

Annual Report

1st April 2017 to 31st March 2018





Ashford and
St. Peter's Hospitals
NHS Foundation Trust

ANNUAL REPORT & ACCOUNTS

1st April 2017 to 31st March 2018

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

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1. Introduction

Welcome Statement by the Chairman, Andy Field

Welcome to our Annual Report which covers the financial period from 1 April 2017 to 31 March 2018.

This has been my first year as Chair of Ashford and St Peter's Hospitals. I joined on 4th September 2017 and it has been a hugely enjoyable and rewarding first nine months. Consistent with the Trust's open culture, I have been made extremely welcome and have enjoyed getting out and about meeting teams across many services and departments, as well as our local partners. I've been extremely impressed by all that I've seen and particularly by the commitment of colleagues across the Trust.

As a previous Non-Executive Director of Surrey and Borders Partnership NHS Foundation Trust (SABP), I have a particular interest in how we can provide a holistic service for patients, taking into account both their physical and mental wellbeing and I am looking forward to supporting the Trust in developing this approach further with colleagues at SABP.

2017/18 has been a very positive year for the Trust, despite a continually challenging environment of rising demand, workforce shortages and ongoing financial pressure on the health and social care sector. We continue to work hard to maintain high standards of care and were pleased to receive positive feedback following an announced inspection of our Medicine and Emergency Services Division by the CQC in September. In particular they commented on the excellent care given to patients, which is great recognition given the fast-paced and pressured environment colleagues are working in. More details on the inspection are given on p.36 including the areas highlighted for improvement.

It's well documented that high quality care delivers better value and this is borne out in a particularly successful year-end financial position - an outstanding surplus of £18.9 million. This figure comprises £1 million operational surplus, £12 million national reward funding (for meeting and over-performing on our operating and financial plan and for winter pressures), and £5 million local system funding. This is a significant achievement and testament to the hard work of teams across the Trust and puts us amongst the top hospital Trusts in the country. It also puts us in an extremely positive position for this coming year and will enable us to invest in much needed capital schemes for the benefit of patients and staff.

During the year, we have continued to be recognised on the national platform including being nominated as a top performing hospital by CHKS for the fifth year running. We were also shortlisted at the national HSJ Awards for staff engagement (amongst a host of other award nominations, see p. 49). This is a great reflection of the open culture we are developing and the importance we place on ensuring Ashford & St Peter's is a great place to work. In particular we want colleagues to feel empowered and supported and have developed a new People Strategy which is described on p. 47. The 2017 National Staff

Survey showed a stable picture for the Trust and importantly that we benchmark well with other acute Trusts with higher than average scores for overall staff engagement.

We continue to undertake a range of improvements to enhance the environment for patients and ensure they are treated in modern, high quality surroundings. Over the past year this has included the expansion of our ITU department – officially opened by Lady Forsyth-Johnson last May – the opening of our new endoscopy and neurophysiology units (a significant £2 million capital development), the expansion of our Neonatal Intensive Care Unit (with four additional cots), the refurbishment of both the Little Oaks Isolation Room for children and the Daffodil Room in our maternity department, a special space for parents who have suffered a bereavement.

In terms of future planning, we were extremely pleased to receive outline planning permission from Runnymede Borough Council for our joint proposal with Surrey and Borders Partnership NHS Foundation Trust to redevelop and sell a section of surplus land on the St Peter's site. This will support a critical investment to redevelop and expand our urgent and emergency care services, as well as developing additional and improved accommodation for staff onsite.

During the year we have continued to make solid progress in developing clinical services – this includes the introduction of virtual clinics for urology, orthopaedics and gastroenterology, the introduction of a new prostate biopsy procedure to enable more accurate diagnosis and treatment of suspected cancers, and an innovative new endoscopic technique (Spyglass® ERCP) again enabling earlier and more accurate diagnosis of suspected cancers.

From 1st April we took over responsibility for running a number of community services including the Bradley Unit at Woking Community Hospital, the Early Supported Discharge Teams (for stroke care) in North West Surrey and Guildford & Waverley, community based physiotherapy teams at Woking and Weybridge hospitals, and specialist nursing services for Parkinson's disease and multiple sclerosis. We were delighted to welcome our new community colleagues to Team ASPH.

On 1st October, following a repurchase by Surrey County Council and NHS England, sexual health and HIV services provided through the Blanche Heriot Unit at St Peter's Hospital transferred to Central & North West London NHS Foundation Trust. In addition, following a long-term review of behavioural paediatric services, our service transferred to the new integrated CAMHS service with Surrey and Borders Partnership NHS Foundation Trust. We worked hard to support both services to transfer as smoothly as possible, despite some anxieties from both patients and colleagues, and I would like to record my thanks and appreciation on behalf of the Board to everyone involved.

The Trust has spent considerable time this year developing a new five year strategy in consultation with colleagues across the organisation, clinical leaders, the Board and the Institute of Healthcare Improvement. A new strategy will ensure a clear direction for the future through five new strategic objectives and our refreshed vision which is - *to provide an outstanding experience and best outcomes for patients and the team.*

Clearly embedded within the new strategy is the importance of continuing to work collaboratively across the system. Our work this winter demonstrated how critical collaboration is; unprecedented demand on services was managed largely due to the way

local partner organisations worked together. I would particularly like to praise the local system response to the devastating fire at Weybridge Community hospital last July where luckily no-one was hurt.

We continue to be a key partner within the Surrey Heartlands Health and Care Partnership and are working proactively on the development of a North West Surrey Partnership where the focus will be on developing the right out of hospital services. There is no doubt that collaboration will become increasingly important; however as an organisation we remain a strong and successful Trust and we will continue to develop and improve for our patients and the communities we serve.

In the meantime, I would like to take this opportunity to thank all our local partners - including commissioners, ambulance, social and primary care, our mental health service colleagues, carers and the community and voluntary sector - for their ongoing support in helping us provide high quality care for patients. I would particularly like to thank our strong cohort of dedicated hospital volunteers who play such an important role for patients and staff.

The Trust has a strong Board and I would particularly like to thank Terry Price who stepped down after nine years as a Non-Executive Director at the end of December. In his stead we welcome Marcine Waterman who joined us officially on 1st April 2018. We also welcomed Sue Tranka as our new Chief Nurse following the departure of Heather Caudle last September.

We continue to work well with our Council of Governors and I would like to take the opportunity to thank Prof. Jill Shawe, Appointed Governor for the University of Surrey and John Collins, Public Governor for Surrey Heath who both stood down in 2017.

Finally, I would like to record my considerable thanks and appreciation on behalf of the Board for the hard work and commitment shown by the previous Chair Aileen McLeish, who stepped down at the end of August 2017 after nine years as Chairman and 12 years on the Board.



Andy Field
Chairman

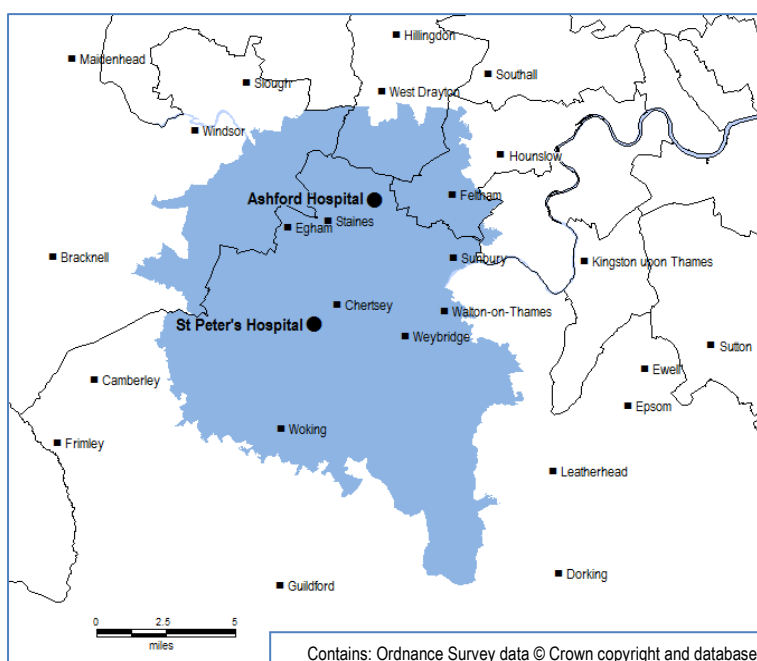
About us

Trust profile

Established in 1998 from the merger of Ashford and St Peter's Hospitals, the Trust has been on a long journey of development and improvement to its current position as the largest provider of acute hospital services to Surrey residents including becoming a Foundation Trust in December 2010.

Ashford and St Peter's Hospitals NHS Foundation Trust serves a population of over 410,000 people living in the boroughs of Runnymede, Spelthorne, Woking and parts of Elmbridge, Hounslow, Surrey Heath and beyond. The Trust employs around 3,800 individual members of staff and in 2017/18 our turnover for the year was £306.5 million.

The Trust provides a whole range of services across its two hospital sites in Surrey - Ashford Hospital, situated along the A30 close to the border with Hounslow, and St Peter's Hospital in Chertsey. The majority of planned care, like day case and orthopaedic surgery and rehabilitation services, is provided at Ashford Hospital, with more complex medical and surgical care and emergency services at St Peter's Hospital.



Our catchment area

We've been busy

During the year we have:

- Treated 27,000 emergency admissions
- Admitted 42,000 people for planned inpatient and day case treatment
- Seen 102,000 people in our A&E department
- Treated 468,000 patients in our outpatient clinics
- Helped deliver over 4,000 babies
- Had a turnover of £306.5m with a financial surplus of £18.9m

Our services

We provide the following hospital and community based health services to our catchment population:

- Admitted patient care for planned surgery and emergency medicine and surgery
- Accident and emergency services
- Critical care
- Outpatient services, both in the hospitals and across a number of community settings
- Community midwifery services

Services are split across our two main hospital sites as follows:

Ashford Hospital	St Peter's Hospital
Day-case surgery	Accident and emergency services
Stroke rehabilitation care	Intensive care
Elective orthopaedic surgery	Emergency surgical and medical care
Ophthalmology	Elective and day-case surgery
Outpatients (including paediatrics) and diagnostics; X ray, ultrasound, and MRI scans	Orthopaedics (Rowley Bristow unit)
	Maternity care
	Paediatric services (children's services)
	Neonatal intensive care unit which provides care for acutely ill babies
	Outpatients and diagnostics; X ray, ultrasound, CT scans, endoscopy (using cameras to look inside the body) and MRI scans
	Pathology services (provided through the Surrey and Berkshire Pathology Service)

We run many specialist clinics in the community - for example at Woking, Weybridge, Walton and Cobham Community Hospitals, at the Heart of Hounslow Centre for Health, Teddington Memorial Hospital and others – providing more accessible care, closer to where our patients live. We also run the Bradley Unit (providing neuro-rehabilitation) at Woking Community Hospital, the Early Supported Discharge Teams (for stroke) based at Ashford and Milford hospitals (providing services across much of West Surrey), community physiotherapy services from Woking and Weybridge hospitals and a number of specialist MS and Parkinson's nursing services.

2. Performance Report

Performance Report - Overview

Statement by the Chief Executive

Overall the Trust has performed well against its corporate objectives and assurance targets this year (see our Performance Analysis section for a more detailed analysis). Financially we ended the year with a substantial and unexpected surplus of £18.9 million, nearly £4 million higher than we had been expecting. This surplus comprises around £1 million of operational surplus, £5 million from local system funding and a further £11.1 million national Sustainability and Transformation funding (for meeting and over-performing on our operational and financial plan) which was £3.9 million higher than we had expected.

Within this we achieved £11.3 million of savings from a turnover of £306.5 million which altogether puts us amongst the most efficient acute Trusts in the country. Our surplus means we can invest in much needed capital schemes, some of which have already been identified for the coming year (such as digital developments and a new multi-storey car park) along with much needed backlog maintenance, and an opportunity to make some further capital improvements for patients and staff.

Of course efficiency has to work hand in hand with quality which will always be our driving factor. We have continued our focus on quality improvement which we know leads to more efficient ways of working and providing care, with our universal performance metric focused on patient experience. We continue to report low levels of hospital acquired infections; five out of 15 reported cases of clostridium difficile were considered as avoidable infections, and we reported one case of hospital acquired MRSA bacteraemia.

Despite a continued focus on our emergency care pathway and much hard work put in by teams across the hospitals and the local system, like many Trusts we have struggled to meet the four hour waiting target achieving a performance of 91% for the year against the target of 95%. High demand for services across the system and a particularly difficult winter resulted in a dip in performance during the last quarter of the year to 89%, a position mirrored across much of the country. Overall, A&E attendances rose during the year by about 2.7% reaching over 100,000 for the first time. A refreshed recovery programme including the national introduction of an Urgent Treatment Centre is now underway in partnership with our external urgent care partners and North West Surrey CCG. This will support improvement and delivery of the 95% standard which is expected by NHS Improvement nationally by March 2019.

Following on from last year, the Trust has seen a further 13% increase in urgent cancer referrals this year (46% over the last three years); we achieved our cancer waiting targets for

2017/18 overall, despite some difficulties during the year in meeting the 62 day standard for urgent GP referrals. Improving cancer waiting times is a continued area of focus and we continue to work closely with our primary care colleagues on patient engagement and with our partner and tertiary providers to ensure there is sufficient ongoing capacity to meet these increases in demand.

The Trust continues to meet the referral to treatment target of 92% of patients waiting no more than 18 weeks, although performance this year has dipped slightly due to significant growth in demand, and reduction in elective capacity during the worst of the winter period. However, our year-end performance of 92% contrasts well with the national average non-compliance of 89.3%.

More detail on our full range of quality targets is given in our *Quality Report* which starts on p.115.

Overall we have seen a slight decrease in the number of patient contacts overall, reflecting changes in commissioning arrangements for some specialties (sexual health, children's behavioural services), with increases in other high volume specialties such as dermatology where we have recently taken on services for the Guildford and Waverley area. We have also introduced new virtual clinics in orthopaedics and urology which has contributed to a reduction in follow-up appointments in particular and we continue to see a rise in emergency admissions due to higher numbers and higher acuity of A&E attendances.

Like other local health and care organisations, staffing remains one of our biggest challenges, particularly given our proximity to London. We are working hard to reduce our agency costs in line with national caps on agency spend and have seen some success through innovative schemes such as the new Locum's Nest app for doctors which has helped fill shifts without the need for expensive locum agencies. With a growing reputation, we are seeing more success in recruitment, particularly with senior clinicians, and made a number of extremely positive appointments during the year. At the same time, we recognise the need to become more creative in terms of recruitment and retention with a strong focus on wellbeing and new recruitment campaigns; during the year our recruitment team had a successful visit to Kerala in Southern India to recruit junior doctors to come and finish their training with the Trust.

We continue to work closely with our clinical commissioners, in particular North West Surrey Clinical Commissioning Group (CCG) who commissions the majority of our services (representing over 75% of our clinical income). We also have good relationships with our other commissioners, including Hounslow CCG (representing c. 4% of our clinical income) and CCGs in Berkshire (who represent c.2.5%). We continue to work well with NHS England who commissions the specialist services we provide including cardiovascular and neonatal services with a contract value of around £31 million (c. 12% of our clinical income).

During the course of the year we have performed well against our strategic objectives, with a particular focus on quality improvement as we work to improve clinical outcomes and enhance the experience of patients and staff. As we look forward to 2018/19 our new strategy will help us continue in our ambition to be a top performing hospital, working with

our partners, and to deliver our vision: to provide an outstanding experience and best outcome for patients, their families and carers, and the team.

Suzanne Rankin
Chief Executive
24 May 2018



Our vision and strategy

Our existing vision 'Creating excellent joined up patient care' reflects our ambition to provide more seamless care within our hospitals and care into and out of hospital, stressing the need for excellence and putting patients at the centre of everything we do.

Our current strategy has two over-arching missions:

- To develop integrated care for our local population – working to join up care pathways with primary, community and social care
- Deliver high quality specialist services in Surrey

These are underpinned by our four strategic objectives; Best Outcomes; Excellent Experience; Skilled, Motivated Teams; and Top Productivity.

Our objectives for 2017/18 were developed within the context of our two missions and strategic objectives, and our agreed contracts with Clinical Commissioning Groups (particularly North West Surrey CCG) and NHS England. Our objectives also reflect the vision and objectives for the Surrey Heartlands Health and Care Partnership and the developing North West Surrey Health and Care Partnership.

Our objectives are also consistent with the national context set out in the NHS Five Year Forward View and by the Surrey Health and Wellbeing strategy'.

In summary our four strategic objectives and priorities are:

- **Best Outcomes** – reducing in-hospital mortality, eradicating avoidable harm and reducing inappropriate re-admissions.
- **Excellent Experience** - improving patient experience, ensuring delivery of key national operational targets, improving the response, management and learning from complaints.
- **Skilled Motivated Teams** - recruiting, retaining and developing the workforce, improving staff engagement, experience, wellbeing and team working, improving education and development and developing and implementing a pay and reward framework.
- **Top Productivity** – delivering a cost improvement programme, driving clinical and corporate efficiencies, securing profitable activity growth and delivering our long term capital plan.

Progress against our objectives for 2017/18 is given in our Performance Analysis from p. 35.

Our current strategy was last refreshed in 2013; given a much changing landscape we recognised that the time was right to reassess our vision and strategic direction. Working with colleagues across the organisation we have refreshed our vision and aims and have set new strategic objectives for the next five years, described below.

New Trust Strategy – Together we Care

There are a number of external factors and uncertainties that will impact on our future and our ability to continue to offer the best healthcare to patients.

National context: The health and social care context within which we operate is undergoing profound change posing significant challenges to the viability of the traditional district general hospital model of which the Trust is an example. In particular:

Improving quality standards: through standardisation and reductions in unwarranted variations in clinical practice, a focus on reducing harm and improving learning and safety and high levels of public interest and scrutiny

Increasing demand for healthcare: nationally the population is both growing and ageing; older patients account for the majority of health expenditure, with two-thirds of people admitted to hospital over 65 and this group accounts for nearly 70% of all hospital emergency beds (and tend to stay longer)

Unprecedented and continuing limit on health spending: the NHS is facing a huge financial challenge and whatever the result of current debates on future funding models we will need to be ever more efficient, productive and innovative to sustain our historically strong financial position

National policy: the NHS Five Year Forward View advocates a radical transformation to improve efficiency in the NHS – through transforming care delivery, breaking down organisational and cultural barriers with more care closer to home and within the community as possible, with hospitals focused on acute care and intervention that only they can provide.

Local context: local population growth projections in North West Surrey highlight the importance of planning healthcare provision for the medium and longer term. The Runnymede and Spelthorne Local Plans anticipate a likely population increase of between 62-76,000 by 2025, an increase of 18-22%. This will inevitably lead to increases in the need for health services both within primary and secondary care.

Our strategy has been developed within this context and the clear need for collaboration and partnership working which creates strong foundations for creating and benefiting from strategic opportunities. It is also consistent with local and specialist commissioning strategies and the Surrey Health and Wellbeing Strategy.

We will continue to play a key role within the Surrey Heartlands Health and Care Partnership and the developing North West Surrey Health and Care Partnership (see more overleaf), an alliance of health and care organisations across the North West Surrey footprint, also working with wider partners including the Borough Councils and the voluntary sector to ensure delivery of care at local level.

Our refreshed vision – ‘to provide an outstanding experience and best outcomes for patients and the team’ – is supported by our values (the four Ps), and our mission ‘to ensure the provision of high quality, sustainable healthcare services to the communities we serve’.

By achieving our aims, we want every patient to be able to say:

- I was treated with compassion;
- I was involved in a plan for my care which was understood and followed;
- I was treated in a safe way, without delay
- And every member of our team to feel able to give their best and feel valued for doing so.

Our new strategic objectives have been set as follows:

Quality of care – creating a learning organisation and culture of continuous improvement to reduce repeated harms and improve patient experience

People – to be a great place to work and to be a patient, where we listen, empower and value everyone

Modern healthcare – delivering the most effective and efficient treatment and care through standardisation in the delivery and outcome of clinical services

Digital – using digital technology and innovations to improve clinical pathways, safety and efficiency and empower patients to deliver the best patient experience

Collaborate – work with our partners in health and care to ensure the provision of a high quality sustainable NHS to the communities we serve.

Surrey Heartlands

Surrey Heartlands is one of ten Integrated Care Systems (ICSs) – evolved versions of Sustainability and Transformation Partnerships – working to improve health and care for the local population. Surrey Heartlands covers the central and western parts of Surrey; those areas currently looked after by Surrey Downs, North West Surrey and Guildford and Waverley Clinical Commissioning Groups and the partnership includes all local NHS organisations and Surrey County Council, including Ashford and St Peter's Hospitals.

The Partnership aims to improve services and health outcomes for local people and to add value through working together (and maximising the benefits of its devolution agreement for more local accountability and integration). Working together, Surrey Heartlands has identified a number of key benefits and priorities:

- Improving the quality of services with better and standardised outcomes – lower mortality rates, reducing the impact of long-term disease on people's lives and improving patient experience of health and care services
- Enhanced well-being – local people experiencing better physical and mental health
- Improved access to healthcare – shorter waiting times and services closer to home
- A focus on the first 1000 days of life as we know that the first few years of a child's life will affect their health outcomes for the rest of their life
- Working with partners on the wider determinants of health

The Trust continues to be a key partner within the overall ICS represented on the Transformation Board by the Chief Executive and Medical Director and leading and participating in a number of the key workstreams. In addition, Surrey Heartlands – as other areas across the country – is developing three local alliances known as Integrated Care Partnerships which cover the existing CCG boundaries. These are alliances of both the local health and care organisations and importantly include other partners such as the borough councils, and local voluntary and community organisations and will focus on delivering improved services at local level. The Trust is a key partner within the newly formed North West Surrey Health and Care Partnership which this year is focused on developing better out of hospital services and looking at the urgent care pathway.

More information on Surrey Heartlands is available at: www.surreyheartlands.uk.

Key issues and risks

Taking into account both external and internal factors and uncertainties, as part of our risk management process we have identified the following key risks to our strategic objectives which is summarized below and as referenced above will be reviewed and updated by June 2018 in line with our new Trust Strategy.

Objective 1 - Best Outcomes Key Risks
1.1 If the quality governance and impact assessment processes fail during the design of QIPP/CIPs, this could lead to a negative impact on quality of care
1.2 If divergent and multiple organisational priorities compete with and undermine staff engagement leading to a distraction from the focus on high quality care.
1.3 If there is poor capacity and flow in the emergency pathway and insufficient frequency in senior decision making this could result in poor outcomes and patient experience.
1.4 If the Trust workforce is not appropriately aligned to demand and acuity, resulting in high agency usage & pay costs, and poor patient outcomes.
Objective 2 - Excellent Experience Key Risks
2.1 If the Trust fails to adopt a culture of listening, kindness, and compassionate care then patients, including vulnerable groups, will have a poor experience of direct care, hospital services and facilities.
Objective 3 - Skilled, Motivated Teams Key Risks
3.1 The inability to recruit and retain high calibre staff would lead to lack of skilled and motivated teams.
3.2 If individuals and teams do not feel valued or motivated resulting in poor patient care and staff experience and ineffective team working..
Objective 4: Top Productivity Key Risks
4.1 Insufficient productivity driven by poor alignment of the clinical workforce, non-compliance with commissioner requirements or the inefficient use of resources. (LOS, theatre utilisation, temporary staffing
4.2 A failure to deliver the clinical quality incentives (CQUINS), demand management schemes and the performance standards or to respond to the admission thresholds/readmission caps/and required pathway changes for iMSK and Stroke leads to an under recovery of income and reduction in productivity.
4.3 A failure to deliver 2018/19 CIPs to the level required and/or pay and non-pay expenditure exceed budget without a compensating increase in income may lead to a reduction in productivity.
4.4 Financial or service pressures on third party providers of health and social care or commissioners cause operational difficulties or to enforcement of contract levers more aggressively than expected leading to reduced income and inability to achieve top productivity.
4.5 Excess demand could increase financial pressure due to emergency income on over-performance being received at marginal tariffs whilst additional staffing is paid at premium rates.
4.6 The Trust in its existing configuration may not be clinically or financially viable in the long-term, and if the current organisational strategy to achieve sustainability fails, this presents a risk to the Trust.
4.7 That the Trust's physical infrastructure is either not fit for purpose or deteriorates leading to inefficient clinical pathways, a poor patient experience, health and safety risks or patient safety risks.

For more detail on how we manage and respond to risk see our Annual Governance Statement on p. 104.

Disclosure

After making enquiries, the directors have a reasonable expectation that Ashford and St Peter's Hospitals NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.



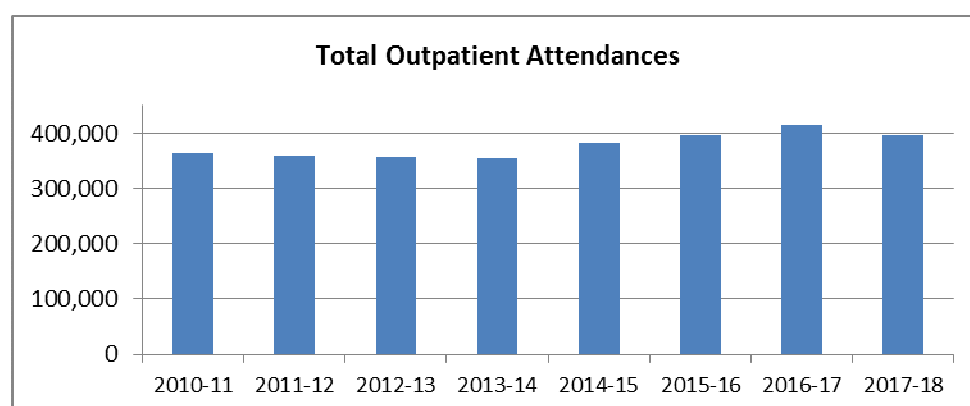
Performance Report – Analysis

Detailed activity review

Over the last year the total number of patient contacts in our hospitals decreased by 2.5%, which reflects changes in commissioning arrangements. A more detailed breakdown of activity is given in the tables below.

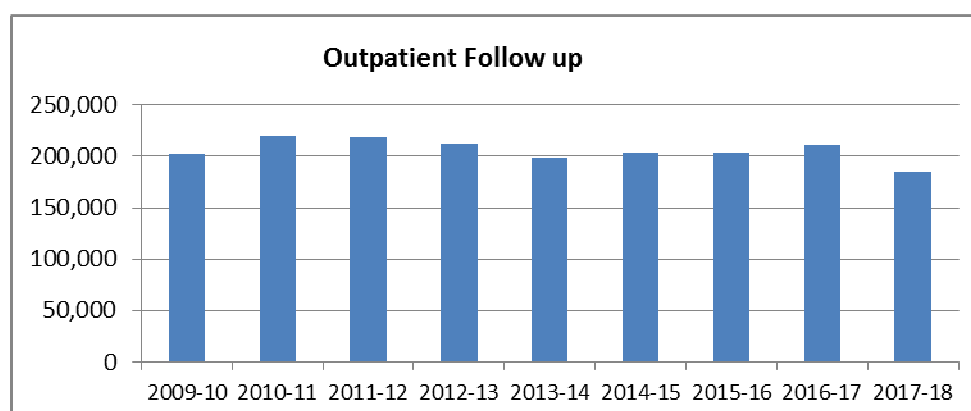
New outpatient attendances

This year saw a decline in new outpatient appointments, resulting from the transfer of sexual health services to Central North West London NHS Foundation Trust, offset somewhat by the addition of community physiotherapy services and changes to breast surgery commissioning.



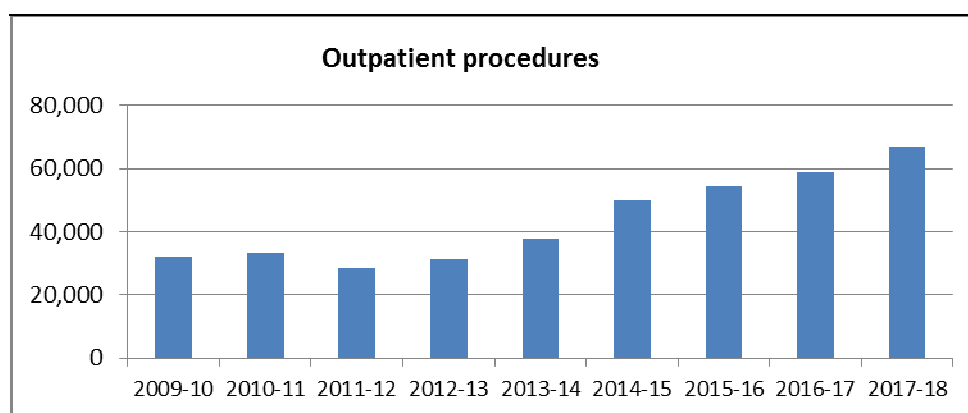
Outpatient follow-up attendances

This year saw a decline in the number of follow-up appointments. This partly reflected the development of virtual clinics but also the transfer of the behavioural paediatric service to Surrey & Borders Partnership NHS Foundation Trust and sexual health services to Central North West London NHS Foundation Trust.



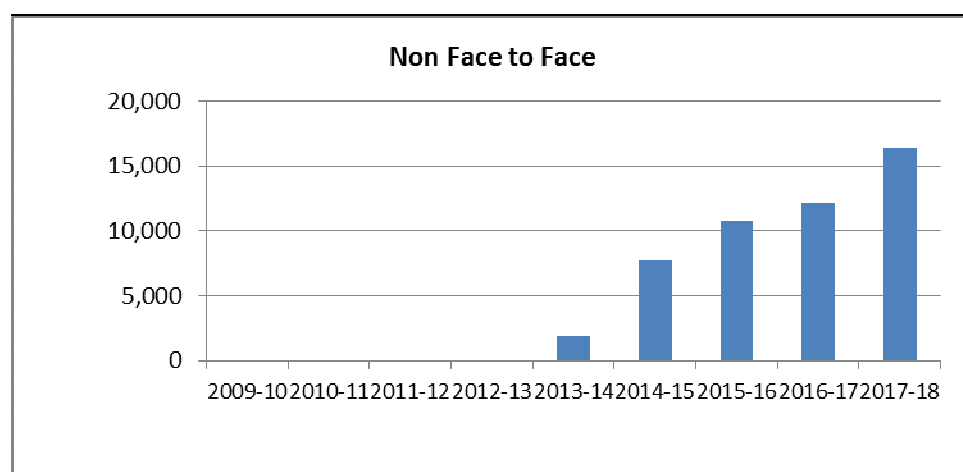
Outpatient procedure attendances

The number of outpatient procedures has continued to show an increase, partly as a result of a technical change relating to the recording of diagnostic activity and a reflection of increased referrals.



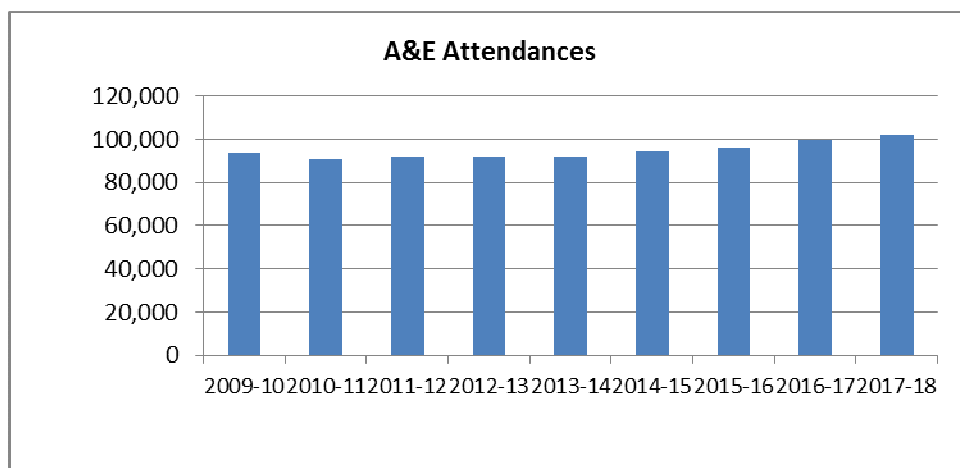
Non face-to-face (telephone consultations)

The Trust has been developing a number of new services that replace traditional face-to-face appointments. A number of departments have developed new services this year, including the virtual fracture clinic and the virtual urology service.



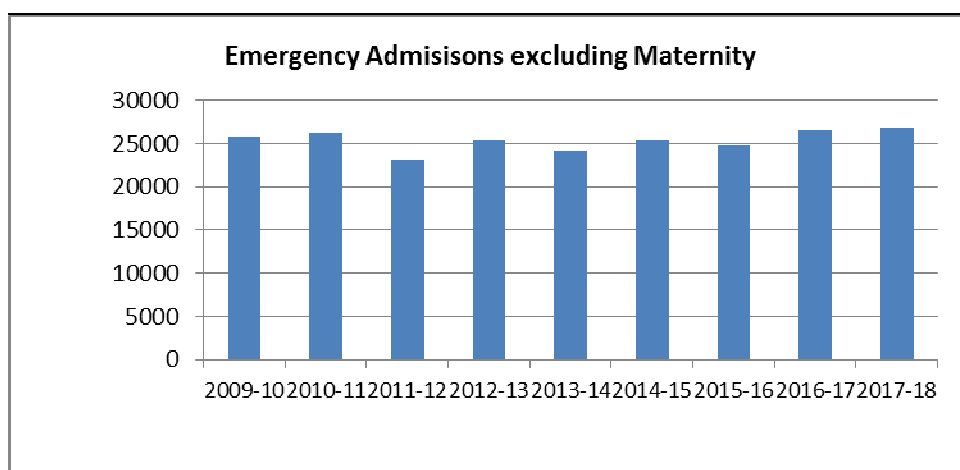
A&E attendances

Following several years where A&E attendances have remained relatively static - predominantly as a result of schemes put in place to encourage people to choose alternative services where appropriate – a growth of 2.7% this year meant that the Trust saw over 100,000 attendances for the first time. There was very limited impact on the department as a result of the closure of the Weybridge Walk-in centre following the devastating fire last July.



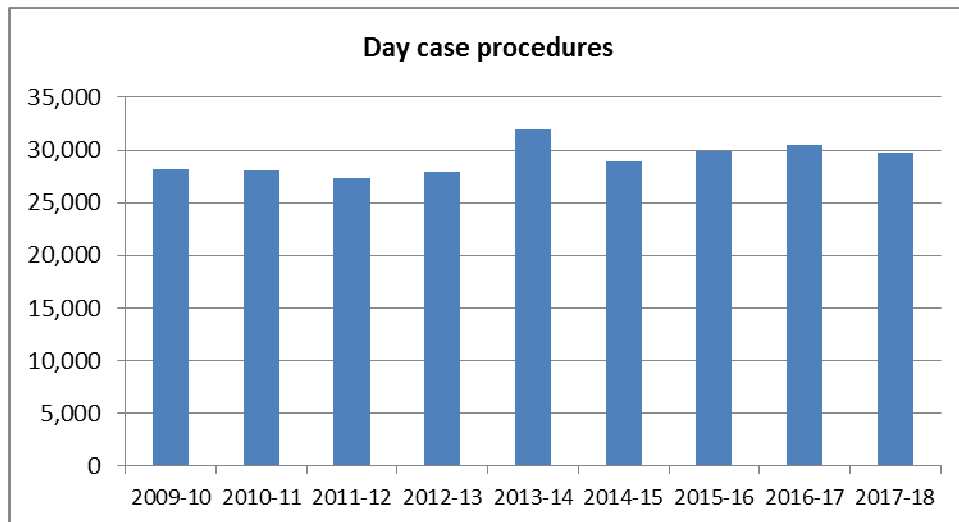
Emergency admissions

Emergency admissions increased this year as a result of increased attendances within A&E, despite more patients being cared for in outpatient settings. The increase was in all age groups.



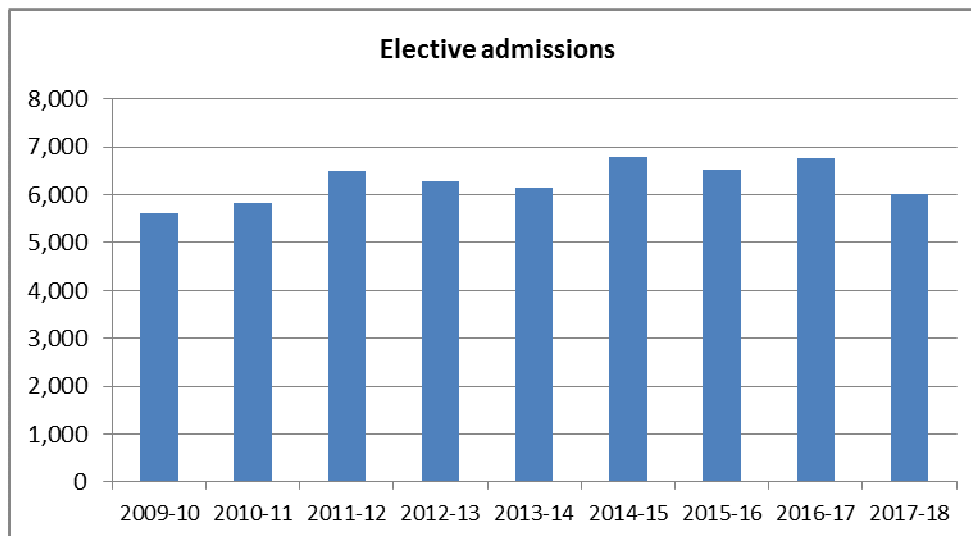
Day case procedures

The number of day case procedures and regular day attenders has fallen marginally. This is due to a national reduction in planned operations over winter to provide beds for emergency care and new pathways of care within orthopaedics and chronic pain where patients are being directed to alternative services more appropriate to their needs.



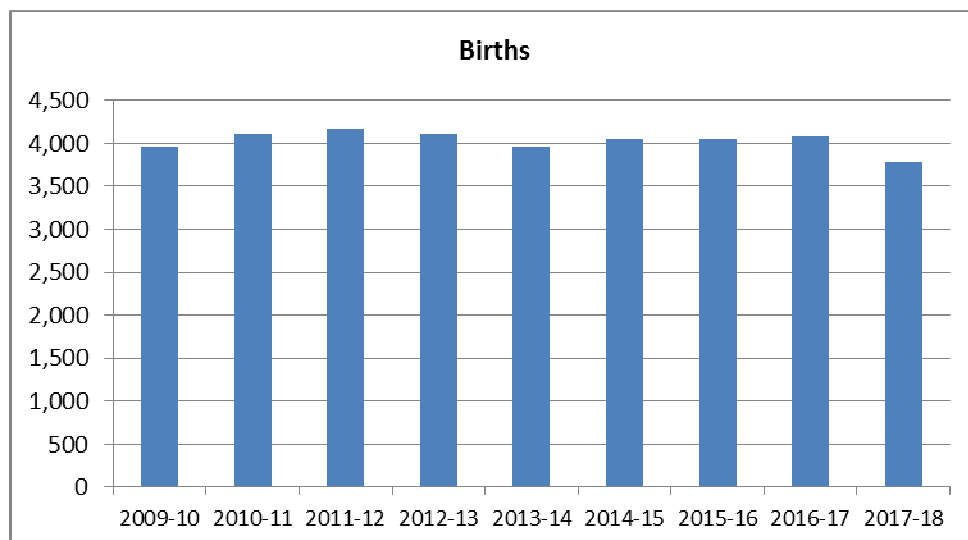
Elective (planned) admissions

Elective admissions reduced significantly as the new orthopaedic pathways are having a positive impact to less interventional treatments. The 2017/18 winter had a particular effect as the Trust had to reduce elective admissions to respond to the demand from emergency admissions.



Births

Our local market share for births has remained consistent at 82-83% over the past 8 years. The actual number of births at St Peter's Hospital reflects the variation in the birth rate locally.



Key performance metrics

The following table describes how we have performed against key national targets and minimum standards, giving overall performance against target for the year, performance by Quarter as well as how this year compares to previous years.

National Targets and Minimum Standards	Target	Target (2017/18)	2017/18	2017/18				2016/17	2015/16	2014/15
				Q4	Q3	Q2	Q1			
Infection Control	Number of clostridium difficile cases	17	15	2	4	5	4	20	15	18
	Number of MRSA blood stream infection cases	0	1	1	0	0	0	0	0	1
Access to Cancer Services	% of cancer patients waiting a maximum of 31 days from diagnosis to first definitive treatment	96%	98.5%	98.8%	97.8%	98.5%	98.9%	97.8%	97.6%	98.8%
	% of cancer patients waiting a maximum of 31 days for subsequent treatment (anti-cancer drugs)	98%	100%	100%	100%	100%	100%	100.0%	100.0%	100.0%
	% of cancer patients waiting a maximum of 31 days for subsequent treatment (surgery)	94%	96.9%	100%	100%	94.1%	94.4%	94.7%	96.2%	95.0%
	% of cancer patients waiting a maximum of 2 months from urgent GP referral to treatment	85%	87.2%	84.3%	89.8%	87.0%	87.5%	83.6%	84.6%	78.8%
	% of cancer patients waiting a maximum of 2 months from the consultant screening service referral to treatment	90%	94.0%	80.0%	100%	93.9%	96.2%	92.7%	96.4%	96.1%
	% of cancer patients waiting a maximum of 2 weeks from urgent GP referral to date first seen	93%	93.2%	93.6%	92.1%	92.5%	94.6%	94.8%	94.4%	92.9%
	% of symptomatic breast patients (cancer not initially suspected) waiting a maximum of 2 weeks from urgent GP referral to date first seen	93%	96.5%	98.3%	96.9%	95.2%	95.4%	96.8%	96.3%	94.3%

National Targets and Minimum Standards	Target	Target (2017/18)	2017/18	2017/18				2016/17	2015/16	2014/15
				Q4	Q3	Q2	Q1			
Access to Treatment	<i>18 weeks Referral to Treatment - admitted patients</i>	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	87.5%
	<i>18 weeks Referral to Treatment - non-admitted patients</i>	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	95.4%
	<i>18 weeks Referral to Treatment - patients on an incomplete pathway</i>	92%	92.0%	90.1%	92.1%	92.8%	93.2%	93.2%	95.7%	95.5%
Access to A&E	<i>% of patients waiting a maximum of 4 hours in A&E from arrival to admission, transfer or discharge</i>	95%	91.0%	89.0%	91.0%	93.2%	91.3%	90.6%	90.2%	92.7%
Access to patients with a learning disability	<i>The Trust provides self-certification that it meets the requirements to provide access to healthcare for patients with a learning disability</i>	n/a	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Our performance explained

Infection control – hospital acquired infections

There were 15 cases of post 72 hour clostridium difficile infections recorded during 2017/18, against a target of no more than seventeen. Of these, just five were considered to have had a lapse in care (i.e. avoidable or where there was learning identified). Of these five, one was related to non-compliance with antibiotic prescribing guidelines and four considered a lapse in care due to a delay in obtaining a sample or delay in isolating the patient. For 2018/19 the Diarrhoea Assessment Tool and Bristol Stool Chart are being reviewed and relaunched to help guide staff in management of patients with diarrhoea.

There was one recorded MRSA bacteraemia case in March 2018. A post infection review concluded the source of infection to be the patient's intravascular peripheral cannula which was being used for peripheral nutrition. Appropriate learning has been identified including cannula observation and long-term feeding plans for transfers into the Trust.

Access to Cancer Treatment

The Trust received over 13,500 urgent cancer referrals during the year, an overall 13% increase (46% over 3 years), and has worked with our commissioner colleagues at North West CCG to continue to deliver compliant performance. We have also been working closely with commissioners and GPs to reduce the number of appointments either declined or re-arranged by patients resulting in them being seen outside the two-week urgent cancer referral timeframe.

The Trust achieved annual compliance for all cancer standards for the year which compares extremely well against national average performance.

During two months we experienced difficulties in meeting the 62 day standard for urgent GP referrals due to delays caused by complex cross-over pathways between the Trust and tertiary partners, patient choice, medical fitness and capacity due to emergency care pressures; further improvement in these areas is being addressed through combined system and provider improvements.

Improving cancer waiting times is a continued area of focus. Work is being undertaken with primary care on patient engagement and ensuring the Trust, partner and tertiary providers have sufficient ongoing capacity to meet the substantial increase in demand.

In terms of monitoring performance, a separate fortnightly cancer oversight meeting is held (chaired by the Director of Operations - Emergency Care) which specifically monitors cancer performance and progression of our cancer improvement plans, and monthly with our commissioner colleagues at North West CCG.

Referral to Treatment (18 week target)

The Trust achieved annual compliance for the 18 week incomplete pathways Referral to Treatment (RTT) standard for the year with an average performance of 92.0% against the target of 92%.

However performance has reduced during the year as; (1) capacity and community demand management schemes have been unable to address the significant growth seen in outpatient referral demand, compounded further by (2) the significant reduction in elective capacity (6 weeks) over the winter period, (3) national difficulty to resource medical and nursing staff in a number of specialties, and (4) weekend and outsourcing activity restricted due to financial constraints during Q4.

