NHS
Ashford and St. Peter's Hospitals
NHS Foundation Trust

ANNUAL REPORT & ACCOUNTS

1 April 2018 to 31 March 2019

Together we care

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

Ashford and St Peter’s Hospitals NHS Foundation Trust

Annual Report and Accounts 2018-19

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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 2018 to 31 March 2019. Reflecting upon my first full financial year as Chairman of Ashford and St Peter's Hospitals, I feel privileged and proud to serve such a skilled, dedicated and hard-working organisation.

There is no doubt that the last year has been another incredibly busy one, during which we have faced the challenge of an ever increasing demand for services whilst maintaining high standards of care. During this year, we have also worked tirelessly with system partners in Surrey Heartlands to move towards better, more integrated ways of working. Vitally, we have now secured the financial means to invest during the next two to three years in the infrastructure and in the digital systems necessary to improve significantly the care and services for the local population.

There have been many highlights and milestones from the last twelve months, including:

- The successful launch of the new Trust Strategy, 'Together we Care', which quickly became embedded across the many work streams and is enabling us to be both fit for the future and aligned with the vision and objectives of both the NHS Long Term Plan and of Surrey Heartlands.
- Continuing, unprecedented demand for our services, particularly across the urgent care pathways, with much work on-going in collaboration with local partner organisations to address the needs of the local population, especially throughout the winter months.
- The retention of our CQC 'Good' rating following the inspection in July 2018. We were particularly proud to see the Critical Care Unit at St Peter's Hospital achieve an 'Outstanding' rating overall. However, we are not complacent and are persistent in striving to be a learning organisation with important quality improvement programmes of work continuing across many areas.
- Many and varied celebrations to commemorate the 70th Birthday of the NHS on 5 July, with colleagues, patients and the local community. These included tea parties in the children's nurseries at both hospitals, staff restaurants and on the wards, the 'ASPH Bake-off', and the burying of a special time capsule to preserve the rich history of the NHS for future generations.
- Some fantastic progress with the national 'Getting it Right First Time' (GIRFT) programme, hosted by NHS Improvement and the Royal National Orthopaedic Hospital. This is about identifying areas of unwarranted variation, improving the quality of care to patients and encouraging efficient ways of working. Tied into this, we've launched a new programme to transform the way we provide outpatient services. You can read more about these programmes of work later in the report.
- The sale of surplus land at both Ashford and St Peter's hospital sites which paves the way for major investment in our facilities and services and offers a 'once in a generation' opportunity for the benefit of the local community and the team. Future transformational plans include new and modern urgent and emergency care facilities at St Peter's, including a new Urgent Treatment Centre, integrated assessment areas and ward space, and other new and improved facilities and amenities for patients and colleagues at both sites.

Andy Field, **Chairman**

2018/19 was another really tough year, during which we have continued to focus on providing the highest quality care, despite severe workforce shortages and a constrained financial environment. We faced sustained operational, workforce and financial challenges with increasing emergency demand in particular, putting ever greater pressure on our systems. Similar supply and demand pressures also affected our wider system partners leading to challenges generating sufficient patient flow through our hospitals. Despite this our continued efforts to deliver high quality, efficient and effective care really made a difference and as a result we have continued to maintain our strong financial position.

The Trust has a strong and well established Board and I would particularly like to thank Valerie Bartlett, who retired on 31 May 2019 after 10 years with the Trust. She held a number of board level roles including Chief Operating Officer, Deputy Chief Executive and Director of Strategy and Transformation. In the latter role, she paved the way for more integrated working across NW Surrey and the NHS and the community will benefit from this foundational work for years to come.

In new appointments, we have welcomed Tom Smerdon as Director of Strategy and Sustainability and James Thomas as Chief Operating Officer. Both took up their new roles in March 2019 having previously held the positions of Director of Operations for Unplanned Care and Planned Care respectively.

'I have been so impressed in the dedication of all my colleagues at Ashford and St Peter's as they have continued to deliver the best possible healthcare to patients despite the ever increasing operational pressure'

I would also like to welcome Marcine Waterman who joined us as a non-executive director on 1 April 2018 and who took up the appointment of Deputy Chair in September 2018.

We continue to work collaboratively with our Council of Governors. I would like to take the opportunity to thank Andrew Ryland, Lead Governor and Public Governor for Runnymede, Windsor and Maidenhead - with Danny Sparkes taking on the role of Lead Governor in Andrew's stead - Barbara Mogensen, Public Governor for Elmbridge; Richard Docketty, Staff Governor for Volunteers; John Sermon, Staff Governor for Ancillary, Administrative, Clerical and Managerial staff; Mr Arun Gupta, Staff Governor for Medical and Dental staff; Cllr David Bittleston, Appointed Governor from Woking Borough Council; and Cllr Mark Maddox, Appointed Governor from Runnymede Borough Council, who all stood down in 2018. Their hard work over a number of years is much appreciated. At the same time I would like to welcome our new Governors: David Carpenter, Public Governor for Elmbridge; Chris Marks, Public Governor for Runnymede, Windsor and Maidenhead; Julian Ruse, Staff Governor for Ancillary, Administrative, Clerical and Managerial staff; Óscar Garcia-Casas, Staff Governor for Medical and Dental Staff; Tom Allan, Staff Governor for the Volunteers; Iftikhar Chaudhri, Appointed Governor from Runnymede Borough Council; Deborah Hughes, Appointed Governor from Woking Borough Council and Sinead Mooney, Appointed Governor from Surrey County Council, and to thank them for taking on such an important role.

Finally, I would like to take this opportunity to thank everyone who plays such an important role in the running of the hospitals and contributes to the provision of excellent patient care. Firstly, to all my colleagues at Ashford and St Peter's, who, despite the severe workforce shortages, give so much every single day including our dedicated and much valued workforce of volunteers, whom we are lucky to have. To all of our local partners - including commissioners, the ambulance service, social, primary, community and mental health service colleagues; and to our members, local voluntary sector, fundraisers and members of the community who support us. I'd like to extend a heartfelt thanks to you all.

Andy Field
Chairman

About us

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. It became a Foundation Trust in December 2010.

Ashford and St Peter's Hospitals NHS Foundation Trust serves a population of more than 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. Our turnover was £335.6 million in 2018/19.

The Trust provides a whole range of services across its hospital sites. 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
26,000
EMERGENCY ADMISSIONS

ADMITTED
39,000
PEOPLE FOR PLANNED INPATIENT AND DAY CASE TREATMENT

SEEN
106,000
PEOPLE IN OUR A&E DEPARTMENT

TREATED
442,000
PATIENTS IN OUR OUTPATIENT CLINICS

HELPED DELIVER
3,750
BABIES

HAD A TURNOVER OF
£335.6m
WITH A FINANCIAL SURPLUS OF £46.8M

TREATED
22,000
THROUGH VIRTUAL CLINICS

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 three main hospital sites as follows.

Ashford Hospital
Day-case surgery
Elective orthopaedic surgery
Ophthalmology
Outpatients (including paediatrics) and diagnostics; X ray, ultrasound, and MRI scans

St Peter's Hospital
Accident and emergency services
Intensive care
Emergency surgical and medical care
Elective and day-case surgery
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)

Woking Community Hospital
Inpatient Neuro-rehabilitation services
Outpatient Services
Physiotherapy

We run a wide range of specialist clinics in the community. These include Cobham Community Hospital, West Byfleet Health Centre, the Heart of Hounslow Centre for Health, Teddington Memorial Hospital and others – providing more accessible care, closer to where our patients live. We also have Early Supported Discharge Teams (for stroke) based at Ashford and Milford hospitals (providing services across much of West Surrey). Dermatology services are provided from Royal Surrey County Hospital, Haslemere Hospital and Cranleigh Health Centre.

Our vision and strategy

We successfully launched our new Trust Strategy: **'Together We Care'** in May 2018. This strategy was developed within the national and local context of a clear need for collaboration and partnership working to improve the quality of patient care and health outcomes for local people.

It is consistent with local and specialist commissioning strategies and the Surrey Health and Wellbeing Strategy. Although published afterwards in January 2019, there is significant alignment between NHS Long Term plan and our new strategy,

Our refreshed vision

'to provide an outstanding experience and best outcomes for patients and the team'

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 Strategic Objectives

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

People – being 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

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

We continue to play a key role within the Surrey Heartlands Health and Care Partnership and the developing North West Surrey Integrated Care Partnerships, which is an alliance of health and care organisations across North West Surrey and partners including borough councils and the voluntary sector to ensure delivery of care at local level.

Progress against our objectives for 2018/19 is in our Performance Analysis from p19.

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 provided closer to home and within the community, with hospitals focusing on the acute care and intervention that only they can provide.

The NHS Long Term Plan, published in January 2019, builds on the Five Year Forward View and sets out ambitions for ensuring the NHS is Fit for the Future, covering a ten year period. It encompasses the following key principles:

- New service model
- Action on prevention and health inequalities
- Improvements in care quality and outcomes
- Digitally enabled care
- Value for money.

‘The **NHS Long Term Plan** sets out how we will guarantee the NHS for the future. It describes how we will use the largest funding settlement in the history of the NHS to strengthen it over the next decade, rising to the challenges of today and seizing the opportunities of the future ’

Matt Hancock, Secretary of State, 7 Jan 2019

Local context:

Surrey Heartlands and North West Surrey Integrated Care Partnership (ICP)

Surrey Heartlands is one of 14 Integrated Care Systems (ICSs) working to improve health and care for the local population across England. Surrey Heartlands covers the central and western parts of Surrey; those areas currently commissioned by Surrey Downs, North West Surrey and Guildford and Waverley CCGs.

The Surrey Heartlands Integrated Care System aims to improve services and health outcomes for local people and to add value through working together. System partners take collective responsibility for improving health outcomes, managing resources and delivering NHS standards. Working together, Surrey Heartlands has identified a number of key strategic objectives:

- Enabling people to lead healthier lives
- Enabling emotional well being
- Enabling people in Surrey to fulfil their potential.

As part of its devolution agreement, Surrey Heartlands has also taken on responsibility for self assurance, putting in place governance and assurance mechanisms for quality, performance and financial delivery.

Within Surrey Heartlands are three local alliances, known as Integrated Care Partnerships (ICP), which cover the existing CCG boundaries. These are broad based partnerships of local health and care organisations and importantly include other partners such as district and borough councils, and local voluntary and community organisations. ICPs are particularly focused on improving out of hospital care and bringing organisations and staff together to deliver better joined up care for local people. Within North West Surrey ICP in the last twelve months significant steps forward have been made. A Board has been created and has worked together to agree values, behaviours and strategic objectives. Working with front line staff and local people, the ICP is developing new models of care (which are ways to join up and deliver health and social care). The first new models of care focus on supporting care homes, maintaining independence closer to home, proactive community care, and Primary Care Networks (groups of GP practices working together). The ICP has created a single urgent and emergency care team under one leader and now fulfils a combined assurance function, overseeing quality, NHS standards and financial performance together.

The Trust is a key partner within the North West Surrey Health and Care Partnership. The Chief Executive and Director of Strategy and Sustainability are members of the Partnership Board. The Director of Local Strategic Partnerships has acted as the Programme Director for the ICP in the last 18 months and has played a pivotal role in mobilising the ICP. The Trust has supported the establishment of NICS (North West Surrey Integrated Care Services) and the local GP Federation, which brings together all 42 practices across NW Surrey. In its first year of operation the Trust seconded a senior member of staff to NICS, who has supported the mobilisation of important new services in primary care. This included extended access for patients offering 58,000 appointments per year, an innovative app for local people, a new first contact physiotherapy service in primary care, and a GP home visiting service.

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

2. PERFORMANCE REPORT

Performance Report - Overview

Statement by the Chief Executive

£47m
SURPLUS

£10m
HIGHER THAN PLANNED

£18m
PROFITS FROM OUR LAND SALES

£335.6m
TURNOVER

£9.3m
SAVINGS

Building on the overview of our services, purpose and Trust strategy (Page 10 onwards), this section of the report provides a summary of our performance and sets out the the key risks to the achievement of our objectives and performance during the past year.

Financially, we ended the year with a substantial surplus of nearly £47 million. This was £10 million higher than planned due to the completion of the West Site land sale in March 2019, which triggered additional Provider Sustainability Funding payments. In total we generated £18 million of profits from our land sales, which in turn secured £33 million of Provider Sustainability Funding income to the Trust.

We delivered £9.3 million of savings from a turnover of £335.6 million, which reinforces our position amongst the most efficient acute NHS trusts in the country. Our surplus means we can invest in much needed capital schemes, many of which have already started (such as digital developments) and in 2020 our new multi-storey car park along with much needed backlog maintenance, and an opportunity to make substantial capital improvements for patients and staff.

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. Two out of 14 reported cases of clostridium difficile were considered as avoidable infections, and we reported no cases of hospital acquired MRSA bacteraemia during the year.

During 2018/19 we continued to focus on our emergency care pathway and much hard work has been put in by teams across the hospitals and the local system. However, like many NHS trusts we have struggled to meet the four hour waiting target achieving a performance of 85.2% for the year against the target of 95%. High demand for services across the system, and a particularly difficult winter, resulted in challenges to our performance, a position mirrored across much of the country. Overall, A&E attendances rose during the year by about 4% reaching more than 100,000 for the second year in a row. An urgent and emergency care recovery programme is now in place and the introduction of an Urgent Treatment Centre is now underway in partnership with our external urgent care partners and North West Surrey CCG.

Following on from last year, the Trust has seen a further 24% increase in urgent cancer referrals this year (40% over the last three years). We did not achieve all of our cancer targets for 2018/19 overall and improving cancer waiting times is a continued area of focus for the coming year.

The Trust did not meet the referral to treatment target of 92% of patients waiting no more than 18 weeks from referral to treatment. However, our year-end performance of 91.2% contrasts well with the national average non-compliance of 87%.

More detail on our full range of quality targets is given in our Quality Report which starts on p121.

Staffing remains one of our biggest challenges and we are working hard to reduce our agency costs in line with national caps on agency. We spend have seen some success through innovative schemes, such as the award winning Locum's Nest, a collaborative initiative where doctors from several local NHS trusts can book to fill temporary bank shifts quickly and easily, without the need to use expensive agencies. We need to become more creative in terms of recruitment and retention. We have a strong focus on wellbeing whilst recognising the importance of retaining our existing staff through new reward and recognition initiatives.

We continue to work closely with our clinical commissioners, in particular North West Surrey Clinical Commissioning Group (CCG) which commissions the majority of our services (representing over 75% of our clinical income). We have good relationships with our other commissioners, including Hounslow CCG (representing c. 4% of our clinical income) and CCGs in Berkshire (which represents c.2.5%). We continue to work well with NHS England which 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 year we performed well against our new strategic objectives, which are encompassed within our new strategy. We have aligned our governance structures and board assurance framework to our new strategy, so that delivering against our strategic objectives becomes embedded in our day-to-day work and to help deliver our vision: to provide an outstanding experience and best outcome for patients, their families and carers, and the team.

Suzanne Rankin
Chief Executive

23 May 2019

Suzanne Rankin
Chief Executive

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:

Strategic Objective: Quality of care

1.1 Failure to achieve avoidable mortality and safer more efficient patient care through an inability to deliver: the priority quality improvement and transformation programmes (learning from deaths, medication and infection control strategic improvement programmes) due to insufficient capacity and capability.

1.2 Failure to improve and achieve outstanding patient experience through an inability to harness and optimise learning from patient and family feedback due to insufficient capacity and capability.

Strategic Objective: Modern healthcare

2.1 Non-delivery of the annual operating plan may lead to loss in productivity / efficiency and financial standing.

2.2 A failure to maintain the Trust's physical environment and clinical infrastructure, may lead to clinical pathway difficulties, deteriorating patient and staff experience, patient safety, and health and safety risks.

2.3 A failure to deliver constitutional and operational targets leading to increased patient delay, poor patient experience, increased patient safety risks, increased outsourcing or activity and corresponding loss in productivity / efficiency.

Strategic Objective: Digital

3.1 The Trust's service delivery may be compromised if the current strategy to exploit the electronic patient record fails.

3.2 Failure of key IT systems leads to patient safety, experience or quality risks, data security breaches or process delays.

Strategic Objective: People

4.1 Inability to align workforce supply to meet current and future acuity and demand, resulting in a misalignment with both the service and financial plan.

4.2 Inability to recruit and retain, leading to a poor staff and patient experience.

4.3 Individuals and teams do not feel listened to, empowered and valued resulting in a negative impact on staff and patient experience.

Strategic Objective: Collaborate

5.1 Insufficient capability and capacity to deliver the strategy programme (i.e. the strategic objectives) in accordance with the operating plan so that effect is diminished and/or service sustainability is significantly challenged.

5.2 External factors, such as decisions taken nationally, ICS, ICP, impact our delivery or attempt to counter our objectives or undermine our service sustainability.

5.3 Desired effect of the strategy does not realise the intended benefits to quality and sustainability of patient care.

5.4 Effective external relationships established do not sustain.

For more detail on how we manage and respond to risk see our Annual Governance Statement on page 112.

Going concern 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 Analysis

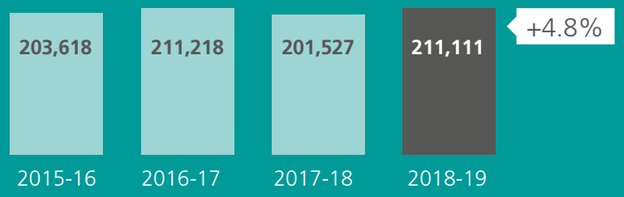
Detailed activity review

Outpatients

New outpatient attendances
Outpatient activity increased 0.6% as a result of a new dermatology service in Guildford and Waverley and small increase in referrals across most specialities. Proactive work with local commissioners to develop suitable alternatives limited the increase.

127,315 +0.6%
NEW OUTPATIENT APPOINTMENTS

Outpatient follow-up attendances
More patients were followed up in line with new clinical guidelines.



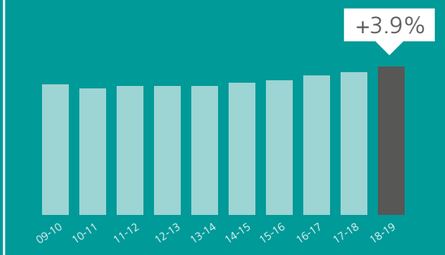
Outpatient procedures
This significant increase was mainly due to changes in how outpatient procedures are measured by the NHS rather than a change in the number of procedures.

+21.3%
OUTPATIENT PROCEDURES INCREASE

22,515
NON FACE-TO-FACE CONSULTATIONS

+36.9%
INCREASE IN VIRTUAL CLINICS APPOINTMENTS

A&E attendances
The rise in emergency attendances coincided with the opening of the Urgent Treatment Centre. An average of 9400 patients attended A&E this winter each month, compared to 8500 previously. The rise was predominately in children.



26,342
EMERGENCY ADMISSIONS

-1.9%
LESS THAN LAST YEAR

Non face-to-face (telephone consultations)
In line with NHS long-term plans, virtual patient services increased significantly. In haematology one third of patients are cared for virtually. Virtual services are more efficient and better for patients as they prevent unnecessary patient visits to hospital.

