712	7,783	6,331	7,569
Total cash and cash equivalents as in SoCF	6,712	7,783	6,331	7,569

16. Trade and other payables

	Group		Trust	
	31 March	31 March	31 March	31 March
	2019	2018	2019	2018
	£000	£000	£000	£000
Current				
Trade payables	11,734	13,713	15,011	15,791
Capital payables	876	2,111	863	2,049
Accruals	9,333	9,970	9,039	10,126
Receipts in advance and payments on account	-	-	-	-
Social security costs	3,177	2,959	3,174	2,957
VAT payables	-	431	-	431
Other taxes payable	2,808	2,650	2,807	2,649
PDC dividend payable	-	-	-	-
Accrued interest on loans*	-	66	-	66
Other payables	4,437	586	4,435	619
NHS charitable funds: trade and other payables	-	-	-	-
Total current trade and other payables	32,365	32,486	35,329	34,688

The deferred income due in more than one year covers three non-current asset schemes and is being released over the lives of those assets. The deferred PFI credit relates to the Servite PFI contract which is further explained in note 20.

	Group		Trust	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Current				
Deferred income: contract liabilities	1,457	1,303	1,457	1,303
Deferred PFI credits / income	285	285	285	285
Total other current liabilities	1,742	1,588	1,742	1,588
Non-current				
Deferred income: contract liabilities	1,103	1,156	1,103	1,156
Deferred PFI credits / income	6,390	6,675	6,390	6,675
Total other non-current liabilities	7,493	7,831	7,493	7,831

17. Borrowings

17.1 Loans – payment of principal falling due

	Group		Trust	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Current				
Loans from DHSC	1,971	1,912	1,971	1,912
Other loans	30	-	30	-
Obligations under finance leases	100	100	100	100
Total current borrowings	2,101	2,012	2,101	2,012
Non-current				
Loans from DHSC	17,590	21,002	17,590	21,002
Other loans	216	-	216	-
Obligations under finance leases	449	549	449	549
Total non-current borrowings	18,255	21,551	18,255	21,551

17.2 Finance lease arrangements

	Group		Trust	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Gross lease liabilities	587	702	587	702
of which liabilities are due:				
- not later than one year;	112	115	112	115
- later than one year and not later than five years;	425	434	425	434
- later than five years.	50	153	50	153
Finance charges allocated to future periods	(38)	(53)	(38)	(53)
Net lease liabilities	549	649	549	649
of which payable:				
- not later than one year;	100	100	100	100
- later than one year and not later than five years;	399	399	399	399
- later than five years.	50	150	50	150
Total of future minimum sublease payments to be received at the reporting date	549	649	549	649

The Group one remaining finance lease for the provision of mammography equipment.

18. Provisions

Group	Pensions: early departure costs	Pensions: injury benefits*	Legal claims	Total
	£000	£000	£000	£000
At 1 April 2018	1,824	787	100	2,711
Change in the discount rate	(5)	(13)	-	(18)
Arising during the year	85	(6)	-	79
Utilised during the year	(178)	(43)	-	(221)
Reversed unused	(36)	-	-	(36)
Unwinding of discount	5	22	-	27
At 31 March 2019	1,695	747	100	2,542
Expected timing of cash flows:				
- not later than one year;	177	44	-	221
years;	700	174	-	874
- later than five years.	818	529	100	1,447
Total	1,695	747	100	2,542

Provisions which are not expected to become due for several years are shown at a reduced value to take account of inflation. The unwinding of discounts relates to the increase in the value of provisions as their settlement date gets nearer.

The provisions shown under the heading 'Pensions- early departure costs' relating to staff have been calculated using figures provided by the NHS Pensions Agency. They assume certain life expectancies.

The provisions shown under the heading 'Legal claims' relate to public and employer liability claims and the Property Expenses Scheme. The provisions have been calculated using information provided by the NHS Resolution and are based on the best information available at the 31 March. In addition the group has a contingent liability of £61,000 (2017/18 - £73,000) in respect of these provisions – see note 25.

Only the Group position has been disclosed above as there is no difference between the Trust and the Group position.

Clinical Negligence Liabilities

The group is part of a scheme operated by the NHS Resolution in relation to clinical negligence. The costs of this scheme are disclosed in operating expenses. The NHSLA handle any claims made against the group.

At 31 March 2019, £162,369,385 was included in provisions of NHS Resolution in respect of clinical negligence and liabilities of the group (31 March 2018 - £132,437,896).

19. Operating lease arrangements

The group has a number of operating leases including pathology managed contracts and photocopiers. Details of minimum lease payments can be found in note 19.2. In addition the group acts as a lessor in relation to the provision of two retail outlets and a health centre. Details of the lease income can be found in note 19.3.