However, this level of performance contrasts well with the England national average non-compliant performance through the year (89.3%).

Significant recovery planning is now underway with plans to deliver a return to RTT aggregate compliance which we hope to achieve by November 2018.

In terms of monitoring performance, specialty level 'patient list' meetings are held weekly. The aim of these meetings, chaired by the relevant service managers, is to identify key delays along the pathway. Our aim is to keep the number of cancelled operations and other treatments to an absolute minimum, and to ensure surgery and treatments are rebooked as soon as possible if a cancellation is necessary. This forum also oversees the correct application of rules and plans and manages patient pathways within the speciality ensuring patients are dated by clinical priority. A summary of performance along with the identification of risks is presented to the Trust Performance Committee (chaired by the Director of Operations - Planned Care or Associate Director of Performance) weekly.

A&E four hour waiting target

The Trust has struggled with the four hour waiting target throughout the year and has continued to focus much effort on improving the emergency care pathway. However, the Trust did not meet the A&E four hour waiting target for the year, recording a total of 91.0% for the full year and 91.3%, 93.2% and 91.0% respectively for the first three quarters of the year.

Performance dipped during the final quarter of the year to 89.0% when patient flow across the system was impacted due to; (a) higher than average surges in admissions and (b) reduced staff availability due to vacancies, creating delays in A&E as well as slow flow to the wards. The Trust has also cared for a greater number of higher acuity patients this year where patients require a longer length of stay in hospital before safe discharge.

Challenges regarding inpatient flow have continued to dominate and exacerbate our emergency department pressures with exit block (when patients are unable to be moved from A&E) from the Emergency Department to inpatient wards an ongoing challenge. A refreshed recovery programme including the national introduction of an Urgent Treatment Centre is now underway in partnership with our external urgent care partners and North West Surrey CCG to support improvement and delivery of NHS Improvement's expectation to achieve national 95% compliance by March 2019.

Key actions of the recovery programme include revision and expansion of the urgent care pathways and facilities within North West Surrey to permit removal of system flow constraints.

The intention is to further develop ambulatory care and multi-directional GP referral pathways along with the Trust's Urgent Treatment Centre and Emergency Department. Additionally a programme of clinical and cultural change aimed at putting emergency care at the heart of the Trust's business continues to be a key element.

A&E performance is monitored on multiple occasions during the day at regular Capacity Action Team (CAT) meetings held with key hospital operational staff. At a programme level, Urgent Care Pathway Programme meetings are held to manage the improvement workstreams and a fortnightly system wide Local A&E Delivery Board meeting (chaired by North West Surrey CCG).

Assurance and Governance

The Trust has a series of fixed weekly and monthly milestone points where performance is reviewed, managed and assured. Separate forums exist to scrutinise performance and improvement actions in each of the three key domains (A&E, 18 week referral to treatment, and cancer) as detailed above.

All elements of business performance, quality and workforce issues are discussed at monthly divisional performance reviews attended by the divisional leadership team (including clinical leads) and the Trust's Executive team.

All these forums are supported by a series of reporting tools which provide the basis for effective performance management and accountability.

Trust-wide performance is then reviewed monthly within the Financial Management Committee before being presented to the Trust Board for further scrutiny.

The Trust provides regular monthly and quarterly performance updates to NHS Improvement. These detail performance issues and recovery trajectories (where relevant) for A&E, RTT and cancer standards. NHS Improvement's relationship team follow up with regular telephone calls and quarterly site visits.

The Trust also provides weekly and monthly performance updates to North West Surrey CCG and has face to face meetings to review all aspects of Trust performance, including recovery and future planning capacity to deliver compliance.

The fortnightly system wide Local A&E Delivery Board meeting (chaired by North West Surrey CCG) meets fortnightly with representation from the Trust, the CCG and key health system partners to review and assure current and future performance across the local system while determining where gaps in service and planning exist, and implementing plans to address any shortfalls.

Audit

An RTT compliance audit was conducted by the Trust's independent internal auditors during January - April 2018. The audit reviewed the records of 40 patients on an 18 week pathway to verify the accuracy of the reported clock start, appropriate measurement of waiting times and how we apply the rules, which is due to be published May 2018. Minor recording issues were raised during the audit, which are being addressed by a remedial action plan to provide more robustness regarding recording accuracy.



Financial performance

2017/18 was another tough year for all NHS providers who again faced sustained operational, workforce and financial challenges. Increasing emergency demand, put even greater pressure on NHS trust finances, raising spending whilst at the same time reducing income due to elective inpatient operating restrictions. Similar supply and demand pressures also affected our wider system partners leading to challenges generating sufficient patient flow through our hospitals.

The Trust's financial performance was heavily influenced by these trends, but our continued focus on delivering the highest quality care within a constrained financial environment enabled us to maintain our strong underlying financial performance.

We know that high quality care delivers better value and this is borne out in our year-end financial position, an outstanding £18.9 million surplus the main drivers of which were as follows:

- £1 million of operational surplus, as a result of all our continued hard work and commitment to high quality care and treatment, efficiency, savings opportunities and sensible financial housekeeping;
- £12 million national reward funding (for meeting and over-performing on our operating and financial plan and for winter pressures) which was higher than we were expecting;
- £5 million of local system funding which has been enabled by our commitment as an organisation to collaborative working and building strong, trusted partnerships.

An analysis of this set out below – this is in the format reported to NHS Improvement for the Finance and Use of Resources theme which forms part of the Single Oversight Framework - as such this differs slightly from the Annual Accounts analysis.

	2017/18			2016/17		
	Plan £m	Actual £m	Var £m	Plan £m	Actual £m	Var £m
Income						
Clinical Income	273.8	271.3	-2.5	263.9	260.8	-3.1
Non-Clinical Income	26.3	35.1	8.8	26.7	27.3	0.6
Total Income	300.1	306.4	6.3	290.6	288.1	-2.5
Expenses						
Pay Costs	-181.8	-179.0	2.8	-176.3	-177.2	-0.9
Non-Pay Costs	-91.0	-95.3	-4.3	-88.4	-90.9	-2.5
Total Expenses	-272.8	-274.3	-1.5	-264.7	-268.1	-3.4
EBITDA	27.3	32.1	4.8	25.9	20.0	-5.9
Depreciation & Amortisation	-7.4	-7.2	0.2	-7.1	-7.0	0.1
Impairments, net of reversals	-0.6	-	0.6	-0.6	1.4	2.0
Charitable contributions	0.2	0.2	-	0.2	0.2	-
Interest (net)	-0.4	-0.4	-	-0.3	-0.3	-
Non-operational expenses	-	-0.1	-0.1	-0.3	-0.3	-
Dividend on PDC	-5.7	-5.7	-	-5.5	-5.3	0.2
Net surplus/(deficit)	13.4	18.9	5.5	12.3	8.7	-3.6

Key movements year on year are set out below:

- Clinical income increased by £10.5m (4.0%) year on year. The largest increase in the year arose from the full year impact of the new iMSK contract across all of North West Surrey. In addition the Trust received £4.0m of new income following the transfer in of the Bradley Neuro-rehabilitation Unit, Early Supported Discharge teams and Parkinson nurses. Finally the changes to the national tariff also increased income by a net £3.6m in 2017/18.
- Non-clinical income increased by £7.8m (28.6%) year on year. The main reason for this was the increased Sustainability and Transformation Fund allocation that the Trust earned for the delivery of financial and operational performance targets. The Trust received £11.1m as a result of meeting these targets compared to £6.3m received in 2016/17.
- Pay costs were only £1.8m (1.0%) higher than 2016/17, despite funding increases of 2.1% for pay awards, incremental draft and the introduction of the Apprenticeship Levy (the latter £0.7m). In addition, the Trust took on the Bradley Neurorehabilitation Unit at Woking Community Hospital and Early Supported Discharge teams in the community. However, recruitment and retention was a big issue for the Trust during the year which led to a large volume of vacant posts and, as a result, a lower pay bill. Year on year our agency costs reduced by £4.5m and were contained within NHSI's expected levels.
- Non-pay costs were £4.4m (4.8%) higher than 2016/17 which was mainly spent on £3.2m of additional sub-contracted activity linked to the full year impact of the iMSK contract. This was paid to the other existing local providers of this service, both NHS

and non-NHS. The Trust also saw an increase of 40% (£2.0m) in its contribution to the Clinical Negligence Scheme for Trusts, which was in excess of the national average of 17.5%. Drug costs decreased by £2.5m (10.3%), partly following the transfer out of Sexual Health services during the year; this drugs expenditure reduction was largely matched by reduced income.

- The above, combined with cost improvements of £11.3m, drove an increase in our EBITDA performance of £12.1m (60.5%) year on year, largely due to the additional income from the Sustainability and Transformation Fund. The Trust's EBITDA margin was 10.5%, or 7.1% after stripping out the Sustainability and Transformation Fund income, compared to 7.0% and 4.9% respectively in 2016/17.

The Trust's health service income from the provision of goods and services in England exceeded income from the provision of other services, which form only a small part of our total income. Income from other services is used to support health services at the Trust. Further details on income can be found in notes 3 and 4 of the Annual Accounts which follow later on in this Annual Report.

The Trust's cost improvement programme (CIP) saw delivery of £11.3m of savings in 2017/18 against a plan of £10.5m. Early slippages in the programme were compensated by replacement schemes later in-year. This compares to CIP savings of £10.3m in 2016/17 and continues our strong delivery record.

The main elements of the 2017/18 capital programme of £7.4m included:

- The continued implementation of our electronic medical record system;
- The completion of a three storey courtyard infill to create additional endoscopy capacity and to enable the relocation of the neurophysiology department;
- Backlog maintenance works to Maple Ward;
- Improvements to A&E and the Urgent Care Centre; and
- Purchase of £1 million of medical equipment.

The majority of the capital programme was funded by internally generated resources; however in addition the Trust (i) increased borrowings in the form of finance leases on our Imaging Managed Equipment Service, and (ii) received a Public Dividend Capital allocation of £0.6m towards A&E and Urgent Care Centre works.

Cash balances fluctuated throughout the financial year as the Trust over-performed in activity terms, incurring costs, but did not receive payment for the bulk of this over-performance until the end of the financial year. The Trust ended the financial year with a cash balance of £25.1m which was partially aided by slippage in the capital programme.

The Trust's financial performance for the whole of the 2017/18 financial year was given an overall finance score of 1, against a plan of 1. The finance score forms part of the Finance and Use of Resources theme in the Single Oversight Framework, and is scored between 1 and 4, where 1 is 'low risk'. The elements making up this metric are set out in the table below.

Area	Metric	2017/18			2016/17		
		Weight	Metric	Score	Weight	Metric	Score
Financial sustainability	Capital Service Cover	20%	4.32x	1	20%	2.88x	1
	Liquidity	20%	20.94	1	20%	-3.7	2
Financial efficiency	I&E Margin	20%	5.87%	1	20%	2.55%	1
Financial controls	I&E Margin – distance from plan	20%	1.20%	1	20%	-1.96%	3
	Agency	20%	-13.38%	1	20%	26.2%	3
	Weighted score			1.00			2.00
Overall Finance and Use of Resources Rating				1			2

2018/19 Plan

The 2017 Autumn Budget confirmed that the NHS in England would receive an extra £1.6bn in 2018/19. Whilst welcome, this still leaves the NHS trying to maintain current operational performance whilst covering demographic, complexity and cost increases from efficiency gains. The Trust Board has approved and submitted to NHS Improvement an ambitious annual plan that will deliver a post impairment surplus of £13.0m on planned income of £305.5m. This will deliver a Finance Score rating of 1 for the full year.

The plan assumes Provider Sustainability Fund (previously STF) income of £10.8m, a cost improvement programme of £10.5m and capital investments of £20.0m. This is an extremely stretching plan and there remains significant risk around the deliverables underpinning the Provider Sustainability Funding and our savings targets. In our submission to NHS Improvement we have set out these risks and highlighted that these could reduce our planned surplus position to breakeven.

At the same time our commissioners also face significant affordability challenges given the potential levels of activity in 2018/19. We continue to work with our commissioners and system partners to manage emergency activity levels back within their affordability envelopes. Inevitably though, this increases the financial risks carried across the system as a whole and by the Trust, should our joint delivery plan and the implied cost reductions fall short. However, if we are to continue to deliver the quality of patient care we aspire to, and deliver the NHS constitutional standards as well as financial balance, we need to eliminate unwarranted variation across our services, whilst also making the clinical transformation that is needed to ensure our long-term sustainability.

Suzanne Rankin
Chief Executive
24 May 2018

Progress against our strategic objectives

The following section describes our progress against each of our four corporate objectives;

- Best Outcomes
- Excellent Experience
- Skilled, Motivated Teams
- Top Productivity

Strategic objective 1: Best Outcomes

The Trust's ambition is to deliver the highest possible quality of care and treatment, safely with the best outcomes for our patients.

Developing our Specialist Services

We continue with our strategy to develop our specialist acute services, with highlights as follows:

Spyglass® ERCP Procedure

Last October our endoscopy team introduced a new and innovative endoscopic technique, known as Spyglass® ERCP. This involves inserting a special steerable miniature fibre-optic probe (attached to a camera head) into the bile duct through a standard endoscope. Using special forceps, biopsies can then be taken from areas of the bile tube which were previously inaccessible, enabling an earlier and more definitive diagnosis. Additionally, in patients with large bile duct stones, shock waves can be delivered directly inside the bile tube to disrupt and break up the stones.

The technique is only available in a few centres in the UK and results from cases performed so far have been positive.

Prostate biopsy procedure

Our urology department introduced a new prostate biopsy procedure – known as ‘template biopsy’ – to enable more thorough assessment and precise mapping of the prostate.

Using a simple template, biopsies are taken in small sections and individually sampled and tracked – so if cancer is detected doctors know which area of the prostate is affected and are able to stage and treat it more accurately. This is a positive development for our urology patients, who previously had to travel to another hospital to undergo this procedure. It also reduces the number of ‘false negatives’ compared to a traditional biopsy, which can lead to a delay in diagnosis.

Safe care of hip fracture patients

The care we provide to patients with fractured neck of femur (hip fracture) has been highly recognised. The National Hip Fracture Database – detailing outcomes for patients admitted to 177 hospitals in England with a hip fracture in 2016 - showed that we are now in the top

10% of hospitals in the country for the first time, for achieving best practice in treatment and care, low mortality rates post operation and shorter length of stay for our patients.

Our average length of stay for these patients has steadily fallen – from an average of 21.3 days in 2013 to just 15 days (against a national average of 21.6 days).

The Orthopaedic Supportive Discharge team was further recognised by the Royal College of Physicians, when they received a 'Lancet - Excellence in Patient Care' award. This was for their work in supporting patients with fractured neck of femur to return home sooner after surgery, which aids recovery and helps patients retain their independence.

Launch of virtual clinics

Two of our services – Integrated Musculoskeletal (iMSK) and Urology – have changed and improved the way they manage their clinic appointments over the past year.

The iMSK team was the first to offer a virtual service, where patients with acute injuries are initially assessed in A&E and then contacted by the Virtual Fracture Clinic team within a couple of days. Each case is assessed by a Consultant and a care plan developed; often patients can receive advice via telephone, email or post and avoid an unnecessary trip to hospital (which may mean taking time off work, arranging transport, paying for car parking etc).

At the end of last year, Urology followed suit and launched their new virtual service. With a rapidly increasing number of patients, this has really helped the team to manage their service better and it's proved popular with patients.

Expansion of mental health services

In partnership with Surrey and Borders NHS Foundation Trust (SABP) we were recently awarded 'Core 24' funding that will allow the expansion of mental health services at St Peter's Hospital. This will improve our liaison mental health services and enable bespoke training on mental health issues for our health care professionals. Much of this work is about identifying and helping with emerging mental health problems before they reach a crisis point in the future – perhaps supporting someone after a traumatic accident or life changing diagnosis. This is an exciting development and another great example of successful partnership working with our local healthcare partners.

Quality & safety

Care Quality Commission (CQC) inspections

On 19th September 2017 the CQC undertook an announced focussed inspection of our Medicine and Emergency Services Division. They specifically came to inspect the safety of core services in Medicine. The immediate feedback was largely positive, and they found the teams they encountered to be very open, helpful, friendly and approachable. We were described as demonstrating 'excellence' when caring for our patients, which was great recognition in our fast-paced environment.

The inspectors noted two specific areas of very good practice – the ‘really positive vibe’ on May and Aspen Wards and the improvement work we have implemented around preventing pressure ulcers.

The full report was published in January and echoed much of the positive feedback given above. The main areas for improvement identified by the inspectors were fire safety and exits, the safe storage of medicine, ensuring emergency equipment is regularly checked and staff mandatory training. Reassuringly these were issues only noted on one or two wards and not widespread problems across our hospitals.

Many of these issues were dealt with immediately and since September we’ve been trialling use of an innovative ‘e-checklist’ solution, known as ‘Perfect Ward’. This is an app used by the daily senior nurse leader to complete a series of simple checks – for example, are the fire exits clear? Has the resus trolley been checked? Simple things, but on a busy ward environment an extra reminder is always helpful.

Improving the flow of patients through our hospitals

We’ve done a lot of work over the last year to improve the flow of patients through our hospitals – from when they arrive in our A&E department until they go home.

Our Urgent Care Centre is now well established and a new way of triaging patients as they come into the department has been introduced. Before they even reach reception, they are now quickly assessed by an experienced nurse, who can direct them to the most appropriate place for help. This could be over in our main A&E department, within the Urgent Care Centre or by a GP.

In autumn last year we received £609,000 from the government’s £100 million A&E capital fund, established to help ease pressure on emergency departments in winter. We used this money to set up a new GP service within our Urgent Care Centre – known as ‘Primary Care Streaming’. Patients who require less urgent attention and treatment can be ‘streamed’ to the hospital-based GP, ensuring our A&E doctors and nurses are available to care for other, more critical patients.

Red2Green – ‘Making every day count’

We recently launched a new philosophy of working, known as Red2Green - Making Every Day Count. It helps to turn patients’ ‘red days’, when no intervention of value takes place to progress them along their care pathway into value-adding ‘green days’, which tangibly assist the patient to move towards the place they would like to be, most often at home.

There are many benefits to this; most importantly to progress patient’s recovery as quickly as possible as we know that spending long periods of time in hospital can lead to deconditioning and a loss of independence, particularly for older people. This is very much supported by our #endPJparalysis campaign (described elsewhere in the report).

Wards are implementing Red2Green in different ways – some are using colourful stickers to depict the type of day each patient is having and identify what needs to happen to turn a red day into a green one.

Our ambulatory care services have evolved during the past twelve months, with an increase of 40% activity - this service works closely with the A&E Department and supports improving on our performance on the mandated four hour target.



Strategic objective 2: Excellent Experience

Our aim is to deliver a great patient experience and for patients to be confident in the care and treatment we provide.

Putting Patients First

Exciting developments in our maternity service

Over the last year there has been lots happening in our maternity service. The team are part of the Surrey Heartlands Better Births programme, which was launched last June – a five year forward view to develop new and innovative ways of delivering better maternity services to women and their families.

The Better Births team have done some excellent work to create shared midwifery services across the area and recently launched a new Pregnancy Advice Line for women under the care of Ashford and St Peter's, Royal Surrey County and Epsom and St Helier Hospitals. It's open 24 hours a day, seven days a week and provides direct access to midwives for women and healthcare professionals.

We have also launched a new electronic medical system, known as Badgernet. This replaces the traditional folder of paper notes held by pregnant women and means all records are safely stored electronically and available to both the woman and health professionals, via computer and mobile app. Badgernet interacts with our other IT systems so all important information – test results, CTG monitoring results etc – is stored in one, easily accessible, place.

The team have also done some great work to promote breastfeeding. They launched 'Project Joey' - a new initiative to give every mother the opportunity of uninterrupted skin-to-skin time with their baby as soon after birth as possible. This regulates the baby's temperature, provides early immunity against infection, supports maternal and new born well-being and provides an environment that encourages the baby to feed.

In recognition of their hard work the Infant Feeding Team achieved re-accreditation at Level 3 in [Unicef's Baby Friendly Initiative](#) – a worldwide programme established to promote breastfeeding and give the best practical advice and support to mothers for feeding their babies.

Virtual Reality for patients with dementia

Older patients with dementia can spend long periods of time in hospital and may feel unstimulated, which can have an impact on their memory impairment and lead to a greater risk of falling as they move around an unfamiliar ward. Being out of their usual daily routine can also lead to other distressing behavioural and emotional changes,

To improve their experience our medical teams purchased a virtual reality system developed especially for patients with dementia. The headset provides a three-dimensional, computer generated environment which the patient can interact with and offers a variety of 'virtual

worlds' to explore. It has been shown to improve patients' moods and create a long-lasting calming effect, sometimes hours after use.

Improving care for our elderly patients

Over the last year the Care of the Elderly team worked on several co-design projects with their patients, staff, relatives, carers and stakeholders. As part of this work and following feedback from patients, they changed their name from 'Care of the Elderly' to 'Senior Adult Medical Services' (SAMS).

The team are also part of a high-profile end-of-life care project called 'Living Well to the Very End', in partnership with The Point of Care Foundation. This began in May 2017 and has helped make some tangible improvements on Holly and Swift Wards in providing individualised and compassionate care at the end of a patient's life.

Another development is the introduction of the 'What Matters to you?' concept – helping staff to identify the small things that matter most to patients during their time in hospital.

Ending 'PJ paralysis'

Our ward teams have been really behind the national #endPJparalysis campaign, which highlights the importance of getting patients up, dressed and moving. It's evidenced that long periods of bed rest can lead to a state of being deconditioned and make recovery and returning home much harder. Being in pyjamas or a hospital gown reinforces the idea of being 'sick' and unable to move – whereas dressing in day clothes gives a sense of normality. Recently we saw colleagues across the Trust wearing their own pyjamas to work, to get the message across in an eye-catching and fun way.

Tied into this we were delighted to host a visit by Professor Brian Dolan, Director of 'Health Service 360' in October last year. Brian was the originator of the #endPJparalysis and spoke passionately about patients' time being the most important 'currency' in healthcare, especially when nearing the last 1000 days of life. This links in closely with our 'Red2Green' project (see more in Best Outcomes).

Pilot of 'Red Bag'

Working with social care colleagues, members of the nursing team begun a pilot scheme to foster closer working relationships between St Peter's Hospital and a group of nursing and residential home providers. When a patient comes into A&E from one of these homes they will bring a red bag with them, containing their 'My Care Passport', medicines, medication documentation, personal belongings and essential items. It's a way of ensuring that important information to help personalise care for that patient is shared and that important belongings (dentures, glasses) are kept with them and safe during their time in hospital. The pilot has been successful so far and we are hoping to roll this scheme out to other local nursing homes.

Introduction of MacMillan Patient Navigators

Last year we introduced a new, single point of contact for all patients affected by cancer through the introduction of Macmillan Patient Navigators. Open Monday – Friday, 9.00 -

4.00pm, this telephone support line helps patients and their families with all questions and queries, from detection of cancer to diagnosis, through treatment and beyond.

The patient navigators work closely with the multidisciplinary team, including Clinical Nurse Specialists, and play an invaluable role in helping patients through their journey.

Continued Investment in the Patient Environment

New Endoscopy and Neurophysiology Units

Last year we undertook a £2 million capital project to create much needed clinical space by infilling a courtyard at St. Peter's Hospital.

The work was completed in July and enabled the expansion of the endoscopy unit into a new wing on the upper floor— providing a new nurses' station, waiting area, preparation room, endoscopy room and four-bedded recovery area. This expansion was essential for us to keep up with a year-on-year increase in demand for diagnostic tests and to provide single sex accommodation in recovery.

The new space on the ground floor was used to relocate our neurophysiology service from very old accommodation on the ramp, supporting our longer-term plan to demolish the ramp completely. This move was long-awaited by the neurophysiology team and the new location and facilities work much better for colleagues and patients alike.

Expansion of Intensive Care Unit

On 30th May 2017 we were delighted to welcome special guest Lady Forsyth-Johnson (model and wife of Sir Bruce Forsyth), along with the Mayor of Runnymede, to officially open our newly expanded Intensive Care Unit.

The beds previously located on the High Dependency Unit were moved into the new part of the Intensive Care Unit, meaning all critical care beds are now located in one place. This is much better for both patients and staff and means that more specialist support is quickly available in the event of a patient deteriorating.

Development in our Neonatal Intensive Care Unit

Our Neonatal Intensive Care Unit (NICU) was expanded with the addition of four cots last year and the new room was officially opened on 3rd May 2017 by Mayor of Runnymede, Cllr Chaudhri, and other families who support the unit.

The additional cots will really help to manage demand for NICU services at busy times. The unit is the only one of its kind in Surrey and one of only three across the Kent, Surrey and Sussex network – so we retrieve babies who require intensive care from hospitals far afield until they are well enough to return home or back to their local hospital.

NICU also received a huge boost from Mallinckrodt plc, a leading pharmaceutical company, following receipt of a £100,000 donation, which will help develop facilities and provide extra,

specialist, training for the nursing team. We are very grateful to Mallinckrodt plc for their generosity.

In other developments and with extremely generous support from our local community and Little Roo Neonatal Fund, the parents' accommodation in NICU has been completely refurbished and transformed. The new facilities provide four bedrooms, a bathroom and kitchen and enables families to minimise travelling and spend as much time with their babies as possible. It also helps transition families home – when babies have spent long periods of time in NICU taking them home and caring for them alone can seem a very daunting prospect. Staying with their baby overnight in the parent's accommodation, with medical help next door, provides reassurance and confidence.

Refurbishment of Little Oaks Isolation Room

Bright and colourful images inspired by Dame Jacqueline Wilson's books, such as Tracy Beaker and Hetty Feather, now adorn the previously plain and clinical walls of our Isolation Room on Ash Ward at St Peter's hospital following a renovation and redesign by local children's charity Momentum. This is a fantastic improvement for our young patients, many of whom can spend up to several days at a time being treated in the room.

Opening of new Ophthalmology Suite

In November we opened a new Ophthalmology Suite at Ashford Hospital. This was a culmination of a year of hard work by the team, who undertook an experienced based co-design project, working in partnership with patients to make improvements to the services we provide to those with Age-Related Macular Degeneration. It's an approach we are using increasingly at our Trust - getting patients involved in the evaluation of our services and working with them to identify ways of making meaningful improvements.

Good patient environment scores

As in previous years we received broadly good scores for the quality of our environment in the Patient-Led Assessments of the Care Environment (known as PLACE). These inspections were carried out at both hospitals in March 2017 and are the latest published scores.

Areas:	Ashford Hospital	St Peter's Hospital	National Average
Cleanliness	99.83%	99.77%	98.38%
Food	91.07%	93.78%	89.68%
Organisation Food	81.17%	77.93%	88.80%
Ward Food	100%	98.69%	90.19%

Privacy, Dignity and Wellbeing	87.33%	89.42%	83.68%
Condition, Appearance and Maintenance	92.09%	92.31%	94.02%
Dementia	82.53%	73.80%	76.71%
Disability	93.00%	89.23%	82.56%

The audit findings and reports were divided into eight domains as follows:

Cleanliness - the Trust has scored above the national average at both hospitals for consecutive years, a positive reflection of its motivated and high performing in-house housekeeping team.

Ward food - the ward food scorecard includes an assessment of food at ward level including taste, texture, serving temperature, presentation and whether menus are easy to understand. Our scores for both hospitals far exceeded the national average and reflects the high level of satisfaction demonstrated through our monthly surveys.

Organisation food – this covers a wide range of questions such as nutritional and hydration, mealtimes, choice and government buying standards. Both hospitals scored below the national average due lower scores relating to supper starting before 5.30pm, not offering an appetiser such as fruit juice at meal times, and sandwiches and salads not being offered at both lunch and supper. This section will be reviewed through the Trust's nutritional steering group.

Food - this score is an amalgamation of the two above and exceeds the national average.

Privacy and dignity - this includes infrastructural and organisational aspects such as the provision of outdoor and recreational areas, changing and waiting facilities, and access to television, radio, internet and telephones. It also includes the practicality of male and female services e.g. sleeping, bathroom and toilet facilities, bedside curtains sufficient in size to create a private space around beds and ensuring patients are appropriately dressed to protect their dignity. Both hospitals scored above the national averages.

Condition Appearance and Maintenance – this refers to various aspects of the general environment including décor, condition of fixtures and fittings, tidiness, signage, lighting (including access to natural light), linen, access to car parking, waste management, and the external appearance of the buildings and the maintenance of the grounds

Both hospitals scored marginally below the national averages. Our hospitals continue to undergo a programme of painting and refurbishment works, which is supported by an action

plan to address the areas identified during the PLACE audits. There is also a capital ward refurbishment allocation to address a priority list of ward upgrades and refurbishments over three years.

Dementia - this focusses on flooring, décor and signage and also aspects such as availability of handrails, and appropriate seating and our scores are below average for St Peter's Hospital. Following a successful pilot on Cherry ward the Trust will be introducing blue crockery to improve oral intake with further plans to consider yellow toilet/bathroom doors, dementia friendly signage, and blue toilet seats/grab rails and dementia friendly clocks. We continue to ensure a dementia friendly environment into any new building design/refurbishments.

Disability - both our hospitals exceeded the national average score. Importantly the Trust has a Disability Group which includes public representation and meets regularly to consider disability issues across our hospitals.

Listening and acting

The views and opinions of our patients on their experiences at Ashford and St Peter's Hospitals provide valuable insight into what we do well and what we need to do better. We collect feedback in a range of different ways to enable us to plan improvement programme, develop staff training and fix immediate concerns.

We do this through a number of different ways:

National Surveys

This year's *National Inpatient Survey* reported on the experiences of 498 patients who stayed in the hospital during July 2016. The 65 questions ask people about all aspects of the care and treatment they received during their stay. In all the sections the Trust's performance was "about the same" as other Trusts across England.

Looking more closely, compared to the previous year the Trust has marginally improved in a number of areas including waiting to get a bed, the hospital and ward, doctors and your Care and treatment, which means that patients overall are reporting a slightly better experience. However, there were two specific questions where the Trust was slightly worse nationally – noise at night and being given clear written or printed information about your medicines on leaving hospital.

We also took part in national surveys for our *Maternity Services* and *Emergency Department*. In both these surveys the Trust benchmarked nationally as "about the same" as other Trusts.

However, within the Trust there have been significant improvements in our maternity services since the previous national survey in 2015. We believe that this is due to a number of improvements resulting from our "Listening to Women" project.

Unfortunately patients reported a slightly worse experience of our Emergency Services than the last survey in 2015 with more patients reporting waiting more than two hours to be examined and more people not being told when to resume normal activities or who to contact if worried when leaving the department.

NHS Choices and social media

NHS Choices continues to be a popular way for people to instantly share experiences and feedback. A growing number of patients are also using Facebook and Twitter – particularly as a way of sharing immediate praise, concerns or frustrations. We monitor this feedback throughout the day and always aim to respond in a timely, positive and helpful way.

Feedback

The Family and Friends Test (FFT) asks the important question of whether, if they needed to have the same treatment, patients would recommend our Trust. 25,000 patients answered that question during the year. Across all the services provided by the Trust 95% of those patients would recommend us – which is our target satisfaction rate. Most of our Friends and Family Test is collected from FFT cards given after care, though 500 patients gave feedback online.

Dealing with Issues and Complaints

Over the past year our Patient Advice and Liaison Service (PALS) received 1872 requests for information or asked us to address their concerns. This is a slight decrease (15%) from last year. The majority of people (801) were contacting PALS about an outpatient appointment, though we also helped 519 people who contacted us with requests for information or communication. This year we received 416 new formal complaints which is a slight decrease (-6%) from last year.

Working with our patients and the local community

Good engagement with our patients and the wider community continues to be of upmost importance to the Trust, helping us understand what people need and expect from the services we provide. We continue to use a variety of ways to engage with patients and key local groups, such as face- to-face meetings with key stakeholders and groups like Health Watch and presentations at the local Borough Councils. Our use of social media has increased, as an ongoing way of reaching a wide audience of people.

Governors and members

During the year we continued to run our regular programme of Members' Health Events and topics included 'Let's Talk About It – your end of life wishes' and 'Infection Prevention and Control. These were well received with good attendance and positive feedback.

Amongst the usual meetings covering business planning and various Governor committees / groups, Governors were involved in the recruitment and approved the appointment of new non-executive directors. They fulfilled their duty to hold the non-executive directors to account for the performance of the Board through regular meetings.

A new version of Aspire – our quarterly magazine for patients, staff and members’ – has been launched and this was received positively.

Patient Panel

The Patient Panel meets monthly to provide a patient and public view on the work of the hospital. Panel members sit on the various Trust Committees and provide a lay perspective.

This year the Panel has reviewed policies and patient information leaflets and followed the progress of improvement in various areas of the hospital including asking to find out more about how the hospital dealt with winter pressures. This year we also welcomed three new members to the Panel following an open recruitment process.



Strategic objective 3: skilled, motivated teams

Our ambition is to be recognised as a great place to work and be the local employer of choice by ensuring that colleagues are at the centre of decision-making and developing a culture which generates a sense of ownership. To ensure we have the highest levels of patient care, we need to support our staff and teams to be motivated, compassionate and resilient.

This year we have developed our new People Strategy outlining how we will support our staff in the following areas:

Developing our Staff

Leadership and listening

The Leadership and Talent Management Strategy, approved in 2016 continues to provide a range of interventions for leaders, managers and staff within the Trust for their development now, and for the future. Through the programmes we aim to build collective and compassionate leadership, promote engagement and contribute to creating the organisation culture that sustains quality improvement. This year we continued the good work from previous years and completed procurement for Leadership and Management apprenticeship qualifications, along with:

- Chartered Management Institute – level three, five and seven – enabling achievement of nationally recognised management qualifications, fully funded through the apprenticeship levy;
- Individuals supported on NHS leadership academy programmes and masters level programmes;
- Bespoke clinical leadership programmes – continuing with more cohorts of the successful ward managers' programme; initially introduced in 2016;
- Leadership lectures – (top leaders forum) exploring equality; compassion and conflict within the NHS;
- QI (Quality Improvement) programmes including the Institute of Healthcare Improvement open school and QI Academy days;
- A series of managers' toolkit management programmes;
- Welcoming two NHS Graduate trainees and three Darzi Fellows to the organisation, following our long-standing commitment to developing clinical and non-clinical leaders of the future.

Our executive walkabouts continue to be successful, allowing our senior leaders to engage with teams and staff on the front-line, ultimately supporting high standards of patient care and building relationships. We continue to use the Chief Executive's Sounding Board and our managers' Team Brief as vehicles to discuss challenges and initiatives with colleagues directly.

Capability and confidence

The Managers Toolkit has continued to provide training for those Managers wanting a foundation in management and leadership skills, and we have also seen more use of the Lumina Spark psychometric tool being used in recruitment and development situations.

Lumina Spark provides insight into individual's preferred working style and how they may act at times of stress. Alongside the use of the 360 degree feedback tool, we have worked with a number of teams to understand their similarities and differences and how these can be best utilised in a team environment.

Staff feedback

The 2017 National Staff Survey for Ashford and St Peter's Hospitals presents a stable picture of the Trust providing us with a number of key findings, which highlight where we are working well and where we need to focus our improvements in the coming year.

We continue to benchmark well compared to the national results for acute Trusts including being better than average for overall staff engagement for acute Trusts. The average score this year is 3.79, the Trust reported 3.86.

This year also saw us collaborate with the Surrey Heartlands Health and Care Partnership (STP) on engagement with colleagues within the Urgent Care pathway.

As part of a pilot, 'Project Reflex', which uses an on-line platform called PeakOn, which provides leaders and managers with real-time feedback on a range of questions relating to staff engagement, motivation, health and well-being, we have successfully supported colleagues in A&E in addressing issues in a more targeted way than other survey methods. The pilot is continuing into next year and will be evaluated as to its success in June 2018 and at the end December 2018.

Wellbeing and resilience

In 2017 the Health and Well-Being Steering Group developed the new 'Six Ways to Well-ness' plan which focuses on the following areas:



- **Being Active** – exercise improves our physical and mental health, and the Trust this year continued to offer a range of physical activities to support staff; including circuit training and five-a-side football. This year we also launched our Rounders Tournament which was very well received by all staff.

- **Keep Learning** - alongside our statutory learning, this year we offered the opportunity, where appropriate, for staff to develop their numeracy and literacy skills fully funded. We also recruited an Evidence Specialist to our Knowledge and Library service providing a detailed evidence service for staff requiring it;
- **Give** – we continue to support our in-house charities and opportunities for staff to volunteer;
- **Connect** – we have continued with the very successful ‘In Their Shoes’ day for staff to shadow a person who they want to know more about; as well as offer new opportunities to connect such as Random Coffee Trails, where colleagues can meet someone new whilst having a coffee!
- **Care** – there are many ways that the Trust shows it cares, both to staff through the programmes it offers to support their health and well-being, to how the hospital can become more sustainable to care for the environment;
- **Take Notice**– this focuses on how we can take a minute to pause and see what is happening around us and how that is affecting us. This year the Trust launched its Health and Well-Being calendar via a photography competition which allowed staff to showcase our environment and the people and nature within it.

As well as the Six Ways to Wellness our Schwartz Rounds continue to prove popular as an opportunity for members of the team to reflect, in a safe and supported environment, on difficult situations which have arisen by the nature of their day to day work. Sessions run every six weeks and more colleagues within the Trust are now being trained as facilitators.

Appreciation and recognition

The Trust’s staff recognition scheme continues to showcase the kindness and care that exists within our organisation. Nominations from patients, relatives and colleagues continued to be submitted via the WOW! Awards ready for our next Annual Awards which will now be happening late 2018. These nominations continue to be a powerful way of acknowledging special effort and achievement.

National and regional winners

During the year we have continued to celebrate the success of our staff on regional and national platforms including:

- The Trust was shortlisted for the CHKS national healthcare efficiency award, part of the CHKS annual Top Hospitals programme awards 2017.
- The Trust was named as one of the CHKS Top Hospitals for 2017 and 2018, an accolade awarded to the top performing CHKS client trusts.
- Aileen McLeish, our previous Chair who stepped down in August 2017, was the recipient of a ‘Highly Commended’ Award in the category of Public and Third Sector Director of 2017 at the Institute of Director’s (IOD) London & the South East awards.
- The Trust won an award for Excellence in Employee Engagement at the prestigious Healthcare People Management Association (HPMA) HR in Excellence Awards.
- Our Assistant Directors of HR, Lucy Purdy, won the rising star award at the Healthcare People Management Association (HPMA), which aims to recognise up-and-coming HR practitioners that are set for a bright future.

- The Trust was shortlisted in the 'staff engagement' category of the 2017 HSJ Awards.
- Our Consultant Clinical Neurophysiologist, Dr Adrian J Fowle, was elected President of the British Society for Clinical Neurophysiology, in October 2017.
- Professor Humphrey Scott, one of our Consultant Surgeons, was elected President of Coloproctology at the Royal Society of Medicine, in October 2017.
- The Trust's 'Adopt a Grandparent' scheme received the Academy of Fabulous NHS Stuff (FAB) 'Tiny Noticeable Things' (TNT) Award in November 2017.
- Our Older People Short Stay Unit (OPSSU) and OPSSU team were shortlisted in the 'Improving value in the care of frail older patients' category of the 2018 HSJ Value Awards.
- Our Infant Feeding Team's skin to skin initiative 'Project Joey' was highly commended by the London Maternity and Midwifery Festival in the team award category, in February 2018.

Voluntary services

The Trust is very proud and appreciative of everybody who volunteers at the Trust. This year numbers have risen to 453 people from 420 last year. Volunteers and student volunteers enhance the patient and family experience and support staff in over 50 different locations across both sites. They offer services such as guiding visitors, helping with patient mealtimes and listening support, fundraising, gardening and administration. This year we were pleased to recruit a team of volunteers who visit different wards to talk to and listen to patients with dementia. This helps patients to keep using their social skills while they are in hospital.

We would like to highlight the invaluable work of Radio Wey, Heartbeat Woking (providing support to cardiology patients) and of course the Friends of St. Peter's Hospital and Ashford Hospital League of Friends.

Thank you to our 'Friends'

● Ashford Hospital League of Friends highlights:

Ashford Hospital League of Friends was formed in 1962 with the aim of supporting the work at the hospital by providing funds for additional equipment or enhancement of facilities for patients and staff. The League has adapted to the many changes taking place since the early days but the aim remains the same.

It has been another busy year for Ashford Hospital League of Friends. Their charity shop (next door to X-Ray) continues to do very well, improving year on year. During the last year they have donated; three heart monitors to our Cardiology Department, furnishings for the Dementia "Forget Me Not" waiting room in Outpatients Department, refurbishing the furniture in the Quiet Room in the Chaplaincy Department and a new fridge and microwave for staff use in the ECG office.

They also made a huge contribution for the purchase of a Cryoretinopexy System for our Ophthalmology Unit at Ashford Hospital, which will enable our patients who needs this type of treatment to have it locally instead of having to go into Central London.

The League of Friends also took part in the "Bags for Help" scheme run by Tesco at the Ashford store this year and won £4000. This win is hugely valuable to the friends and is all thanks to the Tesco customers who voted for the league by way of the blue tokens.

- **The Friends of St Peter's Hospital highlights:**

The Friends of St. Peter's Hospital, originally established in 1952, have now completed 65 years of active support of the work of the hospital, and continue to give their support for improvement projects around the hospital for the benefit of patients, staff, and visitors.

Recently, with the help of a valuable contribution from Surrey Sands, the League of Friends completely refurbished the Daffodil Suite Support Room and redecorated the Daffodil Suite, in the Maternity area of Abbey Wing, with the completed rooms' officially opened recently (see picture below).

The Friends have also completed the creation of a new Staff Rest Room on Swift Ward and the complete refurbishment of the Staff Rest Room and Visitors Room on Maple Ward. Work has also recently started on the refurbishment of the Holly Ward Staff Room. Following the move of the hospital Chapel into temporary premises to make way for the expansion of the A&E Department, all the 60 Chapel chairs, originally supplied by the Friends many years ago, have been refurbished and reupholstered for use in the new Chapel.



Alan Gibbs and Phil Keeble from the Friends of St Peter's Hospital cut the ribbon on the newly refurbished Daffodil room with from LtoR: The Mayor of Runneymede, Cllr Iftikhar Chaudhri, Nursery Nurse Sarah Dunstall, Associate Director of Midwifery Jane Urban, Midwife Zara Chamberlain, Chief Executive Suzanne Rankin and Trust Chairman Andy Field.

Strategic objective 4: Top Productivity

The Trust ended the year with a total surplus of £18.9 million*, with cost savings of £11.3 million; this benchmarks us as one of the top performing acute Trusts and gave us an NHS Improvement Finance and Use of Resources segmentation rating of 1 (the highest rating).

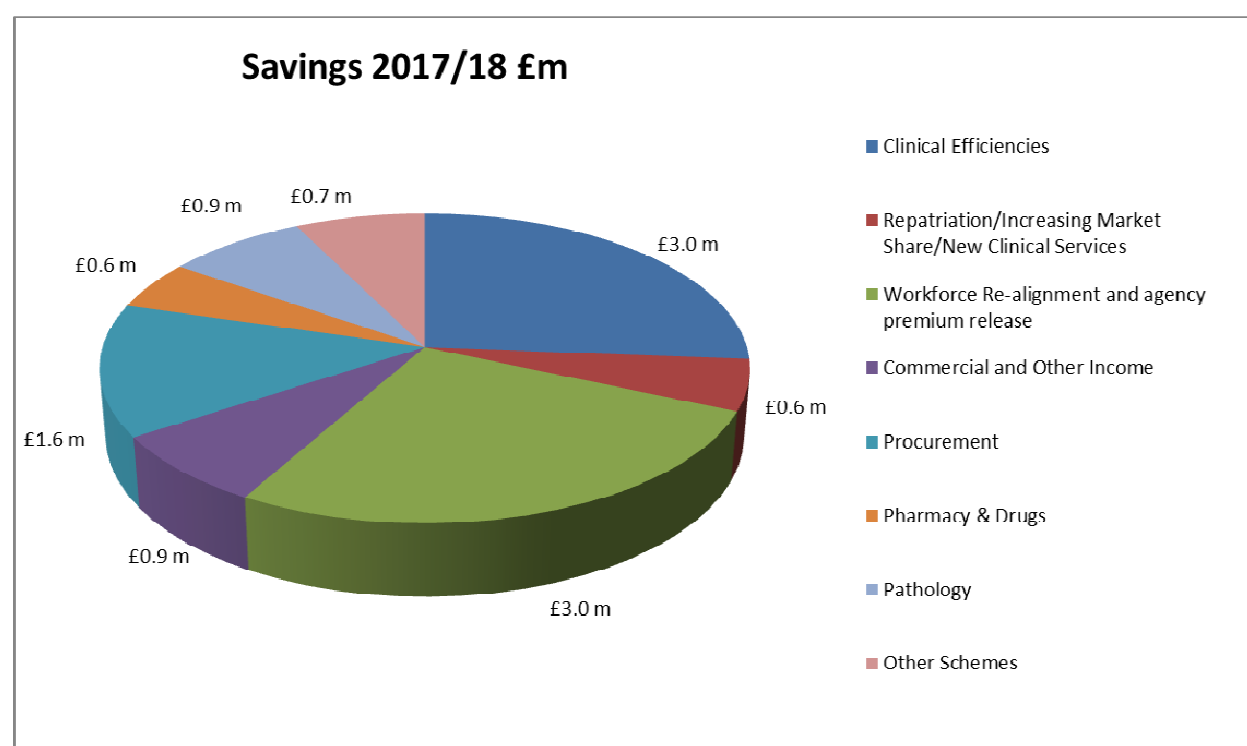
*This included:

- £1 million of operational surplus;
- £12 million national reward funding (for meeting and over-performing on our operating and financial plan and for winter pressures) which was higher than we were expecting;
- £5 million of local system funding.