106,266
PEOPLE SEEN IN A&E

+900
PATIENTS PER MONTH ATTENDED A&E THIS WINTER, MOSTLY CHILDREN

Emergency admissions
The number of patients admitted as emergencies fell slightly. A higher percentage of patients were discharged from A&E rather than admitted to medical assessment unit for treatment.

32,512
DAY CASE PROCEDURES

+9.1%

Day case procedures
The large increase in additional day cases meant reduced waiting times meeting national 18 week target. More patients attending A&E were treated as day cases rather than being admitted as an emergency.

6,665
ELECTIVE ADMISSIONS

+11%

Elective (planned) admissions
The number of additional day cases increased as we reduced waiting times to national 18 week target.

3,752 -0.8%
BIRTHS

Births
This small change reflects the birth rate reduction across the north west Surrey catchment area.

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 (2018/19)	2018 /19	2018/19				2017/18	2016/17	2015/16
				Q4	Q3	Q2	Q1			
Infection Control	Number of clostridium difficile cases	16	14	1	5	1	7	15	20	15
	Number of MRSA blood stream infection cases	0	0	0	0	0	0	1	0	0
Access to Cancer Services	% of cancer patients waiting a maximum of 31 days from diagnosis to first definitive treatment	96%	97.9%	97.6%	97.3%	98.1%	98.5%	98.5%	97.8%	97.6%
	% 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%	94.8%	93.8%	100%	88.5%	97.3%	96.9%	94.7%	96.2%
	% of cancer patients waiting a maximum of 62 days from urgent GP referral to treatment	85%	85.8%	84.3%	83.9%	87.3%	87.6%	87.2%	83.6%	84.6%
	% of cancer patients waiting a maximum of 62 days from the consultant screening service referral to treatment	90%	92.1%	78.9%	85.0%	100%	100%	94.0%	92.7%	96.4%
	% of cancer patients waiting a maximum of 2 weeks from urgent GP referral to date first seen	93%	92.4%	94.2%	94.9%	90.5%	89.7%	93.2%	94.8%	94.4%
	% of symptomatic breast patients (cancer not initially suspected) waiting a maximum of 2 weeks from urgent GP referral to date first seen	93%	97.2%	97.1%	97.3%	96.7%	97.6%	96.5%	96.8%	96.3%
Access to Treatment	18 weeks Referral to Treatment - admitted patients	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	18 weeks Referral to Treatment - non-admitted patients	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	18 weeks Referral to Treatment - patients on an incomplete pathway	92%	91.2%	91.0%	91.5%	91.2%	90.9%	92.0%	93.2%	95.7%
Access to A&E (SPH/ASH)	% of patients waiting a maximum of 4 hours in A&E from arrival to admission, transfer or discharge (Ashford and St. Peter's sites only)	95%	85.2%	81.7%	84.9%	85.0%	89.3%	90.0%	90.6%	90.3%
Access to A&E (NWS)	% of patients waiting a maximum of 4 hours in A&E from arrival to admission, transfer or discharge (North West Surrey)	95%	88.4%	85.4%	88.0%	88.4%	91.7%	91.0%	90.6%	90.2%
Access to patients with a learning disability	The Trust provides self-certification that it meets the requirements to provide access to healthcare for patients with a learning disability	n/a	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Our performance explained

Infection control – hospital acquired infections

There were 14 cases of post 72 hour clostridium difficile infections recorded during 2018/19, against a target of no more than 16. Of these, just two were considered to have had a lapse in care (where learning was identified or the infection was considered avoidable). Of these, both related to non-compliance with antibiotic prescribing guidelines and in one of the cases, an additional delay in isolating the patient. During 2018/19 the Diarrhoea Assessment Tool and Bristol Stool Chart were reviewed and relaunched to help guide staff in management of patients with diarrhoea.

There were no recorded MRSA bacteraemia cases during 2018/19.

Access to Cancer Treatment

The Trust received nearly 17,000 urgent cancer referrals during the year, an overall 24% increase (40% over 3 years), and has worked with our commissioner colleagues at North West CCG to address this increase and deliver compliant performance. We have also been working closely with our 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.

Due to the increase seen in demand, the Trust wasn't able to achieve annual compliance for cancer patients waiting a maximum of 2 weeks from urgent GP referral to date first seen, although we did achieve annual compliance for cancer treatment within 62 days of GP referrals, which compares extremely well against national average performance.

During a number of individual months, we experienced difficulties meeting the 62 day standard for urgent GP referrals due to increases in demand, delays caused by complex difficult cross-over pathways between the Trust, tertiary partners and patient choice and fitness. These areas are the focus of improvement throughout the forthcoming year.

In terms of monitoring performance, a separate weekly cancer oversight meeting is held (chaired by the Chief Operating Officer), which specifically monitors cancer performance and progression of our cancer improvement plans and run monthly with our commissioner colleagues at North West CCG.

Referral to Treatment - 18 week target (RTT)

The Trust started the year with a non-compliant RTT position of 88.5% (Mar 18) due to significant impacts detailed in last year's annual report. This year the Trust ended the year 0.6% ahead of our RTT recovery trajectory at 91.5% (Mar 19). Whilst this is still not compliant against the 92% requirement, it is strong in comparison to the national NHS position of 87%.

The Trust experienced a significant reduction in elective capacity over the winter period (Christmas to Mar19) releasing surgical beds for medical patients. However, we worked closely with our commissioners to ensure sufficient funding is available during 2019/20 to permit the additional activity required to facilitate a return to minimum RTT 92% compliance in 2019/20.

During 2018/19 there was a commitment on all acute hospitals to ensure their list of patients waiting for treatment did not increase during the year. We achieved well against this requirement, starting with 26,231 patients waiting for treatment and finishing the year at 25,783. This is a reduction overall and in spite of delivering some new clinical services through the year.

In terms of monitoring performance, specialty level 'patient list' meetings are held for each specialty weekly. Chaired by the relevant service managers, these meetings identify key delays along the patient pathway, in particular with the assessment and admission processes. Our aim is to keep the number of cancelled operations and administrative delays to a minimum at all times.

These meetings also oversees the correct application of rules, and plans and manage patient pathways within the specialty ensuring patients are dated by clinical priority. Issues requiring escalation are resolved, where possible, within the divisional management team as part of business as usual processes. A summary of performance along with the identification of risks is presented to the Trust Performance Meeting (chaired by the Chief Operating Officer or Associate Director of Performance) on a weekly basis.

A&E four hour waiting target

The Trust has struggled with the four hour waiting target throughout the year and has continued to focus on improving the emergency care pathway. However, the Trust did not meet the A&E four hour waiting target for the year. Our A&E and urgent treatment centre together reported a total performance of 85.2% of the time for the full year and 89.3%, 85%, 84.9% 81.7% respectively for the four quarters of the year.

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

In the last financial year we introduced an Urgent Care Centre at St Peter's to provide more convenient access for some of the less seriously unwell patients attending A&E. Moving forward we have developed a comprehensive recovery programme to ensure we can offer faster treatment to all of patients attending A&E, whether they require treatment as an outpatient or hospital admission. Our improvement programme is focusing on activities, systems and processes not just in A&E but across the hospitals to ensure we can treat as many of patients on the day as possible. For patients requiring admission, we have a range of initiatives to ensure rapid progression of care, and avoiding delays to discharge, by having integrated pathways with our provider partners.

A&E performance is monitored on multiple occasions during each 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 work streams and a fortnightly system wide Local A&E Delivery Board meeting (chaired by the Trust).

Trust wide 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).

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 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 reviewed monthly within the Modern Healthcare Committee before being presented to the Board for further scrutiny.

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

The Trust 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 system wide Local A&E Delivery Board meeting meets monthly, 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.

Financial performance

2018/19 was another challenging year, during which we continued to focus on providing the highest quality care within a constrained financial environment.

We faced sustained operational, workforce and financial challenges with increasing emergency demand, putting ever greater pressure on our systems, raising and spending, whilst at the same time reducing income due to the knock on effect on elective capacity. Similar supply and demand pressures also affected our wider system partners leading to challenges generating sufficient patient flow through our hospitals. Despite this, our continued efforts to deliver high quality, efficient and effective care made a difference and, as a result, we continued to maintain a strong financial position.

Crucially, we embarked on a number of strategic initiatives intended to fundamentally redesign our offering to both the public and staff. Over the final quarter of 2018/19 we completed three major land sales; the St. Peter's Hospital west site to Cala Homes, the St. Peter's Hospital residential land to Optivo, and the Ashford estates yard to Spelthorne Borough Council. Together these realised £29.1m of capital receipts for the Trust and £21.4m for Surrey and Borders Partnership NHS Foundation Trust. Delivering on our underlying finances, and generating £18.0m of land sale profits, secured £32.8m of Provider Sustainability Funding income from the Department of Health and Social Care. These boosted our financial position to a £46.8m surplus and means we secured more than £60.0m for our future investment programme.

The money raised from the sales opens up some hugely exciting opportunities to transform our services and facilities at the hospitals, both for patients and the team. These include:

- **Quality of care** – the Urgent and Emergency Care development at St. Peters Hospital and the wider redistribution of services across our sites to improve patient safety, flow and experience
- **People** – improved and expanded staff residential accommodation, new commercial facilities, and a new public multi-storey car park at St. Peters Hospital; a new staff nursery in Ashford Hospital; and improved staff parking and staff wellness facilities across both main sites
- **Modern healthcare** – tackling a backlog maintenance issues, investing in two additional theatres for Ashford Hospital and more beds for St. Peters Hospital
- **Digital** – implementing the Cerner Electronic Patient Record, e-prescribing and A&E systems and, on the back of this, launching a digital transformation programme with the wider system
- **Collaborate** – with Surrey and Borders Partnership over the future integration of physical and mental health services through the redevelopment of the Abraham Cowley Unit, and with commercial partners over the wider residential developments.

An analysis of our results is set in the table that follows – 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.

	2018/19			2017/18		
	Plan £m	Actual £m	Var £m	Plan £m	Actual £m	Var £m
Income						
Clinical Income	277.9	282.6	4.7	273.8	271.3	-2.5
Non-Clinical Income	45.5	52.7	7.2	26.3	35.1	8.8
Total Income	**323.4**	**335.3**	**11.9**	**300.1**	**306.4**	**6.3**
Expenses						
Pay Costs	-188.1	-191.3	-3.2	-181.8	-179.0	2.8
Non-Pay Costs	-94.6	-103.5	-8.9	-91.0	-95.3	-4.3
Total Expenses	**-282.7**	**-294.8**	**-12.1**	**-272.8**	**-274.3**	**-1.5**
EBITDA	40.7	40.5	-0.2	27.3	32.1	4.8
Depreciation & Amortisation	-7.6	-7.2	0.4	-7.4	-7.2	0.2
Impairments, net of reversals	-0.6	1.4	2.0	-0.6	-	0.6
Charitable contributions	0.6	0.3	-0.3	0.2	0.2	-
Interest (net)	-0.4	-0.1	0.3	-0.4	-0.4	-
Dividend on PDC	-6.1	-6.0	0.1	-5.7	-5.7	-
Net gains on disposal of assets	10.4	18.0	7.6	-	-	-
Movement in fair value of investments	-	-0.1	-0.1	-	-	-
Net surplus/(deficit)	**37.0**	**46.8**	**9.8**	**13.4**	**18.9**	**5.5**

Key movements year-on-year are set out below:

- Clinical income increased by £11.3m (4.2%) year-on-year. This was a result of increased demand leading to higher activity income, combined with increases in income to cover national pay awards and increments, and part of the increased contributions to the national Clinical Negligence Scheme for Trusts (£1.2m).
- Non-clinical income increased by £17.6m (50.1%) year on year. The main reason for this was the increased Provider Sustainability Fund allocation the Trust earned for the delivery of financial and operational performance targets. The Trust received £32.8m for meeting these targets, compared to £11.1m received in 2017/18.
- Pay costs were £12.3m (6.9%) higher than 2017/18, of which £6.3m was for pay awards and incremental drift. However, recruitment and retention was a big issue during the year, which led to significant vacancies and, as a result, higher temporary staffing costs. Year-on-year our agency costs increased by £3.7m and were outside of the target set by NHSI.
- Non-pay costs were £8.1m (8.5%) higher than 2017/18, which included £3.3m of additional sub-contracted activity (and includes the new Urgent Treatment Centre pilot which was awarded to Greenbrook Healthcare from 1 November 2018). The Trust saw an increase of 35% (£2.4m) in its contribution to the Clinical Negligence Scheme for Trusts, which was well in excess of the national average of 17.5% (£1.2m of this was funded nationally through increased tariffs).
- The above, combined with cost improvements of £9.3m, drove an increase in our EBITDA performance of £8.5m (26.6%) year on year, largely due to the additional income from the Provider Sustainability Fund. The Trust's EBITDA margin was 12.1% compared to 10.5% in 2017/18.

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. 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 £9.3m of savings in 2018/19 against a plan of £10.5m. Early slippages in the programme were partially recovered during the year, but this still led to an overall shortfall. This compares to CIP savings of £11.3m in 2017/18, but nevertheless continues our strong delivery record.

The main elements of the 2018/19 capital programme of £11.9m included:

- Three MRI machines at a cost of £2.2m
- Purchase of £1.2m of imaging equipment and £0.7m of other medical equipment
- Significant investment in IT systems and infrastructure
- Backlog maintenance works including the roof on Abbey Wing
- Decanting cost to facilitate the land sale programme.

The majority of the capital programme was funded by internally generated resource. However, in addition, the Trust (i) increased borrowings in the form of finance leases on our Imaging Managed Equipment Service and MRI Service, and (ii) received Public Dividend Capital allocations totalling £0.1m towards three small projects.

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 financial year ended with a cash balance of £43.9m which was partially aided by slippage in the capital programme.

The Trust's financial performance for the whole of the 2018/19 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.

		2018/19			2017/18		
Area	**Metric**	**Weight**	**Metric**	**Score**	**Weight**	**Metric**	**Score**
Financial sustainability	Capital Service Cover	20%	5.48x	1	20%	4.32x	1
	Liquidity	20%	69.17	1	20%	20.94	1
Financial efficiency	I&E Margin	20%	13.50%	1	20%	5.87%	1
Financial controls	I&E Margin – distance from plan	20%	1.90%	1	20%	1.20%	1
	Agency	20%	36.85%	3	20%	-13.38%	1
	Weighted score			1.40			1.00
Overall Finance and Use of Resources Rating				**1**			**1**

2019/20 Plan

Looking forward to 2019/20, as well commencing on our major capital investments, we agreed three major transformation programmes which focus on:

- Transforming outpatients
- Enabling capacity in our workforce to meet demand
- Building patient capability to manage their own care.

The Trust Board approved and submitted an ambitious annual plan that will deliver a post impairment surplus of £6.1m on planned income of £326.6m. This will deliver a Finance Score rating of 1 for the full year, which is positive.

The plan assumes Provider Sustainability Fund income of £5.5m, a cost improvement programme of £8.7m and capital investments of £29.9m. 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 submissions to NHS Improvement we set out these risks and highlighted these could reduce our planned surplus position to break even.

Our commissioners also face significant affordability challenges given the potential levels of activity in 2019/20. We continue to work with commissioners and system partners to manage planned and unplanned activity levels back within their affordability envelopes. This increases the financial risks carried by the Trust if our Integrated Care Partnership's delivery plan and the proposed activity reductions fall short. However, 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 needed to ensure our long-term sustainability.

Suzanne Rankin
Chief Executive

23 May 2019

Progress against our strategic objectives

The following section describes our progress against each of our five strategic objectives:

- **Quality of Care**
- **People**
- **Modern Healthcare**
- **Digital**
- **Collaborate.**

Strategic objective 1: Quality of Care: creating a learning organisation and culture of continuous improvement to reduce repeated harms and improve patient experience

Strategic objective 2: People: being a great place to work and be a patient, where we listen, empower and value everyone

Strategic objective 3: Modern Healthcare: delivering the most effective and efficient treatment and care through standardisation in the delivery and outcome of clinical services

Strategic objective 4: Digital: using digital technology and innovations to improve clinical pathways, safety and efficiency and empower patients

Strategic Objective 5: Collaborate: working with our partners in health and care to ensure provision of a high quality sustainable NHS to the communities we serve

Strategic objective 1: Quality of Care

Creating a learning organisation and culture of continuous improvement to reduce repeated harms and improve patient experience

Our key achievements over the past year are:

Medication safety

The medication safety improvement programme began in January 2018 (aligning with the national drive to reduce harm caused by medicines). Central to the programme delivery is generating and implementing change ideas within multi-disciplinary teams to address reasons for patient harm incidents. We have made huge improvements through this programme and since April 2018 there have been 12 confirmed medication incidents which resulted in moderate or severe patient harm which is a 55% year-to-date reduction compared to the same period in 2017/2018. The improvement programme also seeks to increase reporting of all incidents, particularly those medication incidents that result in 'no harm' which have increased by 24% compared to the same period in 2017/2018.

Continuous improvement

The Trust is committed to supporting a culture of continuous improvement and in the last year we have taken action to further build capability for quality improvement (QI) and leadership for improvement. The ASPH QI Academy continued to grow and provided QI skills for around 400 colleagues, and QI is now part of the core managers toolkit training offered in the Trust. This year we continued to support front-line teams to lead change projects that develops capacity and capability in individuals and teams; facilitating them to make improvements encouraging experimentation and innovation. The 'Be the Change' programme has supported projects to improve patient experience, reduce infections and deliver more person-centred care.

'It was fab and I have come away with lots of ideas!'

'I walked away feeling empowered.'

'I found the day extremely beneficial with excellent content and pace.'

'The study day was one of the most informative and helpful study days I have attended, in fact in my career full stop!'

'It was really good to step outside my usual daily work and focus on improvement and learn new skills as well as have the opportunity to learn from the others in the group.'

'I will and have already suggested people should attend as it is Fab!'

Views from Ashford and St Peter's colleagues at QI Academy event

Real-time electronic patient feedback

In February 2019 we started rolling out electronically measuring our strategic aims of treating patients safely, promptly and compassionately; and ensuring individual care plans were followed that involved each patient. The Trust commenced a pilot of a new real-time electronic patient feedback solution called R-outcomes. The pilot is also measuring our Friends and Family Test (FFT) and other priority areas including accessibility of information.

Live electronic feedback will enable us to identify hot-spots for both exemplar and poor patient experience as it arises, which will enable us to understand what works well and to make service improvements where things are not right.

Dealing with issues and complaints

From the 1 April 2018 to 31 March 2019, we received 537 complaints and concerns and total of 2015 PALS contacts. A complaint management improvement plan is underway, centralising the complaint coordinators into one team to better support the divisions with investigation and turnaround within the 25 day timeframe. We have a dedicated Patient Panel which works with us at various committees and on various issues. The panel is crucial in representing the voice of our patients.

Becoming a learning organisation

Becoming a learning organisationis bringing new opportunities for our teams to review and improve the services we give to patients. Colleagues attend monthly serious incident learning events, allowing reflection in an open and safe environment, looking at preventing any future harm to patients, and identifying training needs.