19.1 Payments recognised as an expense

	2018/19 £000	2017/18 £000
Operating lease expense		
Minimum lease payments	2,200	1,885
Total	2,200	1,885

19.2 Non-cancellable operating lease commitments

The future minimum lease payments under non-cancellable operating leases are as follows:-

	31 March 2019 £000	31 March 2018 £000
Future minimum lease payments due:		
- not later than one year;	912	1,870
- later than one year and not later than five years;	365	1,313
- later than five years.	-	-
Total	1,277	3,183
Future minimum sublease payments to be received	-	-

19.3 Operating lease income

	2018/19 £000	2017/18 £000
Operating lease revenue		
Minimum lease receipts	393	260
Contingent rent	-	-
Total	393	260

	31 March 2019 £000	31 March 2018 £000
Future minimum lease receipts due:		
- not later than one year;	292	275
- later than one year and not later than five years;	1,354	1,278
- later than five years.	948	1,317
Total	2,594	2,870

Only the Group position has been disclosed above as there is no difference between the Trust and the Group position.

20. Private Finance Initiative schemes - service element of PFI schemes deemed to be on-SoFP

	Viridian Housing
Estimated capital value at start of contract	£6,750,000
Length of project	37 years
Remaining contractual period	25 years 7 months
Start date of contract	1 Nov 2006
Finish date of contract	31 Oct 2043

The group has one PFI scheme deemed to be on-SoFP:

Viridian Housing

The PFI contract relates to the provision of staff residences which was transferred to Servite Houses in November 2006 through a 37 year deal. Servite Houses was responsible for the re-development of the residences and the group has nomination rights. On 17th May 2010, Servite Houses changed its name to Viridian Housing. The redeveloped residences will be maintained by Viridian Housing until they are transferred back to the NHS Foundation Trust after the 37 year scheme ends. The control and residual interest clauses mean the scheme is an On-SoFP scheme. Under the terms of the contract, the Trust has the right to rent the accommodation to Healthcare Key Workers and other tenants who are on its allocation list for the provision of housing.

Depreciation will be charged to the income statement over the course of the asset life and the remaining deferred PFI credit of £7,530,000 will be released over the life of the contract on a straight line basis (£285,000 per year).

The Viridian Housing PFI contract includes certain guarantees which commit the group to meet or contribute towards the costs of unoccupied rooms. These represent a financial liability – a present obligation arising from commitments made in the contract.

a) Void rents – the group has a commitment to pay void rents where occupancy levels are between 80%-90%. As this has never occurred in the period from the signing of the contract to the current financial year, the Trust do not recognise a commitment at 31 March 2019 (31 March 2018 – nil).

b) Diva block – the group has a commitment to pay for all the rooms available in Diva block throughout the contract. Diva block is expected to be fully utilized and all costs are expensed as incurred.

Gross PFI liabilities for schemes deemed to be on-SoFP are as follows:-

There are no gross liabilities for schemes deemed to be on-SoFP as there is no service change within the Servite contract.

	Group		Trust	
	2018/19	2017/18	2018/19	2017/18
	£000	£000	£000	£000
Unitary payment payable to service concession operator	-	180	-	180
Consisting of:				
- Repayment of finance lease liability	-	180	-	180
Total amount paid to service concession operator	-	180	-	180

21. Related party transactions

Hampshire Hospitals NHS Foundation Trust is an independent public benefit corporation as authorised by NHS Improvement in their Terms of Authorisation.

The Department of Health is regarded as a related party as it exerts influence over the numbers of transactions and operating policies of the Group. During the year ended 31 March 2019, the group has a significant number of material transactions with other entities for which the Department is regarded as the parent Department.

During the year ended 31 March 2019, none of the Board Members, or members of the key management staff, or parties deemed to be related to them, has undertaken any material transactions with Hampshire Hospitals NHS Foundation Trust.

The following NHS and other government organisations had transactions or balances in excess of £250,000:

Year Ended 31 March 2019

	Trade & other receivables £'000	Trade & other payables £'000	Income £'000	Expenditure £'000
Health Education England	41	20	18,052	10
Department of Health and Social Care	-	-	4,154	0
HM Revenue & Customs - Other taxes and duties (Not PAYE)	936	5,985	-	23,373
NHS Pension Scheme	-	3,667	-	25,919
Oxford Health NHS Foundation Trust	-	11	-	359
Royal Surrey County Hospital NHS Foundation Trust	15	39	74	283
Southern Health NHS Foundation Trust	417	124	2,193	960
University Hospital Southampton NHS Foundation Trust	635	761	2,906	1,831
Solent NHS Trust	222	4	1,367	374
Care Quality Commission	-	-	-	270
NHS Berkshire West CCG	236	-	14,560	-
NHS Dorset CCG	38	-	458	-
NHS Fareham and Gosport CCG	5	-	698	-
NHS North East Hampshire and Farnham CCG	13	-	1,446	-
NHS North Hampshire CCG	4,252	-	129,550	44
NHS South Eastern Hampshire CCG	13	-	5,199	-
NHS Southampton CCG	29	-	1,129	-
NHS West Hampshire CCG	1,348	-	138,523	4
NHS Wiltshire CCG	4	-	2,749	-
NHS Resolution (formerly NHS Litigation Authority)	-	18	-	14,293
NHS England - Core	4,262	-	8,485	-
NHS England - Wessex Specialised Commissioning Hub	3,702	-	57,954	-
NHS Blood and Transplant	-	67	-	1,209
Portsmouth Hospitals NHS Trust	11	123	54	1,516
Basingstoke and Deane Borough Council	-	-	-	1,134
Hampshire County Council	44	14	1,131	0
Winchester City Council	23	23	-	831

Year Ended 31 March 2018

	Trade & other receivables £'000	Trade & other payables £'000	Income £'000	Expenditure £'000
Health Education England	384	44	15,772	(1)
HM Revenue & Customs - Other taxes and duties (Not PAYE)	-	5,609	-	22,131
Dept of Work and Pensions	-	-	666	167
NHS Pension Scheme	-	3,466	-	24,502
Southern Health NHS Foundation Trust	495	60	2,039	866
University Hospital Southampton NHS Foundation Trust	817	569	2,445	1,750
Solent NHS Trust	133	3	1,082	260
Care Quality Commission	-	-	-	289
NHS Dorset CCG	72	-	422	-
NHS Fareham and Gosport CCG	3	-	640	-
NHS Newbury and District CCG	449	-	11,879	-
NHS North and West Reading CCG	174	-	1,487	-
NHS North East Hampshire and Farnham CCG	273	-	1,379	-
NHS North Hampshire CCG	1,137	2	121,491	37
NHS South Eastern Hampshire CCG	63	170	4,664	-
NHS Southampton CCG	50	-	1,017	-
NHS West Hampshire CCG	1,963	306	133,543	4
NHS Wiltshire CCG	17	-	2,772	-
NHS Wokingham CCG	-	52	381	-
NHS Resolution (formerly NHS Litigation Authority)	-	-	-	12,650
NHS England - Core	2,525	-	8,795	-
NHS England - Wessex Local Office	208	201	4,913	-
NHS England - Wessex Specialised Commissioning Hub	2,927	-	49,311	-
NHS England - South Central Local Office	235	-	965	-
NHS Blood and Transplant	-	365	-	1,065
Portsmouth Hospitals NHS Trust	3	113	48	1,535
Hampshire County Council	81	7	857	(19)

21. Related party transactions (continued)

The group prepares the payroll on behalf of St Michael's Hospice, which is considered to be a related party because the Trust's Chief Medical Officer is on their board of Trustees. The transactions and balances with those parties have not been disclosed as they are considered to be immaterial to both parties.

NHS Providers is considered to be related parties because a member of the Trust's board is in a position to exert considerable influence over the other party. The transactions and balances with this party has not been disclosed as they are considered to be immaterial to both parties.

Basingstoke and North Hampshire Medical Trust Fund and Bishop and Brookes are both considered to be related parties because the Trust's Chief Medical Officer is on their boards. The group also receives revenue and capital payments from the Hampshire Hospitals Charity, of which it is a corporate trustee (for additional information see note 12).

The following transactions are considered to material:

	Receivables		Payables	
	31st March	31st March	31st March	31st March
	2019	2018	2019	2018
Basingstoke and North Hampshire Medical Fund	-	49	-	-
Hampshire Hospitals Charity	-	174	-	-
Bishop & Brookes Limited	-	-	-	-
	<u>0</u>	<u>223</u>	<u>-</u>	<u>-</u>
	Income		Expenditure	
	31st March	31st March	31st March	31st March
	2019	2018	2019	2018
Basingstoke and North Hampshire Medical Fund	265	382	-	-
Hampshire Hospitals Charity	1,190	1,042	-	-
Bishop & Brookes Limited	-	-	18	17
	<u>1455</u>	<u>1424</u>	<u>18</u>	<u>17</u>

22. Events after the reporting date

There have been no events after the reporting date which require adjustment or disclosure within these financial statements.