Achieving our cost improvements

In order to withstand future financial challenges and achieve efficiency gains, the Trust has adopted an approach of 'transformational change' to the way services are delivered. This approach aims to optimise effectiveness and productivity but with careful consideration of the impact on quality and safety to ensure no disadvantage to patients or staff.

Over the year we have achieved £11.3 million of cost savings and net revenue generation, split across areas as follows:



A Cost Improvement Programme (CIP) of £10.5m, equating to 3.5 % of income, has been developed for 2018/19. All schemes within the programme have detailed, supporting plans including an assessment of any impacts on service quality and how this will be managed during the year.

2017/2018 CQUIN improvement goals overview

Commissioning for Quality and Innovation (CQUIN) is a quality improvement initiative run by NHS England to encourage and reward excellence through the use of a payment structure. This works by linking a proportion of the Trust's income to achieving certain local quality outcomes and improvement goals. In 2017/18, this was approximately £4.9 million of our income.

- The majority of the Health and Wellbeing CQUIN goals for 2017/2018 were achieved, for example over 70% of our front-line staff were provided with flu vaccination for the first time this year, successfully achieving the CQUIN goal and improving protection for both patients and staff.
- The Estates and Facilities successfully achieved all elements of the 'health food' CQUIN, which included maintaining the standards from previous years (banning of price promotions and advertisements of sugary drinks and foods high in fat, sugar or salt; and ensuring that healthy options are available at any point including for those staff working night shifts). The teams also successfully introduced three new nationally-mandated changes to support healthy food and drink provision, including ensuring drinks, confectionery and sweets, and pre-packed sandwiches, etc met maximum calorie and saturated fat levels.
- Two CQUIN goals relating to the identification and treatment of patients with Sepsis were achieved along with two further goals relating to the appropriate review and reduction in use of antibiotics. These goals continue into 2018/2019 and the teams will continue to spread the improvements made in the last year. A further two CQUIN goals relating to outpatient services were achieved in full in 2017/2018, which supported the publication of all services onto the electronic referral system (eRS) and the piloting of an electronic 'advice and guidance' service of GPs.
- In 2017/2018, we worked with our partners including Surrey and Borders Partnership NHS Foundation Trust to successfully reduce the number of attendances to ED for a small cohort of patients with mental health needs. We look forward to taking the learning from this work and applying this to a larger cohort of patients in the year ahead.
- Finally, the CQUIN goal to increase the proportion of patients admitted as an emergency who are discharged to their usual-place-of-residence was partially achieved, as an increase of 2% (against a target of 2.5%) was achieved.

Our Quality Improvement Strategy

This year was the third year of implementation of our quality improvement strategy and one in which we made significant progress towards the goal of embedding improvement into the organisation.

Our quality improvement strategy sets out how we will use both Trust-wide efforts to improve the care given to our patients; by supporting improvement in the reduction in harm and improvement in safety, quality, efficiency and the patient experience; as

well as contribute to an organisational culture of 'curiosity and creativity'; by supporting learning, improvement and innovation and supporting individuals and teams to make improvements for themselves.

The implementation of the strategy is broadly described by the three objectives of:

- Building will
- Building capability
- Do the work and improve the work

Building will

In the summer of 2017 we worked with our partners at the Institute for Healthcare Improvement (IHI) to hold a three-day 'breakthrough event'. The purpose of the event was to speak with members of staff and leadership teams from across the Trust, review data and other intelligence and to agree a set of recommendations in pursuit of improving quality and safety in the Trust.

Since the event, a significant amount of progress has been made against the agreed recommendations. For example, we have:

- Identified a small set of quality priorities and created focus on one improvement initiative (medication safety)
- Increased the visibility of our senior leaders through leadership walkabouts and buddying arrangements
- Developed improvement skills within our leadership teams
- Spread the use of data and measurement for improvement
- Prioritised improvement and learning from mortality reviews and patient safety incidents
- Revised quality reports for QA and QI

These will continue to form a solid foundation for our quality improvement efforts in the years ahead and we continue to build the will for QI through the sharing of stories, celebrating successes and through our annual quality improvement conference.

Building capability

Part of the strategy for embedding quality improvement into the organisation is a considered agenda for building improvement skills and capability within staff at all

levels, as set out in the dosing formula which was shared by NHS Improvement as an example of national best-practice.

This year, in order to support our quality improvement strategy and approach, we have continued invested time in training, mentoring and coaching for an increased number of teams and individuals from across the organisation.

In 2017/2018 we established the ASPH QI Academy, our in-house training programme which aims to build a broad knowledge of improvement methodology that is simple and repeatable; teach measurement and problem-solving skills at all levels and develop people focused improvement skills. Over 200 permanent members of Team ASPH have completed the QI Academy.

We have also worked with the Learning and Development team to ensure that quality improvement training is incorporated into the organisation's Leadership Framework and the new Manager's Toolkit.

Do the work and improve the work

The third element of the strategy for embedding quality improvement within the organisation and accelerating the pace of improvement, requires everyone to see themselves as having two jobs: to do their work and to improve their work.

There are over 50 improvement projects underway across the organisation, which have either been initiated in response to quality, safety issues or other areas for improvement identified by the leadership teams; or have been initiated by members of staff to improve their own work in pursuit of one of the strategic aims.

Our 'Be the Change' programme goes from strength-to-strength. 'Be the Change' provides staff with the opportunity to come forward with ideas for improvement, but also creates opportunities for front-line staff to become 'Change Champions' and to develop new skills in their roles.

In the last year, the 'Be the Change' programme has spread and is now a vital part of the quality improvement strategy for the whole organisation, and we have seen an increasing number of staff engaged in quality improvement projects and quality improvement training.

QI projects that have been facilitated through the 'Be the Change' project have led to demonstrable improvements, including:

- Improving 'skin-to-skin' time for new mums and babies through the 'Project Joey' initiative, resulting in improved breast feeding rates on discharge from hospital
- Reducing the rate of surgical site infections for patients undergoing surgery for a fractured neck of femur

- Improving the individualised compassionate care for patients in the Senior Adult Medical Service (SAMS) wards through the adoption of the 'What matters to you?' approach
- Maintaining the rates of screening for and treatment of Sepsis within the Emergency Department
- Reducing delays in discharge and improving the patient experience through the application of the 'Red to Green' approach

The benefits of bottom-up change are significant in any organisation that is striving to deliver high quality care for patients while demand for services increases and funding is restricted. Supporting all staff to engage in quality improvement also encourages innovation and experimentation, improves the patient experience and makes continuous improvement part of our culture.

Throughout 2017/2018 and into next year, work has been undertaken with the leadership teams to identify key areas for improvement that align with the Trust's strategic priorities, for example in the efforts to improve medication safety and to reduce nursing and midwifery turnover rates.

We will continue this work in the year ahead to ensure that our quality improvement strategy and the adoption of improvement science is effective in addressing challenges at all levels within our organisation, and in supporting the pursuit of better patient and staff experience.

Harnessing technology to effect change

This year we have been embedding our electronic medical records (eMR) system. This means that we no longer store paper medical records, but rather we have scanned in our existing records (for current patients) and then scanning any paper we generate when a patient visits. This means that over the year, we have been able to create significant efficiencies within the medical records department and we expect this streamlining to continue as we move further along the paper-lite continuum.

Our maternity information system needed replacing which coincided with the system-wide *Better Births* initiative. This sees community midwives from Ashford and St. Peter's, Royal Surrey County Hospital and Epsom and St. Helier Hospitals working with our commissioners to ensure expectant women are provided with a joined-up service. The introduction of a modern maternity system is central to this and so the Trust led the way by procuring a solution which could be used both on the wards and across the community. We secured a solution called BadgerNet and this is now in use within the Trust for both antenatal care and delivery. It includes a Women's Access portal, so that women no longer carry their physical maternity notes, but instead access them via an electronic application (desktop or handheld device). Next steps are further deployment involving the other hospital trusts and GPs.

This year we procured a new electronic ordering system for diagnostic tests such as blood tests and x-rays, which will be implemented over the course of 2018/19, and have also extended our clinical observations technology (VitalPac) on the wards.

Cyber security was headline news for the digital team in 2017/18 as a result of the WannaCry attack in early summer. The Trust was not attacked or adversely affected, but has nonetheless reflected on the lessons learned from the incident and strengthened our resilience.

We are continuing our work with the East Kent Beautiful Information team and have recently upgraded our A&E app so that clinicians and bed managers can see the hospital status at a glance.

Developing our business

Securing our business – as in previous years the total number of referrals to the Trust has continued to rise with a 14% increase in 2017/18 compared to the previous year. The specialities with the highest referral levels continue to be Musculoskeletal services (MSK), Dermatology and Ophthalmology services. The increase predominately occurred as a result of commissioning changes for community physiotherapy and the Breast service. The market share for the Trust shows a significant increase in outpatient share for North West Surrey CCG of 11% and generally across other CCG areas with a notable increase in the referrals for MSK and breast services following commissioning changes. Other local providers have all seen decreases in their activity within North West Surrey.

Community Services – the following services joined the Trust on the 1st April 2017:

- The Bradley Unit for Neuro rehabilitation. This is a Surrey wide service, based out of Woking Community Hospital providing specialist services for patients with brain injuries
- Community Parkinson's disease nurses
- Community MS nurses
- Early Supported Discharge teams for stroke care in both the North West Surrey CCG and Guildford and Waverley CCG areas
- Community based physiotherapy teams out of Weybridge hospital and Woking Community Hospital

Tenders – North West Surrey CCG procured a new model of dermatology care during 2017/18 which went live in September 2017. The Trust was successful with its proposal and continued to provide the dermatology service to local patients.

Services ending – following a long term review of behavioural paediatric services and the creation of an integrated CAHMS service across Surrey, the Trust agreed with commissioners that the behavioural paediatric service would become part of the overall CAHMS service. Through close working with Surrey and Borders Partnership NHS Foundation Trust and primary care the entire patient cohort was transferred, with the associated staff who had been providing the service at the Trust.

Following a tender for a new integrated sexual health service by Surrey County Council and NHS England in 2016/17 the sexual health and HIV service transferred to the new provider Central and North West London NHS Foundation Trust (CNWL) on the 1st October 2017.

New services – we have continued to work closely with our commissioners to develop pathways of care for patients. Within cardiology we have introduced a new stable chest pain pathway to ensure patients are seen in the appropriate setting for their symptoms.

Advice and guidance for GP colleagues has been developed allowing for a rapid turnaround in specialist advice via an electronic system. Instantaneous telephone contact with a consultant has been piloted in a number of speciality areas. Further work is required to ensure the effectiveness of this service. This will aim to allow more patients to be cared for in primary care with specialist advice.

Following difficulties within a neighbouring dermatology service, the Trust is currently hosting the Dermatology Service for Guildford and Waverley CCG. The Trust is providing the service in partnership with Sussex Dermatology Ltd. The long term commissioning arrangements for this service will be resolved during 2018/19.

NWS CCG is supporting the Trust in developing a range of virtual clinics. These have been created in Gastroenterology, Urology and Orthopaedics and have been successful at preventing patients travelling to the hospital when it is not required. During 2017/18 5% of our patient contacts were cared for virtually and this will continue to expand as a service offering in future years.

The Trust, in collaboration with local health economy partners, has reviewed our most frequent attending patients into A&E in 2017 and developed care plans to ensure they are managed in the most appropriate manner.

Our strategy remains to continue to bid for services where we believe we can provide high quality care for patients and which also provide a positive financial return for the Trust.

Further partnership working - we continue to be proactive in developing relationships between partner organisations within North West Surrey and in developing the new North West Surrey Health and Care Partnership with a particular focus on developing the right out of hospital services and services within the Locality Hubs. The partnership comprises local health and care organisations (including the GP Federation, Social Care, CSH Surrey, Surrey and Borders, the CCG) along with local borough councils and will expand out to include relevant voluntary and other community organisations.

We continue to work with CSH Surrey and Adult Social Care on a number of joint projects including supported discharge and admission avoidance schemes and will continue to explore opportunities to integrate care pathways across Surrey. This is of particular importance to support our ageing population and to reduce the acute pressures on emergency admissions experienced over the winter period. We continue to support programmes of care that deliver services within patients' homes through our partnership arrangements with Healthcare at Home and community providers; for example, commissioning services directly from them to support discharge and ensure that patients continue to receive the care they need when they get home, (e.g. home visits to administer intravenous antibiotics) without which they would need to spend longer in hospital.

Working with primary care - the Trust continues to develop relationships with GPs and practices both within the North West CCG area and other neighbouring CCG areas such as Hounslow. Our business development team has regular contact with practices within our catchment area and provides a GP liaison service. The team also provides a hotline and dedicated secure e-mail for GPs to resolve issues and problems quickly. Our Chief Executive has committed to meeting all practices within the North West CCG area over the next year to further increase engagement with our key clients. This continued close contact is enabling the development of new services in a variety of specialties particularly for common conditions.

The Trust, where it is able and appropriate, is supporting the development of the new GP federation. The development of the federation is important to the Trust as it provides a single focus within primary care with whom we can develop pathways to improve patient care.

We also hold regular meetings between our consultants and GPs to help improve communication and resolve issues. We distribute our electronic clinical publication, 'GP Link' to practices across our catchment area and beyond to ensure that GPs and other referrers are kept up to date with clinical developments and services within the Trust. The Trust works closely with North West Surrey CCG on joint events where appropriate to promote collaborative working with local clinicians.



Part of our new iMSK service the new virtual clinic which comprises of a Consultant Orthopaedic Surgeon, Virtual Fracture Clinic Nurse and Administrative Support will significantly help cut the number of times patients have to attend a traditional fracture clinic.

3. Accountability Report

Directors' Report

The Directors present their report for the financial year 1 April 2017 to 31 March 2018, which incorporates a summary of our overall performance against our corporate objectives.

Our Executive Team

Our Executive Team over the last year has comprised:

- Suzanne Rankin, Chief Executive
- Valerie Bartlett, Deputy Chief Executive
- Heather Caudle, Chief Nurse (until September 2017)
- David Fluck, Medical Director
- Simon Marshall, Director of Finance & Information
- Louise McKenzie, Director of Workforce Transformation
- Tom Smerdon, Director of Operations – Unplanned Care
- James Thomas, Director of Operations – Planned Care
- Sue Tranka, Chief Nurse (from September 2017)

Non-Executive Directors

During the year our Non-Executive Directors have been:

- Aileen McLeish, Chairman (to end August 2017)
- Andy Field, Chairman (from September 2017)
- Terry Price (to end December 2017)
- Chris Ketley
- Hilary McCallion
- Keith Malcouronne
- Meyrick Vevers
- Mike Baxter
- Neil Hayward
- Marcine Waterman (from April 2018)

More details on our directors are given from p.79 of this report.

Director disclosures

For each individual director currently in post at the time of approval of this report, so far as each director is aware, there is no relevant audit information of which our auditor is unaware.

Each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that our auditor is aware of that information. Each director has also made such enquiries of their fellow

directors and of the Trust's auditor for that purpose and taken such other steps required by his/her duty as a director of the Foundation Trust to exercise reasonable care, skill and diligence.

Directors have taken the necessary responsibilities in preparing this Annual Report and Accounts. They consider that the Annual Report and Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy.

Remuneration Report

Remuneration & Appraisals Committee and Policy on Remuneration of Senior Managers

The Remuneration Committee consists of four Non-Executive Directors chaired by the Senior Independent Director. The Committee met twice in 2017/18 and attendance is set out on p. 89.

The Committee sets the policy, and the level, for remuneration and terms and conditions of the Executive Directors of the Trust. The Committee receives an annual report on the performance of Executive Directors. Mindful of its duties in managing public funds, in particular as one or more senior managers are paid in excess of £150,000 (equating to the Prime Minister's ministerial and parliamentary salary), its policy is set to balance the need to appoint and retain Executive Directors within the Trust. In doing so it considers benchmarked information from external sources where required.

All Executive Directors contracts were open-ended with notice periods of three to six months. There were no contracts containing a provision for compensation over and above legal entitlement for early termination. In 2017/18 all Executive Directors were paid through the Trust's payroll. During the year an Interim Chief Nurse was appointed to replace the Chief Nurse who left the Trust for a career promotion opportunity. The post was initially appointed on an interim basis to enable review of strategic nursing support across the Surrey Heartlands STP, and subsequently the post was confirmed as a substantive appointment.

Remuneration of Chairman and Non-Executive Directors

The remuneration of the Chairman and Non-Executive Directors is agreed by the Council of Governors following review by its Remuneration and Appraisal Committee. Details of this Committee are set out on p. 93.

Expenses

In 2017/18 the Trust paid out a total of £6,552 (2016/17 - £4,606) in expense payments to 14 (2016/17 - 8) Trust Board members and Senior Managers with significant financial responsibility. Further analysis of these expenses by Trust Board member is available on the Trust website at

<http://www.ashfordstpeters.nhs.uk/board-member-expenses>.

The role of Governor of a Foundation Trust is voluntary but the NHS Act and the Constitution states that the Trust 'may pay travelling and other expenses to members of the Council of Governors at rates decided by the Trust'. The Trust has a policy on such reimbursement and this was last reviewed and approved in October 2016. In 2017/18 a total of £1,111 (2016/17 - £1,084) was paid out in such expenses to 8 (2016/17 – 6) Governors.

Median Salary

The Trust is required to disclose the relationship between the remuneration of the highest paid Director and the median remuneration of the Trust's workforce. The calculation is based on the full-time equivalent staff of the Trust at the reporting period end date on an annualised basis.

The banded remuneration of the highest paid Director in the Trust in the financial year 2017/18 was £217,500 (2016/17 - £247,500). This was 7.2 times (2016/17 – 8.3) the median remuneration of the workforce, which was £30,183 (2016/17 - £29,885). Total remuneration of the highest paid Director includes salary and benefits-in-kind; it does not include any severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

The highest paid Director in both years was the Trust's Medical Director who also receives payment for his medical work as a Consultant at the Trust. In 2016/17 there were changes to the clinical remuneration of the Medical Director and also the ending of a secondment to SECAMB. The remuneration of the Medical Director in that year also included arrears of £33k relating to 2015/16.

Salary and pension entitlements of senior managers for the year to 31 March 2018

The tables on the next page set out remuneration and pension benefit details for the reporting period.

A) Remuneration

Name and Title	2017-18				2016-17			
	Salary (bands of £5,000)	Benefits in Kind (Rounded to the nearest £100)	All pension-related benefits (bands of £2,500)	Total (bands of £5,000)	Salary (bands of £5,000)	Benefits in Kind (Rounded to the nearest £100)	All pension-related benefits (bands of £2,500)	Total (bands of £5,000)
Executive Team	£000	£00	£000	£000	£000	£00	£000	£000
Suzanne Rankin, Chief Executive	175-180	54	-	180-185	175-180	64	-	180-185
Simon Marshall, Director of Finance & Information	135-140	56	25.0-27.5	165-170	135-140	50	32.5-35.0	170-175
Dr David Fluck, Medical Director	210-215	52	-	215-220	240-245	76	-	245-250
Valerie Bartlett, Deputy Chief Executive	135-140	69	17.5-20.0	165-170	135-140	63	25.0-27.5	170-175
Louise McKenzie, Director of Workforce Transformation	120-125	50	22.5-25.0	150-155	120-125	29	25.0-27.5	150-155
Heather Caudle, Chief Nurse (to 10 September 2017)	40-45	34	7.5-10.0	55-60	110-115	73	22.5-25.0	140-145
Sue Tranka, Chief Nurse (from 18 September 2017)	55-60	-	27.5-30.0	80-85	-	-	-	-
Chairman and Non-Executives								
Aileen McLeish, Chairman (to 3 September 2017)	15-20	-	-	15-20	45-50	-	-	45-50
Andy Field (from 4 September 2017)	25-30	-	-	25-30	-	-	-	-
Terry Price, Non-Executive Director (to 31 December 2017)	5-10	-	-	5-10	10-15	-	-	10-15
Meyrick Vevers, Non-Executive Director (from 1 July 2016)	10-15	-	-	10-15	5-10	-	-	5-10
Prof. Hilary McCallion, Non-Executive Director (from 1 July 2016)	10-15	-	-	10-15	5-10	-	-	5-10
Neil Hayward, Non-Executive Director (from 1 July 2016)	10-15	-	-	10-15	5-10	-	-	5-10
Prof. Mike Baxter, Non-Executive Director (from 1 July 2016)	10-15	-	-	10-15	5-10	-	-	5-10
Keith Malcouronne, Non-Executive Director (from 1 July 2016)	10-15	-	-	10-15	5-10	-	-	5-10
Chris Ketley, Non-Executive Director (from 1 July 2016)	10-15	-	-	10-15	5-10	-	-	5-10
Prof. Philip Beesley, Non-Executive Director (to 30 June 2016)	-	-	-	-	0-5	-	-	0-5
Sue Ells, Non-Executive Director (to 30 June 2016)	-	-	-	-	0-5	-	-	0-5
Clive Goodwin, Non-Executive Director (to 30 June 2016)	-	-	-	-	0-5	-	-	0-5
Peter Taylor, Non-Executive Director (to 30 September 2016)	-	-	-	-	5-10	-	-	5-10
Nadeem Aziz, Non-Executive Director (to 28 February 2017)	-	-	-	-	5-10	-	-	5-10
Senior Managers with Significant Financial Responsibility								
Tom Smerdon, Director of Operations for Urgent and	90-95	58	-	100-105	25-30	13	5.0-7.5	30-35

Emergency Care (from 16 December 2016)								
James Thomas, Director of Operations for Planned Care and Diagnostics (from 16 December 2016)	95-100	-	40.0-42.5	135-140	25-30	-	15.0-17.5	40-45

A) Remuneration (continued)	2017-18				2016-17			
Name and Title	Salary (bands of £5,000)	Benefits in Kind (Rounded to the nearest £100)	All pension-related benefits (bands of £2,500)	Total (bands of £5,000)	Salary (bands of £5,000)	Benefits in Kind (Rounded to the nearest £100)	All pension-related benefits (bands of £2,500)	Total (bands of £5,000)
Lorraine Knight, Interim Chief Operating Officer (from 25 April 2016 to 16 December 2016)	-	-	-	-	140-145	-	-	140-145
Robert Peet, Chief Operating Officer (to 30 April 2016)	-	-	-	-	10-15	2	-	10-15

- a) Included within the amount of Salary for Dr David Fluck is £170,000 relating to his medical work as a Consultant at the Trust. In 2016/17 this was £200,000 and page 63 sets out the reasons for the decrease.
- b) Benefits in kind relate to benefits for lease cars (please note that these costs are shown in £ hundreds and not £ thousands in line with NHSI guidance).
- c) There were no annual performance-related bonuses paid.
- d) There were no long-term performance-related bonuses paid.

- e) There were no payments for compensation for loss of office.
- f) Non-Executive Directors waive remuneration due for chairing sub-Committees of the Trust Board. No other remuneration was waived by directors, no allowances were paid in lieu and there were no payments in respect of golden hello's.
- g) Lorraine Knight was appointed as Interim Chief Operating Officer from 25 April 2016 to 16 December 2016 and payments were made to LK Healthcare Solutions Limited.

B) Pension Benefits

Name and Title	Real increase in pension at pension age (bands of £2,500)	Real increase in pension lump sum at pension age (bands of £2,500)	Total accrued pension at pension age at 31 March 2018 (bands of £5,000)	Lump sum at pension age related to accrued pension at 31 March 2018 (bands of £5,000)	Cash Equivalent Transfer Value at 1 April 2017	Real Increase/ (Decrease) in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2018	Employer's Contribution to Stakeholder Pension (to nearest £100)
Executive Team	£000	£000	£000	£000	£000	£000	£000	£00
Suzanne Rankin Chief Executive	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-
Simon Marshall Director of Finance & Information	2.5-5.0	0-2.5	25-30	60-65	391	26	447	-
Dr David Fluck Medical Director	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-
Valerie Bartlett Deputy Chief Executive	0-2.5	5.0-7.5	50-55	155-160	983	45	1,082	-
Louise McKenzie Director of Workforce Transformation	0-2.5	0-2.5	30-35	80-85	464	27	523	-
Heather Caudle Chief Nurse (to 10 September 2017)	0-2.5	(2.5)-0	30-35	70-75	420	10	470	-
Sue Tranka (Chief Nurse (from 18 September 2017)	2.5-5.0	5.0 – 7.5	15-20	40-45	189	19	261	-
Senior Managers with Significant Financial Responsibility								
Tom Smerdon Director of Operations for Urgent and Emergency Care (from 16 December 2016)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-
James Thomas Director of Operations for Planned Care and Diagnostics (from 16 December 2016)	2.5-5.0	5.0-7.5	20-25	55-60	244	31	308	-

Notes:

- Suzanne Rankin opted out of the NHS Pension scheme on 1 November 2011.
- David Fluck opted out of the NHS Pension scheme on 1 April 2014.
- Tom Smerdon opted out of the NHS Pension scheme on 1 March 2017
- As Non-Executive Directors do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-Executive Directors.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's (or other allowable beneficiary's) pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures and other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated in accordance with SI 2008 No.1050 Occupational Pension Schemes (Transfer Values) Regulations 2008.

Real Increase in CETV

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation or contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement).

Suzanne Rankin
Accounting Officer
24 May 2018

Staff Report

Analysis of staff costs

An analysis of staff costs is set out in the table below:

	2017/18			2016/17		
	Total £'000	Permanently Employed £'000	Other £'000	Total £'000	Permanently Employed £'000	Other £'000
Salaries and wages	142,256	129,906	12,350	137,268	127,204	10,064
Social security costs	14,169	12,976	1,193	13,544	12,573	971
Apprenticeship levy	695	695	-	-	-	-
Employer contributions to NHS Pension scheme	16,176	14,814	1,362	15,442	14,335	1,107
Employer contributions to National Employment Savings Scheme (NEST)	4	4	-	3	3	-
Termination benefits	-	-	-	-	-	-
Agency/contract staff	9,944	-	9,944	14,492	-	14,492
Total gross staff costs	183,244	158,395	24,849	180,749	154,115	26,634
Recoveries from other organisations	(3,714)	(3,606)	(108)	(3,357)	(3,357)	-
Staff costs capitalised	(654)	(654)	-	(348)	(348)	-
Total staff costs	178,876	154,135	24,741	177,044	150,410	26,634

Other staff are those engaged on the objectives of the entity that do not have a permanent employment contract with the Trust. This includes employees on short-term contracts of employment, agency/temporary staff and inward secondments from other entities.

Average staff numbers

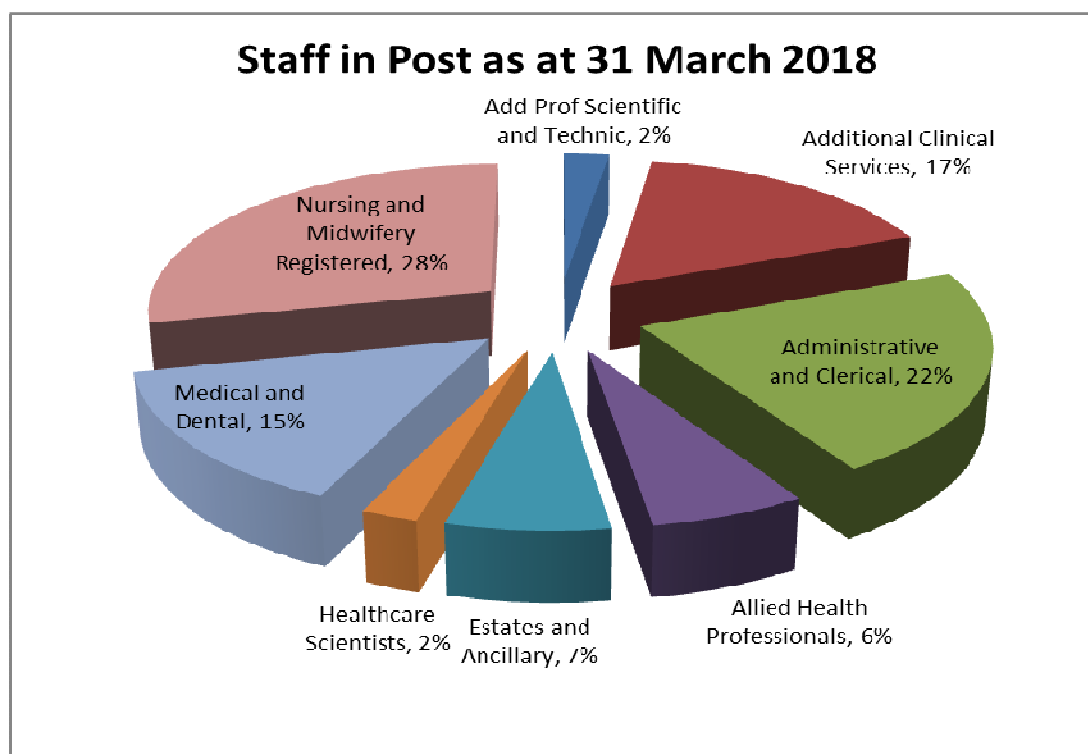
The Trust's average staff numbers in whole time equivalents (WTEs) during the year is shown below:

	2017/18			2016/17		
	Total No.	Permanently Employed No.	Other No.	Total No.	Permanently Employed No.	Other No.
Medical and dental	528	528	-	516	516	-
Administration and estates	738	738	-	734	734	-
Healthcare assistants and other support staff	812	812	-	774	774	-
Nursing, midwifery and health visiting staff	920	920	-	941	941	-
Scientific, therapeutic and technical staff	279	279	-	253	253	-
Healthcare science staff	87	87	-	85	85	-
Bank and agency staff	509	-	509	471	-	471
	3,873	3,364	509	3,774	3,303	471

The total of 3,873 WTE compares to 3,774 WTE for 2016/17. The largest part of our workforce is nursing and midwifery, and medical and dental staff who account for 43% of our permanent employees.

Staff in post as at 31 March 2018

The full breakdown of staff in post by staff group at 31 March 2018, which includes staff on permanent and fixed-term contracts, is shown below:



The table below provides a breakdown at the year end of the number of male and female staff in the following categories:

- Directors
- Other senior managers
- Employees.

Directors			
Gender	Headcount Numbers		
	Exec	Non Exec	Total
Female	4	1	5
Male	4	6	10
Total	8	7	15

Snr Managers			
Gender	Headcount Numbers		
	Full Time	Part Time	Total
Female	113	46	159
Male	47	1	48
Total	160	47	207

All Perm/FTC staff	Headcount Numbers			Gender as % of Total Workforce
Gender	Full Time	Part Time	Total	
Female	1803	1082	2885	75%
Male	843	97	940	25%
Total	2646	1179	3825	100%

Sickness absence data

The Trust's average working days lost is set out in the table below. The note is based on data for the calendar year 2017 in line with national guidance.

	2017	2016
Total days lost	22,898	22,493
Total staff years worked	3,401	3,343
Average working days lost (annualised)	6.7	6.7

Staff policies and actions applied during the financial year

The Trust has a range of employment policies and procedures which are designed to ensure that our staff can carry out their roles to support the Trust in achieving its objectives. All our employment policies are subject to Equality Impact Assessments so that we understand and mitigate the potential impact on staff and potential employees with protected characteristics. The following policies were updated in 2017/18:

- Partnership and Recognition Agreement
- Grievance Policy
- Appeals Policy
- Dignity at Work
- Annual Leave Policy

The Trust updated the annual Workforce Race Equality Scheme (WRES) and published its first Gender Pay Gap Report.

Engagement with employees and staff-representatives

The Trust has a structured and regular communication process with our employees and their representatives.

The Employee Partnership Forum (EPF) takes place monthly and is the formal meeting between Executive Directors and local Trade Union representatives. The Trust's performance report and balanced scorecard is a standing agenda item for this meeting. Service changes which will affect staff are discussed at the EPF and where necessary formal consultation is managed through this forum.

As well as the formal meeting there are a number of other processes used, such as:

- Chief Executive weekly message
- Chief Executive monthly video message
- Daily Aspire bulletins
- Quarterly meetings with Staff Governors
- Monthly Sounding Board meeting between Chief Executive and invited employees
- Monthly team briefing.

Staff survey

The National Staff Survey provides a yearly snapshot of staff experience at Ashford and St. Peter's Hospitals, this survey, coupled with feedback from our Staff Friends and Family Test, I Want Great Care and WOW! Awards provides us with evidence to understand the bigger picture, and support the overall satisfaction of the patient's experience.

a) Summary of performance – results from the NHS staff survey

Response Rate					
	2015/2016	2016/2017	2017/2018		Trust Improvement / deterioration
	Trust	Trust	Trust	National Average	
Response Rate	46.6%	43%	44%	45.5%	Improvement on last year, and still slightly less than the national average

	Top 5 Ranking Score				
	2016/2017	2017/2018			Trust Improvement / deterioration
	Trust	Trust	National Average		
KF4. Staff Motivation at Work	4.05	4.00	3.92		Deterioration
KF12. Quality of appraisal	3.40	3.29	3.11		Deterioration
KF17. % of staff feeling unwell due to work related stress in the last 12 months	33	34	36		Slight deterioration on last year, however, still lower than the national average
KF7. % of staff able to contribute towards improvements at work	72	73	70		Improvement on last year and higher than the national average
KF18. % of staff attending work in the last 3 months despite feeling unwell because they felt pressure from their manager, colleagues and themselves.	53	49	52		Improvement on 2016 results and against the national average

Bottom 5 ranking scores				
	2016/2017	2017/2018		Trust Improvement / deterioration
	Trust	Trust	National Average	
KF16. % of staff working extra hours	77	78	72	Deterioration on last year.
KF11. % of Staff appraised in the last 12 months	81	76	86	Deterioration on last year
KF24. % of staff / colleagues reporting most recent experience of violence	62	62	66	This remains the same as 2016
KF20. % of staff experiencing discrimination at work in the last 12 months	13	14	12	There has been a slight deterioration on last year
KF32. Effective use of patient /service user feedback.	3.71	3.62	3.71	There has been a deterioration on last year and against the national average

b) Future priorities and targets

In response to the staff survey results and in line with the Trust's People Strategy, we will develop local action plans to address the issues raised in the survey and to sustain the progress we have made to date. To further drive improvement this year we will focus on:

Appraisals - over the past 6 months we have been talking to colleagues and researching best practice around appraisals. In light of this a new, much simpler process will be launched across the Trust in May 2018, with an increased emphasis on the appraisal being a productive, open and honest conversation between manager and staff member.

Staff working extra hours - 78% of our staff expressed that they are working extra hours compared to the acute sector average of 72%. When analysed by occupation groups, 10 out of 13 occupational groups (including all clinical and general management staff group) are working extra hours above the national average level. At its extreme, 95% of our Senior Managers and 91% of our Nurses have identified this as an issue. HR Business Partners will work with Senior Managers within divisions to analyse the data further to understand where these groups of staff are and what we can do to support staff.

Violence and aggression against staff - the Trust has formed a *Bullying, Harassment and Discrimination Taskforce* as part of a wider campaign to tackle violence and aggression. Membership comprises of senior leaders across the staff groups/divisions to include divisional chief nurse, divisional clinical director, allied health lead, estates, admin and clerical, staff side chair, human resources and freedom to speak up guardian. The main purpose and objective of the taskforce is to identify the scale of the issues and recommend and implement co-ordinated strategies to eradicate incidents of bullying, harassment and discrimination and to help create an inclusive and respectful working environment for everyone across the Trust.

In line with the Trust's People Strategy we will continue our excellent work around supporting staff in the following areas:

- *Sustainable workforce* – working with our staff, partners and key stakeholders we will be looking at new ways to close the gap between supply and demand. Our workforce plan will describe our current/future shortages, actions needed to generate further external supply, and ideas for redesigning clinical roles, to ensure that roles are developed to deliver care in the right place.
- *Recruit and retain* – Effective attraction is based on a strong, unique employer brand. We will work hard to be a place that people want to work in for the long term, ensuring our recruits are supported and looked after, providing them with career opportunities and developing them to do their role to the best of their ability.
- *Inclusive culture* – Developing the right culture is once again critical for the delivery of the Trust's overarching strategy. This starts with visible, compassionate leaders. We will continue to build our leadership capability and style, promote a coaching and mentoring approach, and find ways to promote fairness and openness at all levels.
- *Building a high performing team* – to support the wider Health and Social Care system there is a need for us to work collaboratively, both inside the organisation and with our partners, to find the most productive ways to deliver high quality care. We will make use of technology & systems to support and optimise the resources we have.
- *Developing our talent* – High performing staff are critical to the delivery of high quality patient care. We will continue to provide a range of learning experiences for all staff to help them achieve their career potential. This year we will further utilise our apprenticeship levy to develop leadership, management, administrative and clinical talent pathways.
- *Wellbeing and resilience* – We know that there is a positive correlation between the wellbeing of staff and the outcomes (including mortality rates) for our patients. Positive and supportive environments for staff create caring and compassionate environments for patients. Our 'Six Ways to Wellness' will allow us to continue to support our staff by:
 - **Being active** – exercise improves our physical and mental health, and the Trust will provide more exercise opportunities in the coming year;
 - **Keep learning** - alongside our statutory learning, there will be a range of development opportunities for all staff across the Trust from numeracy and literacy skills to MBA programmes;
 - **Give** – reminding staff that practicing random acts of kindness, volunteering time, or simply saying 'thank you' all work wonders for well-being;
 - **Connect** – taking the time to connect with one another to see how people are doing, this can help conquer stress and mental health;
 - **Care** –focusing on how we can create a sustainable hospital, and caring for the environment;

- **Take action** – on how we are feeling, how our environment is affecting us and how we can support others around us.

All of these areas of work will be measured by, and be accountable to, the Workforce and Organisational Development Committee.

Expenditure on consultancy

During 2017/18 the Trust spent £427,000 on consultancy compared to £862,000 in 2016/17. The expenditure was across a number of different areas and projects.

Off-payroll engagements

As a result of the Review of Tax Arrangements of Public Sector appointees published by the Chief Secretary to the Treasury in 2012, the Trust is required to disclose the number of off-payroll engagements at a cost of over £245 per day and which last for longer than six months.

Prior to 31 March 2017 the Trust entered into number of engagements either directly or through a direct engagement model with Brookson Healthcare Services LLP. Under that engagement model Brookson's ensured that the limited company or personal services company had the appropriate assurance status, and conducted an IR35 anti-avoidance tax legislation review where required. The Trust then paid the individuals through their personal service companies.

In order to comply with the amended IR35 intermediaries legislation, and the guidance from NHS Improvement, the Trust notified all contractors that payments for engagements captured by IR35 would no longer be made gross after 31 March 2017 and would be subject to deduction of tax and PAYE at source. Roles were assessed on a case by case basis, and at the start of the financial year it was determined that all roles were within the IR35 legislation and the contractors were ended or moved to Brookson model or brought onto the Trust's payroll.

As such there were no reportable off-payroll engagements in existence during 2017/18 or as at 31 March 2018, as all payments are made net of tax and NI contributions, either through the Trust payroll or through the Trust's arrangement with Brookson's and supporting employment agencies.

Disclosures are set out in the tables below.

For all off-payroll engagements as of 31 March 2018, for more than £245 per day and that last longer than six months:

	No
Number of existing engagements as of 31 March 2018	-

For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2017 and 31 March 2018, for more than £245 per day and that last for longer than six months.

	No
Number of new engagements, or those that reached six months in duration, between 1 April 2017 and 31 March 2018	-
Of which:	
Number assessed as within the scope of IR35	-
Number assessed as not within the scope of IR35	-
Number engaged directly (via PSC contracted to Trust) and are on the Trust's payroll	-
Number of engagements reassessed for consistency/assurance purposes during the year	-
Number of engagements that saw a change to IR35 status following the consistency review	-

In accordance with NHSI guidance the Trust supported the review, and implemented the changes, with regard to off-payroll appointments. The Trust's policy on the use of off-payroll transactions in relation to highly paid staff, defined as those at a cost of over £245 per day, is to ensure that all senior level appointments are made through the payroll or through the Trust's arrangement with Brookson's.

In respect of Trust Board members and senior managers with significant financial responsibility, details are set out in the table below:

Number of off-payroll engagements of Board members, and/or, senior officials with significant financial responsibility, during the financial year	-
Number of individuals that have been deemed 'Board members and/or senior officials with significant financial responsibility; during the financial year (which includes both off-payroll and on-payroll engagements)	18

Further details on the remuneration of Trust Board members and senior managers with significant financial responsibility are set out in the Remuneration Report on pages 62 to 67.

Exit packages

Details of exit packages agreed during the year to 31 March 2018 are set out in the following tables:

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	-	8	8
Total number of exit packages by type	-	8	8
Total resource cost (£000)	-	20	20

	Agreements No.	Total value of agreements £'000
Contractual payments in lieu of notice	8	20

None of the exit packages were for Board members or senior managers with significant financial responsibility.

In 2016/17 there were seven exit packages costing £36,000.

NHS Foundation Trust Code of Governance

Ashford and St Peter's Hospitals NHS Foundation Trust recognises that the capability of the Trust Board of Directors and Council of Governors is critical to the success of the Hospitals. Our ability to do what we do, and to do it well, will help us to serve our patients and our community.

The Trust strives to continuously improve its processes, in line with key national guidance, to ensure safe, high quality services for our patients, and to provide a clear framework within which our staff can thrive.

Each year we review our governance arrangements against the provisions of NHS Improvement's Code of Governance which sets the standard for best practice and the following disclosures give a clear and comprehensive picture of the Trust's governance arrangements and how we apply the main principles.

It is the responsibility of the Board of Directors to confirm that the Trust complies with the provisions of the Code of Governance or, where it does not, to provide an explanation which justifies departure from the Code in particular circumstances. For the year ending 31 March 2018 the Trust complied with all the provisions of the Code of Governance published by NHS Improvement in 2017.

Board of Directors and the Council of Governors

The Board has agreed a Trust Governance Framework which describes the roles of the Board and the Council. This confirms that the Council will carry out its statutory duties (further detail is given in the section on the Council below) and will be consulted on the Trust's forward plans.

The Board has agreed to meet formally and in public at least nine times per year, and considers items under four broad agenda headings:

- Quality and safety
- Performance
- Strategy and planning
- Regulatory

In addition the Board meets in closed session, having published a framework setting out the types of matters normally dealt with in private. These typically include matters relating to individuals or matters of a commercial nature.

The unitary Board of Directors is responsible for ensuring the Trust complies with its License, the mandatory guidance issued by NHS Improvement, its Constitution and relevant statutory requirements and contractual obligations. The Board of Directors sets the Trust's strategic aims, taking into consideration the views of the Council of Governors. The Board of Directors as a whole is responsible for ensuring the quality and safety of healthcare services, education, training and research delivered by the Trust.

The Council of Governors represents the interests of the local community, both members of the public and staff who are Foundation Trust members, and local stakeholders. The Council of Governors is not responsible for the day-to-day management of the organisation which is

the responsibility of the Board of Directors, but the Council holds the Board to account via the Non-Executive Directors.

The Board has approved a formal Scheme of Delegation of Authority and Responsibility and within this Scheme there is a Schedule of Matters Reserved for the Board. This Scheme forms an important part of the Trust's system of internal controls.

In the event of a dispute between the Board and the Council a disputes procedure is described in the Constitution.

Composition of the Board

The Board is made up of the Chairman, seven Non-Executive Directors and eight Executive Directors. The Company Secretary attends all Board meetings.

The Director of Operations is a joint and non-voting executive position of the Board, and Board level accountability for operational performance sits with the Chief Executive.

The Council of Governors' Nominations & Appointments Committee held on 6 June 2017 approved the recommendation to appoint Andy Field as Chairman of the Trust; and the recommendation to appoint was formally ratified at the Council of Governors meeting on 14 June 2017. Andy commenced with the Trust in September 2017 following Aileen McLeish's departure at the end of August.

In September 2017 Heather Caudle, Chief Nurse left the Trust to take on a role in NHS England and we welcomed Sue Tranka as our interim Chief Nurse. In March 2018 Sue was substantively appointed to the role of Chief Nurse following a competitive appointment process.