Along with all NHS trusts, we complete structured judgement reviews following a death in hospital. Findings are discussed at regular events attended by the multi-disciplinary team.

Our new approach to learning from complaints includes meeting with patients and members of the public, as part of the Patient Experience Based Co-design (EBCD) engagement workshops. This collaboration allows us to see ‘through peoples eyes’ and identify priority improvement areas, which we are now taking forward.

Many of our ward and department teams are now use of simulation in the workplace, looking at patient assessment skills, decision making, and communication, safe use of equipment and medication administration. This builds confidence in dealing with emergencies and difficult situations.

Strategic objective 2: People:

being a great place to work and to be a patient, where we listen, empower and value everyone.

Our key achievements over the past year include:

Addressing our workforce challenges

We want to be recognised as a great place to work and be the local employer of choice. It's been a difficult year in terms of workforce challenges – a situation not unique to us. In 2018/19 we saw a reduction in the number of nurses and midwives joining us, resulting in the highest number of nursing vacancies to date. Many factors contributed to this trend, making recruitment both locally and oversees difficult. We've done a huge amount of work to transform our recruitment and retention approach, including:

#ASPHCareers

- **Increasing the number of hospital based recruitment events,** with 21 throughout the year for different health professions, many in collaboration with other health and social care organisations in North West Surrey, along with a focus on schools and colleges to appeal to the NHS workforce of the future.
- **Trialling the use of a digital marketing campaign** to attract new recruits.
- **Increasing recruitment of overseas nurses** to extend the diversity of our workforce with nurses joining us from Zimbabwe, Ghana, Jamaica, the Philippines and India.
- **The appointment of a Deputy Chief Nurse to focus on recruitment and retention** to bring a fresh clinical perspective to this important piece of work.
- Supported by NHS Improvement, we've participated in a **focused nursing and midwifery retention project** and have seen a marked reduction in nursing staff leaving in their first twelve months.

Case Studies:

Introducing the Nursing Associate role

We were delighted to be part of a pilot scheme to develop the new nursing associate role, which is through an apprenticeship scheme approved by the Nursing and Midwifery Council last November. The new role is designed to bridge the gap between health and care assistants and registered nurses and offers an opportunity to establish new models of care for patients. We have eight nursing associates due to qualify in May 2019 and a further 20 in 2020.

Award winning approach to temporary staffing

Led by the Medical Director, the Medical Workforce Scrutiny Committee was successful in reducing spend on medical agency staff in 2018, through the use of tighter processes and control and using a new app called Locum's Nest, where doctors from several local trusts can fill temporary bank shifts quickly and easily, without using expensive agencies. The Trust won a HPMA Award in recognition of this achievement.

Step into Health

In the last year we signed up to the "Step into Health" initiative, formalising our commitment for armed forces service leavers, reservists, spouses, veterans and cadets to seek career and development opportunities at ASPH. We've held 'Insight Days' to showcase the opportunities with us available and help people see how their skills and experience could transfer to the NHS, along with work experience and shadowing opportunities. We continue to build good relationships with 256 (City of London) Field Hospital, providing mutual leadership and development opportunities for our respective teams.

Engaging and recognising Team ASPH

We want colleagues to be at the centre of decision making and develop a culture which generates a sense of ownership. Our strategy focuses on empowering and valuing our people to listen, learn and improve and at the heart of that is engaging meaningfully with the team and recognising those who go above and beyond.

We were pleased with the NHS Staff Survey results last year, with an overall 'engagement' score of 7.2/10 which is above average compared with trusts of a similar type. It is particularly pleasing that all the three 'friends and family' advocacy questions – around whether colleagues would recommend the Trust to friends and family as a place to receive care and / or to work - have continued to improve and score higher than we have ever scored on these questions before.

We have introduced an exciting new scheme from Peakon, which allows us to collect real-time feedback from colleagues to identify any issues, respond quickly and make improvements.

Attended by 160 colleagues, the annual staff achievement awards we again hugely successful. We were once again joined by BBC Journalist and Broadcaster Victoria Derbyshire, who is always a welcoming and inspirational host. We made awards in 11 categories and 29 colleagues receive long service awards. We were delighted to welcome Dr Clive Grundy, Consultant Microbiologist, to receive his special Lifetime Achievement Award.

Lifetime Achievement Award – Dr Clive Grundy, Consultant Microbiologist

Case Studies:

Introducing a new, modern, recognition scheme

Over the last year we've launched our very successful 'Team Member of the Month' initiative, where colleagues and patients can nominate those who've gone above and beyond for special recognition. The winners have their photo displayed in a cabinet at both hospital sites for a year and are announced through our Aspire staff bulletin. Alongside this we've launched 'ePoints', where winners are given £50 of ePoints to spend online with a selection of retailers.

'When I found out I had won Team Member of the Month I was shocked, surprised and truly overwhelmed. I love the people I work with every day and am so proud to be part of the Critical Care Team. For staff to have thought of me and take time out of their very busy day to put forward the nomination is humbling. To win means so much as it is highly regarded - many colleagues have mentioned it across the Trust and my Mum has made a special visit to both sites just to take a photo of my picture! This accolade is a huge moral boost for me but also for the whole Critical Care team. Thank you ASPH.'

Louise Maltby, Clinical Practice Educator and Sister for Critical Care and winner of the Team Member of the Month Award in December 2018

A fresh approach to engagement

We've done a lot of work on the way we interact and engage with colleagues and refreshed many of our internal communication tools. In March we held our first 'Team Talk'. We made an opportunity for colleagues to spend time with the Executive Team, hearing about recent developments and asking any questions. This was live streamed so colleagues unable to attend in person could still join in via You Tube. We've introduced podcasts and blogs, in addition to our traditional written video messages, to try and to engage with as many members of the team as possible.

0%

MEDIAN REPORTED GENDER PAY GAP

Equality, diversity and inclusion

We are committed to equality of opportunity and the removal of discrimination. We strive to be an organisation, which is inclusive to all. We launched a number of work-streams specifically to support this over the last year.

Following the successful launch of the Black, Asian and Minority Ethnic (BAME) Staff Network in July last year, we have now launched the Lesbian, Gay, Bisexual and Transgender Plus (LGBT+) Staff Network and the first meeting took place in January 2019. We teamed up with Stonewall, the largest LGBT+ rights organisation in Europe, to help us develop an inclusive, equal and inspiring working environment for all colleagues.

We hugely value the contribution and support of our colleagues from the EU and have supported a large number to apply for the EU Settlement Scheme, as well as organised events and shared as much information as possible about the UK's EU Exit.

In April 2018 we published our fourth annual Workforce Race Equality Standards report and our second annual Gender Pay Gap report, an opportunity to review our progress. This year's gender pay gap report indicates that our pay gap is closing on all measures, with the median reported gender pay gap at 0%.

Health and Wellbeing

Following the launch of the Six Ways to Wellness campaign in 2017, more successful initiatives were launched in 2018. This included the Women's Health Forum, whose first focus was on menopause and providing more information to staff on the impact of menopause on the individual and those around them. We continue to run enjoyable activities to help staff balance everyday stresses of working in a healthcare environment. These include our annual rounders competition, our photography challenge and the annual calendar we make from our top 12 photos and quarterly quiz to name a few.

Strategic objective 3: Modern Healthcare:

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

"The sale of surplus land at the Trust is a milestone in our history and marks the start of a very exciting journey. We will be working with colleagues, partners and local citizens to ensure the benefits are fully realised as the once in a generation opportunity for the community it is."

Suzanne Rankin

Our key achievements over the past year are:

ASPH Transformation

Over the last year we've begun a very exciting journey. The sale of surplus land at both Ashford and St Peter's Hospitals completed and raised more than £18m. This money will be used to fund major improvements to facilities at both hospital sites for the benefit of patients and the team.

Our transformation plans include a new 21st century urgent and emergency care facility at St Peter's, including a new Urgent Treatment Centre, integrated assessment areas and ward space. Some enabling work, such as the demolition of the old ramp and creation of new access road has been completed and we've run a research project with key user groups – patients, parents, carers etc – to find out what they'd like to see in the new buildings.

There are plans to create a new multi-storey car park and redevelop the main hospital entrance at St Peter's, with better amenities for patients and visitors. We are building new Wellbeing Centres at both hospital sites, so colleagues have a dedicated space to take a break and relax.

'Get it Right First Time (GIRFT)'.

Nationally the GIRFT programme, hosted by NHS Improvement and the Royal National Orthopaedic Hospital, works with NHS trusts to identify areas of unwarranted variation in clinical practice and/or divergence from the best evidence based practice, ultimately aiming to improve quality of care and efficient ways of working.

Our programme is clinically led by Dr John Hadley and Dr Giancarlo Camilleri. Over the year we undertook a number of GIRFT reviews and embedded the process for continuous improvement. Examples include:

- **Improvements in the upper gastro-intestinal service,** led previously by Mr Menezes, to develop a new best practice pathway for the treatment of patients with pancreatitis.
- **Developments in the gynaecology service** enabling women to be treated as an outpatient rather than being admitted to hospital – providing a better, quicker experience for women.
- Based on evidence provided by GIRFT, **improvements in training in the use of Cardiotocography (CTG) traces in labour** to reduce hypoxic brain injury to new born babies.
- **Within urology, improving the treatment time for patients with suspected bladder cancer.** This was achieved by using virtual clinics to free up around 1500 appointments per annum for new patients, increasing theatre capacity and employing specialist Urology Cancer Nurses to closely co-ordinate every step of the patient's journey.
- **An improved service for men with suspected prostate cancer** – increasing the numbers of histopathology staff to review biopsies, introducing a new team meeting with radiology support to review each case and using a new, more reliable, prostate biopsy technique.

Reducing surgical site infection rates

The Trust treats around 400 hip fracture patients per year and our average rate of Surgical Site Infection (SSI) between 2014 and 2017 was higher than the national average.

A multi-disciplinary team including consultants from the Senior Adult Medical Services and orthopaedics team, anaesthetists, and specialist nurses, came together to look at the patient journey and identify opportunities for improvements.

Through a wide range of interventions before, during and after surgery, the team achieved improvements in several areas. During the audit period of January to March 2018, the SSI rate dropped to zero.

In addition to improving patient care and outcomes, this has provided a significant cost saving, as the cost of treating significant infections can be very high.

Launch of Outpatients Transformation Programme

At the start of this year we launched a project to transform the way we deliver outpatient services. This links in with the NHS Long Term Plan, which requires outpatient services to be redesigned to better meet patient needs minimising needless trips to the hospital and using innovation and technologies to consult with patients.

With a 6% growth in outpatient activity each year, mostly due to an increase in new referrals, the current model no longer serves the needs of patients, is not cost effective or sustainable in the long term.

We have begun work, using a national NHS Improvement analytical tool, to assess four aspects of outpatient activity – productivity, capacity, digital transformation and improving patient satisfaction. Going into the next year, this transformation project will be one of our biggest priorities.

Virtual Clinics

Over the last year we made good progress embedding the virtual clinic model in our Integrated Musculoskeletal (iMSK) and urology services.

The fracture clinic was our first service to use this model with great success, reducing attendance by 45%. As a result around 6000 patients are able to receive their care virtually and do not need to physically attend a clinic. This provides a better experience for the team, freeing up clinicians to provide other care.

The urology team now virtually manages 2,840 patients. The redesign work includes telephone consultations, reviewing patient results and writing to them with their ongoing plans, with a longer term plan to move to online consultations. This approach has proved popular with patients who no longer need to travel to hospital, park, take time off work etc and also improved efficiency by increasing capacity for new and urgent referrals and offering quicker diagnosis and treatment times.

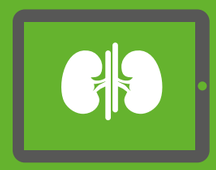
THE FRACTURE VIRTUAL CLINIC REDUCED ATTENDANCE BY

45%

THIS REPRESENTS

6000

PATIENTS



THE UROLOGY TEAM NOW VIRTUALLY MANAGE

2,840

PATIENTS

Strategic objective 4: Digital:

using digital technology and innovations to improve clinical pathways, safety and efficiency, and empower patients

Our key achievements over the past year are:

Digital Strategy

Following on from the launch of the new Trust Strategy, we developed a Digital Strategy. This was a collaborative piece of work and is closely linked to the wider Surrey Heartlands digital strategy. The two together form a clear roadmap for the next two to three years. The five key themes of the Digital Strategy have been adapted from NHS Digital and interpreted from a Trust perspective and are:

- Empower the person
- Support the clinician
- Integrate services
- Manage the system safely and effectively
- Enable a digitally smarter future.

Electronic Patient Record (ePR)

We have spent much of this year gathering the requirements and taking forward the formal evaluation of ePR suppliers. The final contract will be signed early in 2019/20 and we will be ready to take forward this significant programme of work. We believe ePR will bring about trust-wide transformation, and we see it as a fundamental step in the digital agenda. The solution will bring us a new administration and scheduling system, along with modules for our emergency department, and it will introduce electronic prescribing.

Electronic Referral System (eRS)

This is a national initiative, where all new referrals from GPs are sent electronically to hospitals, using one nation-wide system integrated with our own hospital scheduling system. We received accolades from NHS England and NHS Digital for being the best Trust in the South East at fully implementing the refreshed referrals solution. We successfully reduced paper referrals for first appointments to fewer than five per week. This means better turnaround times for patient appointments and overall an improved service.

Wifi replacement

Our wifi was getting old, so this year we have completely refreshed the infrastructure. The first phase of the project was to ensure the organisational wifi is fit for purpose. The next phase, is to refresh the wifi offering for the general public.

"The digital agenda is at a pivotal point and I'm excited about where the Trust is going to be in the next few years. The introduction of a new ePR means we will be able to participate in all the initiatives around joined up care. We are determined to exploit technologies that a centred on patient safety and improving the overall experience for our staff and patients."

Laura Ellis-Philip, Associate Director of Informatics

VitalPAC Electronic Patient Observations System

This was upgraded in January to support the adoption of the new National Early Warning Score (NEWS2) across inpatient areas in response to an NHSE Patient Safety Alert. The automated alerting of deteriorating patients was piloted successfully on Aspen ward and it is planned to be rolled out to all VitalPAC areas by the end of July 2019.

CareFlow

This is a clinical communications platform, based on social media technology and integrated closely with VitalPAC. It receives the alerts from VitalPAC, notifying clinical staff about deteriorating patients. Other functionality includes patient-centric clinical handovers, requests for internal referrals and opinions, flexible patient lists and secure messaging.

Strategic objective 5: Collaborate – Sustain and Thrive

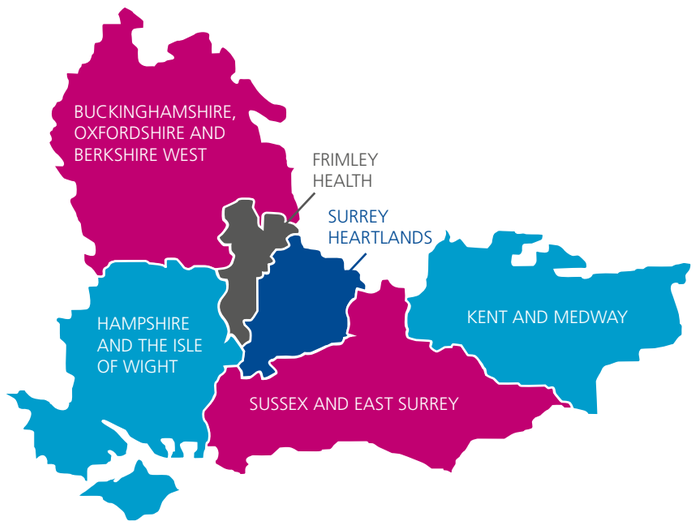
Working with our partners in health and care to ensure provision of a high quality, sustainable NHS services to the communities we serve.

Our key achievements over the past year are:

Surrey Heartlands Integrated Care System (ICS)

We are proud to be a key partner in the Surrey Heartlands Integrated Care System. This is a new way of planning local health and care services, bringing together clinicians and other health and care staff – alongside patients, carers, families and members of the community – to think through how we can transform services so citizens have access to the very best care and treatments.

The overall vision is for Surrey Heartlands to be a prosperous and healthy place with a high quality health and care system that is sustainable for the long term.



Key successes we made as a system over the last year

- **Launch of new Perinatal Mental Health service,** which started last October
- **Cardiovascular prevention,** working with the Academic Health Science Network to detect and treat hypertension and atrial fibrillation
- **Diabetes** – new integrated diabetes specialist nurses supporting patients both in our hospitals and in the community
- **Woking Family Hub** – agreement with Woking Borough Council to fund a large retail space in Woking town centre for a children/families hub
- **Care Home Advice Line** – now rolled out across Surrey Heartlands
- **Digital** – launch of the Surrey Care Record and now part of a wider digital network across Bucks, Oxfordshire, the Frimley system and Surrey

Building the North West Surrey Integrated Care Partnership (ICP)

At a more local level we are also part of the North West Surrey ICP, bringing together local partners – health and care organisations, including Clinical Commissioning Groups, GP federations, our borough council colleagues and members of the voluntary sector.

To make the changes needed at local level, during this first year (2018/19) the focus of the ICP has been on strengthening out-of-hospital services and ultimately reducing reliance on the acute hospital system. Key developments include:

- **Development of a Model of Care for the system**, co-designed with staff and local residents. This focuses on the enhancement of out of hospital services and work is now underway to mobilise the strategy.
- **Enabling the establishment of the Primary Care Networks in NW Surrey**, Governance arrangements for and leadership of the ICP, in particular the establishment of a representative Board and, from April 2019, bringing together the ICP and CCG governance mechanisms to create a collaborative approach to commissioning and provision
- **Development of key strategic initiatives** such as a NW Surrey ICP Workforce plan.

Case Study:

Working collaboratively to transform services

Over the last year we've embarked on a number of strategic initiatives, in collaboration with local partners, to fundamentally redesign our offering to the community and team.

In the final quarter of 2018/19 we completed three major land sales, the St Peter's West Site to Cala Homes, the St Peter's residential land to Optivo, and the Ashford estates yard to Spelthorne Borough Council. Together these achieved £29m (gross) of capital receipts for us and £21m for our partner in the west site sale, Surrey and Borders Partnership NHS Foundation Trust (SAPB) presenting a once in a generation opportunity.

The land sale at Ashford Hospital to Spelthorne Borough Council is a great example of close partnership working. It will bring many benefits to the local community and offer solutions to some of the issues we face jointly, such as the availability of affordable housing for key workers, making the local area attractive to NHS workers and being able to invest in health facilities and services, including those at Ashford Hospital, for the benefit of all.

Following the sale of the West Site, our partners at SABP will use the capital to enhance the quality of inpatient care, including that for older people with mental health problems and upgrading the facilities at the Abraham Cowley Unit on the St Peter's Hospital site. This is fantastic news for the local community and we are particularly excited about future plans to work jointly on a co-ordinated programme of improvements, to achieve more joined up physical and mental health care for patients across the two organisations.