23. Capital commitments

	Group		Trust	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Property, plant and equipment	62	216	62	216
Total	62	216	62	216

24. Losses and special payments

Group and trust	2018/19		2017/18	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
Losses				
Bad debts and claims abandoned	2	2	-	-
Total losses	2	2	-	-
Special payments				
Ex-gratia payments	39	26	43	41
Total special payments	39	26	43	41
Total losses and special payments	41	28	43	41

Amounts are reported on an accruals basis excluding provisions for future losses.

In addition to these sums were 4 more cases totalling £9,220.30 which have all been recovered by the Trust.

25. Contingent assets/(liabilities)

	Group		Trust	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Value of contingent liabilities				
NHS Resolution legal claims	(61)	(73)	-	-
Gross value of contingent liabilities	(61)	(73)	-	-
Amounts recoverable against liabilities	-	-	-	-
Net value of contingent liabilities	(61)	(73)	-	-

The group has a contingent liability for £60,600 (2018 - £72,795) in respect of employer and public liability incidents for which claims have been made against the group through the LTPS scheme. The figures were provided by NHS Resolution. Provisions relating to these cases are shown in note 18.

The amounts required by NHS Resolution are based on the best estimate of the probability of an outflow.

The contingent asset relates to a retrospective VAT claim following the Conde Nast judgement against HMRC.

26. Financial Instruments

IAS 32, 39 and IFRS 7, Financial Instruments, requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Because of the continuing service

provider relationship that the group has with local Clinical Commissioning Groups and the way those Clinical Commissioning Groups are financed, the group is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IAS 32, 39 and IFRS 7 mainly apply. The group has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the group in undertaking its activities.

Each of the following risks have been considered, but total comprehensive income for the year and total assets employed are not materially sensitive to variations in those factors, so a sensitivity analysis is not given.

Liquidity risk

The group's net operating costs are incurred under annual service agreements with local Clinical Commissioning Groups which are financed from resources voted annually by Parliament. The group has a £25m working capital facility with the Independent Trust Financing Facility which ensures that there are funds available to meet its operating liabilities as they fall due. The group is not, therefore, exposed to significant liquidity risks.

Market risk

All of the group's financial liabilities carry a nil or fixed rate of interest. The group is not, therefore, exposed to significant interest-rate risk.

The group has negligible foreign currency Income and Expenditure and is not, therefore, exposed to significant foreign currency risk.

Credit risk

The group's risk profile is low with the maximum being disclosed in receivables to customers. The majority of the group's income comes from legally binding contracts with other Government Departments and other NHS bodies. Therefore the group does not believe that it is exposed to significant credit risk.

As set out in note 15, £5,980,000 of the Group's £6,712,000 total cash deposits are held with the Government Banking Service (£7,063,000 of £7,783,000 at 31 March 2018). The remaining cash in both years was held with another UK based bank. The group is satisfied that there is no material exposure to credit risk in respect of cash deposits.

Fair value interest rate risk

The group has no exposure to a fair value interest rate risk.

26.1 Financial assets

	Group		Trust	
	2019	2018	2019	2018
	£000	£000	£000	£000
Investment in associates and joint ventures	-	-	10,890	10,890
Trade and other receivables excluding non financial liabilities	31,343	18,649	32,408	18,804
Cash and cash equivalents at bank and in hand	6,712	7,783	6,331	7,569
Total	38,055	26,432	49,629	37,263

The following are not considered to be financial instruments under IFRS and therefore have been excluded from the above table:

- Prepayments amounting to £2,979,000 (2018 - £2,815,000)
- PDC receivable amounting to £305,000 (2018 - £13,000)
- VAT receivable amounting to £935,000 (2018 - £574,000)

26.2 Financial liabilities

	Group		Trust	
	2019	2018	2019	2018
	£000	£000	£000	£000
Loans from the Department of Health and Social Care	19,561	22,914	19,561	22,914
Obligations under finance leases	549	649	549	649
Other borrowings	246	-	246	-
Trade and other payables excluding non financ	26,380	24,418	29,348	26,623
Other financial liabilities	148	148	-	-
Provisions under contract	2,542	2,711	2,542	2,711
Total	49,426	50,840	52,246	52,897

The following are not considered to be financial instruments under IFRS and therefore have been excluded from the above table:

- Deferred Income amounting to £2,560,000 (2018 - £2,459,000)
- Other Tax and Social Security Creditors amounting to £5,985,000 (2018 - £5,603,000)
- Deferred PFI credits amounting to £6,675,000 (2018 - £6,960,000)
- PDC payable amounting to £nil (2018 - £nil)

A maturity profile for Obligations under finance leases can be found in note 17, for Obligations under PFI contracts in note 20 and for Provisions in note 18.

26.3 Fair values

The book value of financial assets and liabilities are not considered to be materially different from the fair value.