Terry Price's longstanding tenure as Non-Executive Director ended in December 2017.

Following consultation with the Council of Governors; the appointment of Non-Executive Directors, Hilary McCallion and Keith Malcouronne, to the positions of Senior Independent Director and Freedom to Speak up Guardian respectively, were ratified at the Trust Board meeting held in January 2018.

At their meeting in March 2018, the Council of Governors approved the appointment of Marcine Waterman, to the position of Non-Executive Director. This followed a comprehensive selection and interviewing process which took place over two days, 23 and 27 February. Marcine took up her appointment in April 2018.

Introducing our Board of Directors

Andy Field, Chairman



Andy Field was appointed as Chairman from September 2017. Most recently a Non-Executive Director at Surrey and Borders Partnership NHS Foundation Trust, his career includes 19 years as an Officer in the Royal Corps of Signals where he saw active service, followed by a variety of private sector roles, including Partner in Deloitte and Business Unit Director at Fujitsu. Currently he runs an advisory business, helping organisations overcome difficulties in organisational change, digital transformation and technology programmes.

Professor Mike Baxter, Non-Executive Director



Professor Mike Baxter was appointed as a NED in July 2016. Currently in practice as a private physician, diabetologist and endocrinologist at the Runnymede Hospital, Chertsey, Mike possesses a long and successful track record at Ashford and St Peter's Hospitals as a previous Medical Director and Deputy Chief Executive.

Through his NHS career Mike displayed his clinical expertise gaining a silver national clinical excellence awards and being recognised by the HSJ a piece of work demonstrating a reduction in hospital admissions from nursing homes. Mike is currently working within the pharmaceutical industry for Sanofi UK and Northern Ireland as medical therapy expert and the interim medical director of diabetes. Mike continues to lecture and publish in the area of diabetes and diabetes care delivery.

Mike is Chair of the Workforce and Organisational Development Committee and a member of the Quality and Performance Committee.

Neil Hayward, Non-Executive Director



Appointed in July 2016, Neil has over 25 years' experience working in large and complex businesses in the UK and internationally. He has held a number of executive Human Resources (HR) positions in both the private and public sectors, including at the Post Office, BT, the Ministry of Justice and Serco Group. Neil is currently HR Director, and a member of the Group Executive Team, at High Speed Two (HS2) Ltd reporting directly to Chief Executive Mark Thurston. HS2 has been tasked by the Department for Transport (DfT) with managing the delivery of a new national high speed rail network. It is a non-departmental public body wholly owned by the DfT.

Neil is a member of both the Financial Management Committee, Workforce and Organisational Development Committee and Remuneration Committee.

Chris Ketley, Non-Executive Director



Appointed in July 2016, Chris has amassed significant senior management experience in a variety of sectors including banking, private healthcare, energy and media, with a particular focus on digital marketing and transformation.

Since assuming his first Board level role as Marketing Director with Amazon.co.uk in 1999, Chris helped to found Zenith Interactive Solutions, a digital media communications agency, and Active Wellbeing, a self-help healthcare brand. His subsequent roles, as Head of eChannels with Aviva PLC, Head of Digital Marketing and Propositions for HSBC and Head of Digital and eCommerce, in addition to his consultancy posts, has concentrated on business transition through digital marketing strategies. He is currently Company Director at Beechgate Consulting Limited and Consultant/Managing Partner at Atticmedia.

Chris is a member of the Quality & Performance Committee and sits on the Patient Experience Monitoring Group.

Keith Malcouronne, Non-Executive Director



Appointed in July 2016, Keith has a background in consultancy with KPMG, specialising in audit and corporate finance internationally. Since then he has developed experience as a Public Sector/NGO Non-Executive Director, particularly with World Vision UK as Chairman of the Finance, Audit and Risk Committee. Alongside his corporate and NGO responsibilities Keith has board experience in a number of education and Christian charities and is a Director of Guildford Diocesan Board of Finance. Keith is currently a Non-Executive Finance Director at TickX Limited, and Audit and Corporate Finance Partner at the City firm Acuity Professional Partnership LLP.

Keith is a member of both the Audit Committee and Charitable Funds Committee.

Professor Hilary McCallion, Non-Executive Director



Appointed in July 2016, Hilary currently works as an Independent Healthcare Consultant providing leadership development, service and incident reviews, and transformation to support organisations and individuals to achieve their optimum potential; she was previously Executive Director of Nursing and Education at South London and Maudsley NHS Foundation Trust.

Hilary is a Registered nurse and gained a CBE in the Queen's Honours in 2012 for nursing. Hilary is an Independent Governor at London South Bank University, and a trustee at Dementia UK.

Hilary chairs the Quality and Performance Committee and is a member of both the Executive Directors Nominations and Remuneration Committees (Executive Directors), and a member of the Workforce & Organisational Development Committee. In January 2018 Hilary was appointed to the position of Senior Independent Director and on this appointment takes on the role of Chair of the Executive Directors' Remuneration & Appraisal Committee.

Meyrick Vevers, Non-Executive Director



Appointed in July 2016, Meyrick has a significant CFO and Commercial Director background across multiple industries including Telecoms, Professional Services, FMCG & Film/TV. Within these industries Meyrick has experience of all aspects of commercial, financial, operational and business transformation within large international listed companies and smaller PE backed organisations.

Aligned to his professional background Meyrick is also an experienced Non-Executive Director in both public and private sectors including being Chair of the Audit Committee for National Archives.

Meyrick chairs the Financial Management Committee and Charitable Funds Committee, and is a member of the Audit Committee.

Marcine Waterman, Non-Executive Director



Marcine was appointed in April 2018 and brings over 30 years' experience in public finance to the role, and is skilled in helping public sector organisations achieve good governance and value for money.

Her early career experience was in American politics, working for the White House and Ernst and Young (USA). This was followed by over 20 years at the UK's Audit Commission in a range of high profile roles, culminating in her appointment as Controller of Audit (Chief Executive). In this role she oversaw the successful closure of the organisation in March 2015, before being appointed as the first Chief Executive of the Single Source Regulations Office (the new economic regulator for defence procurement). Marcine is also a member of the Central Government Faculty Board at the Chartered Institute of Public Finance and Accountancy (CIPFA).

Marcine is a member of the Audit Committee, Financial Management Committee and Quality and Performance Committee.

Suzanne Rankin, Chief Executive



Suzanne was appointed Chief Executive in September 2014 having joined the Trust in December 2010 as Chief Nurse. Suzanne began her nursing and management career with the Royal Navy, including deployment during the 1990 Gulf War; a spell as Senior Nursing Officer at NATO Headquarters in Lisbon; and Nursing Officer in charge of the 56-bed Trauma and Orthopaedic Unit at the former Royal Hospital Haslar in Gosport, Hampshire. Suzanne graduated with an MA in Defence Studies including advanced staff and command training from the Joint Services Command and Staff College in 2005.

Suzanne joined the Ministry of Defence in 2008 where she supported and advised the Surgeon General on nursing leadership and professional matters, and spent time in Iraq and Afghanistan. Prior to joining the Trust she was Deputy Chief Nurse for NHS South Central.

Suzanne is a member of the Health Education England London & South East Local Education Training Board (LETB) representing Surrey Heartlands Health & Care Partnership.

Valerie Bartlett, Deputy Chief Executive/Director of Strategy and Transformation



Valerie joined the Trust in 2009 and has nearly 15 years of Board level experience within the NHS, including 4 years as a Chief Executive of a mental health trust and 3 years as Director of Service Delivery at the Royal Cornwall Hospitals NHS Trust. Graduating from Oxford and with an MBA from Henley Management College, Valerie also has experience of working outside the NHS, in both local government and the voluntary sector. Valerie's experience within the acute sector of the NHS includes leading on significant service redesign programmes and delivering programmes of substantial financial recovery and significant performance improvement.

Dr David Fluck, Medical Director



David obtained his MBBS, MRCP (UK) and FRCP (UK) from the University of London. He trained at a number of hospitals in London and the South East, including St Bartholomew's, Guys Hospital, and the Hammersmith Medical School. He held Registrar positions at Whipps Cross and the London Chest Hospital and was a Research Fellow at St Mary's Hospital. He joined Ashford & St Peter's in 1996 as a Consultant Cardiologist, and was instrumental in developing services such as the Rapid Access Chest Pain Clinics and trans-oesophageal echocardiography.

He has held the position of Consultant Cardiologist at St George's Hospital since 1996 and has been an Honorary Clinical Senior Lecturer at Imperial College of Science, Technology and Medicine since 2001, and Postgraduate Tutor from 2002 - 2006. He was the Clinical Lead on the West Surrey Cardiac Network, from 2005 to 2008. He became the Clinical Director for Medicine in 2006, and was appointed to Deputy Medical Director in 2010, before being appointed to his current role of Medical Director in 2012.

Simon Marshall, Director of Finance and Information



Simon Marshall has a degree in Economics and is a Fellow of the Chartered Institute of Public Finance Accountants. Following ten years working with PricewaterhouseCoopers on finance assignments across central government, local government, health, education and charitable sectors he joined the NHS in 2002. Starting as Finance Director for Hounslow PCT, Simon moved in 2005 to become the Finance Director for the West Middlesex University Hospital NHS Trust. Simon joined the Trust in May 2012.

Simon is also Chair of the Surrey Heartlands Digital Programme Board.

Louise McKenzie, Director of Workforce Transformation



Louise McKenzie joined the Trust in April 2013. She is a Member of the Chartered Institute of Personnel Development and holds a degree in Public Administration and Economics. Louise has worked in the NHS since 1994, primarily in the acute sector, in a number of senior HR roles including Head of Operational HR at Guys & St Thomas' NHS Foundation Trust, Director of HR at Bromley Hospitals and most recently as Director of HR and Organisational Development at South London Healthcare NHS Trust. In her previous role she was a member of the London Partnership Forum working with senior NHS managers and trade union organisations on workforce policy implementation and complex change management programmes.

Tom Smerdon, Director of Operations – Unplanned Care



Tom Smerdon has managed clinical operations in the NHS at a senior level since 2005, overseeing theatres, anaesthetics and day surgery and later medicine at UCLH. He moved to Great Ormond Street Hospital in 2009 as manager for Surgery prior to joining Ashford and St Peter's in 2013 as Associate Director of Operations for Medicine and Emergency Services. He has a degree in Geology and an MSc in healthcare leadership for quality improvement. Prior to joining the NHS Tom held management positions in environmental consultancy and research and learning and education.

James Thomas, Director of Operations – Planned Care



James joined the Trust in 2015 as Associate Director of Operations for Theatres, Anaesthetics, Surgery and Critical Care, and went on to become Director of Operations the following year.

Working as a volunteer at his local hospital whilst at Sixth Form College cemented his passion for the NHS. Whilst at University James worked as a hospital porter. He went on to join the NHS graduate Management Training Programme working in placements across acute, community, mental health and commissioning organisations in NHS Wales. James first joined Ashford and St Peter's in 2003 as Assistant General Manager for Surgery, and then went on to take progressively senior operational management roles in general hospitals, specialist hospitals and university teaching hospitals across London and the South West. He has worked at Board level at the Royal National Orthopaedic Hospital, and in an acting capacity at North West Surrey Clinical Commissioning Group.

James has a BA (Hon) Degree in Business & Economics, MSc Management of Health & Social Care and is a graduate of the Kings Fund Top Leaders Programme. He lives locally and was originally born in the Trust's current maternity building.

Sue Tranka, Chief Nurse



Sue joined the Trust in September 2017 from Buckinghamshire Healthcare NHS Trust, where, as Deputy Chief Nurse, she led a portfolio covering workforce (safe staffing) and education, healthcare governance, quality improvement and non-medical productivity. Sue is a Registered Nurse, Midwife, Mental Health Nurse and District Nurse with over 25 years'

experience and her professional qualifications include an MSc in Clinical Quality Improvement.

Significant Commitments of the Trust Chairman

Andy Field is the Managing Director of Executive Bandwidth Ltd, Non-Executive Chairman of Think Learning, Non-Executive Director of Customer Attuned and Honorary President of the North West Surrey Branch of the NHS Retirement Fellowship.

Balance of Board Membership and Independence

The Board of Directors is satisfied that its balance of knowledge, skills and experience is appropriate to the Board and its sub-committees. This conclusion is supported by the results of a skills audit of those in post at February 2018.

The Board has evaluated the circumstances and relationships of individual Non-Executive Directors which are relevant to the determination of the presumption of independence. The Board determines all of its Non-Executive Directors to be independent in character and judgement.

All Non-executive Directors, including the Chairman, have made declarations concerning their independence with the last annual review taking place in April 2018.

Performance evaluation

The Board of Directors recognises that a regular evaluation of its collective and individual director performance is critical to continuous development and high performance. During 2017/18 we have continued to build on the work previously identified in 2016/17 and further examined our development needs in order to collectively improve our performance.

The Board has designed and implemented robust performance evaluation processes, structures and systems in accordance with the Code of Effective Corporate Governance within the public sector and the Guide to statutory duties for NHS Foundation Trust Governors (published by NHS Monitor (now part of NHS Improvement)). The Chairman of the Trust undertakes the appraisal of the Chief Executive and the Non-executive Directors. The appraisal of the Non-executive Directors is conducted by the Chairman in accordance with the process agreed by the Council of Governors. The Chief Executive undertakes the appraisal of the Executive Directors.

Chairman

The Senior Independent Director will conduct the Chairman's appraisal process in accordance with best practice in the code of governance, and this will be reported to the Council of Governors at their meeting in September 2018.

In addition the performance of members of the Board is assessed in terms of the following:

- Attendance at Board and Committee meetings
- Independence of individual directors
- An effective contribution to the Board and Committees through the range and diversity of experience and skills
- Strategic decision making and delivery of the Trust's forward plan

The Council of Governors holds the Non-Executive Directors independently and collectively to account for the performance of the Board, and does this through receiving performance information and a process of constructive challenge at Council of Governor meetings and seminars with the Executive and Non-Executive Directors.

Access to the Register of Directors' Interests

Members of the public can gain access to the Register of Directors' Interests on our website by making a request to the Trust secretary, either at St Peter's Hospital, Guildford Rd, Chertsey, KT16 0PZ , or via email asp-tr.foundationtrust@nhs.net or on 01932 723110.

Board meetings

The Board met in open session nine times during 2017/18 and in closed session 10 times during 2017/18. Directors' attendance was as follows:

Name	End of term of office	Open Board Meetings attended	Closed Board Meetings attended
Non-Executive Directors			
Prof Mike Baxter	01 July 2019	8 of 9	9 of 10
Andy Field*	September 2020	5 of 5	6 of 6
Chris Ketley	September 2020	9 of 9	9 of 10
Neil Hayward	July 2019	8 of 9	9 of 10
Keith Malcouronne	July 2019	9 of 9	10 of 10
Hilary McCallion	July 2019	7 of 9	7 of 10
Aileen McLeish	September 2017	4 of 4	4 of 4
Terry Price	December 2017	7 of 7	8 of 8
Meyrick Vevers	01 July 2019	9 of 9	10 of 10

*Andy Field appointed in September 2017

Executive Directors	Position	Open Board Meetings attended	Closed Board Meetings attended
Valerie Bartlett	Deputy Chief Executive	8 of 9	8 of 10
Heather Caudle*	Chief Nurse	3 of 4	3 of 5
Dr David Fluck	Medical Director	8 of 9	9 of 10
Simon Marshall	Director of Finance & Information	9 of 9	10 of 10

Louise McKenzie	Director of Workforce Transformation	8 of 9	9 of 10
Suzanne Rankin	Chief Executive	9 of 9	10 of 10
Tom Smerdon**	Director of Operations – unplanned care	8 of 9	8 of 10
James A Thomas**	Director of Operations – planned care	7 of 9	8 of 10
Sue Tranka***	Chief Nurse	4 of 5	4 of 5

*Heather Caudle left September 2017

**Tom Smerdon and James A Thomas is a joint appointment

***Sue Tranka joined the Trust in September 2017

Board Sub Committees

The Board of Directors has the following sub committees:

- Audit Committee
- Financial Management Committee
- Quality and Performance Committee (QPC)
- Nominations Committee (Executive Directors)
- Remuneration Committee (Executive Directors)
- Workforce and Organisational Development Committee
- Charitable Funds Committee

Audit Committee

Membership and Attendance

The Audit Committee is chaired by Non-executive Director Keith Malcouronne, and includes two other Non-executive Directors. Internal Audit (BDO LLP), External Audit (KPMG LLP) and the Local Counter Fraud Specialist are all invited to attend the meetings.

Discharging its responsibilities

The Audit Committee assures the Trust Board that there is an effective system of integrated governance, risk management and internal control across the whole of the Trust's activities that supports the achievement of the organisation's objectives. In addition financial reporting and counter fraud measures are also reviewed. In doing this the Audit Committee primarily utilises the work of internal audit, external audit and other external bodies. The Audit Committee approves the annual work plans of internal audit, external audit and the Local Counter Fraud Specialist. The Trust's internal audit function is provided by BDO.

At its meeting in January 2018 the Audit Committee reviewed and agreed three significant audit opinion risks, in terms of their impact on our financial statements, as set out in the following three paragraphs.

The main source of income for the Trust is the provision of healthcare services which make up 90% of total Trust income. Given the materiality in value, and the judgement used in

relation to areas such as accruals for services not yet invoiced and partially completed spells, this was identified as a risk in 2017/18. The Trust participates in the national Agreement of Balances exercise. The Agreement of Balances exercise identifies mismatches between receivable and payable balances recognised by the Trust and its commissioners and all differences are investigated by the finance team.

The Trust exercises judgement in determining the fair value of the different classes of assets held and the methods used to ensure the carrying values recorded each year reflect this. Given the materiality in value, and the judgement involved in determining the carrying amounts of land and buildings, this has been identified as risk area for 2017/18. The Trust last commissioned an independent valuer to undertake a desktop revaluation exercise on land and buildings as at 1 April 2016 and has used this work to inform the balance included in the 2017/18 financial statements.

Management is typically in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Internal and external audit reviews of the control environment test this risk and results are reported to the Audit Committee quarterly.

The Terms of Reference of the Audit Committee are approved by the Trust Board and these set out the duties and key responsibilities. The Committee prepares an annual report to the Trust Board setting out its operations during the year.

Policy for Safeguarding External Auditors' Independence

The Council of Governors endorsed the extension of the current contract for external auditors for a further one year period at their meeting in March 2017.

In so far as the Trust has purchased work from its external auditors outside of the Audit Code in 2017/18, the external auditors' objectivity and independence has been safeguarded.

Responsibility for Preparing the Annual Accounts

The Chief Executive is the Trust's designated Accounting Officer with the duty to prepare the financial statement for each financial period in accordance with the National Health Service Act 2006.

Financial Management Committee

The Committee is chaired by Non-executive Director Meyrick VEVERS. The Committee includes two other Non-executive Directors, the Directors of Operations and the Director of Finance and Information.

The Financial Management Committee's role is to review the financial and operational performance, position, risks and decision-making of the Trust. It gives assurance to the Board that this process of review is satisfactory and draws matters of importance to their attention.

Nominations Committee (Executive Directors)

The Nominations Committee comprises the Trust Chairman, Andy Field, who chairs the Committee, the Senior Independent Director and one other Non-Executive Director.

The Committee is responsible for appointing Executive Directors including Interim appointments. The Committee is also responsible for ensuring that there is an appropriate

balance of skills, knowledge and experience on the Board of Directors, and this includes succession planning taking into account the challenges and opportunities facing the Trust.

Remuneration Committee (Executive Directors)

A description of the work of the Remuneration Committee can be found within the Remuneration Report on page 62. Attendance at meetings by its members is set out in the table below. The Committee is chaired by Senior Independent Director, Hilary McCallion.

Quality and Performance Committee

The Committee is chaired by Non-executive Director Hilary McCallion, and includes three other Non-executive Directors, the Chief Executive, Medical Director, Chief Nurse, Directors of Operations, Director of Workforce Transformation and the Head of Regulation and Safety Improvement, Chief Pharmacist, Associate Director of Quality and the Divisional Directors.

The Quality and Performance Committee has a duty to ensure that the Trust's governance systems, behaviours and processes relating to risk management, clinical and non-clinical governance, the impact of performance on quality and safety, and the achievement of organisational objectives are effective, and provide the Board with the assurance on these duties to enable the Board to govern effectively. The Committee works in association with the Audit Committee in matters of corporate governance.

Workforce and Organisational Development Committee

The Committee is chaired by Non-Executive Director, Professor Mike Baxter and membership includes two other Non-Executive Directors, the Chief Executive, Director of Workforce Transformation, Chief Nurse, Medical Director, and Directors of Operations.

The Committee's role is to provide assurance to the Board on workforce supply and demand, the development and delivery of the Trust's workforce, leadership, organisational development, education and training, equality and diversity and employee wellbeing strategies and a detailed review and challenge of the workforce and organisational development aspects of the Board Assurance Framework.

Charitable Funds Committee

The Committee is chaired by Meyrick Vevers, Non-Executive Director, and membership includes the Chairman and one other Non-executive Director, the Chief Nurse and Director of Finance and Information and two public governors are in attendance.

The Committee is responsible for the overall management of the Charitable Funds and provides strategic direction in accordance with objects and fulfilment of public benefit; and ensures compliance with governing documents, laws and obligations imposed by donors.

The Committee is accountable to the Trust Board (as corporate Trustee) for the proper use of the charitable funds and to the public as a beneficiary of those funds.

Details of Directors' membership of Board sub committees and number of meetings attended are (including formal Council of Governors meetings):

	Audit Committee	Remuneration Committee	Financial Management Committee (FMC)	Quality and Performance Committee	Nominations Committee	Workforce & Organisational Development Committee	Charitable Funds Committee	Council of Governors (in attendance)
Valerie Bartlett+	-	-	-	-	-	-	-	2 of 4
Mike Baxter	-	-	-	8 of 11	-	3 of 6	-	1 of 4
Heather Caudle*	-	-	-	1 of 4	-	2 of 2	1 of 1	2 of 2
Andy Field	-	1 of 1	-	1	1 of 1	-	2 of 3	3 of 3
David Fluck	-	-	-	6 of 11	-	5 of 6	-	3 of 4
Neil Hayward	-	3 of 3	9 of 10	-	1 of 2	6 of 6	-	1 of 4
Chris Ketley	-	-	-	11 of 11	-	-	-	3 of 4
Keith Malcouronne*****	3 of 4	-	1 of 1	-	-	-	4 of 4	1 of 4
Simon Marshall	-	-	10 of 10	-	-	-	3 of 4	3 of 4
Hilary McCallion	-	3 of 3	-	9 of 11	1 of 2	4 of 6	-	1 of 4
Aileen McLeish**	-	2 of 2	-	-	1 of 1	-	1 of 1	1 of 1
Louise McKenzie	-	-	-	5 of 11	-	6 of 6	-	2 of 4
Terry Price***	2 of 2	2 of 2	-	5 of 7	1 of 1	-	-	3 of 3
Suzanne Rankin	-	-	-	7 of 11	2 of 2	5 of 6	-	4 of 4
Tom Smerdon	-	-	7 of 10	9 of 11	-	3 of 6*****	-	2 of 4
James A Thomas	-	-	8 of 10	5 of 11	-	3 of 6*****	-	4 of 4
Sue Tranka****	-	-	-	6 of 7	-	4 of 4	0 of 3	0 of 2

Meyrick Vevers	4 of 4	-	10 of 10	-	-	-	4 of 4	2 of 4
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*Heather Caudle left the Trust in September 2017

**Aileen McLeish left the Trust end August 2017

***Terry Price tenure as Non-Executive Director ended in December 2017

****Sue Tranka joined the Trust as in September 2017

***** As Directors of Operations, James A Thomas and Tom Smerdon alternate attendance

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Council of Governors

How the Board of Directors and the Council of Governors operate

The Board recognises the value and importance of engaging with Governors in order that the Governors may properly fulfil their role as a conduit between the Board and Ashford and St. Peter's Hospitals NHS Foundation Trust's stakeholders.

The Board of Directors is responsible for the effective running of the organisation, whilst the Council of Governors holds the Non-Executive Directors to account for the performance of the Board of Directors. The Council does not delegate any of its statutory decision making to its committees or individual Governors, since the Constitution provides for committees to undertake advisory work only, with all decisions requiring ratification in a general Council meeting.

In addition to the role of listening to, and reflecting back, the views of the membership to the Board and vice versa, the Council of Governors exercises statutory duties enshrined in law. These include the appointment of, and, if necessary, the removal of Non-Executive Directors and determining their remuneration. The Council also appoints an External Auditor and ratifies the appointment of the Chief Executive. The Council approves any changes to the Trust Constitution and any significant transactions the Trust may wish to enter into as defined within the Constitution. The Council has the right to be presented with the Annual Report and Accounts and to be consulted on forward plans being made by the Board. These roles provide a clear context for the Board to run the Trust, the execution of which is achieved through the Chief Executive and the Executive Team.

The Governors have been consulted on the development of the Annual Plan 2018/19 at two workshops held in November 2017 and February 2018. Governors have also been involved in agreeing the priorities for the Quality Accounts.

Understanding the views of the Council and Members

Engagement by the Board with Governors takes many forms. In 2017/18 the constructive working relationship has continued with discussion on a number of matters both in and out of Council meetings. As well as the quarterly Council meetings the Board and Governors also meet twice a year to discuss strategic issues and input into the Trust business plan. The Governors also have two dedicated meetings with the Non-Executive Directors to discuss Trust business and anything they would like further input on.

There are regular seminars and informal meetings open to all Governors and hosted by the Executive Team, Chairman and Chief Executive. All Governors have the support of the Membership and Engagement Manager to help them fulfil their duties.

All Directors are encouraged to attend the Council of Governors' formal meetings. Governors have continued to take up the opportunity to attend the open Board meetings.

Composition of the Council

There are 25 seats on the Council of Governors including:

- 15 public governors covering six constituencies;
- five staff governors covering five staff constituencies; and

- five appointed governors from partnership organisations.

The Chairman of the Board is also the Chairman of the Council of Governors. The Council of Governors appointed Andrew Ryland (Public Governor for Runnymede and Windsor & Maidenhead) as the Lead Governor in December 2016.

The Council meets formally four times each year. Details of the membership of the Council and the attendance of Governors are included in the table 'Register of Governors'. Executive and Non-Executive Directors are also invited to attend the Council meetings.

There were no Council of Governor elections held in 2017.

We would like to acknowledge the contribution made by Prof Jill Shawe, Appointed Governor for the University of Surrey; and John Collins, Public Governor for Surrey Heath who both stood down in 2017.

Access to the Register of Interests

All Governors are required to comply with the Trust's code of conduct and declare any interests that may result in a potential conflict of interest in their role as Governor of the Trust. Members of the public can gain access to the Register of Governors' Interests which is available on the Trust's website at:

<http://www.ashfordstpeters.nhs.uk/what-is-an-ft>

or by making a request via the Membership and Engagement Manager at St Peter's Hospital, Guildford Road, Chertsey, KT16 0PZ, or via email asp-tr.foundationtrust@nhs.net or by telephone on 01932 722063.

Contacting a Governor

Members who wish to contact their Governor can do this via the Membership Office at St Peter's Hospital, Guildford Road, Chertsey, KT16 0PZ or calling 01932 722063. In addition, a special e-based communication form is available via www.ashfordstpeters.nhs.uk

Statutory Council of Governors' Committees

The Council of Governors has two Committees carrying out specific statutory duties. Details are provided below.

1. Nomination and Appointments Committee

The Nominations and Appointments Committee provides the Council of Governors with independent and objective recommendations in respect of the names of those individuals they consider suitable for appointment as Non-Executive Director to the Board of Directors.

The Committee met on five occasions during 2017 recommending to the Council:

- The process for the appointment, timetable and candidate brief for the new Chairman.
- The appointment of Andy Field as the new Chairman.
- The extension of Terry Price's term of office for 3 months to December 2017 and to continue as Senior Independent Director.
- The process for the recruitment of a new Non-Executive Director to replace Terry Price.

Membership and attendance is given below:

Nominations and Appointments Committee	Meetings attended
Maurice Cohen (Public Governor – Woking and Guildford)	2 of 5
Andy Field (Trust and Committee Chairman) *	2 of 2
Godfrey Freemantle (Public Governor – Hounslow and Richmond upon Thames)	5 of 5
Sue Harris (Staff Governor – Nursing and Midwifery)	5 of 5
Chris Howorth (Appointed Governor – The Royal Holloway, University of London)	2 of 5
Steve McCarthy (Public Governor – Elmbridge)	5 of 5
Aileen McLeish (Trust and Committee Chairman) **	0 of 3

*appointed in September 2017

**these meetings considered Chairman recruitment and the Deputy Chair/SID presided at these meetings.

2. Remuneration and Appraisal Committee

The Remuneration and Appraisal Committee makes recommendations to the Council of Governors concerning the remuneration and terms of appointment of any Non-Executive Director and endorses their appraisals.

The Committee met twice during 2017 and during this time:

- Proposed new members of the committee
- Proposed the remuneration for the Chairman and Non-Executive Directors;
- Organised the appraisal process for the Chairman and Non-Executive Directors;
- Outlined the Chairman's review of significant achievements and provisional objectives for the incoming chair

- Organised the full year appraisal for the Non-Executive Directors

Membership and attendance is given below:

Remuneration and Appraisal Committee	Meetings attended
Maureen Attewell (Appointed Governor - Spelthorne Borough Council)	2 of 2
Arun Gupta (Staff Governor - Medical and Dental)	1 of 2
Barbara Mogensen (Public Governor - Elmbridge)	1 of 2
Andrew Ryland (Lead Governor and Public Governor - Runnymede, Windsor and Maidenhead and Committee Chairman)	2 of 2
Denise Saliagopoulos (Public Governor - Spelthorne)	1 of 2

Foundation Trust membership

Members fall into two constituencies:

Public Constituency; anyone living in the boroughs of Elmbridge, Guildford, Hounslow, Kingston-upon-Thames, Richmond-upon-Thames, Runnymede, Spelthorne, Surrey Heath, Windsor and Maidenhead and Woking; as well as any borough in Surrey not already mentioned above, can become a member. The Trust has six areas, each of which has 1-3 elected governors. The Council of Governors agreed in June 2017 to include Kingston-upon-Thames to the existing constituency of Hounslow and Richmond-upon-Thames.

Staff Constituency; any permanent member of staff, including registered volunteers, can be a staff member. There are five classes which each elect one Governor:

1. Nursing and midwifery
2. Medical and dental
3. Ancillary, administrative, clerical and managerial
4. Allied health professionals, healthcare scientists and healthcare assistants
5. Volunteers

Staff are automatically members unless they decide to opt out.

Membership numbers as at 31 March 2018

Public: 7,220

Staff: 4,273 (including 474 volunteers)

Total: 11,493

Developing our membership

The Membership and Community Engagement Group of the Council of Governors was set up in March 2011 and leads on developing and implementing the Membership Strategy together with improving communications between Governors and members. The strategy was reviewed in April 2018 and contains targets for membership with a particular focus on areas where we know the Trust needs to develop a more representative membership:-

- To increase membership in the marginally under-represented area of Hounslow; and
- To increase membership in the 14-16 and 30-39 age groups.

In addressing these priorities, the Trust continues to be mindful of hard to reach groups. Attendance at careers' fairs at schools and in the community has taken place to encourage membership from students and job seekers wishing to pursue a career in the NHS. The Group has been keen to encourage membership engagement activities and also considers ways of facilitating two way communications with members. Surveys have been utilised in the past and will continue to feature.

Feedback is encouraged through the Governor Contact form on the Trust's website and via personal communications either written or spoken. The Trust holds a number of Members' Health Events throughout the year which provide a presentation and question and answer session on a number of health-related topics. Events held in 2017 included Research and Development, Ophthalmology and End of Life as well as the Annual Members' Meeting where the focus topic was Orthopaedics, namely the iMSK (Integrated Musculoskeletal) service provided at Ashford and St Peter's. These health events are extremely popular with members and the Trust receives positive feedback on the content and the opportunity it provides for members to converse with Governors.

Feedback is also welcomed and discussed by Governors who are members of the Patient Experience Group. The Group meets five times a year and the Assistant Director of Patient Safety, Associate Director of Quality and Head of Patient Experience are invited to attend to report on patient experience and also to enable issues and concerns to be raised and appropriate actions taken. The Group also visits departments and wards and meets senior clinical and nurse managers in order to be more effective in sharing the improvement of the patient experience.

Register of Council of Governors - 2017

Name (Constituency / Organisation)	Date elected or appointed	Term of office	Meetings attended
Maureen Attewell (Appointed – Spelthorne Borough Council)	1 st Dec 2016 (2 nd term)	3 years to 30/11/19	1 of 4
David Bittleston (Appointed – Woking Borough Council)	23 rd May 2016	2½ years to 30/11/18	3 of 4

Name (Constituency / Organisation)	Date elected or appointed	Term of office	Meetings attended
Simon Bhadye (Public – Spelthorne)	1 st Dec 2016 (3 rd term)	3 years to 30/11/19	2 of 4
Keith Bradley (Public – Woking and Guildford)	1 st Dec 2016 (3 rd term)	3 years to 30/11/19	4 of 4
Brian Catt (Public – Spelthorne)	1 st Dec 2016 (3 rd term)	3 years to 30/11/19	4 of 4
Maurice Cohen (Public – Woking and Guildford)	1 st Dec 2016 (3 rd term)	3 years to 30/11/19	2 of 4
John Collins (Public – Surrey Heath)	1 st Dec 2016	1 year to 30/11/17	2 of 3
Melaine Coward (Appointed – University of Surrey)	1 st Mar 2017	1 year 9 months to 30/11/19	2 of 3
Richard Docketty (Staff – Volunteers)	1 st Dec 2016 (2 nd term)	3 years to 30/11/19	2 of 4
Lilly Evans (Public – Runnymede and Windsor & Maidenhead)	1 st Dec 2015	3 years to 30/11/18	3 of 4
Godfrey Freemantle (Public – Hounslow and Richmond upon Thames and Kingston upon Thames)	1 st Dec 2016 (3 rd term)	3 years to 30/11/19	4 of 4
Arun Gupta (Staff – Medical and Dental)	1 st Dec 2015 (2 nd term)	3 years to 30/11/18	4 of 4
Sue Harris (Staff - Nursing and Midwifery)	1 st Dec 2016 (3 rd term)	3 years to 30/11/19	4 of 4
Chris Howorth (Appointed – Royal Holloway, University of London)	1 st Dec 2016 (3 rd term)	3 years to 30/11/19	3 of 4
Mark Maddox (Appointed – Runnymede Borough Council)	26 th May 2016	2½ years to 30/11/18	0 of 4
Steve McCarthy (Public – Elmbridge)	1 st Dec 2016 (3 rd term)	3 years to 30/11/19	4 of 4
Barbara Mogensen (Public – Elmbridge)	1 st Dec 2016 (2 nd term)	1 year to 30/01/18	2 of 4
Judith Moore (Public – Woking and Guildford)	1 st Dec 2016 (3 rd term)	3 years to 30/11/19	4 of 4
Bhagat Singh Rupal (Public – Hounslow and Richmond upon Thames and Kingston upon Thames)	1 st Dec 2016 (2 nd term)	3 years to 30/11/19	3 of 4
Andrew Ryland (Public – Runnymede and Windsor & Maidenhead)	1 st Dec 2015 (3 rd term)	3 years to 30/11/18	4 of 4
Denise Saliagopoulos (Public – Spelthorne)	1 st Dec 2016 (2 nd term)	3 years to 30/11/19	1 of 4

Name (Constituency / Organisation)	Date elected or appointed	Term of office	Meetings attended
John Sermon (Staff - Administrative and Clerical, Managerial and Ancillary)	1st Dec 2016	3 years to 30/11/19	3 of 4
Jill Shawe (Appointed – University of Surrey)	23rd June 2016	9 months to 31/03/17	1 of 1
Danny Sparkes (Public – Runnymede and Windsor & Maidenhead)	1st Dec 2015 (2nd term)	3 years to 30/11/18	4 of 4
Matthew Stevenson (Staff – Allied Health Professionals, Healthcare Scientists)	1st Dec 2016	3 years to 30/11/19	4 of 4
Roberta Swan (Public – Elmbridge)	1st Dec 2016	3 years to 30/11/19	1 of 1

Single Oversight Framework

NHS Improvement is the official regulator of Foundation Trusts.

NHS Improvement's Single Oversight Framework provides the framework for overseeing healthcare providers (including Foundation Trusts) and identifying potential support needs.

The framework looks at five themes:

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

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

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

Segmentation

The Trust has a segmentation rating of '2'.

This segmentation information is the Trust's position at 24 May 2018. Current segmentation information for NHS trusts and foundation trusts is published on the NHS Improvement website.

Finance and use of resources

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

Area	Metric	2016/17 Q3 score	2016/17 Q4 score	2017/18 Q1 score	2017/18 Q2 score	2017/18 Q3 score	2017/18 Q4 score
Financial sustainability	Capital service capacity	1	1	2	1	1	1
	Liquidity	1	2	2	1	1	1
Financial efficiency	I&E margin	1	1	1	1	1	1
Financial controls	Distance from financial plan	2	3	1	1	2	1
	Agency spend	2	3	1	1	1	1
Overall scoring		1	2	1	1	1	1

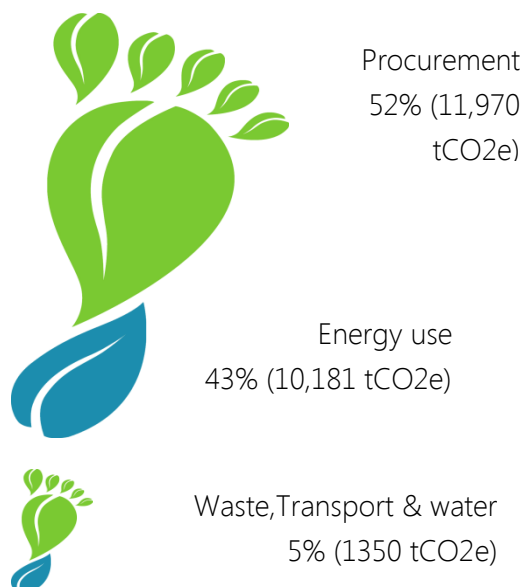
Sustainability Report

Our Trust continues to make choices that provide favourable long-term outcomes to enhance and develop our services to the public. As a large local employer and healthcare provider we also want to demonstrate sound corporate and social responsibility.

The Trust uses the measure of a “carbon footprint” to gauge the overall environmental impact of our activities on land, air and water. The term “carbon” is used as a simplified way of referring to all the polluting gases released into the atmosphere that cause climate change through the process of global warming.

Consistent with national reporting guidelines we report our carbon footprint in what are known as equivalent tonnes of carbon dioxide (tCO₂e).

Our Carbon Footprint 2017-18



Our targets and progress to date 2017/18

The NHS overall has been set a commitment to meet the government target to reduce our carbon footprint by 34% by 2020 and 80% by 2050.

Even though this has been another busy year, we have witnessed a reduction in carbon emissions by 10% when compared to last year.

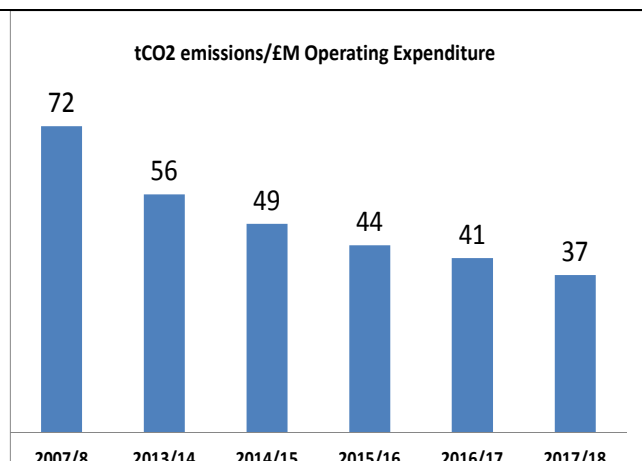
Overall we estimate that 23,482 tonnes of equivalent CO₂ were emitted by the Trust during 2017/18. That's 2,500 tonnes less than last year. Our target is to reach or better an annual emissions total of 21,300 tonnes by 2020. This is still a considerable challenge as demand for our services grows each year.

Summarising this year's result, there was an 11% reduction in emissions from the purchase of goods and services, due to a reduction in spend – notably in expenditure of building and engineering products and services. Other reductions

Carbon Sector	% change against previous year	% change against 2007/8 base year
Energy use	-8%	-22%
Transport	-5%	-72%
Waste production	26%	-43%
Water/Sewage	+10%	-24%
Procurement (outsourced emissions)	-12%	-20%
Overall change in our carbon footprint		
2017-18	-10%	-19.3%

of more than 250 tonnes were achieved through reduced waste and demand for dressings and medical & surgical equipment.

Electricity and gas accounts for 43% of the carbon footprint. Although this year our electricity use increased by 2.5%, CO2 emissions from our energy use have declined through the increasing proportions of energy supplied to the grid by renewable generation sources. Gas use increased by 6.9% due to a colder than expected winter and spring.



There is a link between patient numbers and carbon emissions which cause climate change. We measure and compare our emissions total to operating expenditure which we use as an indicator of Trust patient activity. As you can see from the graph above we have succeeded in halving carbon emissions from 78 tonnes of CO2 per £m spent to just 37 tonnes CO2 /£m. This demonstrates we are becoming increasingly better at reducing our emissions for each £1 spent - achieving our goal of a greener, and leaner hospital for your community.

Contributing to these successes during 2017-18, we have achieved the following new sustainable initiatives to reduce our costs and carbon footprint:

Reducing clinical waste and raising awareness of sustainability

This year the Trust embarked on a new sustainability and staff engagement programme called Green Ward. Working with health and sustainability consultants, Centre for Sustainable Healthcare (CSH), Trust teams worked to develop ideas to improve efficiencies in the patient care process. Eight wards developed a range of ideas - all of which are now being evaluated for wider application. Of note, these included programmes to improve prescription use efficiency, time spent interviewing and recording patient data, and a programme to optimise the requirement for patient blood tests.

Healthier food choices

As part of UK-wide national NHS quality and innovation targets (CQUIN), the Trust has committed and is working towards meeting targets in improving the nutritional value of food offered to patients visitors and staff.

- This year the Trust are ahead of the curve and already ahead of this and last year's targets exceed the targets for food choices in our staff and public cafes and restaurants. These include:
- Committing to offer 70% of drinks lines as sugar free.
- Reducing the calorie impact of confectionery and sweets by:
 - Reducing 60% of our product food lines to below 250 kcal.

- Reducing pre-packed sandwiches and other savoury pre-packed meals (wraps, salads, pasta salads) to 400kcal (1680 kJ) or less per serving and do not exceed 5.0g saturated fat per 100g
- We also offer reusable drinks mugs to reduce the amount of plastic waste from single use coffee containers.
- Promoting sustainable travel

Our Travel Plan

The Trust is aware of the environmental impact of travel on our neighbours, especially at St Peter's Hospital. As part of our Travel Plan we have made good progress, but there remain considerable challenges:

Encouraging the use of Public transport - the Weybridge to Waterloo line via Virginia Water will now continue following public consultation and not terminate at Virginia Water. However, Abellio have given up their Surrey contract and their routes have been taken over by three separate bus companies – Hallmark, The White Bus and Carlone. Some of the services now provide a reduced service for staff and others visiting St Peter's Hospital. The Trust has approached both Surrey County Council and The White Bus Company about their timetable changes to the 446 route but without success.

Cycling - we have around 50 regular cyclists year round. This also often increases during the summer months. The cycle shelters are well used but by the coming winter cyclists will need to have the damaged shelter by Abbey Wing replaced.

Car sharing - there are 48 known pairs of car sharers, some sharing with 2 or 3 others. Use of our electric charge point has increased: there are now have eight key holders regularly using this service. Demand is expected to continue to grow.

Renewable and efficient energy generation – we are currently reviewing options and costs for the installation of solar PV panel systems to fit to our flat and pitched roofs. This and more ambitious work to investigate the integration of a combined heat and power system are being factored into a wider programme to upgrade our electrical services to St Peter's Hospital.

Statement of Accounting Officer's Responsibilities

Statement of the Chief Executive's responsibilities as the Accounting Officer of Ashford and St. Peter's Hospitals NHS Foundation Trust

The NHS Act 2006 states that the Chief Executive is the Accounting Officer of the NHS Foundation Trust. The relevant responsibilities of the accounting officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the *NHS Foundation Trust Accounting Officer Memorandum* issued by NHS Improvement.

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require Ashford and St. Peter's 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 Ashford and St. Peter's 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 and Social Care's Group Accounting Manual* and in particular to:

- observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the *NHS Foundation Trust Annual Reporting Manual* (and the *Department of Health and Social Care's 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
- Prepare the financial statements on a going concern basis.

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

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

Suzanne Rankin
Chief Executive
24 May 2018

Annual Governance Statement 2017/18

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 Ashford & St Peter's Hospitals NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Ashford & St Peter's Hospitals NHS Foundation Trust for the year ended 31 March 2018 and up to the date of approval of the annual report and accounts.