As described in the 'Modern Healthcare' section there are also plans to transform our services and facilities – including new 21st century urgent and emergency care facilities, a new multi-storey car park and redeveloped hospital entrance at St Peter's and Wellbeing Centres for colleagues at both hospital sites.

Tied into these land sales is provision to improve the local transport infrastructure, additional funding for education and the protection of protected wildlife, so it's a far reaching and 'once in a lifetime' opportunity for the local community.

'This is great news for local residents in Spelthorne and beyond and a fantastic example of working efficiently with our public sector partners to use tax-payer's money wisely and achieve multiple benefits for the community'

Suzanne Rankin, Chief Executive

Transforming Maternity Services

The award winning Surrey Heartlands Maternity Advice Line is an excellent example of how we collaborated with partners over the last year to bring benefit to local people.

The Maternity Advice Line, which launched in April 2018 and now takes up to 2,000 calls a month, is an innovative joint initiative from Ashford and St Peters, Royal Surrey Hospital in Guildford, Epsom and St Helier Hospital, and SECAmb. Based at SECAmb's control room in Crawley, midwives from each of the three NHS trusts provide personal advice and support to pregnant women and families with newborn babies 24 hours a day 7 days a week across Surrey Heartlands.

Not only has the Maternity Advice Line proved extremely popular with pregnant women and their families, it's reduced the number of ambulances dispatched and prevented unnecessary hospital admissions, while giving faster and more convenient access to personalised care from a midwife.

The Advice Line is one of a range of collaborative initiatives between us and our partners as part of the Surrey Heartlands Maternity Transformation programme to improve services for pregnant women. Other improvements include a shared digital records system, a shared home birth team and moving towards creating a single community midwifery team.

Fresh approach to physiotherapy services

In October 2018 the Trust and the local GP Federation in North West Surrey – North West Surrey Integrated Care Services (NICS) - started a partnership to provide 'First Contact' Physiotherapy, as part of national plans to extend access to primary care appointments across the area.

The partnership means we provide experienced physiotherapists, who, rather than working in hospital, work from a GP surgery seeing patients without a referral, saving both the GP and the patient valuable time. The physiotherapist carries out a detailed examination of the patient's condition and offers information on how this can best be managed. The physiotherapist can also arrange referrals to other services if needed, without the need to visit their usual GP.

'I have found First Contact Physiotherapy an excellent experience. Being able to see patients within a week of needing to see a physiotherapist has made a huge impact on their pathway and management plan. Many patients can comfortably self-manage following a good assessment, education on the findings with appropriate exercises and strategies to help their problem. The majority of people do not need to be referred on for further assistance, with the knowledge they can liaise directly with the First Contact Physiotherapists if needed. The feedback received from patients and GPs is very positive and as an expanding service hopefully this will continue to help more people in the future.'

Ryan Mackie, Clinical Specialist Physiotherapist.

3. ACCOUNTABILITY REPORT

Directors' Report

The Directors present their report for the financial year 1 April 2018 to 31 March 2019, 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/Director of Strategy *(until 30th Sept 2018)*
- **David Fluck,** Medical Director
- **Simon Marshall,** Director of Finance & Information
- **Louise McKenzie,** Director of Workforce Transformation
- **Tom Smerdon,** Director of Strategy & Sustainability *(from March 2019 – previously Director of Operations – Unplanned Care)*
- **James Thomas,** Chief Operating Officer *(from March 2019 – previously Director of Operations – Planned Care)*
- **Sue Tranka,** Chief Nurse

Non-Executive Directors

During the year our Non-Executive Directors have been:

- **Andy Field,** Chairman
- **Chris Ketley**
- **Hilary McCallion**
- **Keith Malcouronne**
- **Meyrick Vevers**
- **Mike Baxter**
- **Neil Hayward**
- **Marcine Waterman**

More details on our directors are given from page 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, which have been prepared on a group basis. 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 three in 2018/19 and attendance is set out onpage 94 and 95.

The Committee sets the policy, and the level of remuneration and terms and conditions of the Executive Directors of the Trust. The Committee receives an annual report on the performance of Executive Directors in the context of strategic objectives which feeds into decisions about remuneration levels. The Committee reviewed the terms of reference this year. 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, whilst reflecting a pay range that acknowledges that the organisation is performing well financially. This year it has considered benchmarked information from external sources, and national pay awards granted to staff on the top bands of the Agenda for Change terms and conditions, in aligning the pay award for Executive Directors.

All Executive Directors contracts were open-ended with notice periods for six months. There were no contracts containing a provision for compensation over and above legal entitlement for early termination. In 2018/19 all Executive Directors were paid through the Trust's payroll.

The Nominations and Executive Appointments Committee consists of four Non-Executive Directors chaired by the Trust Chairman. In the year the Committee agreed a restructure of the Executive team. The case for change was to create capacity to build on external partnership work while ensuring the executive team had a clear leadership and accountability for operational issues. The restructure created a Chief Operating Officer and Director of Strategy and Sustainability in place of the Director of Operations – Unplanned Care, Director of Operations – Planned Care and Director of Strategy and Transformation. Recruitment to the posts was carried out in accordance with the Fit and Proper Persons guidance for NHS organisations.

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 page 98.

Expenses

In 2018/19 the Trust paid out a total of £5,684 (2017/18 - £6,552) in expense payments to 9 (2017/18 - 14) 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 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 approved in October 2016, with a review planned for September 2019. In 2018/19 a total of £836 (2017/18 - £1,111) was paid out in such expenses to 7 (2017/18 – 8) Governors.

Median Salary

The Trust is required to disclose the relationship between the remuneration of its 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 2018/19 was £207,500 (2017/18 - £217,500). This was 7.0 times (2017/18 – 7.2) the median remuneration of the workforce, which was £29,608 (2017/18 - £30,183). 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. The pay of the Medical Director is lower in 2018/19 following a reduction in the Clinical Excellence Award element of their pay which exceeded their pay award increase.

Salary and pension entitlements of senior managers for the year to 31 March 2019

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

A) Remuneration

Name and Title	2018-19 Salary (bands of £5,000)	2018-19 Benefits in Kind (Rounded to the nearest £100)	2018-19 All pension-related benefits (bands of £2,500)	2018-19 Total (bands of £5,000)	2017-18 Salary (bands of £5,000)	2017-18 Benefits in Kind (Rounded to the nearest £100)	2017-18 All pension-related benefits (bands of £2,500)	2017-18 Total (bands of £5,000)
Executive Team	**£000**	**£00**	**£000**	**£000**	**£000**	**£00**	**£000**	**£000**
Suzanne Rankin, Chief Executive	185-190	65	-	195-200	175-180	54	-	180-185
Simon Marshall, Director of Finance & Information	135-140	56	25.0-27.5	170-175	135-140	56	25.0-27.5	165-170
Dr David Fluck, Medical Director	205-210	36	-	205-210	210-215	52	-	215-220
Valerie Bartlett, Deputy Chief Executive *(to 30 September 2018)*	70-75	39	0-2.5	75-80	135-140	69	17.5-20.0	165-170
Louise McKenzie, Director of Workforce Transformation	125-130	74	20.0-22.5	155-160	120-125	50	22.5-25.0	150-155
Sue Tranka, Chief Nurse *(from 18 September 2017)*	125-130	-	125.0-127.5	250-255	55-60	-	27.5-30.0	80-85
Heather Caudle, Chief Nurse *(to 10 September 2017)*	-	-	-	-	40-45	34	7.5-10.0	55-60
Tom Smerdon, Director of Strategy and Sustainability *(previously Director of Operations for Unplanned Care until 25 March 2019)*	100-105	68	5.0-10.0	110-115	90-95	58	-	100-105
James Thomas, Chief Operating Officer *(previously Director of Operations for Planned Care until 25 March 2019)*	100-105	-	35.0-37.5	135-140	95-100	-	40.0-42.5	135-140
Chairman and Non-Executives								
Andy Field *(from 4 September 2017)*	45-50	-	-	45-50	25-30	-		25-30
Aileen McLeish, Chairman *(to 3 September 2017)*	-	-	-	-	15-20	-	-	15-20
Meyrick Vevers, Non-Executive Director *(from 1 July 2016)*	10-15	-	-	10-15	10-15	-	-	10-15
Prof. Hilary McCallion, Non-Executive Director *(from 1 July 2016)*	10-15	-		10-15	10-15	-		10-15
Neil Hayward, Non-Executive Director *(from 1 July 2016)*	10-15	-	-	10-15	10-15	-	-	10-15
Prof. Mike Baxter, Non-Executive Director *(from 1 July 2016)*	10-15	-	-	10-15	10-15	-	-	10-15
Keith Malcouronne, Non-Executive Director *(from 1 July 2016)*	10-15	-	-	10-15	10-15	-	-	10-15
Chris Ketley, Non-Executive Director *(from 1 July 2016)*	10-15	-	-	10-15	10-15	-	-	10-15
Marcine Waterman, Non-Executive Director *(from 9 April 2018)*	10-15	-	-	10-15	-	-	-	-
Terry Price, Non-Executive Director *(to 31 December 2017)*	-	-	-	-	5-10	-	-	5-10

a) Included within the amount of Salary for Dr David Fluck is £163,000 relating to his medical work as a Consultant at the Trust. In 2017/18 this was £170,000 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.

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 2019 (bands of £5,000)	Lump sum at pension age related to accrued pension at 31 March 2019 (bands of £5,000)	Cash Equivalent Transfer Value at 1 April 2018	Real Increase/ (Decrease) in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2019	Employer's Contribution to Stakeholder Pension (to nearest £100)
Executive Team	**£000**	**£00**	**£000**	**£000**	**£000**	**£00**	**£000**	**£000**
Suzanne Rankin, Chief Executive	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-
Simon Marshall, Director of Finance & Information	0-2.5	(2.5)-0	30-35	60-65	447	71	552	-
Dr David Fluck, Medical Director	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-
Valerie Bartlett, Deputy Chief Executive *(to 30 September 2018)*	0-2.5	2.5-5.0	50-55	160-165	1,082	57	1,248	-
Louise McKenzie, Director of Workforce Transformation	0-2.5	(2.5)-0	35-40	80-85	523	82	638	-
Sue Tranka, Chief Nurse	5.0-7.5	12.5-15.0	25-30	55-60	261	125	412	-
Tom Smerdon, Director of Strategy and Sustainability *(previously Director of Operations for Unplanned Care until 25 March 2019)*	0-2.5	(2.5)-0	15-20	35-40	254	33	303	-
James Thomas, Chief Operating Officer *(previously Director of Operations for Planned Care until 25 March 2019)*	0-2.5	0-2.5	25-30	55-60	308	67	399	-

Notes:

a) Suzanne Rankin opted out of the NHS Pension scheme on 1 November 2011.

b) David Fluck opted out of the NHS Pension scheme on 1 April 2014.

c) Tom Smerdon opted out of the NHS Pension scheme on 1 March 2017 and re-joined on 1 September 2018.

d) As Non-Executive Directors do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-Executive Directors.

e) The factors used by the NHS Pensions Agency to calculate a CETV increased on 29 October 2018. This has affected the calculation of the real increase in CETV.

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.

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).

The factors used to calculate a CETV increased on 29 October 2018 and this has affected the calculation of the real increase in CETV.

Suzanne Rankin
Accounting Officer

23 May 2019

Staff Report

Analysis of staff costs

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

	2018/19			2017/18		
	Total	Permanently Employed	Other	Total	Permanently Employed	Other
	£'000	£'000	£'000	£'000	£'000	£'000
Salaries and wages	149,619	132,525	17,094	142,256	129,906	12,350
Social security costs	14,814	13,319	1,495	14,169	12,976	1,193
Apprenticeship levy	727	727	-	695	695	-
Employer contributions to NHS Pension scheme	16,754	15,063	1,691	16,176	14,814	1,362
Employer contributions to National Employment Savings Scheme (NEST)	14	13	1	4	4	-
Termination benefits	-	-	-	-	-	-
Agency/contract staff	13,634	-	13,634	9,944	-	9,944
Total gross staff costs	**195,562**	**161,647**	**33,915**	**183,244**	**158,395**	**24,849**
Recoveries from other organisations	(3,745)	(3,558)	(187)	(3,714)	(3,606)	(108)
Staff costs capitalised	(669)	(669)	-	(654)	(654)	-
Total staff costs	**191,148**	**157,420**	**33,728**	**178,876**	**154,135**	**24,741**

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

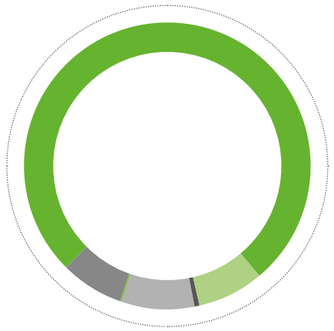
The Trust's average staff numbers in whole time equivalents (WTEs) during the year is shown below

	2018/19			2017/18		
	Total	Permanently Employed	Other	Total	Permanently Employed	Other
	No.	No.	No.	No.	No.	No.
Medical and dental	537	537	-	528	528	-
Administration and estates	758	758	-	738	738	-
Healthcare assistants and other support staff	812	812	-	812	812	-
Nursing, midwifery and health visiting staff	872	872	-	920	920	-
Scientific, therapeutic and technical staff	280	280	-	279	279	-
Healthcare science staff	86	86	-	87	87	-
Bank and agency staff	593	-	593	509	-	509
	3,938	**3,345**	**593**	**3,873**	**3,364**	**509**

The total of 3,938 WTE compares to 3,873 WTE for 2017/18. The largest part of our workforce is nursing and midwifery, and medical and dental staff who account for 42% of our permanent employees.

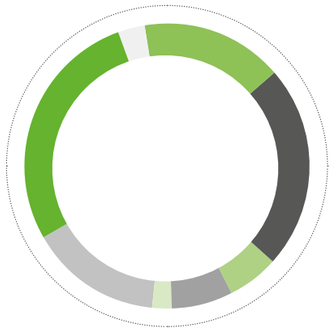
Staff costs 2018/19

Salaries and wages	76.5%
Social security costs	7.5%
Apprenticeship levy	0.4%
Employer contributions to NHS Pension scheme	8.5%
Employer contributions to National Employment Savings Scheme (NEST)	0.1%
Agency/contract staff	7%



Staff in Post as at 31 March 2019

Nursing and Midwifery Registered	28%
Add Prof Scientific and Technic	3%
Additional Clinical Services	16%
Administrative and Clerical	23%
Allied Health Professionals	6%
Estates and Ancillary	7%
Healthcare Scientists	2%
Medical and Dental	15%



Gender Split

Breakdown at the year end of the number of male and female staff in the following categories:

- Directors
- Other senior managers
- All employees.
- By pay band

Gender as % of Total Workforce

Directors

Headcount Numbers			
Gender	Exec	Non Exec	Total
Female	4	2	**6**
Male	4	6	**10**
Total	**8**	**8**	**16**

♀ **37.5%** ♂ **62.5%**

Senior managers

Headcount Numbers			
Gender	Full Time	Part Time	Total
Female	113	53	**166**
Male	54	4	**58**
Total	**167**	**57**	**224**

♀ **74%** ♂ **26%**

All Perm/FTC staff

Headcount Numbers			
Gender	Full Time	Part Time	Total
Female	1814	1103	**2917**
Male	850	108	**958**
Total	**2664**	**1211**	**3875**

By pay band

Pay Band	♀	♂
1	60.6%	39.4%
2	70.5%	29.5%
3	79.3%	20.7%
4	85.1%	14.9%
5	84.0%	16.0%
6	87.0%	13.0%
7	85.3%	14.7%
9	0.0%	100.0%
8A	79.1%	20.9%
8B	72.7%	27.3%
8C	67.9%	32.1%
8D	68.4%	31.6%
Med & Dental	49.8%	50.2%
Exec	50.0%	50.0%
Non Exec	25.0%	75.0%
Local	0.0%	100.0%
Grand Total	**75.3%**	**24.7%**

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 2018 in line with national guidance.

	2018	2017
Total days lost	23,065	22,898
Total staff years worked	3,403	3,401
Average working days lost (annualised)	6.8	6.7

Staff Policies and Actions Applied During the Financial Year

We have a full range of Workforce policies in place at the Trust. Our Workforce Teams provide support and advice on these policies to both managers and staff. We regularly update and improve our workforce policy and practice, working closely in partnership with staff side to do this. In 2018/19 we reviewed and relaunched the following policies:

- Organisational Change Policy
- Performance and Capability Policy
- Temporary Staffing Policy
- Retirement Policy
- Reducing Violence and Aggression policy

All of our policies are subject to an Equality Impact Assessment, a practical tool which enables us to identify potential discrimination and take appropriate steps to remove any potential disadvantage for a particular group.

We have in place a guaranteed interview scheme for disabled candidates who meet the essential criteria when applying for opportunities at the Trust.

Raising concerns

The Trust is committed to creating a culture where everyone feels able and confident to speak up. This was at the heart of the #RightCulture programme launched in 2014. In addition to accessing advice and support from HR and line management colleagues, the Trust has an active Freedom to Speak Up Guardian (FTSUG). Over the past 12 months, she has appointed ten FTSU Ambassadors, spread across a number of disciplines and levels in the Trust including, Nursing, Maternity Admin, Midwifery, Nurse Educators, Pharmacist, Pain team, Occupational Health, IT and Training. Initial feedback has been very positive with Ambassadors already building constructive open relationships with Divisional Managers and colleagues, where their objectivity and impartiality in dealing with a concern has been invaluable.

OH performance and Flu campaign

Our occupational health service is committed to a strong focus on health, safety and wellbeing for staff. We offer pre-employment screening, work-related health checks, vaccination and immunisation programmes, and advice on reducing risks in the workplace. We also offer guidance to staff and managers on maintaining wellness, and managing absence. Our Wheel of Wellbeing programme offers a range of opportunities to support staff including access to a staff physiotherapist, smoking cessation services, 'know your numbers' programme as well initiative aimed at developing TeamASPH and enabling staff to connect with one another, such as the Staff Choir, our annual photography challenge and our annual rounder's competition.

The Trust runs an annual flu vaccination programme for staff with a dual purpose of protecting our healthcare workers as well as protecting our patients and members of the public. In 2018/19 we vaccinated 75% of frontline staff, meeting the national target and exceeding our performance from previous years. The campaign was led by our Director of Workforce Transformation, and championed by all of our peer vaccinators including our Chief Executive.

Countering Fraud and Corruption

The Trust is committed to reducing fraud to an absolute minimum. This commitment is fully supported by the Trust Board and monitored on a regular basis by the Trust's Audit Committee.

To achieve this, we work in partnership with BDO, a professional services firm which provides a dedicated NHS accredited counter fraud specialist (CFS) to the Trust. Our CFS is responsible for fraud awareness across the Trust and the investigation of any suspected or reported fraud activity. This work is supported by regular risk assessments and fraud and bribery prevention techniques. The CFS recently undertook a compliance exercise to assure the Trust Board of compliance against national standards for countering fraud and bribery. In line with NHS Protect's standard for providers, the key aims of our counter fraud strategy are as follows:

- **Strategic governance** - We support and direct anti-fraud, bribery and corruption work through regular monitoring of counter fraud activity at the audit committee, and by promoting adherence to the Trust's fraud policy.
- **Inform and involve** - We inform and involve all staff in the promotion, prevention and detection of anti–fraud, bribery and corruption work, ensuring that all are aware of their specific responsibilities in countering fraud, bribery and corruption.
- **Prevent and deter** - Where appropriate, we publicise successful fraud, bribery and corruption cases to deter fraud and 'fraud-proof' policies and procedures to reduce the opportunity to commit fraud in high-risk business areas.
- **Hold to account** - The Director of Finance and Information will authorise investigations of alleged fraud within the Trust and where appropriate endorse legal sanctions against those who have been found to have defrauded the Trust.

Expenditure on consultancy

During 2018/19 the Trust spent £797,000 on consultancy compared to £427,000 in 2017/18. The expenditure was in a number of different areas and projects, with the year on year increase mainly on IT digital strategy and STP workforce consultancy.

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.

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. As such there were no reportable off-payroll engagements in existence during 2018/19 or as at 31 March 2019, 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 2019, for more than £245 per day and that last longer than six months:

	No
Number of existing engagements as of 31 March 2019	-

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

	No
Number of new engagements, or those that reached six months in duration, between 1 April 2018 and 31 March 2019	-
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)	16

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

Exit packages

Details of exit packages agreed during the year to 31 March 2019 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)	-	25	25

	Agreements No.	Total value of agreements £'000
Contractual payments in lieu of notice	8	25

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

In 2017/18 there were eight exit packages costing £20,000.

Staff Survey

The National Staff Survey provides a yearly snapshot of staff experience at Ashford and St. Peter's Hospitals. Together with feedback from our Staff Friends and Family Test, our real-time feedback tool: PeakOn and our new Employee Recognition Scheme, the survey provides us with evidence to understand the bigger picture, improve the working experience of colleagues and the corresponding experience for patients.

The National Staff Survey was completed by 1,653 members of permanent staff at ASPH between Oct and Dec 2018. This is a response rate of 46% against a national average response rate of 44% for Acute trusts.

a) Approach to staff engagement

We place great importance on staff engagement and recognise the positive correlation between this and motivation, commitment, involvement in change and ultimately the impact on the quality of patient care.

The Trust has a structured and regular communication process with our employees and their representatives including daily email bulletins, a weekly message from our Chief Executive, monthly blogs from executive colleagues and various formal and informal meetings with staff governors, our trade union colleagues, and other networks.

We have recently launched a new internal communications mechanism - Team Talk – with the aim to further engage with team members. The objective is to keep colleagues abreast of key developments, news, training and events at ASPH, but also to use this as an opportunity for all colleagues to partake in genuine, two-way conversation.

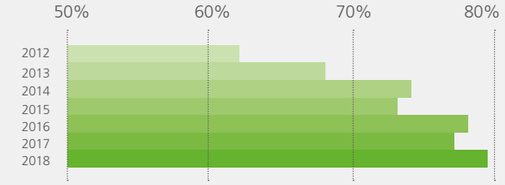
After engaging with staff, Team Talk has been tailored to try and meet the communication needs of the diverse workforce we have at the Trust. So as well as having a physical event that comprises of a short briefing session followed by an open discussion between the leadership team and the audience, we also provided the option for staff to tune into a live stream of the session via the ASPH YouTube channel from our other hospital sites or from home on mobile devices. We also gave colleagues the chance to send questions in beforehand via our Intranet and postcards sent out with payslips.

As well as engaging with staff through the above communication channels, this year we have also focussed on how we can engage staff on issues that are close to them and their working environment. Working with Surrey Heartland colleagues, we have piloted a new online staff feedback system – PeakOn – which provides real-time feedback on issues such as reward, well-being, accomplishment and line management. This feedback is given by completion of a short survey through a mobile device app or website. The benefit of this system is the real time nature of the feedback which enables colleagues to act quickly and help resolve issues that have been raised.

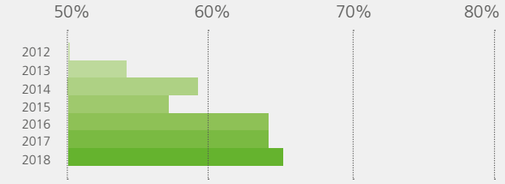
Our staff engagement score has continued to improve, and it is particularly pleasing to see that all of the 3 'friends and family' advocacy questions have improved year on year for the past 6 years.

Advocacy

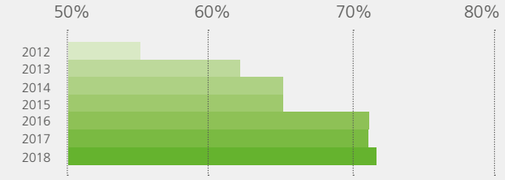
Care of patients/service users is organisation top priority



Would recommend organisation as a place to work

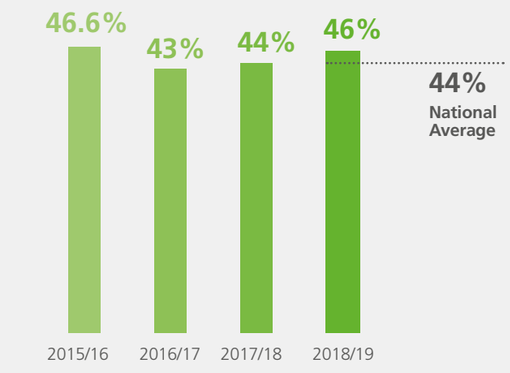


If friend/relative needed treatment, would be happy with standard of care provided by organisation



b) Summary of performance – results from the NHS staff survey 2018

Response Rate



Trust Improvement on last year and above the national average.

The following tables outline the Trust's performance against the ten main indicators for 2018, 2017 and 2018, and how they benchmark against other organisations in our benchmarking group.

	2018/2019		2017/2018		2016/2017	
	Trust	Benchmarking Group	**Trust**	Benchmarking Group	**Trust**	Benchmarking Group
Equality, Diversity & Inclusion	**8.9**	9.1	**9.0**	9.1	**9.1**	9.2
Health and Well-Being	**6.0**	5.9	**6.2**	6.0	**6.2**	6.1
Immediate Managers	**6.7**	6.7	**6.6**	6.7	**6.8**	6.7
Morale	**6.0**	6.1	**No available data**			
Quality of Appraisals	**6.1**	5.4	**5.9**	5.3	**6.1**	5.3
Quality of Care	**7.5**	7.4	**7.5**	7.5	**7.7**	7.7
Safe Environment - Bullying and Harassment	**7.8**	7.9	**7.9**	8.0	**8.1**	8.0
Safe Environment - Violence	**9.4**	9.4	**9.4**	9.4	**9.5**	9.4
Safety Culture	**6.6**	6.6	**6.6**	6.6	**6.7**	6.6
Staff Engagement	**7.2**	7.0	**7.2**	7.0	**7.2**	7.0

The staff survey shows that our results have remained consistent over a number of years and we benchmark against the average for our groups in most areas.

We are above the average for Quality of Appraisal and show are less than average in relation to the Equality, Diversity and Inclusion indicators.

The questions which form part of the Health and Well-Being themes are above average for the Trust. However there has not been an improvement in these scores and continue to receive feedback from staff on working extra hours and their feelings in relation to work life balance. Whilst we appreciate that long working hours may be linked to the high levels of engagement and commitment that staff have to the Trust and its patients, we need to ensure that staff are well rested and handover takes place on time.

c) Future priorities and targets

The Trust will continue with its approach to having Trust wide and directorate level action planning, progress of which are reviewed by the Trust Executive Committee and Equality, Diversity and Inclusion steering group. The areas we will focus on Trust wide are:

1. **Improving Health and Well-Being** – We are reviewing our approach to HWB and will be completing a refresh of the HWB strategy using the NHS employers *'Workforce health and wellbeing framework'* published in 2018. We need to consider how we significantly increase our focus and attention on health and wellbeing particularly in relation to:
   - Basic practices around timely handover, taking breaks and ensuring staff are well rested;
   - Self-care and incentivising better lifestyle behaviours;
   - Mental health and support for this;
   - Better understanding of our workforce health needs.
2. **Continuing to develop the right culture and reduce incidents of bullying and harassment** – a new approach is in development to address the concerns highlighted by staff in the survey and through other engagement and feedback mechanisms. A taskforce is already in place, along with staff networks to engage staff on the issues and their ideas for combating bullying and harassment in the workplace.
3. **Reducing incidents and improving our management of violence and aggression against staff** – The Trust is implementing a Respect at Work campaign with a number of initiatives including a publicity campaign around acceptable behaviour and piloting the use of body camera as a deterrent and a way of diffusing situations.

Equality, Diversity and Inclusion

The Trust remains committed to providing services and employment opportunities that are inclusive across all strands of equality; age, disability, gender, ethnicity, race, religion and belief and sexual orientation – in accordance with the Equality Act 2010 and our public sector equality duties.

Our equality objectives set out our priorities to drive improvements in patient care and staff experience, which aim to reduce inequalities for our diverse workforce and patient population.

Following the successful launch of the BAME Staff Network in July last year, we have now launched the LGBT+ staff network and the first meeting took place in January 2019. We have teamed up with Stonewall, the largest LGBT rights organisation in Europe, to help us develop an inclusive, equal and inspiring working environment for LGBT colleagues, and improve the patient experience for members of this community in our patient population.

In preparation for the impact of Brexit, the Trust set up a European Employee Support Programme, which has supported a large number of staff to apply for the EU Settlement Scheme; and which has been a source of information and support for staff during this uncertain time.

In April 2018, we published our 4th annual Workforce Race Equality Standards report and our 2nd annual Gender Pay Gap report, taking the opportunity to review progress against our plans in these areas. This year's gender pay gap report has shown that our pay gap is closing on all measures, with the median reported gender pay gap at 0%.

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 2019 the Trust complied with all the provisions of the Code of Governance published by NHS Improvement in 2014.

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 consider 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 Board also meets quarterly in the Strategic Change Committee the primary purpose of which is to provide horizon scanning to inform understanding and assurance on delivery of the Trust strategy, to formulate new and evolving strategy, and to provide oversight, scrutiny and assurance to the Board on the success and impact of the Together We Care Strategy.

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 seven Executive Directors. The Trust Board Secretary attends all Board meetings.

The Council of Governors' Nominations & Appointments Committee met on the following dates and endorsed the following recommendations during the year to the Council of Governors for ratification:

- On 23 August 2018 recommendation to appoint Marcine Waterman as Deputy Chairman of the Trust; formally ratified at the Council of Governors meeting on 5 September 2018.
- On 19 February 2019 considered the options and recommendations for reappointment of six Non-Executive Directors; formally ratified at the Council of Governors on 6 March 2019.

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, Business Unit Director at Fujitsu, Chief Operating Officer of Tribal Group plc and latterly running his own company focusing on business transformation utilising technology innovation.

As well as his role with us, Andy is Chairman of Think Learning a business that implements Learning Management Systems and a non-executive director of Customer Attuned which works in the business to business sector improving organisations' customer and partner relationships.

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 continues to lecture and publish in the area of diabetes and diabetes care delivery.

Mike is Chair of the People Committee and a member of the Quality of Care 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 Chair of the Strategic Change Committee and a member of both the Modern Healthcare Committee and People Committee. Neil also sits on the Executive Directors' Nomination & Appointments and Remuneration & Appraisal Committees.

Chris Ketley, Non-Executive Director

Appointed in July 2016, Chris has significant senior management experience in a variety of sectors including banking, private healthcare, energy and media, with a proven track record in business strategy, leading digital transformation, marketing and customer experience.

As General Manager Membership of the AA he led the conception and six year development through the 1990s of the AA's acclaimed 4th Emergency Service marketing campaign, the most successful in its history. He assumed his first Board level role as Marketing Director with Amazon.co.uk in1999 and since then has been an Executive Board member of Zenith Media where he was the founding Managing Director for Zenith Interactive Solutions, a digital media communications agency, and also Co-Founder of Active Wellbeing, a self-help healthcare brand in rehabilitation and recovery. Subsequent business leadership roles have focused on directing the digital transformation strategies and programmes of major corporate service businesses including Norwich Union, HSBC Commercial Banking, Bupa UK, Vitality Health and EDF Energy.

Chris is Chair of the Integrated Digital Committee, a member of the Quality of Care Committee and sits on the Patient Experience Monitoring Group. He is also a Non-Executive for the Surrey Heartlands Digital Programme Board and a member of its Digital Steering Group.

Keith Malcouronne, Non-Executive Director

Appointed in July 2016, Keith has a background in accountancy and 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 including as a Director of Guildford Diocesan Board of Finance.

Keith is currently Non-Executive Chairman at TickX Limited, and Audit and Corporate Finance Partner at the City firm Acuity Professional Partnership LLP.

Keith is Chair of the Audit & Risk Committee, is a member of the Charitable Funds Committee and sits on the End of Life Care Steering Group.

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 of Care Committee and is a member of the People Committee. In her position as Senior Independent Director takes on the role of Chair of the Executive Directors' Remuneration and Appraisal Committee and is also a member of the Executive Directors' Nomination and Appointments 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 & 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 Modern Healthcare Committee and Charitable Funds Committee, and is a member of the Audit & Risk 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). The 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 was appointed Deputy Chairman in September 2018 and is a member of the Modern Healthcare Committee, Audit & Risk Committee and Quality of Care Committee. Marcine is also a member of the Executive Directors' Remuneration & Appraisal and Nomination & Appointment Committees.

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 Non-Executive Director on the Health Education England London & South East Local Education Training Board (LETB) representing Surrey Heartlands STP, and is Chair of the Kent, Surrey & Sussex Clinical Research Network.

Valerie Bartlett, Deputy Chief Executive/Director of Strategy and Transformation *(until 30th Sept 2018)*

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.

As part of the development of Surrey Heartlands Integrated Care System and in particular the establishment of an integrated care partnership (ICP) in North West Surrey, Valerie was appointed as NW Surrey ICP Programme Director in September 2018. This outward focused role has enabled Valerie to give her full focus to leading the establishment and enablement of the NW Surrey ICP, by doing so delivering on a key component of the Trust's new strategy and the strategic objective 'Collaborate'.

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 Chair of 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 Strategy & Sustainability

Tom was appointed Director of Strategy & Sustainability on 25 March 2019 and will be leading on strategy, both internally at a Trust level and externally within the Surrey Heartlands Health and Care Partnership and beyond. He will be developing our services in a sustainable way and looking at issues such as environmental sustainability and how that links to improving health.

Tom was previously in the role of Director of Operations for Unplanned Care and had 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 A Thomas, Chief Operating Officer

James was appointed Chief Operating Officer on 25 March 2019 having 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 for Planned Care 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 he worked as a hospital porter. He then 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 Hospitals 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, before returning to Ashford and St Peter's in 2015. 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.

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 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 2019.

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 2018/19 we have continued to build on the work previously identified in 2017/18 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 2019.

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 or by making a request to the Trust secretary, either at St Peter's Hospital, Guildford Rd, Chertsey, KT16 0PZ, or via email **asp-tr.board@nhs.net** or on **01932 723110**.

Board meetings

The Board met in open session nine times during 2018/19 and in closed session 12 times during 2018/19. Directors' attendance was as follows:

	End of term of office	Open Board Meetings attended	Closed Board Meetings attended
Non-Executive Directors			
Prof Mike Baxter	September 2021	8 of 9	8 of 12
Andy Field	September 2020	8 of 9	11 of 12
Chris Ketley	February 2023	7 of 9	10 of 12
Neil Hayward	July 2021	5 of 9	7 of 12
Keith Malcouronne	July 2021	8 of 9	10 of 12
Hilary McCallion	July 2022	8 of 9	9 of 12
Meyrick Vevers	July 2022	8 of 9	10 of 12
Marcine Waterman	April 2021	7 of 9	8 of 12

Name	Position	Open Board Meetings attended	Closed Board Meetings attended
Executive Directors			
Valerie Bartlett*	Deputy Chief Executive/ Director of Strategy & Transformation	3 of 5	4 of 6
Dr David Fluck	Medical Director	8 of 9	9 of 12
Simon Marshall	Director of Finance & Information	8 of 9	11 of 12
Louise McKenzie	Director of Workforce Transformation & Organisational Development	9 of 9	11 of 12
Suzanne Rankin	Chief Executive	9 of 9	12 of 12
Tom Smerdon**	Director of Strategy & Sustainability	8 of 9	9 of 12
James A Thomas**	Chief Operating Officer	8 of 9	9 of 12
Sue Tranka	Chief Nurse	8 of 9	10 of 12

*Valerie Bartlett ceased to be Deputy Chief Executive from September 2018

**Both Tom and James have been in post since March 2019, attendance included whilst in previous positions Directors of Operations for Planned Care and Unplanned care respectively.

Board Sub Committees

The Board of Directors has the following sub committees:

- Audit & Risk Committee
- Modern Healthcare Committee
- Quality of Care Committee (QCC)
- Strategic Change Committee
- Nominations Committee (Executive Directors)
- Remuneration Committee (Executive Directors)
- People Committee
- Charitable Funds Committee

Audit & Risk 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 (Mazars LLP) and the Local Counter Fraud Specialist are all invited to attend the meetings.

Discharging its responsibilities

The Audit & Risk 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 & Risk Committee primarily utilises the work of internal audit, external audit and other external bodies. The Audit & Risk Committee approves the annual work plans of internal audit, external audit and the Local Counter Fraud Specialist.

At its meeting in January 2019 the Audit & Risk Committee reviewed and noted three significant risks and one enhanced risk (land sales), in terms of their potential impact on our financial statements, as set out below:

- Management at various levels within an organisation may be 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. Due to the unpredictable way in which such override could occur there is a risk of material misstatement due to fraud on all audits. The risk may be more acute in the NHS sector because of the central pressure within the NHS to report a financial outturn in line with expectations.
- At 31 March 2018 the Trust's Property, Plant and Equipment balance totalled £172million. The Trust proposed to base its disclosures as at 31 March 2019 on the interim valuation effective from 1 April 2016, adjusted for the proposed land sales. Changes in the value of property may impact on the Statement of Comprehensive Income depending on the circumstances and the specific accounting requirements of the Annual Reporting Manual and the Department of Health Group Accounting Manual.
- Revenue and expenditure - auditing standards include a rebuttable presumption that there is a significant risk in relation to the timing of income recognition, and in relation to judgements made by management as to when income has been earned. The pressure to manage income to deliver forecast performance in a challenging financial environment increases the risk of fraudulent financial reporting leading to material misstatement and means the external auditors are unable to rebut the presumption. For public sector organisations, the same risk applies to the recognition of non-payroll expenditure and contractual obligations. The pressure to manage expenditure, especially when dealing with high cost specialisms that are not specifically funded, increases the risk surrounding fraudulent financial reporting of expenditure.
- The Trust planned to complete three significant land sales by 31 March 2019, one in partnership with Surrey and Borders Partnership NHS Foundation Trust, as part of the transformation of services on the two hospital sites. The sales are subject to Board approval. The receipts obtained by the Trust will be used to fund a new Urgent Treatment Centre at St Peter's Hospital as well as a multi-storey car park; and an extension to St. Peter's main reception. The Trust will also be working with Optivo (a social housing provider) to develop staff accommodation units.