Well Led Governance Review

Following the Trust's independent review of our governance arrangements the Trust has now completed the Trust-wide action plan to address the recommendations as set out in the Report received in January 2017 and we are in the process of implementing a new governance framework and sub-Board Committee structure during 2018.

Capacity to handle risk

Risk Management is a corporate responsibility and the Trust Board has ultimate responsibility for ensuring that effective processes are in place. The Trust Board is committed to the continuous development of a framework to manage risks in a structured and focused way in order to protect patients, staff and the public from harm and to protect the Trust from losses or damage to its reputation.

The risk and control framework

This section outlines the key ways risk management is embedded in the activity of the Trust, the main elements of the Trust's quality governance arrangements, performance information assessment and assurance regarding CQC compliance monitoring. Also outlined is how the Trust assures the validity of its Corporate Governance Statement. Specific disclosures on the pension scheme, equality and diversity, and climate change follow.

Risk management

The Trust's approach to risk for the year 2017/18 is as set out in the Quality, Safety and Risk Management (QSRM) Strategy 2012-2017, which identifies the roles and responsibilities of Directors, managers and staff in relation to identification and management of risks. Senior managers and Directors are trained in risk management on joining the organisation and subsequently in accordance with the Trust's Mandatory Training policy.

Through the Quality and Performance Committee (QPC), which is chaired by a Non-Executive Director; and which I attend together with the Chair of the Audit Committee, Internal Audit, Executive Directors and senior managers, the Trust has sought to learn and share good practice through rigorous assessment of the Trust Risk Register and the Board Assurance Framework, and to cascade this information both to and from relevant Divisional teams through constructive challenge, training and support. Risk oversight is through the Trust Executive Committee and Risk Scrutiny Committee. The Board Assurance Framework provides the means of assuring that the Trust will achieve its strategic vision and mission and this has oversight by Quality and Performance Committee. Divisional risk management is through Divisional Boards and Governance Meetings with exception reporting to Risk Scrutiny Committee.

The Board Assurance Framework is reviewed at Quality and Performance Committee (QPC) and Trust Board on a quarterly basis.

During 2017/18 the Trust has refreshed its approach to risk as set out in the proposed Risk Strategy 2018-2023 which is pending approval. This strategy brings an enterprise-wide unified approach to managing risk, independent of how the risks are categorised through outlining the principles through which risk management will be governed.

Key issues and risks

Taking into account both external and internal factors and uncertainties, as part of our risk management process we have identified the following key risks to our strategic objectives which is summarized below:

Objective 1 - Best Outcomes Key Risks
1.1 If the quality governance and impact assessment processes fail during the design of QIPP/CIPs, this could lead to a negative impact on quality of care.
1.2 If divergent and multiple organisational priorities compete with and undermine staff engagement leading to a distraction from the focus on high quality care.
1.3 If there is poor capacity and flow in the emergency pathway and insufficient frequency in senior decision making this could result in poor outcomes and patient experience.
1.4 If the Trust workforce is not appropriately aligned to demand and acuity, resulting in high agency usage & pay costs, and poor patient outcomes.
Objective 2 - Excellent Experience Key Risks
2.1 If the Trust fails to adopt a culture of listening, kindness, and compassionate care then patients, including vulnerable groups, will have a poor experience of direct care, hospital services and facilities.

Objective 3 - Skilled, Motivated Teams
Key Risks
3.1 The inability to recruit and retain high calibre staff would lead to lack of skilled and motivated teams.
3.2 If individuals and teams do not feel valued or motivated resulting in poor patient care and staff experience and ineffective team working.
Objective 4: Top Productivity
Key Risks
4.1 Insufficient productivity driven by poor alignment of the clinical workforce, non-compliance with commissioner requirements or the inefficient use of resources.
4.2 A failure to deliver the clinical quality incentives (CQUINS), demand management schemes and the performance standards or to respond to the admission thresholds/readmission caps/and required pathway changes for iMSK and Stroke leads to an under recovery of income and reduction in productivity.
4.3 A failure to deliver CIPs to the level required and/or pay and non-pay expenditure exceed budget without a compensating increase in income may lead to a reduction in productivity.
4.4 Financial or service pressures on third party providers of health and social care or commissioners cause operational difficulties or to enforcement of contract levers more aggressively than expected leading to reduced income.
4.5 Excess demand could increase financial pressure due to emergency activity being reimbursed at marginal tariffs whilst additional staffing is paid at premium rates.
4.6 The Trust in its existing configuration may not be clinically or financially viable in the long-term, and if the current organisational strategy to achieve sustainability fails, this presents a risk to the Trust.
4.7 That the Trust's physical infrastructure is either not fit for purpose or deteriorates leading to inefficient clinical pathways, a poor patient experience, health and safety risks or patient safety risks.

Our core quality assurance committees are Quality and Performance Committee (QPC) which reports to Board, Quality Governance Committee (QGC), and the Clinical Effectiveness and National Audit Review Group. Divisional and Specialty Boards report into this structure.

Performance monitoring

Compliance with, and delivery of, the quality indicators within Trust contracts is actively monitored at Board and through QPC, QGC, and supporting Divisional and Specialty Boards. Operational performance is overseen at monthly Performance Committee, Specialty Boards, and in Divisional Governance Forum. Clinical Quality Review Meeting considers the quality impact of the contract by exception.

Data quality and information security

Information security has received a renewed focus as a result of the WannaCry ransomware attack last May. The Trust was not affected by the attack but has taken the opportunity to scrutinise and strengthen its resilience in this area. This focus is increased by the much-anticipated introduction of the General Data Protection Regulations (GDPR) in May 2018. Cyber security measures and GDPR are closely linked in that by addressing them as one we ensure both the quality and security of our data. Although we have always taken our information security seriously, we have undertaken an assessment to identify areas of concern and have an ongoing action plan to address these. The Trust is taking advantage of this

increase in profile to raise staff awareness of the importance of both data security and data quality. This work is supported by NHS Digital, and is similar to what other trusts are doing. As part of this we now have a staff awareness campaign to help staff recognise risks, as well as renew their understanding of the importance of accurate data and their role in securing this.

CQC compliance

The Quality and Performance Committee (QPC) monitors the Trust's assurance activities in respect of its registration with the Care Quality Commission (CQC) and receives information from divisional governance reports. CQC compliance is assessed using a variety of mechanisms including self-assessment against the Regulations through the Domains in Clinical Practice Audit, internal audit and divisional governance monitoring.

The CQC fully inspected both Ashford Hospital and St Peter's Hospital in December 2014 and the full Inspection Report was issued on 10 March 2015. The Trust's overall rating is unchanged and remains as 'good'. Each registered site receives its own rating and Ashford Hospital was rated as "good" and St Peter's Hospital received "requires improvement." The CQC undertook a focussed inspection on 19 September 2017 and the Inspection Report was issued on 9 January 2018.

The focussed Inspection result was that the Trust has three actions it 'must' improve and two items which the CQC said 'should' be fixed. The must actions covered fire safety, medicines safe storage and checks on patient equipment and the status of the improvement action plan for these items is below. The items which should be fixed were display of Safety Thermometer harms data and supporting staff to attend mandatory training so that the internal 90% target is reached. The CQC has not taken enforcement action against Ashford and St Peter's Hospitals NHS Foundation Trust during the year ended 31 March 2018.

NHS Improvement

The Trust has a process for the completion of in-year and annual returns to NHS Improvement. Data is compiled from source records and validated where applicable by specialists from Finance and Information, Performance, Business Development, and Corporate Quality. Detailed information on oversight is provided in the Review of Effectiveness section on page 112 of this report.

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 legislation

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

Climate change

The Trust has undertaken risk assessments and Carbon Reduction Delivery Plans are in place in accordance with emergency preparedness and civil contingency requirements as based on UKCIP 2009 weather projects to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

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

The resources of the Trust are managed through various measures, including an established and tested budgetary control system, the consistent application of internal financial controls and effective procurement and tendering procedures.

The Financial Management Committee is a sub-committee of the Trust Board and meets monthly, chaired by a Non-Executive Director. It reviews operational performance, workforce and finance reports as well as progress against the cost improvement programme. The Trust Board obtains assurance from the Financial Management Committee in respect of financial and budgetary management across the Trust.

Each Division has a Divisional Director, who is a clinician and is actively involved in the business and devolved financial management of clinical services. Divisional scorecards are used to assess each Divisions performance at a specialty and ward level, and these are reviewed at performance reviews held with Executive Directors.

The Trust has continued to use and further develop Service Line Reporting (SLR) and Patient Level Costing during the year and there are clinical specialty leads within Divisions amongst whose responsibilities is the use and review of this data. These leads attend the performance reviews where SLR data is also discussed.

Business cases and the financial evaluation of new investments are reviewed on a monthly basis, with subsequent approval by the Commercial Group, Trust Executive Committee, Financial Management Committee or Trust Board according to the Scheme of Delegation. Service line information is used in support of clinical business cases.

Our Internal Auditors include value for money considerations in their audit scope and action points.

Information Governance

Information Governance Assessment

The Information Governance (IG) Toolkit enables NHS organisations to self-assess against the Department of Health's¹ policies and standards. Ashford and St Peter's Hospitals NHS Foundation Trust's Information Governance Assessment Report overall score for the 12 months ending 31 March 2018 was 72% and the Trust was graded as "satisfactory". This represents an overall improvement since 2016/17, which had a score of 71% with a "satisfactory" rating.

The rating improvement reflects achieving level 2 or above for all 45 toolkit indicators, including an IG training rate of 95%. A new national online training tool is now available to support IG training compliance and the Trust has achieved 95% using this tool and by

¹ Refer to the Department of Health's Information Governance Toolkit on www.igt.hscic.gov.uk.

providing additional face to face training, screen saver messaging and email communications to staff. Progress is monitored by the Information Governance Steering Group.

Chart 7: Information Governance Toolkit Score

Information Governance Toolkit Score	2015/16	2016/17	2017/18
Governance Assessment Report overall score	82%	71%	72%
Information Governance Toolkit grade	Not satisfactory	satisfactory	satisfactory

Information governance

All Trust staff have a duty to report incidents such as breaches of confidentiality, however minor, so that lessons can be identified and used to inform future practice. All information-related incidents reported in 2017/18 were assessed in accordance with NHS Digital's (previously *Health & Social Care Information Centre*) guidance:²

- All incidents are scored against a series of 'sensitivity factors', which increase or reduce the severity of an incident.
- A score of 2 or more is graded as a 'Level 2' incident, reportable to the Department of Health and the Information Commissioner's Office, and narrated individually in annual reports.
- A score of 1 or below is graded as a 'Level 1' incident, reportable to the Information Governance Steering Group.
- 'Near misses', where an incident is prevented due to fortunate events which were not part of pre-planned controls – or where a suspected breach is confirmed not to have been an actual breach – are graded at 'Level 0'. Near misses are not reportable but are used internally to improve Trust processes, in order to aid the prevention of actual incidents.

'Level 2' incidents from 2017/18 are reported below.

Incidents reported to the Information Commissioner's Office

The Trust recorded 1 incident at 'Level 2' severity, which was reported to the Department of Health and the Information Commissioner's Office.

² HSCIC "Checklist Guidance for Reporting, Managing and Investigating Information Governance and Cyber Security Serious Incidents Requiring Investigation", Version 5.1 – 29 May 2015; <https://www.igt.hscic.gov.uk>

Date of incident (month)	Nature of incident	Nature of data involved	Number of data subjects potentially affected	Notification steps
February 2018	Disclosed in Error – During meeting on 17/10/17 patient raised the matter of clinic letters being copied to the GP without the patient's consent. The nature of the condition disclosed (a serious communicable disease per the GMC) required that patient consent was obtained before the information was released and this was not done.	The nature of the condition disclosed was a serious communicable disease (per the GMC). This was disclosed in the form of clinic letters being copied to the GP without the patient's consent in 2011.	1	ICO notified and recommendations completed. Remedial steps taken are that SOP/Policy modifications are in development which will examine current consent procedures and outline new and robust procedures.
Information Commissioner's Office (ICO) recommendations	<p>On 1st February 2018, the ICO responded with the following:</p> <p>"We have considered the information you have provided and we have decided that no further action by the ICO is necessary on this occasion. This decision is based on the information we have recorded about the breach.</p> <p>The reasons for our decision are as follows:</p> <ul style="list-style-type: none"> • The data breach is only in relation to one subject. • The initial breach occurred in 2011, when GMC guidelines re obtaining a patient's consent were in place but were not followed in this case, however procedures for obtaining consent have been improved and a Quality Team is continuing to examine procedures and set up new and robust standard operating processes. • You have indicated that the patient has been aware of the breach for a number of years, but has only reported it recently. <p>Please note that we may make additional enquiries if we become aware of new information which affects the circumstances of this case.</p>			

	<p>Thank you for reporting the incident. Further information and guidance relating to data security breach management is available on our website at: https://ico.org.uk/media/for-organisations/documents/1562/guidance_on_data_security_breach_management.pdf</p> <p>We now consider the matter to be closed.”</p>
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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 Improvement³ has issued guidance to NHS Foundation Trust boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual.

The Board is assured that the Quality Report presents a balanced view and that there are appropriate controls in place to ensure the accuracy of data.

The monthly quality report to the Trust Board provides assurance on a limited number of key quality priorities, both local and national; relating to patient safety, patient experience and clinical effectiveness. On a quarterly basis the report includes the progress against the Quality Account and Quality Business Plan priorities.

Stakeholder scrutiny and review of progress against Quality Account Priorities occurred during interactive workshop sessions held during the year. Our stakeholders include commissioners, governors and patient representatives from the Patient Panel.

A range of other reports and dashboards enable the Trust Board to monitor performance regularly and provide assurance on the final outcome data for the year. The Balanced Scorecard is a high level visual summary of key data and targets. The Scorecard comprises four quadrants covering quality of patient care and treatment (through best outcomes and excellent experience), maintaining and developing a skilled and motivated workforce and sustaining top financial productivity. The Trust has also purchased healthcare intelligence services from CHKS⁴ to enable clinicians to access key quality and performance data on their specialty.

KPMG LLP provides external assurance on the Quality Accounts by issuing a limited assurance report (limited in scope) on compliance with the Regulations (included in the Quality Accounts). Data quality and accuracy in the Quality Report is also subjected to an external audit by KPMG LLP.

As Chief Executive I am confident in the quality of services we provide across our services and that for the majority of our quality and performance targets we meet the standards expected by

³ NHS Improvement resulted from a merger between Monitor and the NHS Trust Development Authority (NHS TDA)

⁴ CHKS Limited, part of Capita PLC

and acceptable to our regulator and commissioners. Further, the information contained within the Quality Account is provided from our data management systems and our quality improvement systems and to the best of my knowledge is accurate, and provides a true reflection of our organisation, with the exception of the below indicator which KPMG LLP (our Statutory Auditor) has tested as part of their work on the Quality Account and is detailed within that Account.:

Mandated indicator 2 – the measure that a patient should be admitted, transferred or discharged within 4 hours of arrival at an Accident and Emergency Department (“Accident and Emergency 4 hour wait”) cannot be confirmed as accurate owing to inherent limitations within the transaction processing system between source system times and Casualty Card timings. This finding currently limits the ability to verify the data. The governance framework around the A&E 4 hour wait process will continue to be strengthened and the Trust will continue to strive for opportunities to refine our data throughout this extremely high volume and complex operational pathway.

Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the Quality Report attached to this Annual Report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee and the Quality and Performance Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The following information highlights some of the key methods that the Trust Board uses to be assured its system of internal control is effective.

The Trust Board ensures the effectiveness of the system of internal control through clear accountability and reporting arrangements.

The Trust Board has reviewed the Board Assurance Framework on a quarterly basis and in addition the Trust Board has received regular reports on incidents, claims, complaint trends and Health and Safety.

The Trust Board has established the Audit Committee and Quality and Performance Committee with specific focus on risk management; the Chairs of these Committees report to the Trust Board at the first available Trust Board meeting after each committee meeting. Urgent matters are escalated by the Committee chair to the Trust Board as deemed appropriate.

The Audit Committee is a formal sub-committee of the Trust Board and is accountable to the Trust Board for reviewing the establishment and maintenance of an effective system of internal control and risk management. The Committee meets at least four times per year.

The Audit Committee approves the Annual Audit plans for internal and external audit activities and ensures that recommendations to improve weaknesses in control arising from audits are actioned by executive management. The Annual Internal Audit Plan enables the Trust Board to be reassured that key internal financial controls and other matters relating to risk are regularly reviewed. During the year, the Committee has reviewed internal and external audit reports, Local Counter Fraud Specialist reports and policies and reviewed progress on meeting the requirements of the Assurance Framework.

The Quality and Performance Committee (QPC) has a duty to ensure that the Trust's governance systems, behaviours and processes relating to risk management, clinical and non-clinical governance, and the achievement of organisational objectives are effective, and provide the Trust Board with the assurance required to govern effectively. The Committee met eleven times in the year and has been reviewing key areas of quality risk to ensure the Trust Board can have sufficient assurance. The Committee is supported by a range of groups including the Quality Governance Committee, Risk Scrutiny Committee and Patient Experience Monitoring Group.

In March 2018 the Board signed off on the new integrated corporate governance framework setting out the sub-Board committee structure which is aligned with the themes of NHS Improvement's Single Oversight Framework (SOF); and the implementation plan is being progressed throughout 2018. The Trust is also in the process of implementing a new Trust wide Risk Management Strategy and Quality Strategy in alignment with our Strategy refresh.

The Financial Management Committee's remit is to review the financial performance, position, risks and decision-making of the Trust. To the Trust Board it gives assurance that this process of review is satisfactory and draws matters of importance to their attention.

The Workforce and Organisational Development Committee's (WOD) role is to provide assurance to the Board on workforce supply and demand, the development and delivery of the Trust's workforce, organisational development, education and training and employee wellbeing strategies and a detailed review and challenge of the workforce and organisational development aspects of the Board Assurance Framework

Executive Directors have clear responsibilities for internal control and risk management within their area of control. They also have corporate responsibility as Trust Board members.

Internal Audit: The Trust switched to BDO LLP as our providers of internal audit services in June 2017. The contract specifies that the delivery of the internal audit function will continue to be in compliance with the NHS Internal Audit Standards and those of the Institute of Internal Auditors (UK).

The annual opinion given by the Head of Internal Audit for 2017/18 provided moderate assurance that there is a sound system of internal control, designed to meet the Trust's objectives and that controls are being applied consistently.

External agencies: High level overview of external agency assessments and the associated action plans is overseen by the Quality and Performance Committee.

NHS Improvement's (NHSI) Single Oversight Framework is designed to help NHS providers attain and maintain Care Quality Commission ratings of 'Good' or 'Outstanding.' Under this framework NHSI segment trusts according to the level of support each trust needs across the five themes of quality of care, finance and use of resources, operational performance, strategic change and leadership and improvement capability. The Trust has a segmentation rating of '2' which means NHSI will offer targeted support where there are concerns in relation to one or more of the themes.

The Trust is rated as a high performing Trust by NHS Improvement, although we as many Trusts, experienced a challenging year. The Trust failed to meet the four hour A&E waiting time target although delivered the agreed NHSI A&E trajectory over 3 quarters (Q1 to Q3) of the year, only missing Q4 due to the high level of demand attending the A&E department, including an increase in the acuity of patients admitted, increasing the average length of stay.

Over the whole year, the Trust met all NHS Improvement standards for Cancer & RTT, although the significant increases seen in outpatient referral demand, compounded further by the reduction in elective capacity over the winter period has created delays for patients to be seen and treated.

The Trust Board has a good understanding of the internal and external issues which have led to these failures with comprehensive action plans underway to address them. The detailed action plans have been agreed with our Commissioners and Regulators, alongside trajectories to achievement with performance against these trajectories reported to the Trust Board on a monthly basis.

Conclusion

I am reporting one significant internal control issue within the NHS Foundation Trust, being the failure to meet the four hour waiting time target in 2017/18.

Suzanne Rankin
Chief Executive
24 May 2018

4. Quality Report

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This Quality Account is available from a number of sources including the Trust's internet site and the NHS Choices website.

Introduction

The Quality Account (Quality Report) is an annual report to the public about the quality of services that providers of healthcare deliver and their plans for improvement. The requirement to produce a Quality Account is outlined in the NHS Act 2009 and the terms set out in the collective Quality Accounts Regulations.⁵

The Quality Report incorporates all the requirements of the Quality Account Regulations as well as a number of additional reporting requirements set by NHS Improvement (formerly Monitor). The Quality Report specifically aims to improve public accountability for the quality of care and is contained within the Trust's overall Annual Report.⁶

The purpose of the Quality Account is to help improve public accountability for the quality of care provided by NHS Foundation Trusts.⁷ Quality improvements are reported in 3 categories: patient safety, clinical effectiveness and patient experience.

This Quality Account summarises performance and improvements against the quality priorities and objectives which were set for 2017/18 and outlines the quality priorities and objectives which have been set for 2018/19. This report also includes feedback from our patients, Governors and North West Surrey Clinical Commissioning Group on how well they think we are doing.

Your feedback

If you have any comments or suggestions on this Quality Account, we would welcome your feedback. Please contact: Mrs Sue Tranka, Chief Nurse, through our Patient Experience Team's advice and liaison service on email: asp-tr.patient.advice@nhs.net or telephone: 01932 722216.

⁵ NHS (Quality Accounts) Regulations 2010 as amended by the NHS (Quality Accounts) Amendment Regulations 2011, 2012 and 2017 (collectively "the Quality Accounts Regulations").

⁶ Detailed requirements for quality reports 2013/14, p. 2 (NHS Improvement formerly Monitor).

⁷ Detailed guidance for external assurance on quality reports 2014/15, p. 4 (NHSI formerly Monitor).

Part 1: Statement on quality from the Chief Executive of Ashford and St Peter's Hospitals NHS Foundation Trust

Welcome to our eighth Quality Account for Ashford and St Peter's Hospitals NHS Foundation Trust. This is an annual report to the public about the quality of services that the Trust delivers and describes just how important we consider patient experience, quality of care and safety are within the hospitals.

Our Trust Strategy was last refreshed in 2013 and the time is now right to re-assess our vision and strategic direction to ensure that colleagues and our local and national partners and stakeholders are working together to create an organisational infrastructure and culture aligned to meet the needs of the community we serve. The new strategy which centres upon what is needed to achieve our vision of providing an outstanding experience and the best outcome for patients and the team is now ready for launch in May 2018.

We have also developed a new Quality Strategy which aligns with and will be launched alongside the upcoming Trust Strategy. Our Quality Strategy sets out our systematic approach to achieving sustainable acceleration of transformational change underpinned by an assurance and improvement methodology. We will attain sustainable acceleration of quality transformational change through education, alignment, capability building and leadership development. To deliver the Trust vision our principal focus must be to transform ourselves into a learning organisation and this is our key quality improvement focus across the Trust for next year. You can read more about next year's priorities in Section 2.1.1.

Our overall performance against the 2017/18 priorities is outlined in Section 3.1 and we achieved 14 out of 29 priorities. Areas of particular success included providing greater opportunities for patient involvement in research and strengthening safety standards for our clinical workforce. More information on how we are reducing variation in patient care through 7 Day Services Provision is outlined in Section 2.1.2. We know we need to do more to embed excellent patient experience right at the forefront of everything we do and we are currently rolling out a Patient Experience Improvement Programme to optimise the range of feedback we receive so it can truly guide improving patient care throughout their pathway. Learning from complaints, claims and incidents needs to be embedded right across the organisation and that is the core of our 2018/19 priorities.

In September 2017 our Chairman, Aileen McLeish, stood down as after 9 years in the role and I would like to extend my personal thanks to Aileen for her dedication steering the Trust's Board over this time. Aileen had particular success in building a really positive relationship with our Governors and Members which has provided great benefit to the Board as part of our learning exactly what is important to patients and other service users in our wider community. I was delighted to welcome the new Chairman Andy Field as he took up the reins bringing with him a wealth of experience across the public and private sectors and in particular a focus on the needs of the "whole" person and the importance of addressing both physical and mental health.

September continued a busy month as Chief Nurse, Heather Caudle, left after 6 years to further her career in a national role. Heather had particular success introducing the

Schwartz Rounds to ASPH and we have continued to expand this staff engagement scheme by showcasing pop-up rounds to bring reflective practice right onto frontline Wards. We welcomed Sue Tranka as new Chief Nurse in October. Sue brings a depth of experience in frontline nursing, midwifery and quality improvement which will further strengthen the organisation in these areas.

I am pleased to share some of our other significant achievements across the Trust in 2017/18 in so many varied areas of clinical quality. We have done a lot of work in the *Get it Right First Time* (GIRFT) programme and were reported as one of the most efficient hospital Trusts in the country. At the core of GIRFT is the belief that the delivery of evidence based high quality care with reliability and consistency avoids poor patient outcomes, harms and waste. Our GIRFT programme is another way we can take forward learning from harms informed by clinical claims. We now have specialty based clinical risk profiles so that improvements can be focussed on higher frequency areas such as missed fractures or rare but extremely serious harms such as in maternity where we are continually strengthening our antenatal pathway.

Our *Be the Change* programme which supports all of our staff to develop and implement their own quality improvement initiatives within their teams won the national 2017 Healthcare People Management Association's Award for Excellence in Employee Engagement.

In July *Careflow*, an innovative iPad based clinical communication application for handovers, alerts and task management went live for medical teams. This will strengthen multidisciplinary team working which is a further learning area highlighted from both Coroner's cases and complaints. Careflow is part of our Digital Hospital programme and will support our transition to electronic ways of working in line with NHS Digital's *Paperless 2020* campaign. Next year, rollout of electronic alerting in Careflow will strengthen management of deteriorating patients which we know from incidents is an ongoing improvement area.

In September 2017 the *End PJ Paralysis* campaign promoted encouraging patients to get dressed rather than wear hospital gowns, part of our aim to get patients mobilising as there can be a 20% reduction in muscle strength if a frail patient spends just 1 week in bed.

Our Patient Experience Service had particular success this year when our 'Adopt a Grandparent' scheme received the Academy of Fabulous NHS Stuff (FAB) Tiny Noticeable Things Award in November 2017. Staff offer up half an hour each week to spend time chatting with senior adult patients which remains a greatly valued commitment to our patients' wellbeing.

We recognise the importance of improving the environment for patients with specific needs, such as those with dementia, and as part of the King's Fund Self-Assessment Audit 2017 we created a 'Forget-me-Not' dementia friendly area within Ashford Hospital Outpatients. Feedback from carers of dementia patients was a vital part of involving service users in the co-design of this improvement project. Outpatient clinicians have created 10 practical tips to help them communicate more clearly with patients who suffer from dementia.

Looking to the future, mental health is one area we continue to build upon and next year we are delighted to have been awarded 'Core 24' funding in partnership with Surrey and

Borders NHS Foundation Trust which will allow the expansion of specialist assessment services by liaison psychiatry within St Peter's Hospital next year.

I'm also very proud of the relationships we have built with local stakeholders and partners and while there is always more work to do, working collectively will help us build a sustainable future both for ourselves and for our wider health economy.

As Chief Executive I am confident in the quality of services we provide across our services and that for the majority of our quality and performance targets we meet the standards expected by and acceptable to our regulators and commissioners.

Further, the information in this Quality Account is provided from our data management systems and our quality improvement systems and to the best of my knowledge is accurate, and provides a true reflection of our organisation, with the exception of the following indicator which KPMG LLP Statutory Auditor has tested and is unable to issue an opinion over for the below reasons. As Chief Executive I am therefore unable to confirm this item is accurate owing to the exceptions notified below.

Mandated indicator 2 – the measure that a patient should be admitted, transferred or discharged within 4 hours of arrival at an Accident and Emergency Department ("Accident and Emergency 4 hour wait") cannot be confirmed as accurate owing to inherent limitations within the transaction processing system between source system times and Casualty Card timings. This finding currently limits the ability to verify the data. The governance framework around the A&E 4 hour wait process will continue to be strengthened and the Trust will continue to strive for opportunities to refine our data throughout this extremely high volume and complex operational pathway.

Suzanne Rankin
Chief Executive
24 May 2018

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

2.1 Priorities for improvement

Section 2.1.1 describes priority areas for improvement in the quality of relevant health services that the Trust intends to provide or sub-contract in 2018/19 and outlines why these measures were chosen based on our strategic direction, national aims and quality of care reviews of our existing improvement programmes.

2.1.1 Priorities for improvement for 2018/19

Governors, Surrey County Council, North West Surrey CCG and staff stakeholders were consulted on our proposed priorities for next year which were approved by Trust Board on 25 January 2018. Patient Panel representatives and Governors incorporated patient and public perspectives. Assurance will be via quarterly oversight by Trust Board with focussed updates to stakeholders and Governors.

This year the Board refreshed its approach to quality priority setting with an overarching aim of *transforming ourselves into an organisation with learning broadened to be a 'given' across the quality transformation agenda*. Our refreshed KPIs reflect this learning with emphasis and a particular focus on medications safety.

Our key enablers to achieve these priorities are revised strategies for quality, risk management and education. Sustainable acceleration of quality transformational change will be through education, alignment, capability building and leadership development. Embedding a new approach to quality improvement (QI) that develops capacity and capability for individuals and teams to make improvements for themselves is vital to generating the right organisational culture to achieve our aims.

Discontinued priorities

In line with the cohesive approach to quality improvement and assurance the Trust has discontinued Quality Account priority areas which have been achieved or do not sufficiently align with our overall aim to be a learning organisation. Achievement against current year's priorities is described in Section 3.1. Many measures will still continue as part of business as usual such as VTE, E. coli bacteraemia infection and the Keogh Standards for reducing variation.

Clinical workforce modelling will be through business planning and learning from claims is incorporated in the GIRFT QI programme. Patient empowerment is integral to the new Trust Strategy and now has a broader focus. Clinical effectiveness including NICE guidance and national audit improvements are being more closely harmonised with our QI approach. Diabetes screening has been a priority for more than 3 years and a local improvement focus will target those Wards needing further support. Completed initiatives included the nursing associates pilot, rolling out the Freedom to Speak up Guardian, communicating research more widely and linking into the Surrey Heartlands Health and Care Partnership.

2018/19 Quality Account improvement priorities

Priority 1 Effectiveness - learning from deaths and reducing in-hospital mortality

1.1	100% of applicable deaths will receive a timely structured judgement review (SJR) per the Learning from Deaths (LFD) Framework by Q4.	Learning from Deaths is a national improvement programme. This is an extension of current year's priority 2.2.
1.2	90% of Emergency Department and inpatients with sepsis will receive antibiotics within 1 hour.	Sepsis has previously been a CQUIN priority area and continues to be a national area of focus along with a local improvement area from complaints feedback.
1.3	82% of patients with fractured neck of femur will receive surgery within 36 hours of arrival at the Emergency Department.	The Trust seeks to continually improve our performance in the trauma care pathway and optimise care for patients with hip fractures.
1.4	80% of patients recognised as dying in their last days and hours of life per NICE Guideline 31 will have an individualised care plan (Priorities Document).	Care for patients at the end of life is a priority area across the acute and community sectors. Individualised care planning seeks to ensure that each patient's specific needs are accommodated in this new area which is based on national guidance.

Priority 2 Safety - learning from errors and reducing avoidable harm

2.1	Zero repeat never events of similar themes.	Most repeat never events recently have been in Surgery which is where safety culture will be strengthened.
2.2	Inpatient falls resulting in harm to be 364 or fewer which is a 5% reduction on 2017/18 levels of 383.	This priority is a refresh of our commitment to reducing falls which we progressed the past 3 years through the national Sign up to Safety Campaign.
2.3	Hospital acquired pressure ulcers stage 2 and above to be 190 or fewer which is a 5% reduction on 2017/18 levels of 201.	Hospital acquired pressure ulcers has been a priority area for more than 3 years and is also a continuation of the Sign up to Safety methodology.
2.4	Moderate and severe harm from medication errors will be reduced by 50% over 5 years.	The trajectory will be refreshed annually in line with performance. Reducing harm from drug errors is a national initiative across the NHS.

Priority 3 Patient experience - Learning from our patient feedback and ensuring a great experience

3.1	A new patient satisfaction measure will be implemented this year, with the method to be confirmed by Q2.	In order to capture patient experience as the Trust's key measure of achieving its strategic outcomes more granular feedback is needed than currently provided by the national Friends and Family Test. A new way of capturing patient experience outcomes is to be determined next year.
3.2	Evidence involvement of patients and carers in co-design of service improvement pathways including vulnerable and protected characteristic patients.	Service user involvement in co-design and meeting the needs of diverse patient groups is a national priority area of the Care Quality Commission. Our existing work in this area will be strengthened and expanded.
3.3	95% of complaints will be responded to by the internal number of days per grade from Q3.	The complaints pathway is being redesigned and timescales for responding to complaints is to be aligned with complaint complexity.

2.1.2 NHS Improvement (NHSI) disclosures

This section outlines progress in NHS Improvement's focus areas for this past year.

Sign up to Safety Plan

The Sign up the Safety Plan is a 3 year national campaign to promote continuous improvement in areas where hospital harms occur. 2017/18 was the final year of the plan. Key achievements are outlined below or, where applicable, referenced to other sections.

Section 3.1 summarises performance against the Sign up to Safety Plan third and final year aims for VTE, catheter infections, falls, medication and maternity Safety Thermometer measures. In addition stillbirths reduced by 25% which is better than the 20% target and supports the 50% national reduction sought by 2020. Across 3 years unexpected term baby admissions to Neonatal Intensive Care of babies with low oxygen related brain damage has considerably improved, dropping by 80%. The Perinatal Institute's growth surveillance protocol has been successfully implemented, and the antenatal and intrapartum pathway is contributing to fewer serious incidents.

Improved management of deteriorating patients with acute kidney injury and sepsis, a complaints and incidents theme, has been strengthened with the rollout of an iPad based inpatient observations system called VitalPac. In 2018 electronic alerting of escalated warning scores is being phased in using the CareFlow supplementary application.

Sepsis identification has included the ED pathway for screening and implementing the national Sepsis Six bundle which was expanded to Paediatric ED during 2015 and subsequently revised to incorporate updated NICE guidance. In 2016 an adult inpatient sepsis screening tool, also based on the Sepsis Six bundle, was launched and in December 2016 a revised protocol using the VitalPac Sepsis Module was progressed. There is a dedicated ED Sepsis Team which is planning focussed improvement work on the neutropenic sepsis pathway in 2018. Paediatric inpatient guidance is also in place.

Sepsis data is mainly obtained from the 'sepsis and reducing the impact of serious infections' CQUINs. Sepsis CQUIN audit methodology has changed several times over the past few years which limits the ability to draw comparisons from the data. The Trust plans to implement an updated VitalPAC sepsis module to identify and risk stratify those patients who are at risk of sepsis and this will be implemented on adult inpatient wards, ED and in Maternity.

Across 2018/19 the Trust and Surrey partners will implement the national Recommended Summary Plan for Emergency Care and Treatment (ReSPECT) approach to decision making around end of life care. This aligns with learning from a recent complaint regarding aligning patient wishes across organisational boundaries and reconsidering a patient's situation during each hospital stay. The Sign up to Safety Plan gave a strong basis for our harms reduction initiatives which are further refined in next year's Quality Priorities which focus on harms reduction through becoming a learning organisation.

Duty of candour

Communicating openly with patients and families under the **duty of candour** where something serious has occurred when we treated a patient is now well embedded with compliance of 96%. In Q3 the Trust changed practice to notify hospital associated thrombosis (HAT) as a moderate harm incident where patient care pathways had gaps and HATs can be identified up to 3 months following discharge so some of these notifications are still underway. Patient leaflets will include information on HATs from next year.

NHS Staff Survey indicators

NHS Improvement asks Trusts to report on 2 indicators from the 2017 NHS Staff Survey:⁸

- staff belief in equal opportunities for career progression or promotion
- workplace bullying or harassment from other staff in the past 12 months.

For both of these indicators ASPH performs in line with other acute Trusts nationally.

Table 1: NHS Staff Survey

NHS Staff Survey Selected Indicators	2017 National Average	2017	2016	2015
% staff believing Trust provides equal opportunities - White	87	88	90	88
% staff believing Trust provides equal opportunities - BME	75	77	79	78
% staff experiencing harassment or bullying in past year - White	25	24	21	31
% staff experiencing harassment or bullying in past year - BME	27	26	29	26

Both areas form part of the Workforce Race Equality Standard (WRES) and the Trust's improvement action plan is under review by the Workforce and Organisational Development Committee. Unconscious bias training on removing barriers to progression is now mandatory and staff receive support towards promotion with mentoring and secondments. A new Bullying and Harassment Taskforce has recently been set up and a designated Non-Executive Director is overseeing equality and diversity.

Cancelled elective operations

Patients should be treated within 28 days of a last-minute cancellation otherwise the patient should be offered treatment at the time and hospital of their choice. Target national and local performance is to have zero cases for this indicator. In 2017/18 cancelled elective operations reduced by 25% with 49% fewer standard breaches since last year which was achieved through improved winter planning, streamlined theatre scheduling and tighter re-booking. Future efficiencies will be through a scheduling support tool and continued focus on reducing length of stay to increase bed availability.

⁸ 2017 NHS National Staff Survey www.nhsstaffsurveys.com. National averages are across acute Trusts.

Table 2: Cancelled elective operations

Cancelled elective operations	2017/18	2016/17	2015/16
Cancellations	361	483	447
Breaches of the 28 day standard	38	74	36

NHS England's Seven Day Services (7DS) Programme⁹ seeks to ensure patients who are admitted as an emergency receive high quality consistent care whatever day they enter hospital. In 2013 Sir Bruce Keogh's Seven Day Services Forum led to the development of 10 clinical standards for achieving this clinical consistency and subsequently the Association of Medical Royal Colleges identified 4 Clinical Standards (CS) as priorities based on their positive potential for patient outcomes and NHSI requires that we report on these standards which are part of our Reducing Variation Programme.

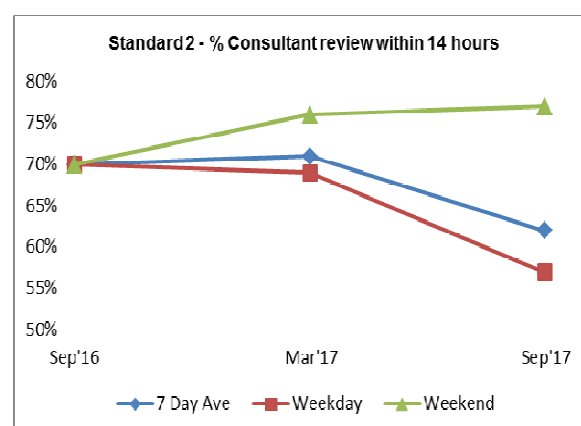
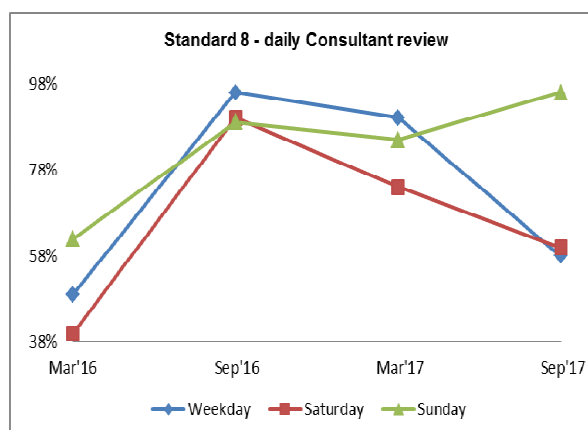
CS 2 - first Consultant review within 14 hours of admission

CS 5 - access to diagnostic tests

CS 6 - access to key consultant-directed interventions

CS 8 – ongoing consultant review daily, twice daily for high dependency needs.

Our progress implementing the 4 priority standards is measured in a 6 monthly audit with latest Trust data collected at 30 September 2017. Not all standards have national comparison data for each time period. National data for September 2017 does not include CS 5, 6 and 8 and CS2 benchmarked data has not yet been released.

Chart 3: CS 2 Review within 14 hours**Chart 4:** CS 8 Daily Consultant review

For CS2, the proportion of patients with first Consultant review within 14 hours as at September 2017 has been validated and audit methodology has been applied differently between periods, which may explain the results dip in September 2017. More time is needed for this measure to stabilise to permit comparison.

⁹ <https://improvement.nhs.uk/resources/seven-day-services>

Regarding CS5 the Trust reported 100% performance against diagnostic test provision across 7 days. National benchmarked data at March 2017 covered 6 services¹⁰ with 7 day provision ranging from 74% for MRI to 99% for CT.

CS 6 measures provision of 9 clinical interventions¹¹ and the Trust reported full availability across 7 days. March 2017 national data across 7 days exceeded 90% for all but 3 measures: interventional radiology 73%, radiotherapy 76% and renal replacement 90%. Not all Trusts provide all interventions.

Performance for CS8, patients receiving daily Consultant review across their inpatient stay, has fluctuated and a deep dive was performed at September 2017 on this local dataset. The learning was that audit data collection methodology was inconsistent which is being rectified by training and a communication exercise highlighting the importance of documenting all clinical reviews in patient medical records. There is a clear protocol for acute inpatient review by Consultants 7 days a week via daily Ward or board rounds to ensure patient pathways are adhered to and any acute deterioration is escalated and acted upon.

Our 7DS delivery plan draws on existing work in Emergency Care, discharge planning and efficient workforce modelling. Within Surrey Heartlands Health and Care Partnership we are exploring opportunities for joint working to further reduce care variation across the region.

2.2 Statements of assurance from the Board

These statements of assurance follow the statutory requirements as set out in the National Health Service (Quality Accounts) Regulations as amended.

During 1 April 2016 to 31 March 2018 Ashford and St Peter's Hospitals NHS Foundation Trust provided and/or subcontracted 116 relevant health services. Ashford and St Peter's Hospitals NHS Foundation Trust has reviewed all the data available to them on the quality of care in 100% of these relevant health services.

The income generated by the relevant health services reviewed in the 12 months ended 31 March 2018 represents 100% of the total income generated from the provision of relevant health services by Ashford and St Peter's Hospitals NHS Foundation Trust for the 12 month period ended 31 March 2018.

¹⁰ Computed tomography (CT), microbiology, gastroscopy, ultrasound, echocardiography and magnetic resonance imaging (MRI).

¹¹ Critical care, percutaneous coronary intervention, cardiac pacing, stroke thrombolysis, general surgery, interventional endoscopy, interventional radiology, renal replacement and urgent radiotherapy.

Participation in national clinical audit¹² and national confidential enquiries¹³

During the 12 months ended 31 March 2018, 40 national clinical audits and 6 national confidential enquiries covered relevant health services that Ashford and St Peter's Hospitals NHS Foundation Trust provides. During that period the Trust participated in 98% of eligible national clinical audits and 100% of national confidential enquiries as listed on the table below. 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 is specified and 'DNP' indicates where we did not participate.

National clinical audits and national confidential enquiries		Percentage of cases submitted	
National audits (A shaded box indicates no national data being collected)		2016/17	2017/18
Acute Coronary Syndrome Acute Coronary Syndrome or Acute Myocardial Infarction in the Myocardial Ischaemia National Audit Project (MINAP). Managed by The National Institute for Cardiovascular Outcomes Research (NICOR). Refer to www.ucl.ac.uk/nicor/audits/minap		100%	100%
Asthma – Moderate and Acute Severe Asthma – Adult and Paediatric Clinical Audit The Royal College of Emergency Medicine (RCEM). Refer to www.rcem.ac.uk		100%	
British Association of Urological Surgeons (BAUS) Nephrectomy Refer to http://www.baus.org.uk/patients/surgical_outcomes/		96.7% ¹⁴	¹⁵
British Association of Urological Surgeons (BAUS) Percutaneous Nephrolithotomy Refer to http://www.baus.org.uk/patients/surgical_outcomes/		60 cases	¹⁶
Cardiac Rhythm Management (CRM) National Institute for Cardiovascular Outcomes Research (NICOR). Refer to www.ucl.ac.uk/nicor		100%	100%
Case Mix Programme Intensive Care National Audit and Research Centre (ICNARC) Case Mix Programme (CMP). Refer to https://www.icnarc.org/Our-Audit/Audits/Cmp/About . Data is currently under validation.		100% ¹⁷	100%
Consultant Sign-off Clinical Audit The Royal College of Emergency Medicine (RCEM). Refer to www.rcem.ac.uk		100% 160 cases	
Fractured Neck of Femur The Royal College of Emergency Medicine (RCEM). Refer to www.rcem.ac.uk			100%
Inflammatory Bowel Disease Inflammatory Bowel Disease Programme. Managed by The Royal College of Physicians.		0% ¹⁸	¹⁹

¹² Clinical audit involves reviewing clinical practice against evidence based standards in order to improve the quality of patient care and treatment.

¹³ A confidential enquiry involves investigating clinical standards and clinical decisions in specific circumstances to determine whether the outcome could have been potentially avoidable.