Policy for Safeguarding External Auditors' Independence

The Council of Governors approved the appointed of Mazars as the Trust's new external auditors, replacing KPMG, at its meeting held in December 2018.

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.

Modern Healthcare Committee

The Committee is chaired by Non-Executive Director Meyrick Vevers. The Committee includes two other Non-Executive Directors, Director of Strategy & Sustainability and the Chief Operating Officer, the Director of Finance and Information and the Medical Director.

The Modern Healthcare 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, and two other Non-Executive Directors.

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 and two other Non-Executive Directors sit on the committee.

Quality of Care 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, Director of Strategy & Sustainability and Chief Operating Officer, Chief of Patient Safety, Associate Director of Quality, Chief Pharmacist, and the Divisional Directors.

The Quality of Care 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 & Risk Committee in matters of corporate governance.

People 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 & Organisational Development, Chief Nurse, Medical Director, and Director of Strategy and Sustainability and Chief Operating Officer.

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.

Strategic Change Committee

The committee is chaired by Non-Executive Director Neil Hayward and membership includes all Board members. The Committee's role is to provide strategic leadership to the Trust and to provide oversight, scrutiny and assurance to the Board on the success and impact of the Together we Care Strategy.

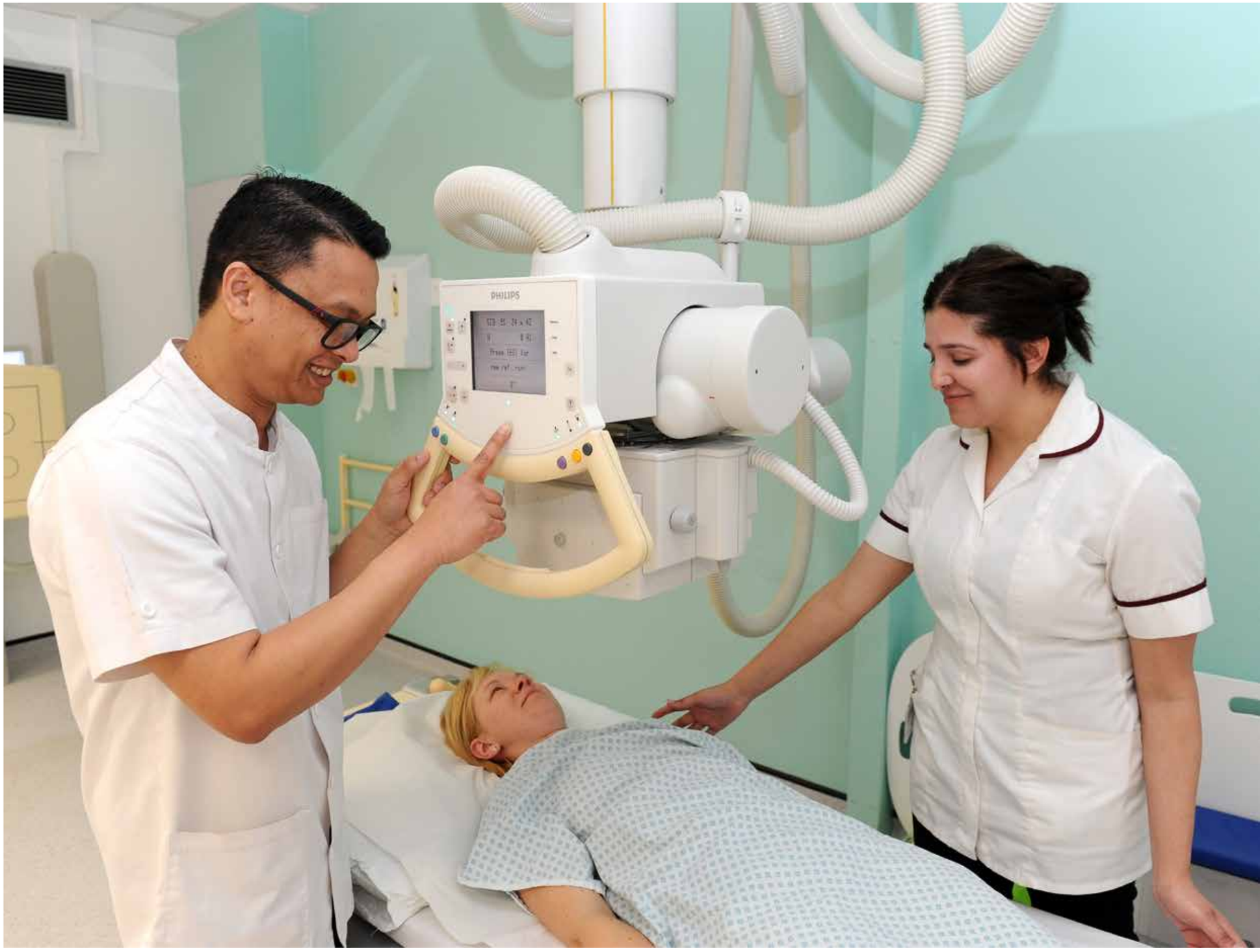
The Committee will also take a longer term view and help to formulate the strategy for the organisation including major service developments, partnerships, mergers and acquisitions.

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 & Risk Committee	Remuneration Committee	Nominations Committee	Quality of Care Committee	People Committee	Modern Healthcare Committee	Integrated Digital Committee	Strategic Change Committee	Charitable Funds Committee	Council of Governors (in attendance)
Valerie Bartlett	-	-		-	-	-	-	0 of 1	-	1 of 4
Mike Baxter	-	-		4 of 6	5 of 5	-	-	1 of 2	-	2 of 4
Andy Field	-	3 of 3	3 of 3	-	-	-	-	2 of 2	4 of 4	3 of 4
David Fluck	-		-	4 of 6	3 of 5	2 of 5	5 of 5	2 of 2	-	3 of 4
Neil Hayward	-	3 of 3	3 of 3	-	3 of 5	9 of 10	-	0 of 2	-	2 of 4
Chris Ketley	-	-	--	5 of 6	-	-	5 of 5	1 of 2	-	3 of 4
Keith Malcouronne	3 of 3	-	-	-	-	-	-	2 of 2	3 of 4	2 of 4
Simon Marshall	3 of 3	-	-	-	-	10 of 10	5 of 5	2 of 2	4 of 4	4 of 4
Hilary McCallion	-	3 of 3	3 of 3	5 of 6	3 of 5	n/a	-	0 of 2	-	3 of 4
Louise McKenzie	-	3 of 3*	3 of 3**	-	5 of 5	-	-	2 of 2	-	3 of 4
Suzanne Rankin	-	3 of 3*	3 of 3**	5 of 6	5 of 5	-	-	2 of 2	-	4 of 4
Tom Smerdon	-	-	-	6 of 6	2 of 5	8 of 10	3 of 5	2 of 2	-	2 of 4
James A Thomas	-	-	-	4 of 6	3 of 5	7 of 10	4 of 5	2 of 2	-	3 of 4
Sue Tranka	-	-	-	6 of 7	5 of 5	-	3 of 5***	2 of 2	0 of 4	1 of 4
Meyrick Vevers	3 of 3	-	-	-	-	10 of 10	-	2 of 2	4 of 4	4 of 4
Marcine Waterman	3 of 3	2 of 3	2 of 3	-	-	9 of 10	-	2 of 2	-	2 of 4

Notes

1. Audit and Financial Management Committees changed their names wef October 2018
2. Audit Committee only met three times in 2018/19
3. Modern Healthcare Committee; the membership changed from October 2018 which added the Medical Director to the attendees list – hence only 5 possible meetings to attend in October 2018 to March 2019 period
4. *In attendance
5. **In attendance
6. ***Includes representation by a deputy

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 2019/20 at two workshops held in December 2018 and February 2019. 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 2018/19 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:

- 14 public governors covering six constituencies;
- five staff governors covering five staff constituencies; and
- six appointed governors from partnership organisations.

The Chairman of the Board is also the Chairman of the Council of Governors. The Council of Governors appointed Danny Sparkes (Public Governor for Runnymede, Surrey Heath and Windsor & Maidenhead) as the Lead Governor in July 2018.

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.

Council of Governor elections were held in October/ November 2018 with all vacancies being filled. Successful candidates were elected for a three term of office from 1st December 2018 to 30th November 2021.

We would like to acknowledge the contribution made by those Governors that stood down in 2018:

- **Andrew Ryland,** Lead Governor and Public Governor for Runnymede, Windsor and Maidenhead;
- **Barbara Mogensen,** Public Governor for Elmbridge;
- **Richard Docketty,** Staff Governor for the Volunteers;
- **John Sermon,** Staff Governor for Ancillary, Administrative, Clerical and Managerial staff;
- **Mr Arun Gupta,** Staff Governor for Medical and Dental staff;
- **Cllr David Bittleston,** Appointed Governor from Woking Borough Council; and
- **Cllr Mark Maddox,** Appointed Governor from Runnymede Borough Council.

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.

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.

Membership and attendance is given below:

The Committee met four times during 2018/19 recommending to the Council:

- the appointment of a Non-Executive
- the appointment of a Deputy Chairman
- the extension to current Non-Executive Directors' contracts

Nominations and Appointments Committee	Meetings attended
Maurice Cohen (Public Governor – Woking and Guildford)	4 of 4
Andy Field (Trust and Committee Chairman)	4 of 4
Neil Hayward (Non-Executive Director)	1 of 4
Godfrey Freemantle (Public Governor – Hounslow, Kingston upon Thames and Richmond upon Thames)	4 of 4
Sue Harris (Staff Governor – Nursing and Midwifery)	3 of 4
Chris Howorth (Appointed Governor – The Royal Holloway, University of London)	3 of 4
Steve McCarthy (Public Governor – Elmbridge)	4 of 4

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 2018/19 recommending to the Council:

- the remuneration and terms of appointment of any Non-Executive Director; and the process for the evaluation/appraisal of the Chairman and Non-Executive Directors.
- Review of Chairman and Non-Executive Director Remuneration

Membership and attendance is given below:

Remuneration and Appraisal Committee	Meetings attended
Maureen Attewell (Appointed Governor - Spelthorne Borough Council)	2 of 2
Lilly Evans (Public Governor – Runnymede, Surrey Heath, Windsor and Maidenhead)	2 of 2
Denise Saliagopoulos (Public Governor - Spelthorne)	1 of 2
Danny Sparkes (Public Governor – Runnymede, Surrey Heath, Windsor and Maidenhead)	2 of 2
Matt Stevenson (Staff Governor - allied health professionals, healthcare scientists and healthcare assistants)*	1 of 1

*became a committee member in September 2018 after first meeting held in August 2018

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; five of which have one to three elected governors. The 6th area is "Rest of Surrey" and currently does not meet the criteria to have an elected governor.

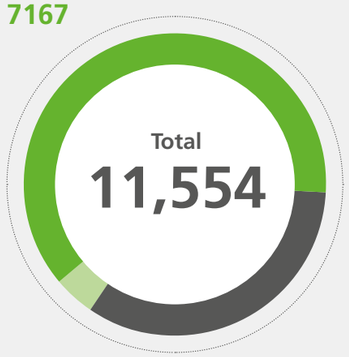
Staff Constituency; any permanent member of staff, including registered volunteers, can be a staff member. There are five classes which each elect one Governor:

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 2019

Public 62%
7167



Volunteers 5%
490

Staff 33%
3897

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 June 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 underrepresented areas of Hounslow, Kingston-upon-Thames and Richmond-upon-Thames.
- 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 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 2018 included Infection Control, Colorectal Services, Grave Talk, Cancer Services and Support Groups as well as the Annual Members' Meeting where the focus topic was Hospital Transformation – Urgent Treatment Centre (UTC) being primary care led and models of care. 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 Associate Director of Quality is 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 - 2019

Name (Constituency / Organisation)	Date elected or appointed	Term of office	Meetings attended
Tom Allan (Staff Governor – Volunteers)	1st Dec 2018	3 years to 30/11/21	0 of 1
Maureen Attewell (Appointed – Spelthorne Borough Council)	1st Dec 2016 (2nd term)	3 years to 30/11/19	1 of 4
David Bittleston (Appointed – Woking Borough Council)	23rd May 2016	2 years to 22/05/18	0 of 1
Simon Bhadye (Public – Spelthorne)	1st Dec 2016 (3rd term)	3 years to 30/11/19	3 of 4
Keith Bradley (Public – Woking and Guildford)	1st Dec 2016 (3rd term)	3 years to 30/11/19	4 of 4
David Carpenter (Public – Elmbridge)	1 Dec 2018	1 year to 30/11/19	1 of 1
Brian Catt (Public – Spelthorne)	1st Dec 2016 (3rd term)	3 years to 30/11/19	4 of 4
Iftikhar Chaudhri (Appointed – Runnymede Borough Council)	1st Dec 2018	N/A	1 of 1
Maurice Cohen (Public – Woking and Guildford)	1st Dec 2016 (3rd term)	3 years to 30/11/19	4 of 4
Melaine Coward (Appointed – University of Surrey)	1st Mar 2017	N/A	2 of 4
Richard Docketty (Staff – Volunteers)	1st Dec 2016 (2nd term)	1 year 10 months to 5/09/18	3 of 3
Lilly Evans (Public – Runnymede, Surrey Heath and Windsor & Maidenhead)	1st Dec 2018 (2nd term)	3 years to 30/11/21	3 of 4
Godfrey Freemantle (Public – Hounslow and Richmond upon Thames and Kingston upon Thames)	1st Dec 2016 (3rd term)	3 years to 30/11/19	4 of 4
Oscar Garcia-Cassas (Staff – Medical and Dental)	1st Dec 2018	3 years to 30/11/21	1 of 1
Arun Gupta (Staff – Medical and Dental)	1st Dec 2015 (2nd term)	3 years to 30/11/18	3 of 3
Sue Harris (Staff – Nursing and Midwifery)	1st Dec 2016 (3rd term)	3 years to 30/11/19	3 of 4
Chris Howorth (Appointed – Royal Holloway, University of London)	1st Dec 2016 (3rd term)	3 years to 30/11/19	3 of 4
Deborah Hughes (Appointed – Woking Borough Council)	23rd May 2018	N/A	3 of 3
Mark Maddox (Appointed – Runnymede Borough Council)	26th May 2016	2 years to 22/5/18	0 of 3
Steve McCarthy (Public – Elmbridge)	1st Dec 2016 (3rd term)	3 years to 30/11/19	4 of 4
Chris Marks (Public – Runnymede, Surrey Heath, Windsor and Maidenhead)	1st Dec 2018	3 years to 30/11/21	1 of 1
Barbara Mogensen (Public – Elmbridge)	1st Dec 2016 (2nd term)	1 year 2 months to 30/01/18	0 of 0
Sinead Mooney (Appointed – Surrey County Council)	1st Aug 2018	2 years 8 months to 4/05/21	1 of 1
Judith Moore (Public – Woking and Guildford)	1st Dec 2016 (3rd term)	3 years to 30/11/19	2 of 4
Bhagat Singh Rupal (Public – Hounslow and Richmond upon Thames and Kingston upon Thames)	1st Dec 2016 (2nd term)	3 years to 30/11/19	3 of 4
Julian Ruse (Staff – Administrative and Clerical, Managerial and Ancillary)	1st Dec 2018	3 years to 30/11/21	1 of 1
Andrew Ryland (Public – Runnymede, Surrey Heath and Windsor & Maidenhead)	1st Dec 2015 (3rd term)	3 years to 17/07/18	2 of 2
Denise Saliagopoulos (Public – Spelthorne)	1st Dec 2016 (2nd term)	3 years to 30/11/19	2 of 4
John Sermon (Staff – Administrative and Clerical, Managerial and Ancillary)	1st Dec 2016	1 year 10 months to 5/09/18	3 of 3
Danny Sparkes (Public – Runnymede, Surrey Heath and Windsor & Maidenhead)	1st Dec 2018 (3rd term)	3 years to 30/11/21	4 of 4
Matthew Stevenson (Staff – Allied Health Professionals, Healthcare Scientists)	1st Dec 2016	3 years to 30/11/19	3 of 4
Roberta Swan (Public – Elmbridge)	1st Dec 2016	3 years to 30/11/19	2 of 4

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 1 May 2019. Current segmentation information for NHS trusts and foundation trusts is published on the NHS Improvement website.

Finance and use of resources

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

Area	Metric	2018/19 score				2017/18 score			
		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Financial sustainability	Capital service capacity	1	1	1	1	1	1	1	2
	Liquidity	1	1	1	1	1	1	1	2
Financial efficiency	I&E margin	1	1	1	1	1	1	1	1
Financial controls	Distance from financial plan	1	2	2	1	1	2	1	1
	Agency spend	3	3	3	3	1	1	1	1
Overall scoring		1	2	2	1	1	1	1	1

Sustainability Report

THE NHS TARGET IS TO REDUCE EMISSIONS BY

34%

BY 2020

As a large local employer and healthcare provider we have a responsibility to minimise pollution that contributes to local and global health and environmental issues. Our Trust strives to make sustainable choices that provide favourable long-term outcomes. The aim of this is twofold; to provide an efficient, effective healthcare service but also minimise any polluting impact on the health of the citizens we serve.

We measure our "carbon footprint" to gauge the overall environmental impact of our services. In line with government, the NHS target is to reduce emissions by 34% by 2020. To date we have achieved an estimated reduction of 14% since 2008. Although short of the target, we also recognise that Trust services – as measured by operating expenditure have increase by 54%. Whilst we have made positive progress with an overall reduction we recognise there is much more to do. From 2019 we will be investing considerably more time and money into a wider sustainability programme. In doing so we intend to improve patient wellbeing and visitor experience, to act as a good neighbour to our community and local environment, and also to provide guidance and encouragement to lead healthy sustainable lifestyles.

This year, although emissions from energy, transport and waste show on track progress, our procurement carbon footprint has increased by an estimated 35% or 4,100 tCO2e compared to 2017/18. These changes reflect developments in the Trust this year. We have seen notable increases in annual expenditure in the following sectors: Building & engineering 30%, medical & surgical equipment 20%, Diagnostic imaging & radiotherapy equipment & services 17%.

2018-19

OUR PROCUREMENT CARBON FOOTPRINT INCREASED BY

4,100 tCO2e

EXPLAINED BY NOTABLE INCREASES IN ANNUAL EXPENDITURE

BUILDING & ENGINEERING

30%

MEDICAL & SURGICAL EQUIPMENT

20%

DIAGNOSTIC IMAGING & RADIOTHERAPY EQUIPMENT & SERVICES

17%

Our Carbon Footprint 2018-19

% CO2e emissions change against previous year

-1% ENERGY USE

-12% STAFF/BUSINESS TRANSPORT

+31% WASTE PRODUCTION

+10% WATER/SEWAGE

+35% PROCUREMENT (OUTSOURCED EMISSIONS)

+18% OVERALL CHANGE IN OUR CARBON FOOTPRINT

% CO2e emissions change against 2007/08 baseline

-22% ENERGY USE

-68% STAFF/BUSINESS TRANSPORT

-26% WASTE PRODUCTION

-24% WATER/SEWAGE

-20% PROCUREMENT (OUTSOURCED EMISSIONS)

-14% OVERALL CHANGE IN OUR CARBON FOOTPRINT

Sustainable clinical care process

Our Trust quality and clinical teams are working together to develop ideas to simplify and improve our work processes. As part of this we will be looking to add sustainability and to reduce our environmental impact. For 2019 we will be continuing our "Green Ward" work, with plans to focus on solid waste – specifically single-use plastic. We will also be looking to add further sustainability benefits to other improvement initiatives through technical support and financial pump-priming.

Waste & Recycling

1200
TONNES OF SOLID WASTE GENERATED

ENERGY FROM WASTE TREATMENT GENERATED

238 +29 tonnes

TONNES OF GREENHOUSE GAS

The Trust generated 1200 tonnes of solid waste from clinical services, cardboard packaging, paper and catering waste. Whilst none of our waste is landfilled, energy from waste treatment generated 238 tonnes of greenhouse gas pollution – an increase of 29 tonnes from last year. This year our work has included:

- **A reduction in clinical waste** from our wards following our work with the PMO team and a trial on Falcon and Joan Booker wards. We successfully reduced misplaced clinical waste into more resource and cost friendly waste streams, primarily offensive waste and domestic waste
- **Awareness events with PMO/QI team**, in which waste awareness was entered into a poster competition, as well as sustainability and general waste awareness sessions with our waste contractor Grundon's. This has led to increased buy in from clinical areas who are now undertaking their own projects or working with the waste team to reduce waste in their areas e.g. I.C.U. and therapies

For 2019/20 we will be looking to reduce the volume entering the waste stream such as single-use plastics and to work on improving waste segregation. Specifically this includes:

- **Latex recycling** – introduced first at Ashford theatres, if successful will be rolled out to Day Surgery and Main Theatres
- **Sharps bin re-use;** plan being worked up with Sharpsmart and users to trial and implement a reusable (replacing disposable) sharps bins system, reducing the amount of plastic waste being purchased and disposed of
- **Working with local ward Green Champions** on a number of initiatives applicable to their areas e.g. staff rooms, and more specific hospital waste recycling as above
- **Review of general recycling** to introduce targeted recycling of specific products e.g. tin cans and plastic bottles through separate segregation in bespoke recycling bins (funding required)

For 2019/20

- LATEX RECYCLING
- SHARPS BIN RE-USE
- WORKING WITH LOCAL WARD GREEN CHAMPIONS
- REVIEW OF GENERAL RECYCLING

Healthier food choices

We shall continue to promote healthier food choices for our staff and patient menus. We shall be raising awareness of healthier food choices and take positive steps to a more sustainable catering service. Just some of these are listed below:

Reusable mugs are sold at a 50% discount. Drinks can then also be bought at a discount

Vegetarian meals are being promoted on menus before meat items

We are introducing paper straws to replace the plastic straws used in our café and restaurant

The plastic bottles are being replaced by **canned drinks in PGEC** (except water) and the plastic **salad pots** substituted for new **compostable** ones

We have **stopped using polystyrene take-away containers** in favour on cardboard ones

We've reduced food miles by **aggregating suppliers and rationalising our supply chain**.

For 2019/20 we also plan to:

Replace all plastic bottles with canned drinks

Establish a target to **reduce disposables items**

Paperless management of food safety procedures (HACCP)

A focus on driving **sustainable food procurement**

Promote healthy, low carbon footprint food choices as part of our menu options

Sustainable energy: buildings and vehicles

Our buildings and vehicles are responsible for 40% of our overall carbon emissions. Our buildings are also increasingly susceptible to episodes of overheating due to climatic changes and increased occupation levels. As part of our climate change and adaptation strategy the Trust in 2019 will be working to develop plans to improve patient comfort and energy efficiency of our existing indoor spaces. We shall also plan to ensure our new emergency department building is sustainable and well designed for a changing climate.

OUR BUILDINGS AND VEHICLES ARE RESPONSIBLE FOR

40%

OF OUR OVERALL CARBON EMISSIONS

As part of the disposal of the West site and redevelopment of the St. Peter's campus the Trust is engaged in a programme of decommissioning redundant and inefficient building stock such as the Ramp buildings. Through higher standards, newer buildings sometimes may have higher energy demands, however, redevelopment offers the Trust an opportunity to re-think and reconfigure the way our buildings are heated, cooled and powered. Cost-efficient, low-carbon alternatives are actively being sought to so-called grid-sourced gas and electricity such as renewable energy and combined heat and power systems.

"As part of our climate change and adaptation strategy the Trust in 2019 will be working to develop plans to improve patient comfort and energy efficiency of our existing indoor spaces.

With redevelopment there will be some loss of green space. To redress this, The Trust has committed to enhancing remaining green spaces with improvements to amenity and biodiversity.

In addition to this, to address vehicle pollution and congestion for 2019 we will be creating alternatives to single-occupancy staff vehicle use to help improve local air quality, parking and traffic congestion issues. We will also continue to replace older fleet vehicles with electric, hybrid or fossil fuel models that incorporate the cleanest emissions standards.

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

23 May 2019

Annual Governance Statement 2018/19

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 2019 and up to the date of approval of the annual report and accounts.

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 2018/19 is detailed in the Risk Management Strategy and sets out our systematic approach to achieving effective enterprise risk management strategically, operationally and culturally. We aim for all our staff to understand and act proactively so that we maximise our success going forward and minimise things going wrong for our patients, staff and stakeholders. Senior managers and Directors are trained in risk management on joining the organisation and subsequently in accordance with the Trust's Mandatory Training Policy.This strategy aligns with the new 2018 Trust Strategy.

The Trust's Risk Management Strategy outlines the building blocks for managing risk and the way in which our risk profile will be incorporated in the Corporate Risk Register. Oversight of the Corporate Risk Register is undertaken by the Trust Executive Committee which is chaired by me and submitted to Trust Board via the Audit and Risk Committee for scrutiny and assurance purposes.

As part of the Trust's approach to risk management each sub-board committee has agreed their risk appetite to be exercised in relation to the strategic objective for which it has oversight and is documented within the Board Assurance Framework (BAF) and is a standing item on Committee agendas. The Board Assurance Framework provides the means of assuring that the Trust will achieve its strategic vision and mission and has oversight by the Audit & Risk Committee.

The Board Assurance Framework is reviewed at the Audit & Risk Committee on a quarterly basis.

The Trust has sought to learn and share good practice through rigorous assessment of the Corporate Risk Register and to cascade this information both to and from relevant Divisional teams through constructive challenge, training and support. Divisional risk management is through Divisional Boards and Governance Meetings with exception reporting to the Risk Scrutiny Committee.

All Divisions monitor their quality and financial risks regularly within each divisional governance framework and are reviewed on a quarterly basis at Risk Scrutiny Committee and high scoring risks are recorded on the Corporate Risk Register which is reviewed at the Trust Executive Committee each month. A risk assessment matrix is used to ensure a consistent approach is taken to assessing and responding to risks identified. The Trust's strategic framework is based on five key strategic objectives: quality of care, people, modern healthcare, digital, and collaborate. Each sub-board committee decide, taking into account the grading of each risk, whether it is appropriate to tolerate, transfer, terminate or treat the risk. The rating for each risk will be matched to a certain level of management within the organisation.

Public stakeholders are involved in managing risks which may impact upon them by ensuring thorough consultation regarding proposed service changes.

Key Issues and Risks

During 2018/19 and following a realignment of the Trust's Board Sub-committees to the Trust Strategy, each sub-committee has completed a process of re-assessing and redefining the key risks associated with the Strategic Objective for which the committee has responsibility to deliver. The fully refreshed Board Assurance Framework takes into account both external and internal factors and uncertainties, as part of our risk management process and as such we have identified the following key risks to our strategic objectives which are summarised below. There are no identified risks to the Trust's NHS Foundation Trust licence condition 4.

Strategic Objective: Quality of care

1.1 Failure to achieve avoidable mortality and safer more efficient patient care through an inability to deliver: The priority quality improvement and transformation programmes (Learning from Deaths, medication and infection control strategic improvement programmes) due to insufficient capacity and capability.

1.2 Failure to improve and achieve outstanding patient experience through an inability to harness and optimise learning from patient and family feedback due to insufficient capacity and capability.

Strategic Objective: Modern healthcare

2.1 Non-delivery of the annual operating plan may lead to loss in productivity / efficiency and financial standing.

2.2 A failure to maintain the Trust's physical environment and clinical infrastructure, may lead to clinical pathway difficulties, deteriorating patient and staff experience, patient safety, and health and safety risks.

2.3 A failure to deliver constitutional and operational targets leading to increased patient delay, poor patient experience, increased patient safety risks, increased outsourcing or activity and corresponding loss in productivity / efficiency.

Strategic Objective: Digital

3.1 The Trust's service delivery may be compromised if the current strategy to exploit the electronic patient record fails.

3.2 Failure of key IT systems leads to patient safety, experience or quality risks, data security breaches or process delays.

Strategic Objective: People

4.1 Inability to align workforce supply, to meet current and future acuity and demand, resulting in a misalignment with both the service and financial plan.

4.2 Inability to recruit and retain leading to a poor staff and patient experience.

4.3 Individuals and teams do not feel listened to, empowered and valued resulting in a negative impact on staff and patient experience.

Strategic Objective: Collaborate

5.1 Insufficient capability and capacity to deliver the strategy programme (i.e. the strategic objectives) in accordance with the operating plan so that effect is diminished and/or service sustainability is significantly challenged.

5.2 External factors such as decisions taken by national, ICS, ICP impact our delivery or attempt to counter our objectives or undermine our service sustainability.

5.3 Desired effect of the strategy does not realise the intended benefits to quality and sustainability of patient care.

5.4 Effective external relationships established do not sustain.

Corporate Governance Statement

The Trust obtains assurance regarding its Corporate Governance Statement via internal audit, review by TH Audit and Risk Committee and via an external audit opinion.

Our core quality assurance committees are Quality of Care Committee (QCC) which reports to Board, the 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 QCC, QGC, and supporting Divisional and Specialty Boards. Operational performance is overseen at monthly Performance Committee, Specialty Boards, and in Divisional Governance Forum. The Clinical Quality Review Meeting considers the quality impact of the contract by exception.

Data quality and information security updated

The Trust continues to deliver the data security action plan that was put in place last year in response to the increasing profile of cyber-attacks, the General Data Protection Regulation (GDPR) and the subsequent update to the Data Protection Act (DPA 2018). The Trust has strengthened its governance in this area with the introduction of the Integrated Digital Committee (IDC), a sub-committee of the Trust Board comprising executive and non-executive directors. The IDC is fully focused on the Digital Hospital Strategy, data quality and information security, and oversees the delivery of the data security plan. This includes oversight of the national Data Security and Protection Toolkit (DSPT), which replaced the Information Governance Toolkit in 2018. The DSPT is a mandatory self-assessment tool by which organisations measure their performance against the National Data Guardian's ten data security standards. It provides assurance that the Trust is practising good data security and that personal information is handled correctly. The Trust submitted its first DSPT return at the end of March 2019 with a status of "Standards met". Meanwhile, the Trust continues to work with NHS Digital to address technical issues, such as maintaining computer system security updates and the introduction of Advanced Threat Protection (ATP), and to develop its awareness campaigns, such as the Trust's "#SPAMClub", which aims to raise the profile of the threat posed by "Phishing" emails.

CQC compliance

The Quality of care Committee (QCC) 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 June and July 2018, and the full Inspection Report was issued on 4 October 2018 along with the NHSI Use of Resources Review report. The Trust's overall CQC rating is unchanged and remains as 'good'. Each registered site receives its own rating and Ashford Hospital was rated as "requires improvement" and St Peter's Hospital received "good".

The NHSI Use of Resources rating is based on an assessment carried out by NHS Improvement. The Trust was rated as "good" for its use of resources. The CQC issue an overall combined rating for Quality and Use of Resources which summarises the performance of the trust taking into account the quality of services as well as the trust's productivity and sustainability. This combined rating combines the five trust-level quality ratings of safe, effective, caring, responsive and well-led with the Use of Resources rating. The Trust was rated as "good" in this overall combined rating.

However, the CQC found areas for improvement including three breaches of legal requirements that the trust must put right. The Trust received three "Requirement Notices" for aspects of the Health and Social Care Act (Regulated activities) Regulations where we were not complying with legal requirements. These related to infection control and waste segregation in the A&E Department, medicines management and fire prevention: in particular blocked fire exits. A further 15 more minor areas for improvement were noted in the report. A full response was provided to the CQC to confirm the urgent regulatory requirements had been addressed and a wider action plan has been submitted and continues to address the areas for improvement identified at inspection.

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

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 121 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 of 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.

Register of Interests

The Trust has published its register of interest for decision making staff as required by Managing Conflicts of Interest in NHS, details can be found on page 88 of this report.

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 Modern Healthcare 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 specific update reports against the Service Level Reporting, Cost Improvement Programme, Getting it Right First Time, Model Hospital and Capital Investment agendas. The Trust Board obtains assurance from the Modern Healthcare Committee in respect of all aspects of economy, efficiency and effectiveness, of financial and budgetary management and the use of Trust resources.

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 and other benchmarking 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, Modern Healthcare 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

In April 2018 the new Data Security and Protection Toolkit (DSP Toolkit) replaced the Information Governance Toolkit (IG Toolkit). The DSP Toolkit is an online self-assessment tool that allows organisations to measure their performance against the National Data Guardian's (NDG) 10 data security standards.

All organisations that have access to NHS patient data and systems must demonstrate compliance with the standards set out in the DSP Toolkit to provide assurance that they are practising good data security and that personal information is handled correctly. Progress is monitored by the Information Governance Steering Group.

Data Security & Protection Toolkit Self-Assessment Outcome

The Trust submitted the self-assessment on 28th March 2019, achieving a 'Standards Met' status. An overview of the submission is summarised below:

Data Security Standard		Status	
1	Personal Confidential Data	Standard Met	☑
2	Staff Responsibilities	Standard Met	☑
3	Training	Standard Met	☑
4	Managing Data Access	Standard Met	☑
5	Process Reviews	Standard Met	☑
6	Responding to Incidents	Standard Met	☑
7	Continuity Planning	Standard Met	☑
8	Unsupported Systems	Standard Met	☑
9	IT Protection	Standard Met	☑
10	Accountable Suppliers	Standard Met	☑

Information governance personal data breaches (including data losses)

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 2018/19 were assessed in accordance with NHS Digital's guidance:[1]

The General Data Protection Regulation (GDPR) as implemented by the UK Data Protection Act 2018; introduced a duty on all organisations to report certain types of personal data breach to the Information Commissioner's Office (ICO) within 72 hours. This applies to breaches where it is "likely to result in a high risk of adversely affecting individuals' rights and freedoms". In addition, there is now a legal obligation to communicate these breaches to those affected without undue delay.

Grading the personal data breach

All incidents are graded according to the significance of the breach and the likelihood of serious consequences occurring. Above a certain grade incidents are reportable to the Information Commissioner's Office and the Department of Health and Social Care with the most significant requiring notification within 24 hours.

Reported breaches

Breaches from 2018/19 are reported below:

Breaches reported on to DATIX	79
Breaches reported on to the DSP Toolkit (since September 2018)	6
Breaches reported to the ICO (via the DSP Toolkit)	1

1. NHS Digital's "Guide to the Notification of Data Security & Protection Incidents", Version 1.3 – September 2018; https://www.dsptoolkit.nhs.uk/Help/29

Incidents reported to the Information Commissioner's Office

The Trust reported 1 incident to the Information Commissioner's Office:

Date of incident (month)	September 2018
Nature of incident	Staff inappropriately accessing information systems / records
Nature of data involved	Staff member accessed the medical records of one of their family members, believing it was ok to do so as they had obtained the family member's consent.
Number of data subjects potentially affected	1
Notification steps	ICO notified and recommendations completed. Remedial steps taken were that Policy modifications were made which added clarification on accessing personal and family & friends information. More detailed information regarding accessing personal and family and friends' information has formed part of the Trust's Information Governance training presentation.
Information Commissioner's Office (ICO) recommendations	On 22 October 2018, the ICO responded with the following: "The Information Commissioner considers that the remedial action taken by Ashford and St Peter's Hospitals NHS Foundation Trust is sufficient. Consequently, the ICO is satisfied that appropriate measures were taken in this instance. To confirm, in view of the above and in line with our Regulatory Action Policy, the ICO will take no further action against the staff member and the case will be closed."

Annual Quality Report

The Directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. NHS Improvement[2] 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 regular 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 five sections aligned to the five strategic objectives: quality of care, people, modern healthcare, digital and collaborate. The Trust has also purchased healthcare intelligence services from CHKS[3] to enable clinicians to access key quality and performance data on their specialty.

Mazars 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 Mazars 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 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 Mazars LLP (our Statutory Auditor) has tested as part of their work on the Quality Account and is detailed within that Account.

The following mandated indicators were selected by the Trust based on the three indicators set by NHS Improvement:

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

The following local indicator was selected by the Council of Governors:

- Summary Hospital-level Mortality Indicator (SHMI).

Mazars LLP issued a limited assurance opinion on the above indicators at Page 174.

2. NHS Improvement resulted from a merger between Monitor and the NHS Trust Development Authority (NHS TDA)
3. CHKS Limited, part of Capita PLC

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 and Risk Committee and the Quality of Care 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 strategic risks and in addition has received regular reports on incidents, claims, complaint trends and Health and Safety.

The Trust Board has established the Audit and Risk Committee and Quality of Care 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 and Risk 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 and Risk 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 of Care Committee (QCC) 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 six 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.

The Modern Healthcare Committee's remit 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

The People Committee's role is to provide assurance to the Board on workforce supply and demand ensuring staffing systems are in place which assure the Board that staffing processes are safe, sustainable and effective. The Committee ensures compliance with 'Developing Workforce Safeguards' recommendations and in addition, oversees the development and delivery of the Trust's short, medium and long-term workforce, organisational development, education and training and employee wellbeing strategies. The Committee undertakes 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 2018/19 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 of Care 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.

A&E - 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, our A&E and urgent treatment centre together reported a total of 85.2% for the full year and 89.3%, 85%, 84.9% 81.7% respectively for the four quarters of the year.

Performance remained challenging during the year as patient flow across the system has been impacted due to; (a) higher than average surges of admissions, (b) reduced staff availability due to vacancies, and (c) slow flow to the wards creating delays in A&E. 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 their safe discharge.

RTT - The Trust started the year with a non-compliant RTT position of 88.5% (Mar 18) due to significant impacts detailed in last year's Annual Report. However, the Trust (although non-compliant) ended the year 0.6% ahead of our RTT recovery trajectory at 91.5% (Mar 19) and delivered a waiting list size reduction FY19 compared to FY18 as required by NHS Improvement.

This level of performance contrasts well with the England national average (non-compliant) performance through the year of 87.0%.