¹⁴ 96.73% of the total 92 cases expected according to HES for 2014, 2015 and 2016 combined.

¹⁵ Awaiting next report.

¹⁶ Awaiting next report.

¹⁷ All eligible patients - case ascertainment is not reported.

Refer to www.rcplondon.ac.uk/ibd https://ibdregistry.org.uk		
Learning Disability Mortality Review Programme (LeDeR) Refer to http://www.bristol.ac.uk/sps/leder/	100%	100%
Major Trauma Major Trauma. Managed by The Trauma Audit and Research Network (TARN). Refer to www.tarn.ac.uk/ . The period is up to Q2 for 2017/18.	55-64% ²⁰	100%
National Adult Diabetes Inpatient Audit National Adult Diabetes Inpatient Audit (NaDIA). Managed by The Health and Social Care Information Centre. www.hscic.gov.uk/nda	100%	100% ²¹
National Audit of Breast Cancer in Older People In the first year, NABCOP conducted an organisational audit and used patient-level data collected by the cancer registration services in England and Wales. Refer to: www.hqip.org.uk/	100%	²²
National Audit of Dementia National Audit of Dementia of The Royal College of Psychiatrists. The third round of the National Audit of Dementia is from 2015 to 2017. Refer to www.rcpsych.ac.uk In 2017 we undertook an optional casenote audit on 57 cases.	100%	100%
National Audit of Inpatient Falls Falls and Fragility Fracture Audit Programme run by the Royal College of Physicians. Audit did not take place in 2016; the next round is from April 2017. Refer to www.rcplondon.ac.uk/		100%
National Bariatric Surgery Registry (NBSR) British Obesity and Metabolic Surgery Society Refer to: http://www.bomss.org.uk/	100%	²³
National Bowel Cancer Audit Programme National Bowel Cancer Audit Programme (NBOCAP). Managed by The Royal College of Surgeons of England. Refer to https://rcseng.ac.uk/	57%	²⁴
National Cardiac Arrest Audit National Cardiac Arrest Audit (NCAA). The NCAA is a national audit of in-hospital cardiac arrest which is a joint initiative between The Resuscitation Council (UK) and The Intensive Care National Audit and Research Centre. Refer to https://ncaa.icnarc.org	100%	²⁵
National Chronic Obstructive Pulmonary Disease National Chronic Obstructive Pulmonary Disease (COPD) Audit is managed by The Royal College of Physicians. Refer to www.rcplondon.ac.uk/COPD . Audit commenced from February 2017 with 438 records entered to date.	New	100%
National Comparative Audit of Blood Transfusion Programme – Re-audit of Patient Blood Management in Scheduled Surgery National Comparative Audit of Blood Transfusion Programme. Managed by NHS Blood and Transplant. Refer to http://hospital.blood.co.uk/audits/national-comparative-audit/		²⁶
National Comparative Audit of Blood Transfusion Programme – Audit of Red Cell and Platelet Transfusion in Adult Haematology Patients National Comparative Audit of Blood Transfusion Programme. Managed by NHS Blood and Transplant. Refer to http://hospital.blood.co.uk/audits/national-comparative-audit/		100%

¹⁸ 45 cases were submitted in 2015/16. However, there was an online data entry issue. This audit ended in 2016

¹⁹ The Trust is now submitting all required data to the new IBD Registry. Awaiting next report.

²⁰ Results for 2016/17 cover 9 months as some data entry exceptions occurred.

²¹ Casenotes by year were 62 in 2015, 81 in 2016 and 69 for 2017.

²² Awaiting next report.

²³ Clinical outcomes are available for three financial years up to 2015/16.

²⁴ Anticipated date of next update is not yet available.

²⁵ Next report expected in June 2018

²⁶ Work underway.

National Diabetes Audit National Diabetes Audit (NDA). www.digital.nhs.uk	100%	100%
National Elective Surgery PROMS²⁷ – Hip Replacement National Elective Surgery Patient Reported Outcome Measures (PROMs) ²⁸ for Hip Replacement. For all procedures provisional data is available. www.digital.nhs.uk	126% ²⁹	30
National Elective Surgery PROMS – Knee Replacement National Elective Surgery Patient Reported Outcome Measures (PROMs) for Knee Replacement. www.digital.nhs.uk For all procedures provisional data is available.	110%	18
National Elective Surgery PROMS – Groin Hernia National Elective Surgery Patient Reported Outcome Measures (PROMs) for Groin Hernia Surgery. www.digital.nhs.uk . For all procedures provisional data is available.	48%	31
National Elective Surgery PROMS – Varicose Vein National Elective Surgery Patient Reported Outcome Measures (PROMs) for Varicose Vein Surgery. www.digital.nhs.uk For all procedures provisional data is available.	48%	as above
National Emergency Laparotomy Audit National Emergency Laparotomy Audit (NELA). Refer to www.hqip.org.uk/	181 cases, rated green	32
National Heart Failure Audit National Heart Failure Audit. Managed by The National Institute for Cardiovascular Outcomes Research (NICOR). Refer to www.ucl.ac.uk/nicor/audits/heartfailure	100%	100%
National Hip Fracture Database Falls and Fragility Fracture Audit Programme (FFAP) – a national clinical audit run by the Royal College of Physicians designed to audit the care that patients with fragility fractures and inpatient falls receive in hospital and to facilitate quality improvement initiatives. Refer to www.nhfd.co.uk/	88.6%	33
National Joint Registry Data National Joint Registry data collection on hip, knee, ankle, elbow and shoulder joint replacements. Data is collated by calendar year separately for Ashford and St.Peter's Hospitals. Figures refer to patients who give their consent for their data to be included. Refer to www.njrcentre.org.uk	87% and 100%	95% and 97%
National Lung Cancer Audit National Lung Cancer Audit (NLCA). Managed by The Royal College of Physicians. Refer to https://www.rcplondon.ac.uk/resources/national-lung-cancer-audit	100% 181 cases	34
National Maternity and Perinatal Audit (NMPA) Royal College of Obstetricians and Gynaecologists Refer to: https://www.rcog.org.uk/	35	36
National Oesophago-Gastric Cancer Audit These patients are treated at the Royal Surrey County Hospital. Refer to www.hqip.org.uk	61-70%	81-90%

²⁷ The participation rates for 2016/17 are provisional.

²⁸ NHS Choices defines PROMS as patients' assessments about their health and quality of life before an operation compared with their health after the operation.

²⁹ For participation rates above 100% cases submitted exceed anticipated volume based on hospital episode statistics.

³⁰ Due to the length of time before post-operative questionnaires are sent out for hip and knee replacements, there is not yet sufficient data to calculate unadjusted scores for these procedures.

³¹ 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.

³² Report awaited, due July 2018.

³³ Anticipated date of next update is not yet known.

³⁴ Anticipated date of next update is not yet known.

³⁵ Cases were submitted for the period 2015/16

³⁶ All cases for the period 2016/17 have been submitted, report awaited.

National Ophthalmology Audit Royal College of Ophthalmologists. No report published 2015/16. https://www.rcophth.ac.uk/standards-publications-research/national-ophthalmology-database/	DNP	DNP ³⁷
National Paediatric Diabetes Audit (NPDA) https://www.rcpch.ac.uk/ We consider that we submit all cases.	100%	100%
National Prostate Cancer Audit National Prostate Cancer Audit. The Trust does not submit this data as patients are treated at Royal Surrey County Hospital for radiotherapy, brachytherapy and prostate surgery. Refer to www.npca.org.uk	135 cases ³⁸	³⁹
National Vascular Registry National Vascular Registry (NVR) is a national clinical audit commissioned by The Health Quality Improvement Partnership. Refer to www.vsqip.org.uk	108% ⁴⁰	93%
Neonatal Intensive and Special Care Audit Neonatal Intensive and Special Care Audit Programme (NNAP) managed by The Royal College of Paediatrics and Child Health. Refer to www.rcpch.ac.uk/nnap	100%	100% ⁴¹
Pain in Children The Royal College of Emergency Medicine (RCEM). Refer to www.rcem.ac.uk		100%
Primary Coronary Angioplasty Primary Coronary Angioplasty (PCI) National Audit. Managed by The National Institute for Cardiovascular Outcomes Research. (NICOR). http://www.ucl.ac.uk/nicor/audits/adultpercutaneous/documents/annual-reports .	100%	100%
Procedural Sedation The Royal College of Emergency Medicine (RCEM). Refer to www.rcem.ac.uk		43 cases
Sentinel Stroke Sentinel Stroke National Audit Programme (SSNAP). Refer to www.strokeaudit.org .	>90%	≥86% ⁴²
Serious Hazards of Transfusion (SHOT) UK National Haemovigilance Scheme Refer to https://www.shotuk.org/	100%	100% ⁴³
Specialist Rehabilitation for Patients with Complex Needs following Major Injury The main focus will be on three key areas: an audit identifying services providing care to trauma patients, an audit of complex need patients within major trauma centres and a feasibility study for post-discharge patients who require specialist rehabilitation. Refer to: www.hqip.org.uk/	New	⁴⁴
UK Parkinson's Audit Parkinson's UK www.parkinsons.org.uk/	100%	100%
National confidential enquiries (A shaded box indicates no national data being collected)	2016/17	2017/18

³⁷ Specific software for this audit is not yet available.

³⁸ 1 April 2015 - 31 March 2016 – The number of cases allocated is lower than expected. Pathology data is processed by Royal Surrey resulting in these cases being assigned to Royal Surrey rather than Ashford & St Peter's.

³⁹ Awaiting report in late 2018.

⁴⁰ For participation rates above 100% cases submitted exceed anticipated volume based on hospital episode statistics.

⁴¹ All cases are submitted to the audit / downloaded from the patient record system used in neonatal units.

⁴² Latest data available for April to July 2017.

⁴³ All cases are reported; next report for 2017 data not expected until later in 2018.

⁴⁴ We participate via South West London and Surrey Major Trauma Network (data used from Trauma Audit and Research Network, TARN and UK Rehabilitation Outcomes Collaborative, UKROC).

Maternal, Newborn and Infants Maternal, Newborn and Infant Clinical Outcome Review Programme: Mothers and Babies: Reducing Risk through Audits and Confidential Enquiries across the UK (MBRRACE-UK). Managed by The National Perinatal Epidemiology Unit, University of Oxford. Refer to www.npeu.ox.ac.uk/mbrrace-uk .	100%	100%
NCEPOD – Acute Heart Failure National Confidential Enquiry into Patient Outcome and Death (NCEPOD) Acute Heart Failure. Refer to www.ncepod.org.uk	New	100%
NCEPOD – Cancer in Children, Teens and Young Adults Child Health Clinical Outcome Review Programme. Delivered by National Confidential Enquiry into Patient Outcome and Death (NCEPOD). Refer to www.ncepod.org.uk and http://www.rcpch.ac.uk/chr-uk . Study underway.	New	100%
NCEPOD – Chronic Neurodisability Child Health Clinical Outcome Review Programme. Delivered by National Confidential Enquiry into Patient Outcome and Death (NCEPOD). Refer to www.ncepod.org.uk and http://www.rcpch.ac.uk/chr-uk . Study underway.	100%	100%
NCEPOD – Peri-operative Diabetes National Confidential Enquiry into Patient Outcome and Death (NCEPOD) Peri-operative Diabetes. Refer to www.ncepod.org.uk		New (100%)
NCEPOD – Young People’s Mental Health Child Health Clinical Outcome Review Programme. Delivered by National Confidential Enquiry into Patient Outcome and Death (NCEPOD). Refer to www.ncepod.org.uk and http://www.rcpch.ac.uk/chr-uk . Study underway.	New	100%

National clinical audits reviewed

The reports of 26 national clinical audits were reviewed by Ashford and St Peter’s Hospitals NHS Foundation Trust in the 12 months ended 31 March 2018 and Ashford and St Peter’s Hospitals NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided, as outlined in the below table. Note that not all of the national audit reports were available during the 2017/18 period. A selection of some of our learning and improvement work in clinical effectiveness is shown below.

National clinical audits reviewed with improvement actions
National Emergency Laparotomy Audit (NELA) – This year mortality, return to theatre and responding to deteriorating patients has improved. We are currently focussing on refreshing the care pathway for patients with acute abdomens, timely antibiotic administration and individualised risk assessments when consenting.
National Diabetes Inpatient Audit (NaDIA) – Jointly with the NaDIA QI collaborative we are progressing an insulin safety improvement project and have set up a support group for maternity patients with type 1 diabetes to optimise use of insulin pumps.
National Prostate Cancer Audit – A new procedure to improve prostate biopsy detection rates and more accurately map disease was introduced because traditional biopsy techniques can miss up to 30% of cancers.
National Hip Fracture Database – The Trust is in the top 10% of hospitals in this audit for treatment and care, low post-operative mortality and shorter length of stay (LOS). Our best care score was 82% compared with 59% nationally. LOS dropped 6 days overall across 4 years and is 15 days now

compared with 21 days nationally.

Sentinel Stroke Audit – The Trust is rated level A which is in the top 23% nationally. A co-located Hyperacute Stroke Unit is planned in future. We have recently streamlined the referral process to the Transient Ischemic Attack (TIA) Clinic.

National Maternity and Perinatal Audit (NMPA) – The Trust was an outlier for increased risk of obstetric haemorrhage based on 2015/16 data. We have performed further casenote reviews and reviewed clinical guidance. The Trust is prioritising urgent routes to theatre for any post-partum haemorrhages.

National Audit of Dementia – Personalised dementia care is a priority and this year we introduced a calming interactive headset for patients to explore virtual reality settings based on scenes from nature.

National Cancer Audits – Macmillan Patient Navigators now provide a single contact point for all patients affected by cancer and the Navigator links closely with the multidisciplinary team. Patient support is further strengthened with a weekday telephone advice line.

The reports of six national confidential enquiries were reviewed by Ashford and St Peter's Hospitals NHS Foundation Trust in the 12 months ended 31 March 2018 and Ashford and St Peter's Hospitals NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided, as outlined in the below table.

National confidential enquiries into patient outcome or death (NCEPOD)

“On the Right Trach” Tracheostomy Report (2014) Recommendations implemented included Critical Care Nurse training on tracheostomy care, Dietician and Speech and Language Therapist review of tracheostomy patients in Critical Care and acute Ward Nurse competencies on monitoring carbon dioxide levels with capnography.

“Inspiring Change” Acute Non-Invasive Ventilation NIV (2017) Current improvement work is developing competency based local NIV nursing training and plans to acquire equipment to enable continuous pulse oximetry and electrocardiogram monitoring on our acute respiratory ward.

“Treat as One” Mental Health in General Hospitals (2017) Learning from recommendations is guiding improvements including tailored training on conflict resolution and restraint, and improving awareness of services provided by Liaison Psychiatry.

“Each and Every Need” Chronic Neurodisability (2018) Nationally only 53% of cerebral palsy patients received good care. The report was issued in March 2018 and the Trust is reviewing how to make improvements based on national recommendations.

Local clinical audits reviewed

The reports of 130 local clinical audits were reviewed by the Trust in the 12 months ended 31 March 2018 and Ashford and St Peter's Hospitals NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided. A selection of improvement work is shown below⁴⁵.

⁴⁵ Note that many more local audits have been reviewed; it is not practicable to list all such audits in this publication.

Results from key local audits are presented by specialties to divisional governance meetings and included in annual reports to the Quality Governance Committee (QGC) and to Trust Board as applicable. Learning from audits is shared in educational meetings and in the planned annual audit and QI event next scheduled for 19 June 2018.

Local clinical audits reviewed with improvement actions for 2017/18

NICU Phlebotomy Audit – Timely handovers for follow-up of results is being prioritised and a dedicated space for venepuncture is being allocated.

ICU standards for Organ Donation – In 62% of cases audit donation was considered as part of end of life care with timely referrals to the Specialist Nurse occurring in 54% of cases. An electronic solution to notification will be explored.

Abdominal Aortic Aneurism (AAA) outcomes – Cases audited were from 2015 and 2016 and had higher readmissions but lower mortality than nationally. To incorporate learning clinical criteria for step-down from ICU to Wards for patients with open repairs will be set and early therapy input is planned to reduce readmissions for non-medical reasons.

Review for timeliness of percutaneous nephrostomy (PCN) procedures – The audit reviewed reasons for delays between diagnostic imaging and the procedure commencing. The learning was that implementing alerting to notify the clinical team of obstructed collecting systems will reduce the time between radiology report issue and a PCN request being made by the clinical team.

Participation in clinical research

In the 12 months ended 31 March 2018 we recruited 2,135 patients receiving relevant health services to participate in clinical research approved by a research ethics committee.⁴⁶

Table 5: Patients recruited to participate in ethics committee approved research by year

Patients recruited to participate in ethics committee approved research by year					
2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
508	1,179	1,600	1,671	1,853	2,135

Our Research and Development Strategy is to maintain and ensure equitable access to high quality research in partnership with academia and industry partners. Some of our current interventional studies that directly influence patient care pathways or observational studies to improve understanding of diseases are explained below.

RESPONSE is trialling a developmental drug to prevent unexplained pregnancy loss.

SLAF2 is exploring whether atrial fibrillation can be detected using a hand-pad.

DREAMY is reviewing accidental awareness during obstetric general anaesthesia.

⁴⁶ Within the National Research Ethics Service.

APIPPRA is looking at delaying emerging rheumatoid arthritis with targeted treatment.

More details of clinical studies the Trust can be found on our website:

(<http://www.ashfordstpeters.nhs.uk/about-us/research-and-development>).

Learning from Deaths

In March 2017 the National Quality Board⁴⁷ issued a framework for acute Trusts to learn from patient deaths which involves detailed casenote reviews of a sample of deaths to identify areas where care is good or needs improving. A Mortality Committee, Chaired by the Medical Director, has oversight of the programme and a key focus for 2018 is determining ways to share the learning widely across clinical specialties.

By 13 May 2018 51 case record reviews and 12 serious incident investigations have been carried out in relation to the 1,210 deaths this year, of which 638 deaths were from October 2017 onwards when the LFD Framework structured judgement reviews (SJRs) commenced from Q3. There were no cases where a death was subjected to both a case record review and a serious incident investigation. The number of deaths in each quarter for which a case record review or an investigation was carried out is shown in the below table. All data is shown in the period to which it applies, with no retrospective reviews undertaken.

One case, representing 0.2% of patient deaths during the reporting period October 2017 to March 2018, is judged to be more likely than not to have been due to problems in the care provided to the patient. This number was determined using the results of structured judgement reviews and the findings were independently validated by a second independent senior reviewer.

The Trust has learned from our review into this case in which care problems occurred. The actions taken this year included highlight the importance of treating patients with acute kidney injury (AKI) as soon as it is recognised including commencing the AKI care bundle and ensuring early senior review of the patient. Refresher training on AKI was provided on a Medical Quality and Safety Half Day. Next year as a result of learning from this case we will continue to promote escalation of deteriorating patients via Careflow alerting which is rolling out currently.

Other learning has included the importance of documenting discussions around criteria for transferring patients between sites and taking every measure not to move patients near the end of life. All SJR findings have been shared with clinical specialties who cared for patients.

⁴⁷ Supported by NHSI, NHS England, and the CQC.

Table 6: Learning from Deaths Framework

Learning from Deaths Framework	Q1	Q2	Q3	Q4	Oct - Mar	YTD
During 2017/18 there were 1210 deaths split by quarter as follows	308	264	282	356	638	1210
Total number of deaths in Framework scope	300	260	276	348	624	1184
% of deaths receiving initial review	65%	67%	86%	77%	80%	74%
Number of cases requiring an SJR	-	-	42	39	81	81
Total deaths which have received an SJR	-	-	37	14	51	51
Percentage of SJRs completed	-	-	88%	36%	63%	63%
Total number of reviewed deaths considered more likely than not due to problems in care	-	-	1	0	1	1
Number of deaths of people with learning disabilities	-	-	2	2	4	4
Number of deaths of people with learning disabilities that have been reviewed	-	-	2	1	3	3
Number of deaths of people with learning disabilities considered more likely than not due to problems in care	-	-	0	0	0	0
Number of deaths investigated under the serious incident framework	3	5	1	3	12	12

Commissioning for quality and innovation (CQUIN) payment framework

A proportion of the Trust's income in the 12 months ended 31 March 2018 was conditional on achieving quality improvement and innovation goals agreed between the Trust and North West Surrey CCG for the provision of relevant health services, through the CQUIN framework. Agreed CQUIN goals for the year ended 31 March 2018 are below and more information is electronically available on <http://www.ashfordstpeters.nhs.uk/quality/cquin>.

Table 7: Income conditional upon attaining CQUIN framework goals

Income conditional upon CQUIN goals	2016/17	2017/18
Total income conditional upon achieving CQUIN goals	£4,547,000	£5,137,000 ⁴⁸
Monetary total of the associated CQUIN income received	£2,708,000	£4,859,000 ⁴⁹

⁴⁸ This is the Plan value for 2017/18

⁴⁹ The Trust anticipates 94.6% recovery in 2017/18 with the final value to be determined.

The monetary total of income conditional upon achieving CQUIN goals for 2017/18 is £5.137 million of which £4.859 million is anticipated to be received reflecting 94.6% recovery. For 2017/18 recovery was £2.708 million.

The section below provides a summary of some of the agreed goals for 2017/18 and how they align with local and regional strategies.

2016/17 CQUIN improvement goals overview

Health and wellbeing goals were largely achieved and a significant achievement was reaching the 70% frontline staff vaccination rate for influenza. Within the health foods area all elements were achieved with national criteria for food calorie content in snacks being met.

Sepsis goals were achieved and these are outlined in Section 2.1.2. Improving services for people with mental health needs who present to the Emergency Department was demonstrated by a 23% reduction in ED attendance within a selected cohort of frequent attenders with specific needs. This was achieved by joined up working with mental health services to promote greater community care. Discharge remains a focus and we increased the proportion of emergency patients who were discharged to their usual place of residence by 2% which was just below the 2.5% target. A system enabling general practitioners to receive specialty level advice and guidance from Consultants before referring a patient to secondary care has been expanded using both local solutions and the Electronic Referral Solution platform. By Q4 93% of GP enquiries in 7 specialties using this system received a response to an enquiry within 2 days.

Specialist commissioning goals

Specialist Commissioning goals are agreed in partnership with the Specialised Commissioning Team at NHS England. For 2017/18 our national schemes included medicines optimisation and complex devices. Local goals covered minimising delayed step-down from Critical Care to general Wards and follow-up of babies cared for in the Neonatal Intensive Care Unit.

Care Quality Commission (CQC) registration

The CQC fully inspected both Ashford Hospital and St Peter's Hospital in December 2014 and the full Inspection Report was issued on 10 March 2015. The report for the Trust and for each site can be obtained from the CQC on <http://www.cqc.org.uk/provider/RTK>.

Ashford and St Peter's Hospitals NHS Foundation Trust is required to register with the Care Quality Commission and its current registration is 'registered' with the following ratings: The Trust's overall rating is unchanged and remains as 'good'. Each registered site receives its own rating and Ashford Hospital was rated as "good" and St Peter's Hospital received "requires improvement." These ratings are unchanged from the report of 10 March 2015 and are summarised by site and core service in Tables 9 to 11 which follow.

The CQC undertook a focussed inspection on 19 September 2017 and the Inspection Report was issued on 9 January 2018:

http://www.cqc.org.uk/sites/default/files/new_reports/AAAG8321.pdf

The focussed Inspection result was that the Trust has 3 actions it 'must' improve and 2 items which the CQC said 'should' be fixed. The must actions covered fire safety, medicines safe storage and checks on patient equipment and the status of the improvement action plan for these items is below. The items which should be fixed were display of Safety Thermometer harms data and supporting staff to attend mandatory training so that the internal 90% target is reached.

The CQC has not taken enforcement action against Ashford and St Peter's Hospitals NHS Foundation Trust during the year ended 31 March 2018.

Table 8: CQC improvement action plan for items which 'must' be improved

Must compliance actions	Improvement action	Status
1. Regulation 9 - Fire exits must be kept clear and staff made aware of safety requirements	Ward checks undertaken and evidenced using the Perfect Ward Audit App by 31 July 2018. Mandatory training for fire safety at 90% by April 2019.	Perfect Ward App rollout occurred in May. Sustained compliance to be evidenced with Fire Safety Group assurance by the end of July. Fire mandatory training e-learning planned.
2. Regulation 12 - Medicines must be safely and securely stored	Regular checks via Perfect Ward programme. Self closing locks in high risk areas by December 2018. Remote fridge temperature monitoring by January 2019.	Perfect Ward pilot demonstrated 9% overall improvement in ward safety checks.
3. Regulation 12 - Safety checks and services on patient equipment must be consistently completed	Ward level checks to be monitored via Perfect Ward programme and medical devices programme to be reviewed to ensure servicing timely.	This on track and effectiveness testing will take place in July.

Table 9: CQC rating of the Trust

	Safe	Effective	Caring	Responsive	Well-led	Overall
Overall trust	Requires improvement	Good	Good	Good	Good	Good

Table 10: CQC rating of St Peter's Hospital

	Safe	Effective	Caring	Responsive	Well-led	Overall
Urgent and emergency services	Requires improvement	Good	Good	Good	Good	Good
Medical care	Requires improvement	Good	Good	Good	Good	Good
Surgery	Requires improvement	Good	Good	Good	Good	Good
Critical care	Requires improvement	Good	Good	Good	Requires improvement	Requires improvement
Maternity and gynaecology	Good	Good	Good	Good	Requires improvement	Good
Services for children and young people	Requires improvement	Good	Good	Good	Requires improvement	Requires improvement
End of life care	Good	Good	Good	Good	Good	Good
Outpatients and diagnostic imaging	Good	N/A	Good	Good	Good	Good
Overall	Requires improvement	Good	Good	Good	Requires improvement	Requires improvement

Table 11: CQC rating of Ashford Hospital

	Safe	Effective	Caring	Responsive	Well-led	Overall
Medical care	Requires improvement	Good	Good	Good	Good	Good
Surgery	Requires improvement	Good	Good	Good	Good	Good
Outpatients and diagnostic imaging	Requires improvement	N/A	Good	Good	Requires improvement	Requires improvement
Overall	Requires improvement	Good	Good	Good	Good	Good

Special reviews undertaken by the CQC under Section 48 of the Health and Social Care Act 2008

Ashford and St Peter's Hospitals NHS Foundation Trust has not participated in any special reviews by the Care Quality Commission during the 12 month period ended 31 March 2018.

Healthcare data submitted to secondary uses service (SUS)⁵⁰

Ashford and St Peter's Hospitals NHS Foundation Trust submitted records during the 12 month period ended 31 March 2018 to the Secondary Uses Service for inclusion in the Hospital Episode Statistics which are included in the latest published data to February 2018. Comparative data for 2 years for completeness of data submitted to SUS for NHS number and General Medical Practice (GMP) Code is shown in the table below.

Table 12: Completeness of data submitted to Secondary Uses Service (SUS)

Completeness of data submitted to secondary uses service (SUS) (%)	2016/17	2017/18
The percentage of records in the published data which included the patient's valid NHS number was:		
Admitted patient care	99.7	99.7
Outpatient care	99.9	99.9
Accident and emergency care	98.6	98.5
The percentage of records in the published data which included the patient's valid GMP Code was:		
Admitted patient care	100	100
Outpatient care	100	100
Accident and emergency care	100	100

Information governance assessment

The Information Governance (IG) Toolkit enables NHS organisations to self-assess against the Department of Health's⁵¹ policies and standards. The Trust's Information Governance Assessment Report overall score for the 12 months ending 31 March 2018 was 72% which is an improvement on 71% in 2016/17. Our grade was "satisfactory" in both years and reflects achieving level 2 or above for all 45 toolkit indicators. This year's particular achievement was our 95% IG training rate enabled by a new national online training tool, face to face training and a broad engagement campaign. Progress is monitored by the Information Governance Steering Group.

In 2018/19 the IG Toolkit will be replaced by the Data Security and Protection Toolkit which is an online self-assessment tool to measure performance against the National Data Guardian's 10 data security standards. In future, all organisations that have access to NHS patient data and systems must use this new toolkit to provide assurance that they are practising good data security and that personal information is handled correctly.

⁵⁰ The Secondary Uses Service (SUS) is a repository for healthcare data in England. SUS provides reports and data analysis which supports the NHS to deliver its healthcare services. Refer to hscic.gov.uk.

⁵¹ Refer to the Department of Health's Information Governance Toolkit on www.igt.hscic.gov.uk.

Payment by Results coding audit

Ashford and St Peter's Hospitals NHS Foundation Trust was not subject to⁵² the Payment by Results clinical coding audit during 2017/18. The Trust undertook internal audits of clinical coding during 2016/17 which contributed to the level 2 Information Governance Toolkit Submission as outlined above.

2.3 Performance against core indicators

Performance against Health and Social Care Information Centre (HSCIC) core indicators aligned with the NHS Outcomes Framework⁵³ 5 domains follows.

Domain 1: Preventing people from dying prematurely

1. Summary hospital-level mortality indicator (SHMI)

The SHMI banding⁵⁴ for a Trust indicates whether, given the characteristics of patients treated there, observed patient death numbers⁵⁵ compared to England average death figures are higher than expected (band 1), as expected (band 2) or lower than expected (band 3). The latest published SHMI was in March 2018 for data from the 12 months ending September 2017.⁵⁶ Table 13 below shows the Trust's mortality banding as 2 which is as expected.

Table 13: SHMI Mortality data

Summary hospital-level mortality indicator (SHMI)	Oct 2014 to Sept 2015	Jan 2015 to Dec 2015	Apr 2015 to March 2016	July 2015 to June 2016	Oct 2015 to Sept 2016	Oct 2016 to Sept 2017
Trust score	0.951	0.938	0.938	0.944	0.947	0.980
Trust banding	2	2	2	2	2	2
National benchmark	1.0	1.0	1.0	1.0	1.0	1.0
Lowest score nationally (most favourable)	0.652	0.669	0.678	0.694	0.689	0.689
Highest score nationally (least favourable)	1.177	1.173	1.178	1.171	1.164	1.118

⁵² Stand-alone costing audit of the former Audit Commission was discontinued 4 years ago.

⁵³ Refer to <http://www.england.nhs.uk/resources/resources-for-ccgs/out-frwrk/> for information on the NHS Outcomes Framework and the 5 domains.

⁵⁴ SHMI: Guidance for press teams and journalists.

⁵⁵ Deaths are those in non-specialist acute hospitals or in the 30 days following discharge per Hospital Episode Statistics.

⁵⁶ The first national dataset was from April 2010 and the next quarterly SHMI publication is due in June 2018.

Because the SHMI does not adjust for palliative care provision a further indicator is needed. The 'palliative care indicator' measures deaths occurring under palliative care conditions for each provider reported in the SHMI using the indicator of the percentage of deaths per palliative care coding.⁵⁷ The Trust tracks above average for specialist palliative care coding which may reflect factors including hospice availability, a favourable level of palliative care service provision and detailed coding accuracy. Data is further split between in hospital and out of hospital deaths.

Table 14: Palliative care coding rate

Palliative care rate (%)	Oct 2014 to Sept 2015	Jan 2015 to Dec 2015	Apr 2015 to March 2016	July 2015 to June 2016	Oct 2015 to Sept 2016	Oct 2016 to Sept 2017
Trust score	41.3	42.8	43.5	44.0	44.6	47.1
National benchmark	26.6	27.4	28.4	29.1	29.6	31.5
Lowest score nationally	0.2	0.2	0.6	0.6	0.4	0
Highest score nationally	53.5	54.7	54.6	54.8	56.3	59.8

Table 15: Deaths in hospital

Deaths in hospital (%)	Oct 2014 to Sept 2015	Jan 2015 to Dec 2015	Apr 2015 to March 2016	July 2015 to June 2016	Oct 2015 to Sept 2016	Oct 2016 to Sept 2017
Trust score	71.8	70.7	71.2	70.3	69.2	73.0
National benchmark	71.5	71.4	71.2	71.1	71.2	71.0
Lowest score nationally	62.5	61.1	62.0	62.0	63.2	61.6
Highest score nationally	80.3	80.2	80.7	81.5	81.7	83.3

Table 16: Deaths out of hospital

Deaths out of hospital (%)	Oct 2014 to Sept 2015	Jan 2015 to Dec 2015	Apr 2015 to March 2016	July 2015 to June 2016	Oct 2015 to Sept 2016	Oct 2016 to Sept 2017
Trust score	28.2	29.3	28.8	29.7	30.8	27.0
National benchmark	28.5	28.6	28.8	28.9	28.8	29.0
Lowest score nationally	19.7	19.8	19.3	18.5	18.3	16.7
Highest score nationally	37.5	38.9	38.0	38.0	36.8	38.4

⁵⁷ Palliative care coding is at either diagnosis or treatment specialty level.

Ashford and St Peter's Hospitals NHS Foundation Trust considers that this data is as described for the following reasons: mortality data is monitored monthly by Trust Board, coding checks occur and the clinical coding service is a regional centre of excellence accredited by the HSCIC Clinical Classifications Service (CCS).

Domain 3: Helping people to recover from episodes of ill health or following injury

2. Patient Reported Outcome Measures ⁵⁸

Patient Reported Outcome Measures (PROMs) provide an indication of a patient's health status or health-related quality of life from the patient's perspective. This information is gathered from a questionnaire that patients complete before and after surgery. Patients undergoing hip and knee replacement, groin hernia and varicose veins procedures are invited to take part in this national study. The table below shows finalised data from 2015/16 for all procedures and finalised data for 2016/17 for groin hernia and varicose veins. Data for hip and knee replacement is provisional for 2016/17. Provisional data for 2017/18 is not yet available. The indicator used is the EQ-5D index casemix adjusted health gain and a higher value represents a better score.

Table 17: Patient reported outcome measures hip and knee replacement

	Hip replacement - primary		Knee replacement - primary	
Period	2015/16 ⁵⁹	2016/17	2015/16	2016/17
Trust	0.418	0.420	0.299	0.297
National	0.438	0.437	0.320	0.323
Lowest	0.320	0.329	0.198	0.237
Highest	0.512	0.533	0.398	0.398

Table 18: Patient reported outcome measures groin hernia and varicose veins

	Groin hernia		Varicose veins	
Period	2015/16 ²	2016/17 ²	2015/16 ²	2016/17 ²
Trust	*	0.104	0.129	0.089
National	0.088	0.086	0.096	0.092
Lowest	0.021	0.006	0.018	0.010
Highest	0.157	0.135	0.150	0.155

⁵⁸ Refer to www.hscic.gov.uk/proms.

⁵⁹ 2015/16 and 2016/17 data have now been finalised.

*Insufficient data and the dataset does not record this item. The result incorporates both pre- and post-surgery questionnaires and data is reported in arrears with post-surgical questionnaires being sent out six months after the operation so it is expected that there will be more data when further PROMS publications are released. Varicose vein surgery case volumes are low compared to the other pathways and so future data is not anticipated. Pre-operative assessment teams are taking steps to encourage participation in the pre-surgery questionnaire.

Ashford and St Peter's Hospitals NHS Foundation Trust considers that this data is as described for the following reasons. The Trust has a systematic process for collating data and outcomes and results are monitored at the Clinical Effectiveness and National Audit Review Group.

Ashford and St Peter's Hospitals NHS Foundation Trust intends to take the following actions to improve this percentage, and so the quality of its services: the Trust has reviewed its performance and the Trust is not an outlier against national practice in respect of the casemix adjusted health gain. The Trust is actively promoting regular clinical outcome review alongside ways of encouraging patient completion of assessment forms. 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.

3. Emergency readmission to hospital within 28 days of discharge

This national indicator is 'the percentage of emergency 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'.⁶⁰

Table 19: 28 Day emergency (non-elective) readmissions

Patient Age	0-15			≥16		
Period	2015/16	2016/17	2017/18	2015/16	2016/17	2017/18
Trust	5.6%	5.8%	6.5%	12.3%	14.0%	13.6%

National comparative data from HSCIC has been unavailable for the past 3 years. Ashford and St Peter's Hospitals NHS Foundation Trust considers that this data is as described for the following reasons: data is uploaded to external sources in accordance with prescribed guidance and timescales. Ashford and St Peter's Hospitals NHS Foundation Trust intends to take actions to improve this percentage, and so the quality of its services, by ongoing specialty readmissions monitoring and peer benchmarking with deep dives into areas by exception.

⁶⁰ Definition per NHS England Quality Account Data Dictionary.

Domain 4: Ensuring that people have a positive experience of care

4. Responsiveness to the personal needs of patients - experience of inpatient care

This nationally defined indicator on hospital inpatient care measures patient experience scores graded out of 100 from selected questions from the National Inpatient Survey. Data collected from September 2017 to January 2018 is due for publication in June 2018.

Table 20: Patient experience per National Inpatient Survey

Hospital inpatient experience per National Inpatient Survey	Trust 2014/15	Trust 2015/16	Trust 2016/17	National 80 th percentile 2016/17
Access and waiting domain – waiting list time, admission date changes, waiting for bed on arrival.	85.5	83.3	81.1	85.9
Safe, high quality co-ordinated care domain – consistent staff advice, delay on discharge day, advice on post discharge warning signs.	62.9	64.5	65.2	69.2
Better information, more choice domain – involvement in decision making, medication explanations including adverse effects.	65.9	66.5	64.2	70.4
Building closer relationships domain – Doctors' and nurses' approach and explanations to questions.	84.0	84.1	83.7	87.5
Clean, friendly, comfortable place to be domain – Cleanliness, quiet nights, privacy and dignity, food rating, pain relief adequacy.	80.8	80.3	80.7	82.8
Trust score	75.8	75.7	75.0	78.9
National average	76.6	77.3	76.7	
Lowest score nationally (least favourable)	67.4	70.6	70.7	
Highest score nationally (most favourable)	87.4	88.0	88.0	

Ashford and St Peter's Hospitals NHS Foundation Trust considers that this data is as described because survey responses are externally collated and sampling is validated with national criteria. The Trust intends to take these actions to improve this score, and so the quality of its services: continued focus on the planned care pathway in particular on 'access and waiting' domain components. Eliminating cancelled operations is a priority area of focus. Reductions in waiting list time and changes to admission date will be sought through refreshing improvement actions with oversight through the divisional performance monitoring framework and patient experience feedback including complaints and the Patient Advice and Liaison Service.

5. Staff who would recommend the Trust to their family or friends

This indicator measures 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 data is from the National NHS Staff Survey and is the percentage of staff who either agreed, or strongly agreed, with the following statement – 'If a friend or

relative needed treatment I would be happy with the standard of care provided by this organisation. 2017 data is provisional as of Q2 with year end data pending.

Table 21: Staff recommending the Trust

Staff who would recommend the Trust to family or friends – National Survey Data	2015	2016	2017
Trust	65.4	70.8	80.6
National average	69.8	69.3	87.5
Lowest score nationally ⁶¹ (least favourable)	46.0	44.6	42.9
Highest score nationally (most favourable)	85.4	94.6	100

Ashford and St Peter's Hospitals NHS Foundation Trust considers that this data is as described for the following reasons: The Board of Directors triangulates data with quarterly Staff Friends and Family Test data. Our staff experience programme is monitored by the Workforce and Organisational Development Board Sub-Committee, the Employee Partnership Forum, and the Council of Governors.

Ashford and St Peter's Hospitals NHS Foundation Trust intends to improve this percentage, and so the quality of its services, by progressing our staff experience programme which incorporates both corporate and departmental actions with specialist support for those areas where staff have suggested improvements are required.

5. Friends and Family Test (FFT)

The below chart shows patient satisfaction rate from the NHS England national Friends and Family Test compared with local targets. The Trust's Inpatients score of 96.3% was above national average of 96.0% and maternity touch point 2 of 81.6% was below national average of 96.5%. The Emergency Department score has declined overall this year and is below national average of 86.3%. Outpatients score of 95.9% was above 93.6% nationally. The next data release is due on 24 May 2018. Response rates are generally insufficient to enable trends to be determined from these datasets and different ways of capturing patient experience are being reviewed currently.

Table 22: FFT satisfaction rate (%)

Inpatients Including Daycase				Outpatients			
2015/16	2016/17	2017/18	Target	2015/16	2016/17	2017/18	Target
96.2%	95.0%	96.3%	>95%	94.7%	95.8%	95.9%	>92%

Maternity Touch Point 2				Accident and Emergency Department with Paediatrics			
2015/16	2016/17	2017/18	Target	2015/16	2016/17	2017/18	Target
96.3%	96.8%	81.6%	>97%	84.3%	86.4%	83.9%	>87%

⁶¹ For acute trusts.

Domain 5: Treating and caring for people in a safe environment and protecting them from avoidable harm

6. Patients admitted to hospital who were risk assessed for venous thromboembolism⁶²

This measure shows the percentage of patients admitted to hospital who were risk assessed for venous thromboembolism (VTE) during the reporting period.

Table 23: VTE risk assessment showing the % risk assessed

Percentage risk assessed for VTE								
	Q1 Apr to Jun 2016	Q2 Jul to Sep 2016	Q3 Oct to Dec 2016	Q4 Jan to Mar 2017	Q1 Apr to Jun 2017	Q2 Jul to Sep 2017	Q3 Oct to Dec 2017	Q4 Jan to Mar 2018
ASPH	97.0	97.5	97.5	97.03	98.13	99.19	99.12	99.05
National benchmark	95.7	95.5	95.6	95.74	95.20	95.34	95.36	* ⁶³
Lowest	80.6	72.1	76.5	80.61	79.84	71.88	76.08	*
Highest	100	100	100	100	100	100	100	*

The Trust considers that this data is as described with the following caveat. In March 2018 national guidance was revised and the initial risk assessment now needs to be within 8 hours of patient admission. A system to capture time of assessment has yet to be determined and this is an ongoing action since last year. A review of this is underway.

7. Clostridium difficile infection

NHS England sets annual C. difficile infection limits for the Trust for maximum case number and a target per 100,000 bed days for patients aged 2 and above.⁶⁴ Pending data is marked with asterisk*.

Table 24: Clostridium difficile infection

Clostridium difficile	Target	2016/17	Target	2017/18
Trust - cases per year	17	20	17	15
Infection rate per 100,000 bed days	9.9	11.8	9.90	9.67

⁶³ * The national VTE data for Q4 is pending release. <https://improvement.nhs.uk/resources/venous-thromboembolism-vte-risk-assessment-201718/> Last release was Q3 2017/18 on 3 March 2018.

⁶⁴ Data per <http://indicators.ic.ac.nhs.uk/> item 24. Rate of C. difficile infection and the national dataset per <https://www.gov.uk/government/statistics/clostridium-difficile-infection-annual-data>.

National comparison data (/100,000 bed days)			
National average bed days		13.2	*
Lowest score nationally bed days – most favourable		0	0
Highest score nationally bed days – least favourable		82.7	*

Ashford and St Peter's Hospitals NHS Foundation Trust considers that this data is as described because the Trust has an established surveillance methodology including root cause analyses (RCAs) for care lapses with external monitoring by our Clinical Commissioning Group. 4 of the 15 cases reflected lapses in care due to delayed sample obtaining and patient isolation. The Trust intends to take the following actions to improve this rate, and so the quality of its services. Our RCA tool is being modified to incorporate the reasons for sample delays and patient isolation gaps to ascertain whether in future cases are preventable. Guidance on prompt isolation when patients have suspected infectious symptoms is also about to be re-launched.

8. Rate of patient safety incidents and percentage resulting in severe harm or death

This national indicator is 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.⁶⁵ Benchmarked data is for the national subset of Acute (Non Specialist) Trusts with latest data at September 2017.

Table 25: Patient safety incidents

Patient safety incidents ASPH	Apr 16 – Sept 16	Oct 16 – Mar 17	Apr 17 – Sep 17
Total number of incidents reported	3,216	4,127	4,175
Number of incidents causing death	9	7	9
Number of incidents causing severe harm or death	3	4	3
Rate of incidents reported per 1000 bed days	38.09	48.26	50.49
% of incidents causing severe harm ⁶⁶	0.1	0.1	0.1
% of incidents causing death	0.3	0.2	0.2
% of incidents causing severe harm or death	0.4	0.3	0.3
Acute (Non Specialist) Trust average			
Total number of incidents reported	4,991	5,160	5,226
Rate of incidents reported per 1000 bed days	40.76	41.10	42.84
Lowest rate of incidents reported per 1000 bed days	21.15	23.13	23.47

⁶⁵ Refer to Domain 5, Indicators 5a and 5b on HSCIC Indicator Portal.

<http://indicators.ic.ac.uk/webview>. Data is available from <http://www.nrls.npsa.nhs.uk/resources/>

⁶⁶ Percentage data is to 2 decimal places owing to relatively lower sample sizes.

Highest rate of incidents reported per 1000 bed days	71.81	68.97	111.69
% incidents causing severe harm	0.3	0.3	0.3
% of incidents causing death	0.1	0.1	0.1
% of incidents causing severe harm or death	0.4	0.4	0.4

National data is from <https://improvement.nhs.uk/resources/organisation-patient-safety-incident-reports> for latest data from 1 April 2017 to 31 September 2017. The Trust considers that this data is as described because independent checks on coding and completeness are performed before upload to the national portal. The Trust intends to take actions to improve this rate, and the quality of its services, by implementing the new national framework for mortality reviews which may be extended to include other harms. The overarching aim is to implement learning from all harms.

Part 3: Other information

3.1 Overview of the quality of care against 2017/18 priorities

In this section we describe our achievements against each of the key priorities we set ourselves for this year. We held quarterly workshops with our stakeholders to monitor progress against our quality improvement priorities and reported progress to Trust Board quarterly. Detailed monitoring is via the Quality and Performance Committee. The rationale for those new measures is described alongside each indicator in the table below.

Priority 1 Safety - Improving harm free care		17/18	16/17	Grey shading represents a new measure so no comparison is shown.
1.1	Strengthen governance of medication errors and learning from these by improving year on year Medication Safety Thermometer performance.	✓		Performance has improved in 4 out of 6 measures since last year. Detailed performance by measure is shown in the accompanying table. Medication safety is part of our ongoing priorities for next year.
1.2	Maternity Safety Thermometer performance to be better than the national average.	✓	✗	Combined maternity harm free care of 86.0% is better than national average of 74.0% and an improvement from 2016/17 at 72.3%.
1.3	Continue the Sign up to Safety Plan falls trajectory with no more than 319 total falls in 2017/18 which is a reduction of 102 falls. If achieved this would reflect a 50% cumulative reduction by end of 2017/18 (Plan Year 3).	✗	✗	442 falls this year meant the 319 target was not met. Last year 421 falls exceeded the 20% limit. The Falls Strategy and Corporate Action Plan continues with ward training from Clinical Practice Educators and focussed care for patients with cognitive impairment.
1.4	Continue the Sign up to Safety Plan hospital acquired stage 2 and above pressure ulcer (PU) reduction trajectory with no more than 140.5 stage 2 and above hospital acquired PUs in 2017/18 which is a reduction of 99.5 ulcers. If achieved this would reflect a 50% cumulative reduction by end of 2017/18 (Plan Year 3).	✗	✗	The Sign up to Safety hospital acquired pressure ulcers measure was not achieved as there were 201 ulcers this year. Last year's 20% in-year reduction was not met as PUs rose by 24. The corporate pressure ulcer plan outlines our approach to reducing hospital acquired ulcers. Current improvement initiatives include body region specific interventions such as heel raising. The Tissue Viability Team's 'Heels SOS' campaign promoting heel raising strictly off surfaces has been adopted by other Trusts after sharing at the 2017 Wound UK conference.

1.5	Risk assess 97% of adult inpatients for VTE on admission.	✓	✓	Performance this year was 98.9% (last year 97.5%). The Trust is a national VTE Exemplar Centre and continues to perform strongly by promptly assessing patients for VTE risk.
1.6	Root cause analysis (RCA) of 100% of identified cases of hospital associated thrombus (HAT) in 2 months.	✓	✗	The VTE Team has prioritised weekly diagnostic screening for HATs resulting in excellent performance of 100% which is a huge improvement compared with 0% last year. This local measure has been performed promptly all year.
1.7	Audited documentation of the prescription of appropriate chemical thromboprophylaxis with the aim of achieving 85%.	✓	✗	This local measure tests whether the prescription of chemical thromboprophylaxis is appropriate according to the outcome of the risk assessment tool. Performance improved from 83.7% last year to 87.9% this year and we exceeded our local 85% target.
1.8	Work towards the national target limits for E. Coli bacteraemia infection, with trajectories to reduce these in 2017/18 by 10% with fewer than 243 cases.	✗		This new measure is a national priority area with a combined target across community and hospital acquired cases of 243 which reflected a 10% target reduction compared with last year. 243 cases occurred this year which was 19 above the limit. The Neonatal Intensive Care Unit (NICU) is to audit intravenous device cases and a new Urology Specialist Nurse is to be appointed to support urinary catheter care.
1.9	Trustwide rollout of the National Aseptic Non Touch Technique (ANTT) protocol as part of the overall drive to reduce hospital acquired infection and thus length of stay.	✗		Reducing hospital acquired infection by using the national Aseptic Non Touch Technique (ANTT) is a new measure for the Trust in an NHS England priority area. High risk areas including NICU and Intensive Care have implemented ANTT supported by competency tests but full Trustwide implementation has not yet been reached due to capacity factors. Further rollout is planned to other areas going forward.

Priority 2 - Caring for patients in a safe way, without delay

2.1	Implement a process to improve early diagnosis of cancer through sharing upfront learning with clinical teams quarterly as new claims arise (with focus on missed/delayed diagnosis).	✗		Although this was not achieved this year, a robust means of sharing learning and improvement up-front when a claim is first intimated will be put in place next year. Learning from harms is a national priority area and this new measure reflects this theme.
2.2	Increase completion rates and improvement opportunities for learning from mortality reviews within the Clinical Divisions, in line with national guidance documents. Target to be set in Q2 once guidance has been assimilated, with improvement trajectory for achievement by Q4.	✗		In October 2017 the new national Learning from Deaths Programme was introduced which superseded the earlier mortality review programme. The Trust has made good progress implementing the new Structured Judgement Reviews but has yet to complete all required sample reviews. Refer to the Mortality Reviews Table for performance data.

Priority 3 - Safety standards and our clinical workforce

3.1	Progress the Reducing Variation Programme including participating in the external data collection exercise. This programme will continue throughout 2017/18.	✓		This programme is progressing and on track. A summary is contained in the section on NHS Improvement Specific Disclosures. This measure was chosen to align with the national priority area.
3.2	Formulate a Clinical Workforce Strategy and develop demand/capacity modelling for the medical workforce by Q4.	✓		This work is continuing and is underway but not fully completed. Medical clinical workforce strategy and deployment is incorporated in service line business planning and the upcoming refreshed Trust Strategy.
3.3	Commence a nursing associate test pilot in conjunction with Health Education England and the Nursing Associate Implementation Programme.	✓		This measure is a national initiative and the Trust achieved this. New ways of working across boundaries and professional groups is reflected in this new measure.
3.4	Communication campaign to promote staff awareness of the Freedom to Speak up Guardian role by Q2.	✓		This is a new measure and reflects the national focus of the new mandatory Freedom to Speak up Guardian roles. This year our Freedom to Speak up Guardian has actively promoted the service so staff can easily report concerns using an electronic notification from the intranet.

Priority 4 - Clinical effectiveness: work to improve diagnosis for patients with diabetes

4.1	The population of eligible admitted patients to be screened for diabetes will continue to be audited on a spot day each month, with target performance to be set at 98% which is consistent with the target set from 2014/15 onwards.	✗	✗	Capillary blood glucose testing within 24 hours of admission was 96% in 2017/18 up from 93% in 2016/17 This item is now a designated section of the Adult Nursing Assessment protocol which improved performance with the majority of wards performing very well.
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Priority 5 - Clinical effectiveness: improve dissemination and learning

5.1	Implementation of relevant NICE Clinical Guidelines – monthly status report on progress including a gap analysis with reasons for non-compliance identified.	✗	✗	NICE Guidance monitoring plans are progressing well but strengthening of gap analyses and prompter service improvements need to be evidenced. Oversight is via the Clinical Effectiveness and National Audit Review Group.
5.2	Set up an extranet site to share learning openly to both staff and the wider public learning from a range of areas including external reviews, audits, serious incidents and complaints.	✗		This is a new measure and aligns with the sharing of learning widely with the public as part of the NHS Improvement well-led framework principles. This was not achieved and will be a key action as part of our quality priority next year which is to become a learning organisation.
5.3	Participate in all applicable mandatory national audits and implement action plans based on key recommendations from the national bodies.	✗	✗	National audit participation was 98% this year a significant increase from 86% last year. Consistency of action plan implementation is an ongoing area of focus and targeted improvement programmes will be implemented next year to strengthen this.

Priority 6 - Patient experience: work to improve the experience of vulnerable groups

6.1	Feasibility test and develop specialty volunteers to support named areas, with first pilot in dementia.	✓		Specially trained dementia volunteers have been particularly well received through this successful pilot to improve care for our patients with dementia. This is a changed measure which reflects our ongoing commitment to patients from vulnerable groups.
6.2	Either adopt or locally adapt the principles of the <i>NHS England Quality Checkers Programme for Patients with Learning Disability and Autism</i> .	✗		This is a new measure and aligns with the need to ensure equity of experience is addressed by health service providers per the Care Quality Commission 2015/16 State of Care Report. The measure has not been achieved as the regional Learning Disability Peer Review is now planned for Spring 2018 across all acute sites in Surrey and will involve both service users and staff.



Priority 7 - Promote patient empowerment

7.1	Pilot a patient awareness empowerment initiative as part of planned care pre-admission to promote, where appropriate, patient 'self care' and encourage challenging poor care.	✗		Patient involvement in their own care is a national priority area per the Care Quality Commission 2015/16 State of Care Report. Whilst this measure has not been fully achieved, patient feedback via the Patient Experience Group has highlighted that as an organisation we need to do more so that service users genuinely feel confident to speak out about poor care.
7.2	Develop in-house a Trustwide <i>#InvolveMe</i> programme encompassing involving patients in planning their care incorporating service level consideration of patient equality characteristics.	✗		Whilst the full programme was not rolled out, we have prioritised incorporation of patient equality characteristics in one of our largest long-term capital projects. The scoping of the new Emergency Department layout and design this year included adaptations for patient equality characteristics from the outset.


Priority 8 - Improve patient experience

8.1	Continue to develop a means of communicating to inpatients the potential for transfers between wards as part of their expected care pathway and implement this communication process by Q2.	✗	✗	This will soon be complete but missed the Q2 timescale. Senior Adult Medical Services developed a leaflet with input from Patient Panel and this is being considered for wider rollout.
8.2	Further embed <i>Always Events</i> by introducing 2 new always events covering the areas of (1) medications safety and (2) patient involvement (including shared decision making) and understanding of care planning.	✗	✗	This has not been fully achieved. Always Events to support medication safety at discharge are to be piloted on Falcon and Kingfisher Surgical Wards. A dementia care always event was implemented during 2017.
8.3	A minimum of 95% of patients in the Urgent Care Centre to achieve the 4 hour wait target.	✓	✓	This was achieved. Four hour wait performance is shown in Section 3.2 on NHS Improvement national indicators.

Priority 9 - opportunities for patient involvement in research

9.1	Continue to meet the Department of Health requirements to increase our recruitment of patients to clinical research studies by 20% year on year.			Recruitment exceeded our expectations and was in line with our pledge to the National Institute for Health Research. More information on our research activity is shown in Section 2.2. Research activity is a key national and regional focus which both of these measures is aligned with.
9.2	Enhance Trustwide communication to staff promoting research publications and studies, to include signposting to the Knowledge and Research Hub.			Promoting opportunities for patient involvement in research has actively continued this year via website promotion, staff engagement campaigns and training. A Clinical Trials Day to showcase achievements is scheduled for May.

Priority 10 - Transformational cross-boundary working

10.1	Actively participate in the Surrey Heartlands Sustainability and Transformation Programme (STP). specific objectives to be set 6 monthly as the STP progresses.			The Trust actively supports Surrey Heartlands Health and Care Partnership with Executive representation on the Chairs' Forum, Transformation Board, Workforce Programme, Digital and Cardiovascular Workstreams. This new measure aligns with national strategic priorities.
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3.1.1 2016/17 rationale for indicator changes

Indicators are refreshed each year by the Board of Directors and the rationale for discontinuation of selected measures from 2016/17 is outlined below and more detailed descriptions of achievements of these measures is available on these measures from the 2016/17 Annual Quality Account.

Within the **safety domain**, Classic Safety Thermometer was discontinued after 3 successful years when performance was above national average. VTE exemplar status was successfully achieved last year. Duty of candour audits were implemented and the Manchester Safety Framework was progressed. The Kent, Surrey, Sussex Academic Health Science Network safety culture and leadership pilot was also completed. National Standards for Invasive Procedures were finalised in-year. Nursing revalidation was rolled out within national timescales.

The **clinical effectiveness** priority for implementing an action plan for NICE clinical guideline on Care in the Last Days of Life was achieved.

Many **patient experience** goals were specific projects in 2016/17. The Mental Health Act training scheme was updated and a privacy and dignity campaign progressed. Dementia environment reviews occur regularly and feedback from carers of people with dementia is obtained as part of ongoing engagement. Clinician level patient experience data is obtained regularly and face to face feedback from Urgent Care Centre service users was achieved.

National Safety Thermometer

Safety Thermometer is a national benchmarking tool to support hospital acquired harm elimination which involves testing patients on one designated day per month. Performance is better than the national average for the core safety areas below. One improvement we made this year was in the area of pressure ulcers. Sharing more widely the learning that keeping heels of surfaces really does reduce pressure ulcers was greatly assisted by the rollout supported by Friends of St Peter's of 2500 shatterproof pocket mirror cards in November following the Stop the Pressure Ulcer Day in November 2017.

Table 26: Safety Thermometer Harms⁶⁷

Safety Thermometer (%) – Percentage of patients on the spot day with harm	National average	2017/18	2016/17
A low score represents good performance			
Combined new harms	2.06	1.49	1.19
Falls with harm	0.50	0.37	0.34
Catheter associated urinary tract infection (CAUTI)	0.29	0.09	0.08
New pressure ulcers	0.89	0.63	0.61

⁶⁷ Data is now shown as averages rather than rolling medians in line with the national dataset. Restated 2016/17 data is not materially different following this reclassification.

Table 27: Medication Safety Thermometer

Medication Safety Thermometer (%)	National average	2017/18	2016/17
Measures for which a high score represents good performance			
Medication reconciliation started within 24 hours of admission	75.5	66.3	64.5
Percent of patients with medication allergy status documented	97.0	96.1	96.8
Measures for which a low score represents good performance			
Percent of patients with omitted dose in past 24 hours	13.2	12.1	13.4
Percent of patients with critical medicine omitted in past 24 hours	7.1	10.1	10.3
Percent of patients receiving a high risk medication in past 24 hours	37.2	42.5	43.6
Percent of patients that trigger a multidisciplinary huddle	1.2	0.9	0.1

Medication Safety Thermometer is a national benchmarking tool which includes whether clinicians reconcile admission medications to community records, confirm allergy status, missed administering any doses. Medications safety is the Trust's key quality priority across the organisation for 2018/19 as outlined in Section 2.1.

Table 28: Maternity Safety Thermometer

Maternity Safety Thermometer (%)	National	2017/18	2016/17
NHS Maternity Safety Thermometer – percentage of patients with combined harm free care			
Harm free care – physical harm and women's perception of safety	74.0	86.0	72.3

Patients experiencing harm during maternity care is reducing on average and this measure is more favourable than benchmarked national peers. An element of this measure reflects how maternity patients perceive their care to be and the move towards incorporating patient reported outcomes is a key aspect of patient experience which the Trust will continue to strengthen next year.

3.2 Performance against NHS Improvement indicators

Performance against national acute trust indicators from NHS Improvement's November 2017 Single Oversight Framework follows.

Table 29: NHS Improvement operational indicators

	2016/17	Apr-17	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar-18	2017/18	National target	National average
RTT incomplete pathway	93.2%	92.3%	93.6%	93.6%	93.2%	92.8%	92.4%	92.4%	92.8%	91.1%	90.4%	90.4%	89.5%	92.0%	> 92%	87.9%
% Compliance - 62 day GP referral	83.6%	87.5%	86.9%	88.1%	88.3%	83.2%	89.0%	92.9%	85.6%	90.1%	85.1%	76.2%	88.0%	87.1%	> 85%	83.0%
% Compliance - 62 day screening	92.7%	100.0%	85.7%	100.0%	92.9%	100.0%	85.7%	100.0%	n/a	n/a	0.0%	n/a	100.0%	94.0%	> 85%	
A&E - Performance - NHSI	90.6%	91.1%	91.2%	91.5%	93.6%	92.2%	93.7%	91.4%	90.7%	91.1%	88.5%	87.6%	90.7%	91.0%	> 95%	88.4%
6 week Diagnostic Performance	99.5%	99.0%	99.4%	99.1%	97.6%	97.0%	98.1%	98.5%	99.3%	98.2%	97.3%	98.4%	98.3%	98.4%	> 99%	

The **referral to treatment time (RTT) incomplete pathway** measures what percentages of patient pathways are within 18 weeks for those patients waiting for treatment at month end. <https://www.england.nhs.uk/statistics/statistical-work-areas/rtt-waiting-times>. Annual performance of 92% placed the Trust in the 2nd quartile nationally, where 4th quartile is highest, and this is a decline on last year's 3rd quartile placing. The RTT performance drop reflected lost elective capacity from emergency bed pressures including NHSI's required 6 week suspension of non-urgent surgery during winter to release bed stock. Additionally increased demand for routine and two week rule appointments has occurred and planned increased capacity from weekend work and outsourcing activity in Q4 did not progress owing to competing resources.

In April 2018 we implemented the national e-RS electronic referral system so that going forward we have the capability to receive all referrals from General Practice to consultant led hospital services electronically. The long term aim is to eventually enable patients to go online and book and change their appointments themselves. This will speed up referral times and patient pathways.

There are two **62 day measures for waiting time to start initial cancer treatment** for patients referred urgently either by General Practitioners or via NHS screening services. <https://www.england.nhs.uk/statistics/statistical-work-areas/cancer-waiting-times> Performance is better than the national target and most delays when they occur reflect patients on complex crossover pathways involving tertiary centres and instances of patients either not being fit or choosing to defer the timing of their investigations or treatment. We are working with commissioners and other providers to reduce the occurrence of these exceptions.

A patient should be admitted, transferred, or discharged **within 4 hours of Accident and Emergency Department (ED) arrival**. Performance includes Walk-in Centres which aligns with NHSI criteria. ED 4 hour wait performance placed us favourably at 27th out of 137 Trusts nationally although we missed the 95% national goal. <https://www.england.nhs.uk/statistics/statistical-work-areas/ae-waiting-times-and-activity/ae-attendances-and-emergency-admissions-2017-18/> Our urgent care improvement programme focussed on directly streaming patients to specialties from the Urgent Care Centre (UCC) and preventing attendance with telephone advice. In Q3 the UCC

implemented a General Practice service to support faster assessment and future plans are to modify the UCC to expand the treatments provided there. Measures to promote inpatient capacity and promote flow from the ED included rollout of the national SAFER inpatient care bundle which includes promoting discharge before noon and setting clear criteria for discharge for all patients early in their stay, and the Red to Green initiative which means every patient should receive clear steps towards discharge every day.

A patient's **initial diagnostic test or procedure should be completed within 6 weeks** of first referral. This national indicator measures performance across a bundle of 15 diagnostic tests. Our performance narrowly missed the national target due to increased demand for endoscopy services and capacity gaps within neurophysiology. A recovery plan is in place to achieve a more resilient service in these areas next year.

3.3 Performance against the Governors' indicator on discharge prescriptions

This section outlines performance against the measure chosen by the Governors as their selected local measure for audit. The measure was chosen to align with our continued focus on promoting timely discharge of patients and supports our continued focus on medications management as our key quality indicator going forward. The indicator records what percentage of discharge prescriptions, also known as To Take Out (TTO) medications, are completed by Pharmacy within its internal 2 hour target.

Table 30: Discharge summary processing time within Pharmacy

Metric	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
% of discharge prescriptions completed in pharmacy under the 120mins (2hr) target	38.22%	31.60%	31.81%	28.98%	39.15%	36.89%	33.15%	39.32%	46.71%	43.13%	39.63%	51.70%
Average time spent per discharge prescription (mins)	144	162	155	164	149	148	147	139	135	140	149	132

Data for this indicator cannot be accurately validated owing to a portion of scripts not being electronically recorded and also because the electronic barcode tracking system can be manually paused which stops the clock timing the measure. Whilst reasons for stopping the

timing may be clinically valid and necessary, such as awaiting the results of blood tests needed to guide the prescription being issued, the absence of evidence to confirm the reason for pauses in individual cases limits independent validation of this measure. The Trust will review the controls and assurance over this system to determine how the system can be strengthened.

Electronic ordering of patients' medicines is being rolled out in Q1 2018/19 and means that both inpatients and people going home will get their medications faster and the workload of Pharmacists can be spread more evenly across the day. Wards will also benefit because drug charts will no longer need to be taken to Pharmacy which is much more efficient.

3.4 Glossary

CCG is a Clinical Commissioning Group which is the statutory body for planning and commissioning health care services for the local area.

Clostridium difficile bacteria can cause a bowel infection in patients who have taken antibiotics.

CQUIN framework enables healthcare commissioners to reward excellence by linking a proportion of a service provider's income to attaining a quality improvement goal (NHS Institute for Innovation and Improvement www.institute.nhs.uk).

Duty of candour is being open and honest when moderate or severe harm affects patients.

GIRFT is the Get it Right First Time programme which incorporates operational and service improvement through a QI approach.

KPI key performance indicator.

Medication reconciliations confirm a patient's medications as taken just before the hospital admission.

Percutaneous nephrostomy is an opening to drain urine via a tube from the kidney externally out through the abdominal wall.

QI Quality improvement.

SAFER Patient Flow Bundle is part of the National Emergency Care Programme and more information can be found on <https://improvement.nhs.uk/documents/633/the-safer-patient-flow-bundle.pdf>.

Sepsis Six Bundle includes the following 6 measures: oxygen administration, intravenous fluids administration, blood culture sample, antibiotic administration, blood tests, and urine output monitoring.

Venous thromboembolism (VTE) is when a blood clot forms in a vein.

Part 4 - Statements on the engagement process for the development of the quality accounts

Ashford and St Peter's Hospitals NHS Foundation Trust Council of Governors

Governors, and particularly those who are members of the Patient Experience Group of the Council of Governors, have appreciated the opportunities given to attend and fully participate in the quarterly Quality Account Assurance Group. Patient Experience Group Governors particularly do see this as an important extension of their role, beyond their regular meetings, and the attendance is high.

The change in the format of the meetings referred to last year has continued to give a strong emphasis on participation by everyone who attends. Data being circulated in advance and front-line clinical teams attending to speak about the 'work behind the data' has been greatly appreciated. The discussion following these presentations is particularly helpful in the monitoring process as is the participation from members of the Patient Panel and the Clinical Commissioning Group.

The Patient Experience Group at every one of its meetings has a Quality item on the agenda and this also presents opportunities for monitoring leading to quality priority setting.

Keith Bradley,

Governor and Chair of the Patient Experience Group of the Council of Governors

17 May 2018

Surrey Wellbeing and Health Scrutiny Board Response

After careful consideration, and in light of the current review of the Surrey Health Scrutiny Committee's constitution and forward direction, Surrey County Council has decided this year it is not placed to comment on Ashford and St Peter's Hospitals' Quality Account.

Andrew Baird

Democratic Services Officer, on behalf of Surrey County Council

23 May 2018

Healthwatch Surrey

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

This year we have decided that we will not get involved in commenting on the Quality Account. With limited resources we do not believe this is the best way to use our time to make a difference for the people of Surrey. We have chosen to concentrate this year on ensuring we feedback what we've heard on NHS and social care services to commissioners on a regular basis; and that we have the processes and relationships in place to escalate any cases of particular concern to the providers involved and seek outcomes.

Over the past year we feel we have had a collaborative relationship with the Trust. We have shared experiences from the public with them where necessary; and we have collaborated in holding Listening Events and talking to patients as part of our ongoing engagement and project work. The Trust has been receptive to our insight and feedback.

Kate Scribbins
Chief Executive
18 May 2018

Commissioner Statement from NHS North West Surrey Clinical Commissioning Group (NWS CCG)

North West Surrey CCG (NWS CCG) welcomes the opportunity to comment on the Ashford and St Peter's Hospitals NHS Foundation Trust (ASPHFT) Quality Account for 2017/18. As part of our review we have shared the draft account with associate commissioners and have included their feedback in our response. The CCG is satisfied that the Quality Account has been developed in line with the national requirements and gives an overall accurate account and analysis of the quality of services. The detail is in line with the data supplied by ASPHFT during the year and reviewed as part of performance under the contract with NWS CCG. Performance on 2017/18 quality priorities is clearly summarised within the Quality Account and it is confirmed that this is an accurate reflection of achievement and gives clear articulation to the outcomes and of what did/didn't work well. A rationale for any priorities not being taken forward into 2018/19 process is also clearly captured.

The Trust is commended for their continued good work and emphasis on the quality of patient care and in particular in the focus that has been given to implementing the Patient Experience Improvement Programme. The continued programme of quality improvement and safety culture work across the Trust is also noted.

The Trust has clearly outlined three priorities for 2018/19. The CCG agrees that these are pertinent areas to drive forward improvements in patient care.

Data Quality

Ashford and St Peter's Hospitals acknowledges the data validity issue with the following indicator which KPMG have not been able to issue a statement of assurance on:

- Accident and Emergency admission, discharge or transfer within 4 hours of arrival

North West Surrey CCG is otherwise satisfied with the accuracy of the data contained in the Quality Account pending completion of final validation by auditors. We will continue to work with the Trust to ensure that quality data is reported in a timely manner through clear information schedules.

In conclusion, NWS CCG would like to thank ASPHFT for sharing the draft Quality Account document and is satisfied it accurately reflects the quality priority work being undertaken by the Trust. The report reflects that providing a safe and effective service whilst maintaining patients' quality of care and safety is a high priority for the Trust. As a commissioner we have a positive relationship with the Trust and will continue to work together with Ashford and St Peter's Hospitals NHS Foundation Trust and other system stakeholders to ensure continuous improvement in the delivery of safe and effective services for North West Surrey residents.

Clare Stone

Chief Nurse / Associate Director for Quality, NHS North West Surrey Clinical Commissioning Group

23 May 2018

2017/18 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 2017/18 and supporting guidance
- The content of the Quality Report is not inconsistent with internal and external sources of information including⁶⁸:
 - Board minutes and papers for the period April 2017 to 24 May 2018
 - papers relating to quality reported to the Board over the period April 2017 to 24 May 2018
 - feedback from commissioners dated 23 May 2018
 - feedback from governors dated 17 May 2018
 - feedback from local Healthwatch organisations dated 18 May 2018
 - feedback from Surrey Wellbeing and Health Scrutiny Board dated 23 May 2018
 - the Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 19 May 2017
 - the 2016/17 national patient survey 20 July 2017
 - the 2017 national staff survey 6 March 2018
 - the Head of Internal Audit's annual opinion over the Trust's control environment dated 17 May 2018
 - CQC inspection report dated 10 May 2017
- 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

⁶⁸ The last Care Quality Commission Intelligent Monitoring Report was dated 1 December 2014. These reports are not currently issued for acute Trusts.

- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice
- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions and 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.

The Directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the Quality Report.

The Directors are confident in the quality of services we provide across our services and that for the majority of our quality and performance targets we meet the standards expected by and acceptable to our regulator and commissioners. Further, the information in this Quality Account is provided from our data management systems and our quality improvement systems and to the best of our knowledge is accurate, and provides a true reflection of our organisation, with the exception of the following indicator which KPMG LLP Statutory Auditor has tested and is unable to issue an opinion over for the below reasons. The Directors are unable to confirm this items is accurate owing to the exceptions notified below.

Mandated indicator 2 – the measure that a patient should be admitted, transferred or discharged within 4 hours of arrival at an Accident and Emergency Department (“Accident and Emergency 4 hour wait”) cannot be confirmed as accurate owing to inherent limitations within the transaction processing system between source system times and Casualty Card timings. This finding currently limits the ability to verify the data. The governance framework around the A&E 4 hour wait process will continue to be strengthened and the Trust will continue to strive for opportunities to refine our data throughout this extremely high volume and complex operational pathway.

By order of the Board

Andy Field
Chairman
24 May 2018

Suzanne Rankin
Chief Executive
24 May 2018

Independent Auditor's Report to the Council of Governors of Ashford and St. Peter's Hospitals NHS Foundation Trust on the Quality Report

We have been engaged by the Council of Governors of Ashford and St Peter's Hospitals NHS Foundation Trust ('the Trust') to perform an independent assurance engagement in respect of the Trust's Quality Report for the year ended 31 March 2018 (the 'Quality Report') and certain performance indicators contained therein.

Scope and subject matter

The indicators for the year ended 31 March 2018 subject to limited assurance consist of the following two national priority indicators (the indicators):

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

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

Respective responsibilities of the directors and auditors

The directors are responsible for the content and the preparation of the Quality Report in accordance with the criteria set out in the *NHS Foundation Trust Annual Reporting Manual* issued by NHS Improvement.

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the *NHS Foundation Trust Annual Reporting Manual* and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in the *Detailed requirements for quality reports for foundation trusts 2017/18* ('the Guidance'); and
- the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the *Detailed Requirements for external assurance for quality reports for foundation trusts 2017/18*.

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 2017 to May 2018;
- papers relating to quality reported to the Board over the period April 2017 to May 2018;
- feedback from commissioners, received 23 May 2018;
- feedback from governors, received 17 May 2018;
- feedback from local Healthwatch organisations, received 18 May 2018;
- feedback from Surrey County Council Health Scrutiny Committee, received 23 May 2018;
- 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 2017;
- the latest national staff survey, dated 2017;
- Care Quality Commission Inspection, report dated 10 May 2017;
- the 2017/18 Head of Internal Audit's annual opinion over the Trust's control environment, dated 17 May 2018; and

- any other information included in our review.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with those documents (collectively, the 'documents'). Our responsibilities do not extend to any other information.

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

This report, including the conclusion, has been prepared solely for the Council of Governors of the Trust as a body, to assist the Council of Governors in reporting the Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2018, to enable the Council of Governors to demonstrate it has discharged its 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 the 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 Ashford and St Peter's Hospitals NHS Foundation Trust.

Basis for adverse conclusion on the A&E: maximum waiting time of four hours from arrival to admission, transfer or discharge indicator ('the 4 hour A&E indicator').

As set out in the Statement on Quality from the Chief Executive of the Foundation Trust on pages 117 to 119 of the Trust's Quality Report, the Trust currently has concerns about the accuracy of data comprising the 4 hour A&E indicator.

Our detailed sample testing of this indicator identified 44 errors in the data comprising the indicator. These errors were discrepancies between times reported within the indicator, and Casualty Cards ("CAS" cards), as the prime record for the indicator. As a result of these issues, we have concluded that the 4 hour A&E indicator for the year ended 31 March 2018 has not been reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the Guidance.

Conclusion

Based on the results of our procedures, except for the effects of the matters described in the 'Basis for adverse conclusion on the 4 hour A&E indicator' section above, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2018:

- 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 indicator in the Quality Report subject to limited assurance (the percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period) has not been reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the Guidance.

KPMG LLP

KPMG LLP

Chartered Accountants

15 Canada Square

London

E14 5GL

25 May 2018

5. Annual Accounts

1 April 2017 – 31 March 2018

Foreword to the Accounts

These Accounts for the year ended 31 March 2018 have been prepared in accordance with paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006 and are presented to Parliament pursuant to Schedule 7, paragraph 25 (4)(a) of the National Health Service Act 2006.

Suzanne Rankin

Accounting Officer

Ashford and St Peter's Hospitals NHS Foundation Trust

24 May 2018



Independent auditor's report

to the Council of Governors of Ashford and St. Peter's Hospitals NHS Foundation Trust

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

1. Our opinion is unmodified

We have audited the financial statements of Ashford and St. Peter's Hospitals NHS Foundation Trust ("the Trust") for the year ended 31 March 2018 which comprise the statement of comprehensive income, the statement of financial position, the statement of cash flows, the statement of changes in taxpayers' equity, 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 Trust's affairs as at 31 March 2018 and of its income and expenditure for the year then ended; and
- the Trust's financial statements have been properly prepared in accordance with the Accounts Direction issued under paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006, the NHS Foundation Trust Annual Reporting Manual 2017/18 and the Department of Health Group Accounting Manual 2017/18.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Trust in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Overview

Materiality: £6.0m (2016/17: £5.6m)
financial statements as a whole 2% (2017/18: 2%) of income from operations

Risks of material misstatement vs 2016/17

Recurring risks	Valuation of land and buildings	◀▶
	Recognition of NHS and non-NHS revenue	◀▶

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. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In arriving at our audit opinion above, the key audit matters, in decreasing order of audit significance, were as follows (unchanged from 2016/17):

	The risk	Our response
Property, Plant and Equipment (£158.6m; 2016/17: £156.0m) <i>Refer to page 86 (Audit Committee Report), page 182 (accounting policy) and page 201 (financial disclosures)</i>	Subjective valuation Land and buildings are required to be held at fair value. The Trust's main land and buildings relate to two hospitals; St. Peter's Hospital in Chertsey, and Ashford Hospital in Ashford. Land and buildings are required to be maintained at up to date estimates of year-end market value in existing use (EUV) for non-specialised property assets in operational use, and, for specialised assets where no market value is readily ascertainable, the depreciated replacement cost of a modern equivalent asset that has the same service potential as the existing property (MEAV). There is significant judgment involved in determining the appropriate basis (EUV or MEAV) for each asset according to the degree of specialisation, as well as over the assumptions made in arriving at the valuation and the condition of the asset. In particular, the MEAV basis requires an assumption as to whether the replacement asset would be situated on the existing site or, if more appropriate, on an alternative site, with a potentially significant effect on the valuation. The Trust values land and non-specialised buildings using the MEAV valuation methodology, and values specialised assets using the depreciation replacement cost methodology. The Trust's most recent valuation of land and buildings was as at 1 April 2016. Full valuations are required to be completed every five years, with interim desktop valuations or management impairment reviews completed in interim periods. Our work therefore focussed on whether there was a material difference between the carrying value of assets as at 1 April 2016, and the fair value of assets as at 31 March 2018.	Our procedures included: — Methodology implementation: We considered how management had assessed the need for any impairment across its asset base either due to loss of value or reduction in future benefits that would be achieved; — Benchmarking assumptions: We considered the Trust's assessment that there is no valuation difference between 1 April 2016 and 31 March 2018 by utilising Building Cost Information Service (Royal Institution of Chartered Surveyors) tender price indices; and — Assessing transparency: We considered the adequacy of the disclosures about the key judgments and degree of estimation involved in arriving at the valuation and the related sensitivities with reference to the Department of Health's Group Accounting Manual 2017/18.

2. Key audit matters: our assessment of risks of material misstatement (continued)

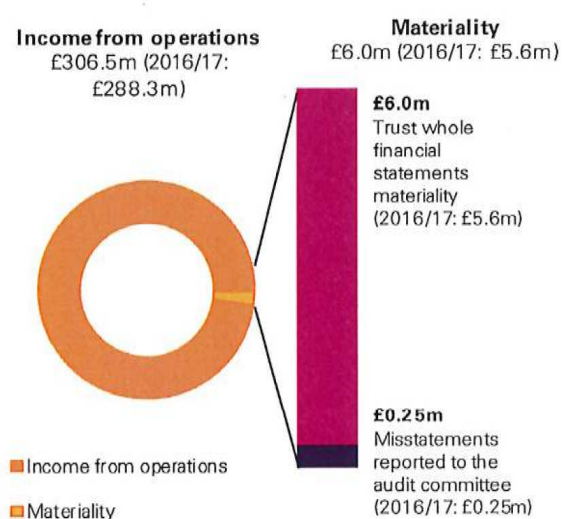
	The risk	Our response
Recognition of NHS and non NHS revenue (£306.5m; 2016/17: £288.3m) <i>Refer to page 86 (Audit Committee Report), page 181 (accounting policy) and page 194 (financial disclosures)</i>	2017/18 income In 2017/18, the Trust reported total income of £306.5m (2016/17: £288.3m). Of this, £267.1m (2016/17: £254.5m) relates to contracts with NHS commissioners. This represents 87% of total income (2016/17: 88%). The remaining £39.4m (2016/17: £33.8m) was from contracts with other NHS bodies, local authorities and other non-NHS organisations. The Trust participates in the Agreement of Balances (AoB) exercise which is mandated by the Department of Health (the Department), covering the English NHS only, for the purpose of ensuring that intra-NHS balances are eliminated on the consolidation of the Department's resource account. 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. Accounting treatment The Trust is eligible to receive Sustainability and Transformation funding (STF) based on meeting the control total and operational targets set by NHS Improvement. The final income from STF may be notified late in the financial year.	Our procedures included: — Tests of details: We undertook the following tests of details: <ul style="list-style-type: none"> • For a sample of the Trust's commissioners we agreed that signed contracts were in place; • We agreed through testing a sample of invoices that they had been issued in line with the contracts signed with the Trust's five largest commissioners; • We tested a sample of contract variations between the Trust and commissioners at the end of the year of actual activity; • We assessed the outcome of the AoB exercise with other NHS bodies. Where there were mismatches over £250,000 we obtained evidence to support the Trust's reported income figure; • We tested a sample of non-NHS income items to year-end bank statements and third party notifications to support the work we have undertaken on completeness of income balances recorded in the financial statements and confirming that income has been recorded in the correct accounting period; and — Accounting analysis and transparency: Assessing the Trust's reporting and accounting for STF income received from the Department of Health.

3. Our application of materiality

Materiality for the Trust financial statements as a whole was set at £6.0 million (2016/17: £5.6 million), determined with reference to a benchmark of budgeted income from operations (of which it represents approximately 2%). We consider income from operations to be more stable than a surplus or deficit related benchmark.

We agreed to report to the Audit Committee any corrected and uncorrected identified misstatements exceeding £0.25 million (2016/17: £0.25 million), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Our audit of the Trust was undertaken to the materiality level specified above and was performed at the Trust's sites at Ashford Hospital in Ashford and St Peter's Hospital in Chertsey.



4. We have nothing to report on going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the 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.

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 2017/18.

Corporate governance disclosures

We are required to report to you if:

- we have identified material inconsistencies between the knowledge we acquired during our financial statements audit and the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for stakeholders to assess the Trust's position and performance, business model and strategy; or
- the section of the annual report describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee; or
- the Annual Governance Statement does not reflect the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2017/18, is misleading or is not consistent with our knowledge of the Trust and other information of which we are aware from our audit of the financial statements.

We have nothing to report in these respects.

6. Respective responsibilities

Accounting Officer's responsibilities

As explained more fully in the statement set out on page 103, 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 Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

We have nothing to report on the statutory reporting matters

We are required by Schedule 2 to the Code of Audit Practice issued by the Comptroller and Auditor General ('the Code of Audit Practice') to report to you if:

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

We have nothing to report in these respects.

We have nothing to report in respect of our work on the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources

Under the Code of Audit Practice we are required to report to you if the Trust has not made proper arrangement for securing economy, efficiency and effectiveness in the use of resources.

We have nothing to report in this respect.

Respective responsibilities in respect of our review of arrangements for securing economy, efficiency and effectiveness in the use of resources

The Trust is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of resources

Under Section 62(1) and Schedule 10 paragraph 1(d), of the National Health Service Act 2006 we have a duty to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in the use of resources.

We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the specified criterion issued by the Comptroller and Auditor General (C&AG) in November 2017, as to whether the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. We planned our work in accordance with the Code of Audit Practice and related guidance. Based on our risk assessment, we undertook such work as we considered necessary.

Report on our review of the adequacy of arrangements for securing economy, efficiency and effectiveness in the use of resources

We are required by guidance issued by the C&AG under Paragraph 9 of Schedule 6 to the Local Audit and Accountability Act 2014 to report on how our work addressed any identified significant risks to our conclusion on the adequacy of the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources. The 'risk' in this case is the risk that we could come to an incorrect conclusion in respect of the Trust's arrangements, rather than the risk of the arrangements themselves being inadequate.

We carry out a risk assessment to determine the nature and extent of further work that may be required. Our risk assessment includes consideration of the significance of business and operational risks facing the Trust, insofar as they relate to 'proper arrangements'. This includes sector and organisation level risks and draws on relevant cost and performance information as appropriate, as well as the results of reviews by inspectorates, review agencies and other relevant bodies.

The significant risk identified during our risk assessment is set out overleaf together with the findings from the work we carried out.

Significant VFM risk	Description	Work carried out and judgements
Financial sustainability	<p>Under the Value For Money (VFM) guidance we are required to consider three criteria: informed decision making; sustainable resource deployment; and working with partners. The risk identified regarding financial sustainability relates to sustainable resource deployment. Within this criteria we consider the arrangements to "plan finances effectively to support the sustainable delivery of strategic priorities and maintain statutory functions" as well as other arrangements as guided by the National Audit Office.</p>	<p>Our work included:</p> <ul style="list-style-type: none"> — Review of financial performance: We considered the Trust's in year financial performance, including achievement of STF funding; achievement of CIPs; and achievement of the control total agreed with NHS Improvement. — Commissioner contracting: We considered the Trust's contract negotiations with its largest commissioner for 2018/19 to secure key revenue streams for the coming year; — Forward financial planning: We considered the Trust's 2018/19 budget, including its 2018/19 control total and CIPs target. — Regulatory findings: We considered the outcome of the Trust's most recent regulatory reviews, including the CQC inspection report dated 10 May 2017 which provided an overall "good" rating, and the Trust's current Single Oversight Framework rating. <p>Our findings on this risk area:</p> <p>We have no findings in respect of the above that we wish to bring to your attention.</p>

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 Ashford and St. Peter's 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 Hewitson

for and on behalf of KPMG LLP (Statutory Auditor)

Chartered Accountants
15 Canada Square
London
E14 5GL
25 May 2018

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2018

	Note	2017/18	2016/17
		£'000	£'000
INCOME			
Income from patient care activities	3	271,291	260,806
Other operating income	4	35,258	27,457
Operating expenses	6	(281,520)	(273,954)
OPERATING SURPLUS		25,029	14,309
FINANCE COSTS:			
Finance income	12	39	24
Finance expense	13	(423)	(368)
Public dividend capital dividends payable		(5,750)	(5,300)
Other gains/(losses)		(4)	-
RETAINED SURPLUS/(DEFICIT) FOR THE YEAR		<u>18,891</u>	<u>8,665</u>
Other Comprehensive Income:			
Impairments – net reversal on property, plant and equipment		-	333
Revaluations		-	4,729
TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR		<u>18,891</u>	<u>13,727</u>

The notes on pages 180 to 212 form part of these accounts.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2018

	Note	31/03/18	31/03/17
		£'000	£'000
NON-CURRENT ASSETS			
Property, plant and equipment	14	172,317	172,301
Intangible assets	15	4,478	4,238
Other investments	18	120	120
Trade and other receivables	20	771	883
TOTAL NON-CURRENT ASSETS		<u>177,686</u>	<u>177,542</u>
CURRENT ASSETS			
Inventories	19	3,678	4,181
Trade and other receivables	20	20,841	19,725
Cash and cash equivalents	21	25,115	10,459
TOTAL CURRENT ASSETS		<u>49,634</u>	<u>34,365</u>
TOTAL ASSETS:		<u>227,320</u>	<u>211,907</u>
CURRENT LIABILITIES			
Trade and other payables	22	(28,151)	(30,966)
Other liabilities	22	(123)	(321)
Borrowings	23	(1,488)	(1,241)
Provisions	25	(453)	(429)
TOTAL CURRENT LIABILITIES		<u>(30,215)</u>	<u>(32,957)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		197,105	178,950
NON-CURRENT LIABILITIES			
Borrowings	23	(4,165)	(5,463)
Provisions	25	(111)	(149)
TOTAL ASSETS EMPLOYED		<u>192,829</u>	<u>173,338</u>
FINANCED BY TAXPAYERS' EQUITY:			
Public dividend capital		88,889	88,289
Income and expenditure reserve		32,081	13,190
Revaluation reserve		71,859	71,859
TOTAL TAXPAYERS' EQUITY		<u>192,829</u>	<u>173,338</u>

The financial statements on pages 176 - 212 were approved by the Board on 24 May 2018 and signed on its behalf by:

Suzanne Rankin, **Accounting Officer**

Ashford and St Peter's Hospitals NHS Foundation Trust, 24 May 2018

**STATEMENT OF CHANGES IN TAXPAYERS' EQUITY FOR THE YEAR ENDED
31 MARCH 2018**

	Public Dividend Capital (PDC)	Retained Earnings	Revaluation Reserve	Total
	£'000	£'000	£'000	£'000
BALANCE AT 1 APRIL 2017	88,289	13,190	71,859	173,338
CHANGES IN TAXPAYERS EQUITY FOR THE YEAR ENDED 31 MARCH 2018				
Retained surplus/(deficit) for the year	-	18,891	-	18,891
Public Dividend Capital received	600		-	600
BALANCE AT 31 MARCH 2018	<u>88,889</u>	<u>32,081</u>	<u>71,859</u>	<u>192,829</u>
	Public Dividend Capital (PDC)	Retained Earnings	Revaluation Reserve	Total
	£'000	£'000	£'000	£'000
BALANCE AT 1 APRIL 2016	88,289	4,525	66,797	159,611
CHANGES IN TAXPAYERS EQUITY FOR THE YEAR ENDED 31 MARCH 2017				
Retained surplus/(deficit) for the year	-	8,665	-	8,665
Impairments – net reversal	-	-	333	333
Net gain in revaluation of property, plant and equipment	-	-	4,729	4,729
BALANCE AT 31 MARCH 2017	<u>88,289</u>	<u>13,190</u>	<u>71,859</u>	<u>173,338</u>

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2018

	Note	2017/18	2016/17
		£'000	£'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating surplus		25,029	14,309
Depreciation and amortisation		7,145	6,953
Impairments – net reversal		-	(1,347)
(Increase)/decrease in inventories		503	136
(Increase)/decrease in trade and other receivables		(1,119)	(4,848)
Increase/(decrease) in trade and other payables		(1,881)	2,639
Increase/(decrease) in other current liabilities		(198)	92
Increase/(decrease) in provisions	25	(14)	(371)
Other movements in operating cash flows		(179)	(181)
		<u>29,286</u>	<u>17,382</u>
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES			
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		33	24
Purchase of financial assets		-	(120)
Purchase of property, plant and equipment and intangible assets		(8,033)	(8,410)
		<u>(8,000)</u>	<u>(8,506)</u>
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES			
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING		<u>21,286</u>	<u>8,876</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Public Dividend Capital received		600	-
Capital element of finance lease rental payments		(1,243)	(1,312)
Interest element of finance lease		(416)	(368)
Interest paid		(7)	-
Dividends paid		(5,564)	(5,410)
		<u>(6,630)</u>	<u>(7,090)</u>
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES			
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		14,656	1,786
CASH (AND) CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		10,459	8,673
CASH (AND) CASH EQUIVALENTS AT 31 MARCH	21	<u>25,115</u>	<u>10,459</u>

NOTES TO THE ACCOUNTS 31 MARCH 2018

1. Accounting policies

1.1 NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of NHS foundation trusts shall meet the accounting requirements of the Department of Health Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the DH Group Accounting Manual 2017/18, 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 DH Group Accounting Manual permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the NHS foundation 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 the accounts.

1.2 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

1.3 Going concern

These accounts have been prepared on a going concern basis. Non-trading entities in the public sector are assumed to be going concerns where the continued provision of a service in the future is anticipated, as evidenced by inclusion of financial provision for that service in published documents.

1.4 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and the estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

There were no areas of critical judgements, apart from those involving estimations (see below) that management has made in the process of applying the Trust's accounting policies and that have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The Trust has included in its financial statements land and buildings of £158,647,000 (2016/17 £155,961,000). The Trust underwent a full valuation of its land and buildings as at 1 April 2014 with the work being undertaken by the Trust's Valuer who used their extensive knowledge of the physical estate and market factors in applying their professional judgement. A further interim

valuation was undertaken as at 1 April 2016 and the Trust considers that the value of land and buildings reported in the financial statements as at 31 March 2018 does not differ materially from the fair value of those land and buildings at this date. The value does not take into account potential future changes in market value which cannot be predicted with any certainty.

Income from patient care activities: invoicing deadlines for NHS income prevent actual activity data from being used for non-contracted work performed in March. Income for March is estimated using year to date activity trend data and adjusting this value for the number of working days in March and other known factors.

Incomplete inpatient episodes as at 31 March: where a patient occupies a bed at the financial year end an estimated value for the partially completed spell is calculated using a bed day rate multiplied by the number of days that bed has been occupied. The total value calculated for 2017/18 was £2,244,000 (2016/17: £2,215,000).

Untaken annual leave: Employee Benefits includes an estimate for the value of annual leave earned but not taken at the end of each financial year, and is calculated using an average of 0.76 days per employee. This average was calculated in 2013 from enquiries made of business managers which returned a 50% response rate. In 2017/18 this equated to £440k (2016/17: £427k) and the year on year increase/decrease is accounted for as a salary cost/benefit and reported within note 8.

Provisions: values for provisions are based upon data received from NHS Pensions Agency, NHS Resolution, expert opinion from within the Trust and external professional advisors regarding when settlement will be made. More information is set out in note 25.

There are no other key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

1.5 Income

Income in respect of services provided is recognised when, and to the extent that, performance occurs, and is measured at the fair value of the consideration receivable. The main source of revenue for the Trust is from commissioners for healthcare services. Income relating to patient care spells that are part-completed at the year-end are apportioned across the financial years on the basis of length of stay at the end of the reporting period compared to expected total length of stay. Where income is received for a specific activity that is to be delivered in the following year, that income is deferred.

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 e.g. by an insurer. The Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit that the individual has lodged a compensation claim. The income is measured at the agreed tariff for the treatments provided to the injured individual, less a provision for unsuccessful compensation claims and doubtful debts.

1.6 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 leave 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 NHS Pensions Schemes. These schemes are unfunded, defined benefit schemes that cover NHS employers, General Practices and other bodies allowed under the direction of the Secretary of State in England and Wales. The schemes 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, the schemes are accounted for as though they were defined contribution schemes: the cost to the Trust of participating in a scheme is taken as equal to the contributions payable to the scheme for the accounting period.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to operating expenses at the time the Trust commits itself to the retirement, regardless of the method of payment.

The schemes are subject to a full actuarial valuation every four years and an accounting valuation every year.

The National Employment Savings Scheme (NEST) is a defined contribution pension scheme that was created as part of the government's workplace pensions reforms under the Pensions Act 2008. Contributions to this scheme started in 2013/14 for applicable employees who are not members of the NHS Pensions Schemes.

1.7 Expenditure on other goods and services

Expenditure on other goods and services is recognised when, and to the extent that, they have been received and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

1.8 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised if:

- It is held for use in delivering services or for administrative purposes;
- It is probable that future economic benefits will flow to, or service potential will be supplied to, the Trust;
- It is expected to be used for more than one financial year;
- The cost of the item can be measured reliably; and
 - ◊ the item has cost of at least £5,000; or

- ◇ Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- ◇ Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

Valuation

All property, plant and equipment are measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. All assets other than land and buildings are measured subsequently at valuation.

Land and buildings used for the Trust's services, or for administrative purposes, are stated in the Statement of Financial Position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost

Until 31 March 2008, the depreciated replacement cost of specialised buildings has been estimated for an exact replacement of the asset in its present location. HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

Until 31 March 2008, fixtures and equipment were carried at replacement cost, as assessed by indexation and depreciation of historic cost. From 1 April 2008 indexation has ceased. The carrying value of existing assets at that date will be written off over their remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

An increase arising on revaluation is taken to the Revaluation Reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the Revaluation Reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of

economic benefit should be taken to expenditure. Gains and losses recognised in the Revaluation Reserve are reported as other comprehensive income in the Statement of Comprehensive Income.

The Trust charges depreciation on revalued assets based on their revalued amount and not their cost. IAS 16 is not prescriptive on the accounting policy to be adopted by reporting entities in respect of this adjustment, and as the Trust does not have complete records of the historical cost of its assets, it now transfers such balances only on ultimate disposal.

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.

1.9 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the Trust's business or which arise from contractual or other legal rights.

They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the Trust; where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Intangible assets acquired separately are initially recognised at fair value. Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use;
- The intention to complete the intangible asset and use it;
- The ability to sell or use the intangible asset;
- How the intangible asset will generate probable future economic benefits or service potential;
- The availability of adequate technical, financial and other resources to complete the intangible asset and sell or use it; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

Measurement

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at valuation by reference to an active market, or, where no active market exists, at amortised replacement cost (modern equivalent assets basis), indexed for relevant price increases, as a proxy for fair value. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances.

1.10 Depreciation, amortisation and impairments

Freehold land, properties under construction, and assets held for sale are not depreciated.

Otherwise, depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the Trust expects to obtain economic benefits or service potential from the asset. This is specific to the Trust and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over their estimated useful lives.

At each reporting period end, the Trust checks whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually.

A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the Revaluation Reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been determined had there been no initial impairment loss. The reversal of the impairment loss is credited to expenditure to the extent of the decrease previously charged there and thereafter to the Revaluation Reserve.

1.11 Donated and grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

1.12 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is

regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the Statement of Comprehensive Income. On disposal, the balance for the asset on the Revaluation Reserve is transferred to Retained Earnings. For donated and government-granted assets, a transfer is made to or from the relevant reserve to the profit/loss on disposal account so that no profit or loss is recognised in income or expenses. The remaining surplus or deficit in the Donated Asset is then transferred to Retained Earnings.

Property, plant and equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead, it is retained as an operational asset and its economic life is adjusted. The asset is de-recognised when it is scrapped or demolished.

1.13 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

The Trust as lessee

Property, plant and equipment held under finance leases are initially recognised, at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate on interest on the remaining balance of the liability. Finance charges are recognised in calculating the Trust's surplus/deficit.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

Where a lease is for land and buildings, the land and building components are separated and individually assessed as to whether they are operating or finance leases.

1.14 Inventories

Inventories are valued at the lower of cost and net realisable value using the weighted average cost formula.

This is considered to be a reasonable approximation to fair value due to the high turnover of stocks.

1.15 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

1.16 Provisions

Provisions are recognised when the Trust has a present legal or constructive obligation as a result of a past event, it is probable that the Trust will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the short-, medium-, and/or long-term real discount rates published by HM Treasury for the financial year, except for early retirement provisions and injury benefit provisions which both use the HM Treasury's pension discount rate of 0.10% (2016/17 0.24%) in real terms. These rates are as follows:

- Short-term; negative 2.42% (2016/17 negative 2.70%)
- Medium-term; negative 1.85% (2016/17: negative 1.95%)
- Long-term; 1.56% (2016/17: negative 0.80%)

All percentages are in real terms.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the Trust has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when the Trust has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

1.17 Clinical negligence costs

NHS Resolution (formerly the NHS Litigation Authority) operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution which in return settles all clinical negligence claims. The contribution is charged to expenditure. Although NHS Resolution is administratively responsible for all clinical negligence cases the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed at note 25.

1.18 Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to NHS Resolution and, in return, receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses as and when they become due.

1.19 Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.

1.20 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 Trust's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs i.e. when receipt or delivery of the goods or services is made.

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described above.

All other financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

De-recognition

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the Trust has transferred substantially all of the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Classification and measurement

Financial assets are categorised as 'fair value through income and expenditure', 'loans and receivables' or 'available-for-sale financial assets'.

Financial liabilities are classified as 'fair value through income and expenditure' or as 'other financial liabilities'.

Financial assets and financial liabilities at 'fair value through income and expenditure'

Financial assets and financial liabilities at 'fair value through income and expenditure' are financial assets or financial liabilities held for trading. A financial asset or financial liability is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges. Derivatives which are

embedded in other contracts but which are not 'closely-related' to those contracts are separated-out from those contracts and measured in this category.

Assets and liabilities in this category are classified as current assets and current liabilities.

These financial assets and financial liabilities are recognised initially at fair value, with transaction costs expensed in the income and expenditure account. Subsequent movements in the fair value are recognised as gains or losses in the Statement of Comprehensive Income.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments with are not quoted in an active market. They are included in current assets.

The Trust's loans and receivables comprise: cash and cash equivalents, NHS receivables, accrued income and 'other receivables'.

Loans and receivables are recognised initially at fair value, net of transactions costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets which are either designated in this category or not classified in any of the other categories. They are included in long-term assets unless the Trust intends to dispose of them within 12 months of the Statement of Financial Position date.

Available-for-sale financial assets are recognised initially at fair value, including transaction costs, and measured subsequently at fair value, with gains or losses recognised in reserves and reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'. When items classified as 'available-for-sale' are sold or impaired, the accumulated fair value adjustments recognised are transferred from reserves and recognised in 'Finance Costs' in the Statement of Comprehensive Income.

Other financial liabilities

All other financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as long-term liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to Finance Costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

Determination of fair value

For financial assets and financial liabilities carried at fair value, the carrying amounts are determined from quoted market prices where possible, otherwise by valuation techniques.

Impairment of financial assets

At the Statement of Financial Position date, the Trust assesses whether any financial assets, other than those held at 'fair value through income and expenditure' are impaired. Financial assets are impaired and impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the Statement of Comprehensive Income and the carrying amount of the asset is reduced directly.

1.21 Value Added Tax

Most of the activities of the Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.22 Foreign currencies

The functional and presentational currencies of the Trust are sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

Where the Trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

- monetary items (other than financial instruments measured at 'fair value through income and expenditure') are translated at the spot exchange rate on 31 March;
- non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction; and
- non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

1.23 Corporation Tax

The Trust has reviewed its operating activities and determined that as other trading activities are ancillary to the Trust's core activities then the Trust has no liability for corporation tax.

1.24 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the Trust has no beneficial interest in them. Details of third party assets are given in Note 30 to the accounts.

1.25 Public Dividend Capital (PDC) and PDC dividend

Public Dividend Capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS Trust and represents the Department of Health's investment in the Trust. HM Treasury has determined that, being issued under statutory authority rather than under contract, PDC is not a financial instrument within the meaning of IAS 32.

At any time, the Secretary of State can issue new PDC to, and require repayments of PDC from, the Trust. PDC is recorded at the value received.

An annual charge, reflecting the cost of capital utilised by the Trust, is payable to the Department of Health as Public Dividend Capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for (i) donated assets, (ii) average daily cash balances held with the Government Banking Services (GBS) and National Loan Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility and (iii) any PDC dividend balance receivable or payable. In accordance with the requirements laid down by the Department of Health (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the 'pre-audit' version of the annual accounts.

The dividend thus calculated is not revised should any adjustment to net assets occur as a result of the audit of the annual accounts.

1.26 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 the Trusts not been bearing its own risks (with insurance premiums then being included as normal revenue expenditure).

However the losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

1.27 Subsidiaries

Subsidiary entities are those over which the Trust is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The income, expenses, assets, liabilities, equity and reserves of subsidiaries are consolidated in full into the appropriate financial statement lines. The capital and reserves attributable to minority interests are included as a separate item in the Statement of Financial Position.

The amounts consolidated are drawn from the published financial statements of the subsidiaries for the year except where a subsidiary's financial year end is before 1 January or after 1 July in which case the actual amounts for each month of the Trust's financial year are obtained from the subsidiary and consolidated.

Where subsidiaries' accounting policies are not aligned with those of the Trust (including where they report under UK Financial Reporting Standard (FRS) 102) then amounts are adjusted during consolidation where the differences are material. Inter-entity balances, transactions and gains/losses are eliminated in full on consolidation.

Subsidiaries which are classified as held for sale are measured at the lower of their carrying amount and 'fair value less costs to sell'.

The Trust is the Corporate Trustee of the linked NHS Charity, The Ashford and St. Peter's Hospitals Charitable Fund. The Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the Trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to affect those returns and other benefits through its power over the fund. The charitable fund's statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on UK FRS 102. However the transactions are immaterial in the context of the group and transactions have not been consolidated. Details of the transactions with the charity are disclosed as related party transactions in note 29.

1.28 Joint ventures

Joint ventures are arrangements in which the Trust has joint control with one or more other parties, and where it has the rights to the net assets of the arrangement.

Joint ventures are accounted for using the equity method.

1.29 Joint operations

Joint operations are arrangements in which the Trust has joint control with one or more other parties and has the rights to the assets, and obligations for the liabilities, relating to the arrangement.

The Trust runs Berkshire & Surrey Pathology Services with Frimley Health NHS Foundation Trust, Royal Surrey County Hospital NHS Foundation Trust and Royal Berkshire NHS Foundation Trust. This meets the definition of a joint operation under IFRS 11. Under the contractual arrangement pathology services at the four Trusts are provided jointly.

The Trust accounts for its share of the assets, liabilities, income and expenditure arising from the activities of Berkshire & Surrey Pathology Services, identified in accordance with the Pathology Services Collaboration agreement. Accordingly Frimley Health NHS Foundation Trust, Royal Surrey County Hospital NHS Foundation Trust and Royal Berkshire NHS Foundation Trust also account for their share of the assets, liabilities, income and expenditure in their financial statements.

1.30 Research and Development

Research and development expenditure is charged against income in the year in which it is incurred, except insofar as development expenditure relates to a clearly defined project and the benefits of it can reasonably be regarded as assured. Expenditure so deferred is limited to the value of future benefits expected and is amortised through the Operating Cost Statement on a systematic basis over the period expected to benefit from the project. It should be revalued on the basis of current cost. The amortisation is calculated on the same basis as depreciation, on a quarterly basis.

1.31 Accounting standards issued but not yet adopted

The DH GAM does not require the following Standards and Interpretations to be applied in 2017/18. 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 and IFRS 17 still subject to HM Treasury consideration:

- IFRS 9 Financial Instruments – Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted;
- IFRS 15 Revenue from Contracts with Customers – Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted;
- IFRS 16 Leases – Application required for accounting periods beginning on or after 1 January 2019, but not yet adopted by the FReM: early adoption is not therefore permitted;
- IFRS 17 Insurance Contracts - Application required for accounting periods beginning on or after 1 January 2021, but not yet adopted by the FReM: early adoption is not therefore permitted;
- IFRIC 22 Foreign Currency Transactions and Advance Consideration – Application required for accounting periods beginning on or after 1 January 2018; and
- IFRIC 23 Uncertainty over Income Tax Treatments - Application required for accounting periods beginning on or after 1 January 2019.

The potential impact of these new standards has not yet been quantified, however based on the nature of the Trust's operations, it is considered highly unlikely that these standards would result in material changes to the accounts.

2. Operating Segments

The Trust Board receives financial information for the Trust as a whole, making decisions based on this. The Trust Executive Committee meets once a month and consists of the Trust Executive Directors and Divisional Directors for the Trust's four Clinical Divisions. Segmental analysis is provided below for the total of these Clinical Divisions and Other, which includes the Corporate areas. The key data for these operating segments is:

	2017/18			2016/17		
	Clinical Divisions	Other	Total	Clinical Divisions	Other	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Income	279,547	27,002	306,549	271,677	16,586	288,263
Expenditure	(229,198)	(58,460)	(287,658)	(225,543)	(54,055)	(279,598)
Contribution	<u>50,349</u>	<u>(31,458)</u>	<u>18,891</u>	<u>46,134</u>	<u>(37,469)</u>	<u>8,665</u>

3. Income from patient care activities

3.1 Income from activities

	2017/18	2016/17
	£'000	£'000
Analysis by activity		
Elective income	47,635	53,168
Non-elective income	65,593	59,837
Outpatient income	51,921	58,706
A & E income	15,400	13,790
Other NHS clinical income	86,513	68,983
Private Patient income	2,074	2,700
Other non-protected clinical income	2,155	3,622
	<u>271,291</u>	<u>260,806</u>

In 2017/18 the Trust has reclassified some of its income to what it believes is more appropriate activity lines - 2016/17 comparators have not been amended as the change from 1 April 2017 is only prospective. Year on year the Trust has increased the size of its MSK contract and also taken on new services.

	2017/18	2016/17
Activity by source		
Clinical Commissioning Groups and NHS England	267,061	254,473
NHS Foundation Trusts	1	7
Department of Health	-	4
Local Authorities	1,052	2,105
Non- NHS		
- Private patients	2,074	2,700
- Overseas patients (non-reciprocal)	289	439
- Injury cost recovery	655	876
- Other	159	202
	<u>271,291</u>	<u>260,806</u>

Income from Commissioner Requested Services in 2017/18 was £261,534,000 (2016/17 - £249,662,000).

Injury cost recovery income is subject to a provision for impairment of receivables of 22.84% (2016/17 – 22.94%) to reflect expected rates of collection.

3.2 Income from overseas patients

	2017/18	2016/17
	£'000	£'000
Income recognised this year	<u>289</u>	<u>439</u>
Cash payments received in year	<u>190</u>	<u>262</u>
Amounts added to the provision for impairment of receivables	<u>125</u>	<u>44</u>
Amounts written off in year	=	<u>91</u>

4. Other operating income

	2017/18	2016/17
	£'000	£'000
Research and development	1,103	1,294
Education and training	9,162	8,697
Charitable and other contributions to expenditure	179	181
Non-patient care services to other bodies	1,704	1,676
Sustainability and Transformation Fund income	11,148	6,265
Other income:		
Car parking	2,357	2,164
Estates recharges	224	325
Pharmacy sales	939	907
Nursery	1,007	1,093
Other	7,435	4,855
	<u>35,258</u>	<u>27,457</u>

The Sustainability and Transformation Fund was introduced in 2016/17 and the Trust receives funding dependent upon the achievement of quarterly performance and financial targets. In addition the Trust received a further bonus allocation for meeting its overall financial control total for 2017/18.

Fees and charges - aggregate of all schemes that, individually, have a cost exceeding £1m is shown in the following table. This includes car parking and nursery charges:

	2017/18	2016/17
	£'000	£'000
Income	3,362	3,267
Full Cost	(3,256)	(3,210)
	—	—
Surplus/(deficit)	<u>106</u>	<u>57</u>

5. Revenue

Revenue is almost totally from the supply of services. Revenue from the sale of goods is immaterial.

6. Operating expenses

	2017/18	2016/17
	£'000	£'000
Purchase of healthcare from NHS and DHSC bodies	5,756	3,364
Purchase of healthcare from non-NHS and non-DHSC bodies	10,359	7,808
Employee benefits – Executive Directors	1,079	1,122
Employee benefits – Non-Executive Directors	143	152
Employee benefits - staff	177,797	175,922
Drugs costs	21,885	24,390
Supplies and services – clinical (excluding drugs)	30,088	31,423
Supplies and services – general	3,563	3,517
Establishment	2,349	2,342
Transport	890	792
Premises	10,166	8,795
Increase/(decrease) in provision for impairment of receivables	32	661
Depreciation and amortisation	7,145	6,953
Impairments of property, plant and equipment net of (reversals)	-	(1,347)
Auditors remuneration	83	83
Internal audit	55	53
NHS clinical negligence scheme	7,134	5,096
Legal fees	264	59
Consultancy costs	427	862
Training, courses and conferences	597	455
Insurance	262	250
Losses, ex gratia and special payments	120	57
Other	1,326	1,145
	—	—
	<u>281,520</u>	<u>273,954</u>

This note includes irrecoverable VAT.

In 2017/18 the Trust has reclassified some of its operating expenditure to what it believes is more appropriate expenditure lines - 2016/17 comparators have not been amended as the change from 1 April 2017 is only prospective. Purchase of healthcare from non-NHS and non-

DHSC bodies for 2017/18 includes £2,369k in relation to purchase of outsourced MRI services (2016/17: £2,719k) and £332k in relation to outsourced vascular imaging services (2016/17: £288k) - both classified as Supplies and services – clinical (excluding drugs) in 2016/17.

Auditors' remuneration

	2017/18	2016/17
	£'000	£'000
Audit services – statutory audit	53	53
Audit services – audit related regulatory reporting	16	16
	—	—
	<u>69</u>	<u>69</u>

This note excludes irrecoverable VAT

Audit Liability Cap

An engagement letter dated 9 May 2016 was signed with KPMG. Currently the liability of KPMG, its members, partners and staff (whether in contract, negligence or otherwise) in respect of services provided in connection with or arising out of the audit is unlimited. The Trust must notify any claim within four years.

7. Operating leases

As lessee:

	2017/18	2016/17
	£'000	£'000
Payments recognised as an expense:		
Minimum lease payments	472	447
	—	—
Total	<u>472</u>	<u>447</u>

	31/03/18	31/03/17
	£'000	£'000
Total future minimum lease payments:		
Not later than one year	411	387
Between one and five years	482	584
Later than five years	-	48
	—	—
Total	<u>893</u>	<u>1,019</u>

8. Employee benefits

	2017/18	2016/17
	£'000	£'000
Salaries and wages	142,256	137,268

Social security costs	14,169	13,544
Employer's contribution to NHS pensions	16,176	15,442
Apprenticeship levy	695	-
Pension cost – other	4	3
Temporary staff (including agency)	9,944	14,492
Total gross staff costs	183,244	180,749
Recoveries in respect of seconded staff	(3,714)	(3,357)
Total staff costs	<u>179,530</u>	<u>177,392</u>
Of which		
Costs capitalised as part of assets	<u>654</u>	<u>348</u>

The Apprenticeship Levy was introduced by the UK Government on 6 April 2017, requiring all employers operating in the UK, with a pay bill over £3 million each year, to invest in apprenticeships. The amount of the levy is 0.5% of the applicable pay bill, less an allowance of £15,000.

9. Pension costs

9.1 NHS Pension Scheme

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 the scheme liability as at 31 March 2018, is based on valuation data as 31 March 2017, updated to 31 March 2018 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and employee and employer representatives as deemed appropriate.

The next actuarial valuation is to be carried out as at 31 March 2016 and is currently being prepared. The direction assumptions are published by HM Treasury which are used to complete the valuation calculations, from which the final valuation report can be signed off by the scheme actuary. This will set the employer contribution rate payable from April 2019 and will consider the cost of the Scheme relative to the employer cost cap. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the Scheme changes by more than 2% of pay. Subject to this 'employer cost cap' assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health after consultation with the relevant stakeholders.

9.2 National Employment Savings Scheme (NEST)

Employees who are not members of the NHS Pensions Scheme may join the National Employment Savings Scheme which is a defined contribution scheme: the cost to the Trust of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

10. Retirements due to ill-health

During the year ended 31 March 2018 there no early retirements (2016/17- one) from the Trust agreed on the grounds of ill-health with a value of £nil (2016/17- £58,000).

11. Better Payment Practice Code

11.1 Better Payment Practice Code - measure of compliance

	2017/18		2016/17	
	Number	£'000	Number	£'000
Total Non-NHS trade invoices paid in the year	85,012	99,083	82,190	102,452
Total Non-NHS trade invoices paid within target	68,087	79,919	52,618	76,659
Percentage of Non-NHS trade invoices paid within target	80.09%	80.66%	64.02%	74.82%

Total NHS trade invoices paid in the year	1,597	15,466	1,922	11,742
Total NHS trade invoices paid within target	846	6,650	1,039	6,621
Percentage of NHS trade invoices paid within target	52.97%	43.00%	54.06%	56.39%

The Better Payment Practice Code requires the Trust to aim to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later.

12. Finance income

	2017/18	2016/17
	£'000	£'000
Interest revenue		
Bank accounts	<u>39</u>	<u>24</u>

13. Finance expense

	2017/18	2016/17
	£'000	£'000
Interest costs		
Interest on obligations under finance leases	416	368
Other	7	-
	<u>—</u>	<u>—</u>
Total	<u>423</u>	<u>368</u>

14. Property, plant and equipment

2017/18	Land	Buildings excluding dwellings	Assets under construction and payments on account	Plant & machinery	Transport & equipment	Information technology	Furniture & fittings	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation at 1 April 2017	30,175	128,360	2,972	35,652	116	13,298	4,610	215,183
Additions purchased	-	1,542	3,288	1,052	-	613	72	6,567
Additions leased	-	53	-	139	-	-	-	192
Additions donated	-	57	-	113	-	-	9	179
Reclassifications	-	3,697	(4,483)	-	-	120	-	(666)
Disposals other than by sale	-	-	-	(97)	-	(423)	-	(520)
At 31 March 2018	<u>30,175</u>	<u>133,709</u>	<u>1,777</u>	<u>36,859</u>	<u>116</u>	<u>13,608</u>	<u>4,691</u>	<u>220,935</u>
Depreciation at 1 April 2017	-	2,574	-	25,798	43	10,517	3,950	42,882
Reclassifications	-	-	-	-	-	-	-	-
Disposals other than by sale	-	-	-	(97)	-	(423)	-	(520)
Charged during the year	-	2,663	-	2,262	9	1,120	202	6,256
Depreciation at 31 March 2018	<u>-</u>	<u>5,237</u>	<u>-</u>	<u>27,963</u>	<u>52</u>	<u>11,214</u>	<u>4,152</u>	<u>48,618</u>
Net book value at 31 March 2018	<u>30,175</u>	<u>128,472</u>	<u>1,777</u>	<u>8,896</u>	<u>64</u>	<u>2,394</u>	<u>539</u>	<u>172,317</u>
Net book value								
Purchased	30,175	125,270	1,777	4,576	64	2,394	526	164,782
Finance leased	-	2,447	-	3,746	-	-	-	6,193
Donated	-	755	-	574	-	-	13	1,342
Total at 31 March 2018	<u>30,175</u>	<u>128,472</u>	<u>1,777</u>	<u>8,896</u>	<u>64</u>	<u>2,394</u>	<u>539</u>	<u>172,317</u>

2016/17	Land	Buildings excluding dwellings	Assets under construction and payments on account	Plant & machinery	Transport & equipment	Information technology	Furniture & fittings	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation at 1 April 2016	29,080	126,128	2,443	33,833	116	12,442	4,459	208,501
Additions purchased	-	1,105	5,513	1,428	-	448	106	8,600
Additions leased	-	-	-	99	-	-	-	99
Additions donated	-	-	-	181	-	-	-	181
Reclassifications	-	(4,187)	(4,984)	173	-	408	45	(8,545)
Disposals other than by sale	-	-	-	(62)	-	-	-	(62)
Revaluation/indexation gains	-	4,729	-	-	-	-	-	4,729
Impairments charged to operating expenses	-	(32)	-	-	-	-	-	(32)
Impairments charged to the revaluation reserve	-	(1,373)	-	-	-	-	-	(1,373)
Reversal of impairments credited to operating expenses	-	1,379	-	-	-	-	-	1,379
Reversal of impairments credited to revaluation reserve	1,095	611	-	-	-	-	-	1,706
At 31 March 2017	<u>30,175</u>	<u>128,360</u>	<u>2,972</u>	<u>35,652</u>	<u>116</u>	<u>13,298</u>	<u>4,610</u>	<u>215,183</u>
Depreciation at 1 April 2016	-	5,460	-	23,684	33	9,277	3,722	42,176
Reclassifications	-	(5,460)	-	-	-	-	-	(5,460)
Disposals other than by sale	-	-	-	(62)	-	-	-	(62)
Impairments	-	-	-	-	-	-	-	-
Reversal of impairments credited to operating income	-	-	-	-	-	-	-	-
Charged during the year	-	2,574	-	2,176	10	1,240	228	6,228
Depreciation at 31 March 2017	<u>-</u>	<u>2,574</u>	<u>-</u>	<u>25,798</u>	<u>43</u>	<u>10,517</u>	<u>3,950</u>	<u>42,882</u>
Net book value at 31 March 2017	<u>30,175</u>	<u>125,786</u>	<u>2,972</u>	<u>9,854</u>	<u>73</u>	<u>2,781</u>	<u>660</u>	<u>172,301</u>

The Trust had its land and buildings revalued as at 1 April 2016 by Cushman & Wakefield. This resulted in impairments and revaluations for 2016/17 as set out in the table above. The effects on income and expenditure and revaluation reserve for that financial year are shown in note 16.

The economic lives of property, plant and equipment are:

	Minimum life (years)	Maximum life (years)
Buildings excluding dwellings	-	80
Plant & Machinery	3	15
Transport Equipment	5	10
Information Technology	3	10
Furniture & Fittings	5	10

15. Intangible fixed assets

2017/18		Software Licences	Total
		£'000	£'000
Gross cost at 1 April 2017		8,285	8,285
Reclassifications		666	666
Additions purchased		467	467
Disposals other than by sale		(49)	(49)
Gross cost at 31 March 2018		<u>9,369</u>	<u>9,369</u>
Amortisation at 1 April 2017		4,047	4,047
Charged during the year		889	889
Disposals other than by sale		(45)	(45)
Amortisation at 31 March 2018		<u>4,891</u>	<u>4,891</u>
Net book value			
-	Purchased	4,478	4,478
-	Donated	-	-
Total at 31 March 2018		<u>4,478</u>	<u>4,478</u>
2016/17		Software Licences	Total
		£'000	£'000
Gross cost at 1 April 2016		5,122	5,122
Reclassifications		3,085	3,085
Additions purchased		78	78
Gross cost at 31 March 2017		<u>8,285</u>	<u>8,285</u>
Amortisation at 1 April 2016		3,322	3,322
Charged during the year		725	725
Amortisation at 31 March 2017		<u>4,047</u>	<u>4,047</u>
Net book value			
-	Purchased	4,238	4,238
-	Donated	-	-
Total at 31 March 2017		<u>4,238</u>	<u>4,238</u>

The Revaluation Reserve balance for intangible assets is £nil (2016/17 - £nil).

The economic lives of intangible assets are:

	Minimum life (years)	Maximum life (years)
Software licences	3	10

16. Impairments

Impairments of property, plant and equipment during the year are summarised below:

	2017/18		2016/17	
	Income and Expenditure	Revaluation Reserve	Income and Expenditure	Revaluation Reserve
	£'000	£'000	£'000	£'000
Revaluation of Estate				
- Revaluation of Buildings	-	-	-	4,729
- Impairment of Buildings	-	-	(32)	(1,373)
- Reversal of prior year Impairments	-	-	1,379	1,706
	—	—	—	—
Total (net)	—	—	<u>1,347</u>	<u>5,062</u>

17. Capital commitments

Contracted capital commitments were as follows:

	31/03/18	31/03/17
	£'000	£'000
Property, plant and equipment	4,075	5,375
Intangibles	224	122
	—	—
Total	<u>4,299</u>	<u>5,497</u>

As set out in Note 24, in 2013/14 the Trust entered into a Managed Equipment Service contract for Imaging equipment and £3,990,000 (2016/17- £4,182,000) is included in the above total in respect of this contract.

18. Other investments

	31/03/18	31/03/17
	£'000	£'000
Carrying value at 1 April	120	-
Additions	-	120
	—	—
Carrying value at 31 March	<u>120</u>	<u>120</u>

The Trust holds 900 Class C shares in Beautiful Information Limited - these were purchased for £120,000 in October 2016.

19. Inventories

	31/03/18	31/03/17
	£'000	£'000
Drugs	708	772
Consumables	2,943	3,376
Energy	27	33
Total	<u>3,678</u>	<u>4,181</u>

20. Trade and other receivables

20.1 Trade and other receivables

	Current		Non-current	
	31/03/18	31/03/17	31/03/18	31/03/17
	£'000	£'000	£'000	£'000
Trade receivables	8,756	13,322	-	-
Provision for the impairment of receivables	(1,984)	(1,960)	-	-
Prepayments	1,765	1,524	-	-
Accrued income	10,202	5,085	-	-
VAT	748	367	-	-
PDC dividend receivable	-	178	-	-
Other receivables	1,354	1,209	771	883
Total	<u>20,841</u>	<u>19,725</u>	<u>771</u>	<u>883</u>

20.2 Financial assets past their due date but not impaired

	31/03/18	31/03/17
	£'000	£'000
By up to three months	1,955	4,429
By three to six months	197	353
By more than six months	2,431	2,821
Total	<u>4,583</u>	<u>7,603</u>

20.3 Ageing of impaired financial assets

	31/03/18	31/03/17
	£'000	£'000
By up to three months	-	425
By three to six months	215	299
By more than six months	1,391	956
Total	<u>1,606</u>	<u>1,680</u>

20.4 Provision for impairment of receivables

	31/03/18	31/03/17
	£'000	£'000
Balance at 1 April	1,960	1,406
Amount utilised	(8)	(107)
Unused amounts reversed	(85)	(86)
(Increase)/decrease in receivables impaired	117	747
Balance at 31 March	<u>1,984</u>	<u>1,960</u>

21. Cash and cash equivalents

	31/03/18	31/03/17
	£'000	£'000
Cash with Government Banking Service	25,054	10,403
Commercial banks and cash in hand	61	56
Balance at 31 March	<u>25,115</u>	<u>10,459</u>

22. Trade and other payables

	Current		Non-current	
	31/03/18	31/03/17	31/03/18	31/03/17
	£'000	£'000	£'000	£'000
Trade payables	12,156	13,628	-	-
Capital payables	2,195	3,137	-	-
Accruals	7,168	7,852	-	-
Other payables	6,632	6,349	-	-
Trade and other payables	<u>28,151</u>	<u>30,966</u>	<u>-</u>	<u>-</u>
Deferred income	123	321	-	-
Other liabilities	<u>123</u>	<u>321</u>	<u>-</u>	<u>-</u>

23. Borrowings

	Current		Non-current	
	31/03/18	31/03/17	31/03/18	31/03/17
	£'000	£'000	£'000	£'000
Finance lease liabilities	<u>1,488</u>	<u>1,241</u>	<u>4,165</u>	<u>5,463</u>

24. Finance lease obligations

Amounts payable under finance leases:	Minimum lease payments	
	31/03/18	31/03/17
	£'000	£'000
Within one year	1,915	1,638
Between one and five years	5,029	6,523
Later than five years	146	531
Less future finance charges	(1,437)	(1,988)
Net lease liabilities	<u>5,653</u>	<u>6,704</u>

In 2013/14 the Trust entered into a ten year Managed Equipment Scheme for Imaging equipment and also entered into a ten year agreement for a Cardiac Catheterisation service. The property, plant and equipment under both of these schemes have been treated as finance lease arrangements.

25. Provisions for liabilities and charges

	Pensions relating to other staff	Legal claims	Other	Total
	£'000	£'000	£'000	£'000
At 1 April 2017	125	35	418	578
Arising during the year	21	36	202	259
Used during the year	(48)	(22)	(141)	(211)
Reversed unused	-	(2)	(60)	(62)
At 31 March 2018	<u>98</u>	<u>47</u>	<u>419</u>	<u>564</u>

Expected timing of cashflows:

In the remainder of the spending				
Period to 31 March 2019	48	47	358	453
Between 1 April 2019 and 31 March 2023	50	-	61	111
Later than five years	-	-	-	-

As at 31 March 2018				
Current	48	47	358	453
Non-Current	50	-	61	111

As at 31 March 2017				
Current	59	35	335	429
Non-Current	66	-	83	149

Clinical negligence provisions

Included in the provisions of NHS Resolution at 31 March 2018 is £175,733,000 (2016/17 - £130,586,000) in respect of clinical negligence liabilities of the Trust.

Legal claim provisions

The majority of these provisions relate to claims under the Liabilities to Third Parties Scheme and Property Expenses Scheme, and are calculated based on information provided by NHS Resolution. The amounts involved and the timing of the payments represents their best estimate of the outcome of each claim against the Trust.

In addition to these provisions, contingent liabilities in respect of the claims are given in note 26.

Other provisions

Other provisions at 31 March 2018 include: -

- Two (2016/17: two) injury benefit cases of £88,000 (2016/17: £105,000) as notified to the Trust by the NHS Business Services Authority - Pensions Division;
- £110,000 (2016/17: £110,000) in respect of clinical excellence awards;
- £93,000 (2016/17: £nil) in respect of employment tribunal claims;
- £nil (2016/17: £75,000) in respect of a consultants contract appeal; and
- £128,000 (2016/17: £128,000) in respect of a consultants pay appeal.

26. Contingent assets/(liabilities)

Other

Other Contingent Liabilities for non-clinical negligence incidents total £31,000 (2016/17- £32,000).

27. Financial instruments

27.1 Financial assets

	31/03/18			31/03/17		
	Loans & Receivables	Available-for-Sale	Total	Loans & Receivables	Available-for-Sale	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Trade	17,423	-	17,423	16,922	-	16,922
Other investments	-	120	120	-	120	120
Cash at bank and in hand	25,115	-	25,115	10,459	-	10,459
Total at 31 March	42,538	120	42,658	27,381	120	27,501

27.2 Financial liabilities

	31/03/18		31/03/17	
	Other	Total	Other	Total
	£'000	£'000	£'000	£'000
Trade Payables	24,182	24,182	27,201	27,201
Other borrowings	5,653	5,653	6,704	6,704
Total at 31 March	<u>29,835</u>	<u>29,835</u>	<u>33,905</u>	<u>33,905</u>

27.3 Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the Trust has with the Clinical Commissioning Groups and the way those Clinical Commissioning Groups are financed, the Trust is not exposed to the degree of financial risk faced by business entities to which the financial reporting standards mainly apply. The Trust 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 Trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's Standing Financial Instructions and policies agreed by the Board of Directors. Trust treasury activity is subject to review by the Trust's internal auditors.

Currency Risk

The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

Interest Rate Risk

The Trust can borrow from Government for capital expenditure, subject to affordability. The borrowings are for 1-25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund rate, fixed for the life of the loan. Interest charged on finance leased assets are at fixed rates of interest. The Trust therefore has low exposure to interest rate fluctuations.

Credit Risk

Because of the majority of the Trust's income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2018 are in receivables from customers, as disclosed in the Trade and other receivables note. The Trust recognises that the public sector funding environment, with the continued pressure of demand and its consequences for allocations for Clinical Commissioning Groups, leads to an increase in credit risk for the Trust.

Liquidity risk

The Trust's operating costs are incurred under contract with Clinical Commissioning Groups which are financed from resources voted annually by Parliament. The Trust funds its capital expenditure

from internally generated funds and finance leases/borrowings. The Trust is not, therefore, exposed to significant liquidity risks.

28. Events after the reporting period

There were no events after the reporting period requiring disclosure.

29. Related party transactions

During the year none of the Department of Health Ministers, Trust Board members or members of the key management staff, or parties related to any of them, has undertaken any material transactions with Ashford and St Peter's Hospitals NHS Foundation Trust. However, Non-Executive Director Hilary McCallion has declared her role as a Trustee for Dementia UK to which the Trust paid £2,000 in 2017/18. In addition, Non-Executive Director Marcine Waterman has declared her role as Central Government Faculty Board Member at CIPFA to which the Trust paid £456 in 2017/18.

As set out in note 18 the Trust purchased shares in Beautiful Information Limited in October 2016. As a result of this investment the Trust is able to appoint one Director to the Board of Beautiful Information Limited which is currently the Trust's Director of Finance and Information. There is no remuneration or other form of personal benefit for this role. During 2017/18 the Trust procured £28,000 of services from Beautiful Information Limited.

The Department of Health is regarded as a related party. During the period Ashford and St Peter's Hospitals NHS Foundation Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department.

These entities are listed below:

	Income	Expenditure	Receivables	Payables
	£'000	£'000	£'000	£'000
NHS England	45,137	10	7,508	187
Health Education England	9,889	13	-	49
NHS North West Surrey CCG	198,400	4,211	1,965	1,769
NHS Hounslow CCG	11,103	-	-	288
NHS Surrey Downs CCG	5,750	-	83	-
NHS Windsor, Ascot and Maidenhead CCG	4,746	-	99	-
NHS Richmond CCG	1,700	-	-	67
NHS Bracknell and Ascot CCG	1,616	-	43	-
NHS Guildford and Waverley CCG	7,073	1	251	1
NHS Surrey Heath CCG	1,323	-	11	-
NHS North East Hampshire and Farnham CCG	929	-	84	-
Frimley Health NHS Foundation Trust	15	284	29	650
St George's University Hospitals NHS Foundation Trust	6	595	153	410
Royal Surrey County NHS Foundation Trust	1,655	3,039	981	1,014
Surrey and Borders Partnership NHS Foundation Trust	430	232	528	80
NHS Blood and Transplant	8	1,159	-	87
NHS Resolution (ex NHS Litigation Authority)	-	7,286	-	9
NHS Pensions Scheme	-	16,176	-	2,260
NHS Supply Chain	-	4,176	-	222
NHS Business Services Authority	-	1,198	-	291

NHS Supply Chain is operated by DHL Supply Chain Limited on behalf of the NHS Business Services Authority. Entries in the table above against NHS Business Services Authority (NHS BSA) relate to FP10's. NHS BSA recovers costs it has incurred in reimbursing third parties for prescription charges.

In addition, the Trust has had a number of material transactions with other Government Departments and other central and local Government bodies. Most of these transactions have been with H M Revenue and Customs, Surrey County Council, Runnymede Borough Council and Spelthorne Borough Council.

The Trust has also received revenue and capital payments from the Ashford and St. Peter's Hospitals Charitable Fund. The Board members of the Trust are also Trustees of this charity. The audited annual report and accounts of the Charity are available to the public on request.

30. Third Party Assets

The Trust held £9,000 cash at bank and in hand at 31 March 2018 (2016/17 - £9,000) which relates to monies held by the Trust on behalf of patients. This has been excluded from the cash and cash equivalents figure reported in the accounts.

31. Losses and special payments

Losses and special payments are transactions 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. Payments are made in accordance with the HM Treasury publication "Managing Public Money".

There were 99 cases (2016/17 – 176) of losses and special payments totalling £103,000 paid in 2017/18 (2016/17- £158,000). There were no cases where the net payment exceeded £100,000. Total costs included in this note are on an accruals basis excluding provisions for future losses.

	31/03/18		31/03/17	
	No. of Cases	Total £'000	No. of Cases	Total £'000
Losses of cash	29	55	2	-
Bad debts and claims abandoned	33	9	125	108
Ex gratia payments	37	39	49	50
Total at 31 March 2018	99	103	176	158

INSIDE BACK COVER

Our values

- Patients first
- Personal responsibility
- Passion for excellence
- Pride in our team

Ashford Hospital

London Road, Ashford, Surrey, TW15 3AA

📞 01784 884488

St Peter's Hospital

Guilford Road, Chertsey, Surrey, KT16 0PZ

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If you require this document in any other format please contact our Patient Advice and Liaison Team on 01932 723553.

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