Cancer - The Trust received nearly 17,000 urgent cancer referrals during the year, an overall 24% increase (40% over 3 years), and has worked with our commissioner colleagues at North West Clinical Commissioning Group to address this increase and deliver compliant performance. We have also been working closely with our 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. Due to unforeseen increase in demand, the Trust wasn't able to achieve annual compliance for cancer patients waiting a maximum of two weeks from urgent GP referral to date first seen, although did achieve annual compliance (85.8%) for treatment within 62 days which compares extremely well against national average performance (76.1%).

Annual percentage of cancer patients waiting a maximum of 31 days for subsequent treatment (surgery) was recorded marginally under the 94.0% target at 93.9%. This affected a very small number of patients and with breach reasons mainly due to patient fitness or patient choice to delay treatment. The Trust position also compares favourably against national average performance for this indicator (92.8%).

Conclusion

I am reporting three significant control issues within the Foundation Trust, being the failure to meet the four hour waiting time target, two week cancer waiting time targets and non-compliance with RTT targets in 2018/19.

Suzanne Rankin
Chief Executive

23 May 2019

4. QUALITY REPORT

Annual Quality Account 31 March 2019

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

Introduction

This Quality Account (Quality Report) is an annual report to improve public accountability about the quality of healthcare services that our Foundation Trust delivers and our plans for improvement.

Set contents for the report are outlined in the NHS Act 2009, the Quality Accounts Regulations,[1] and annual guidance from NHS Improvement. Quality improvements are set out in 3 core categories of patient safety, clinical effectiveness and patient experience. The report summarises our performance against the quality priorities and objectives we set at the start of 2018/19 and what we plan to achieve during 2019/20. Feedback from our patients, Governors and North West Surrey Clinical Commissioning Group on how well they think we are doing is incorporated in the report.

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**.

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

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

Welcome to our ninth 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 that patient experience, quality of care and safety are within our hospitals.

We are now one year into our 2018 - 2023 Strategy and are aiming high to reach our vision of providing outstanding experience and the best outcome for patients and our Team. Our quality of care strategic objective to achieve this vision is to 'Create a learning organisation and culture of continuous improvement in order to reduce repeated harms and improve patient experience'.

We are continuing our focus on transformation and learning to achieve tangible quality improvement next year. You can read more about next year's priorities in Section 2.1.1.

Our Quality Strategic Pillar focusses on 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 is on transforming ourselves into a learning organisation and this is the key quality improvement focus. Our annual quality priorities set out how we will put this into practice and this year we said we would focus on:

- learning from deaths and reducing in-hospital mortality
- learning from errors and reducing avoidable harm, and
- learning from patient feedback to ensure an excellent experience.

Our overall performance against the 2018/19 priorities is outlined in Section 3.1 and we achieved 6 out of 11 priorities. Areas of particular success included our integrated trauma care pathway which received a favourable local area Trauma Network Peer Review in 2018. We achieved our aim of having zero never events of repeat themes, which is an indication of the success we are having with our multidisciplinary approach to reflective learning when things go wrong.

In line with our Strategy, the next phase in becoming a learning organisation is to develop a Trustwide platform where learning can be shared across professional groups. This will be achieved through developing a truly multi-professional education programme. The Director of Clinical Education is leading on changes to the approach to education in the organisation, which includes the aim of enabling more multi-disciplinary team learning to take place at a local level. This will support ensuring that learning from deaths, serious incidents, safety themes and service user feedback is channelled through the education programme. The aim is to widen the attendance, reach and hence learning from these events.

The NHS Seven Day Services (7DS) programme ambition is for patients to be able to access hospital services which meet four priority standards every day of the week.

The Trust is meeting all 4 of the national Priority Standards for 7DS. This means acutely admitted inpatients are being seen by a Consultant within 14 hours of admission and get prompt access to diagnostic services and interventional procedures.

This year, we have continued our comprehensive programme of local safety improvements. Since April 2018 there have been 12 confirmed medication incidents which resulted in moderate patient harm which is a 59% reduction compared to 2017/2018. Our medications safety improvement programme has been shortlisted for two national patient safety awards in April 2019. The improvement work has been recognised in the categories of 'Improving Safety in Medicines Management Initiative of the Year' and 'Quality Improvement Initiative of the Year' in the Health Service Journal (HSJ) Patient Safety awards. The awards take place at the National Patient Safety Congress in Manchester in July.

We achieved a considerably lower level of inpatient falls resulting in harm, with 112 fewer than last year. This 29% in-year reduction is even better than our initial aim of a 5% reduction. Our Therapies Team continues to support wards with focussed patient care to strive to reduce falls further.

Our ongoing commitment to further harm reduction was demonstrated by achieving our goal of fewer than 190 category 2 and above hospital-acquired pressure ulcers. This was 34 fewer ulcers compared with last year and reflects a 17% reduction during 2018/19. In March 2019 the Tissue Viability Team received third place in the 'Pressure Care' Award category at the national Journal of Wound Care (JWC) Awards 2019. The award reflected the Team's innovative 'Heel S.O.S.' (Strictly Off Surface) safety campaign.

In February 2019, the Trust identified a way of electronically measuring achievement of its strategic outcomes, Friends and Family Test data, plus targeted feedback measures to guide service improvement. The Trust is piloting an electronic realtime patient/carer feedback solution in Maternity and this feasibility programme is being rolled out more widely during 2019. Pilot feedback from staff and patients is being used to guide procurement options going forward.

Our first complaints experience-based co-design event was held at the end 2018, which involved members of the public and staff working together to identify solutions to improve the efficiency and experience for people who raise complaints and concerns. The EBCD event used methodology from the Point of Care Foundation and the programme will continue during 2019.

I am pleased to share some of our other significant achievements across the Trust in 2018/19 in so many varied areas of clinical quality.

The Research and Development Team was recognised in the National Institute for Health Research Clinical Research Network Kent, Surrey and Sussex Awards held on 22 February 2019. The Team won the award for 'Best Finance Tool' with two highly commended ratings for the 'Best Contribution to Commercial Research' category. This recognised the Trust's consistently high levels of research engagement and contributions to respiratory studies for asthma.

Our Strategy has individualised patient care and the Senior Adult Medical Service (SAMS) has been focussing on holding meaningful conversations between staff and patients on those things which matter most to patients.

As part of the annual Patient Experience Network National Awards (PENNA) the SAMS Team have been recognised for their 'What Matters to You' programme. The team won the award for 'Measuring, Reporting and Acting', and were Runner Up for the 'Communicating Effectively with Patients and Families' award.

I'm incredibly proud of the relationships we have built with local stakeholders and partners. In April 2018, the Trust was part of the rollout of the Surrey Heartlands Pregnancy Advice line which is a regional service so that pregnant women and women with new-born babies in Surrey Heartlands can get advice and support 24 hours day, 7 days a week from a midwife. The line received 20,000 calls in the first 9 months of operation and won the Innovation in Practice award at the British Journal of Midwifery Awards 2019. It is envisaged that this new information source will be key to communicating with service users about their individual needs whenever they need tailored advice. Working collectively will help us achieve a sustainable local 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 Mazars LLP Statutory Auditor has tested and is unable to issue an opinion on, for the below reasons. As Chief Executive I am therefore unable to confirm this item is accurate owing to the exceptions notified below.

The mandated indicator measuring 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. The Trust will take immediate action to strengthen controls over this complex high volume operational pathway by identifying why mis-timings are being recorded between different source records. The Department's standard operating procedure will be refreshed from the lessons learned from an audit in May to ensure this has the necessary controls to ensure future compliance.

Suzanne Rankin
Chief Executive

23 May 2019

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 2019/20 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 2019/20

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 28 March 2019. Patient Panel representatives and Governors incorporated patient and public perspectives. Assurance will be via monthly oversight by Trust Board with focussed updates to stakeholders and Governors.

In line with our strategic aim our overall priority is to Create a learning organisation and culture of continuous improvement in order to reduce repeated harms and improve patient experience. Our core priority areas will be:

- **Improving medication safety** by reducing harm to patients resulting from medications errors and serious incidents.
- **Improving infection prevention and control** by reducing the incidence of avoidable harm from infections and ensuring best practice use of antimicrobials.

Our key enablers to achieve these priorities are strategies for quality, medication safety, and infection prevention and control and our Business (Operational) delivery plans. These priorities were set after reviewing the quality of our services in 2018/19 which indicated that our work in both areas continued to need expanding in order to optimise patient safety.

Discontinued priorities

Each year we renew our quality improvement (QI) priorities in light of our strategic aim and consider what we have achieved and what we must do next to ensure we are a learning organisation with continuous improvement. Achievement against the current year's priorities is outlined in detail in Section 3.1.

Caring for patients in their last days of life, falls and pressure ulcers harm reduction programmes, and complaints performance to timescale have specific strategies and ongoing improvement programmes and they will continue to be monitored through our existing governance and assurance framework. Never events prevention measures are already within our serious incident governance monitoring and will continue to be a key focus from our learning events and our safety culture initiatives. Ensuring patients with fractured neck of femur receive surgery in a timely manner will continued to be monitored through the National Hip Fracture Database and the Trust is performing well in its integrated trauma care pathway. In 2018 the Trust received a favourable local area Trauma Network Peer Review.

2018/19 Quality Account improvement priorities

Priority 1 Patient Safety – learning from errors and reducing avoidable harm and in-hospital infection		
1.1	The number of medication errors resulting in harm, of any severity, will be on average <11 per month (<132 per year), per the WHO Global 'medication with harm' patient safety challenge.	This is a continuation of priority 2.4 this year by extending the focus to medication errors of any severity whichcause harm. Our focus this past year was on moderate and severe harm medication errors. Reducing harm fromdrug errors is a national initiave across the NHS.
1.2	Surgical site infection (SSI) rates will be baselined then an in-year reduction percent will be set. The provisional reduction is 5%.	In-hospital infection reduction is a national focus area. Surgical site infection is a challenging area to obtain complete clinical performance data on because of complexities tracking patients long-term after their discharge home, and data is held by multiple organisations. Initial steps are to baseline performance in order to guide an improvement trajectory. SSI is very significant to patients owing to its impact on quality of life.
1.3	By Q4 all patients with sepsis will be identified and treated with antibiotics within 1 hour of identification.	Sepsis is an ongoing priority as measure 1.2 this year, and is of focus nationally and locally. Identification and prompt treatment of deteriorating patients is a recurrent theme from incidents and complaints.
Priority 2 Clinical Effectiveness – learning from deaths and addressing episodes of poor care		
2.1	By the end of Q4 100% of applicable deaths will receive a timely structured judgement review (SJR) per the Mortality Committee approved selection criteria.	Structured judgement reviews are integral to our learning and the programme is well underway, however, we must ensure all applicable deaths are reviewed and this is our priority going forward. This is a continuation of priority 1.1 from this year and is monitored at the multi-disciplinary Mortality Committee.
2.2	By the end of Q4 the Sentinel Stroke National Audit Programme (SSNAP) overall rating will be A or B.	Stroke is a priority national measure, which we are reconfiguring with a comprehensive local and system-wide transformation programme. Prompt access to a stroke unit bed is vital and in January 2019 direct access to a designated hyper-acute stroke unit was implemented. Timely thrombolysis, Therapy Team review, and prediscahrge review of nutrition, mental health and personal care needs are other key SSNAP care bundle areas to strengthen.
2.3	We will establish the Medical Examiner role with an associated team by year end.	Medical examiners are a new statutory post to provide assurance over deaths which are not referred to the Coroner. This is a national response to concerns about avoidable hospital deaths from problems in care and promotes working in partnership with families and carers.
Priority 3 Patient Experience – our learning culture is reducing harm to improve patient experience		
3.1	Multi-professional hours spent at QI related learning events will increase by 10% during 2019/20.	One of the ways we will be achieving our learning culture reducing harm, and improving patient experience, is by building the right environment for staff to openly share and reflect when things have gone wrong with patient care. This input measure will capture our resources being committed to this through enabling multi-disciplinary colleagues to spend greater time together at QI related learning events.
3.2	Trust Strategy achievement will be measured with core patient experience KPIs.	The Trust needs to implement a permanent electronic solution to achieving realtime feedback to measure its Strategy aims, national requirements such as FFT, and to drive detailed responsive pathway improvement. A pilot of an electronic solution is underway and a long-term supplier is being sought for after the current contract ends this month. This measure is a continuation of current year's priority 3.1.
3.3	We will work with patients and families to co-design care improvements.	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 strenghtened and expanded to achieve a level of excellent engagement. This will continue on from priority 3.2 this year as a vital ongoing part of our patient experience service improvement programmes and divisional clinical pathway re-design.

2.1.2 NHS Improvement (NHSI) disclosures

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

Local Safety Improvements

This year, we have continued our comprehensive programme of local safety improvements. Since April 2018 there have been 12 confirmed medication incidents which resulted in moderate patient harm which is a 59% reduction compared to 2017/2018. Our medications safety improvement programme has been shortlisted for two national patient safety awards in April 2019. The improvement work has been recognised in the categories of 'Improving Safety in Medicines Management Initiative of the Year' and 'Quality Improvement Initiative of the Year' in the Health Service Journal (HSJ) Patient Safety awards. The awards take place at the National Patient Safety Congress in Manchester in July.

Electronic alerting of escalated warning scores has been rolled out using the CareFlow application. We are committed to ensuring patients are cared for in the right place including near the end of their lives.

With Surrey partners we have implemented the national Recommended Summary Plan for Emergency Care and Treatment (ReSPECT) approach to decision making around end of life care. Our harms reduction initiatives are embedded in our annual QI priorities to support our overall aim of 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 100%, up from 96% last year.

NHS Staff Survey indicators

NHS Improvement asks Trusts to report on 2 indicators from the 2018 NHS Staff Survey:[2]

- 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	2018 National Average	2018	2017	2016
% staff believing Trust provides equal opportunities - White	87	88	88	90
% staff believing Trust provides equal opportunities - BME	72	75	77	79
% staff experiencing harassment or bullying in past year - White	28	29	24	21
% staff experiencing harassment or bullying in past year - BME	30	30	26	29

2. 2017 NHS National Staff Survey www.nhsstaffsurveys.com. National averages are across acute Trusts.

Both the areas relate to the Workforce Race Equality Standards (WRES). The Equality and Inclusion Steering Committee, chaired by the Chief Executive, was relaunched earlier this year and oversees the implementation of the Trust's equality and inclusion improvement action plan. Staff engagement has been one of our key priorities and the Black, Asian, Ethnic and Minority (BAME) Network was relaunched in autumn 2018, with co-chairs who represent the network at the Steering Committee. Tackling bullying and harassment continues to be one of the key priorities. Unconscious bias training is delivered which aims to remove barriers to progression. Staff are supported towards promotion with mentoring and secondments. In autumn 2018 our first major campaign to promote staff awareness about bullying at work was rolled out and included co-designing messages about this. The next phase of this campaign is underway.

Priority clinical standards for seven day hospital services

Governance of seven day services (7DS) delivery is through operational performance review by Trust Executive Committee with Divisional oversight at Quality Governance Committee to Board. Service improvements are part of core business and include standardisation applying GIFRT methodology and clinical pathway redesign.

The Trust is meeting all 4 of the national Priority Standards for 7DS. Standard 2 for initial Consultant review is that 90% of acutely admitted patients will be reviewed by a Consultant within 14 hours. Standard 5 requirements for seven-day access to diagnostic services is adhered to. Clinical Standard 6 covers access to key interventional procedures which are available onsite or via network arrangements. Frequency of ongoing Consultant review of patients with high dependency needs in line with patient pathways should be achieved for 90% of patients and this is satisfied for Standard 8.

Six further standards are designated as national improvement priority areas. Standard 1, patient experience and shared decision making is one of our key Trust Strategy aims and we are currently piloting realtime patient and carer feedback using an electronic tool. Good progress has been made towards Standard 3, multi-disciplinary team review of emergency inpatients within 14 hours. Patients are set expected dates of discharge on admission and Pharmacy has implemented new ways of working to support timely medicines reconciliation within 24 hours, but weekend gaps do occur. Integration with community care existing care plans and records is a system-wide improvement area. Standard 4 requires standardised multi-professional shift handovers and each Division has its own plan for this. A robust Hospital at Night handover system has been re-launched recently.

Mental health Standard 7 involves joined up working to provide services and the Trust has 24/7 adult Psychiatric Liaison Services available in the Emergency Department. Child and adolescent specialist services are not provided in ED, however, there is a 7 day rota of Registered Mental Health Nurse provision to support children and young people who are inpatients. Achieving timely and effective acute-community transfers per Standard 9 is being addressed via multiple improvement programmes including the regional integrated care partnership, and internal programmes to ensure patients are treated in the right place. Standard 10 involves improvement of patient care by reviewing outcomes to drive QI which is well embedded through our extensive Transformation Programme, QI initiatives, and quality assurance programmes. Within Surrey Heartlands Health and Care Partnership we will continue to explore opportunities for joint working to further reduce care variation across the region.

Enabling staff to speak up in response to the Gosport Independent Panel Report

The Gosport Independent Panel Report issued in June 2018[3] promotes staff being able to speak up, including whistleblowers. We have a number of ways staff can speak up if they have concerns about the quality of care, patient safety, or bullying and harassment within the Trust.

The Trust's Policy on Freedom to speak up: raising concerns (whistleblowing) is widely promoted as part of our approach to achieving an open, transparent and safe culture for patients, visitors and staff. The Policy sets out our clear commitment to listening and responding to people who raise concerns.

Concerns about quality of care, including patient safety, can be raised in many ways including anonymously. Concerns can be raised using Datix, via line managers, with the Freedom to Speak Up Guardian (FTSUG), and the Patient Safety Team. Seeking help from an Executive Director, a designated Non-executive Director, and local Counter-fraud is another option. People can also raise concerns externally through organisations including NHS Improvement, NHS England, Health Education England, the Care Quality Commission, NHS Protect and the NHS and Social Care Whistleblowing Helpline.

Trust Board receives reports on concerns raised including the Freedom to Speak Up Guardian reports and monthly Board Reports which are triangulated with learning from incidents and complaints. The effectiveness of the Freedom to Speak Up process is audited via a satisfaction survey of those who raise concerns.

Bullying and harassment concerns can be raised as outlined in the Dignity at Work Policy which sets out the Trust's commitment to create a positive culture of respect for all individuals and is very clear that harassment and bullying will not be tolerated at any level. The Dignity at Work Policy outlines the informal and formal stages for raising and investigating such concerns. Many of the escalation routes within the Policy on speaking up also apply to bullying and harassment including raising via Datix, line managers, FTSUG and with Executive Directors.

The Trust ensures that staff who speak up do not suffer detriment by both direct assurances, as contained in the above Policies, and practically through how the Trust is governed. Staff can obtain practical advice and support from Occupational Health, the Employee Assistance Programme, and via professional bodies.

3. https://www.gosportpanel.independent.gov.uk/

Rotas of doctors and dentists in training

The 2016 Terms and Conditions of Service for NHS Doctors and Dentists in Training4 requires this Report to summarise our annual report on rota gaps along with our improvement plan to reduce them. In May 2018 the Trust's first Guardian of Safe Working (GoSW) annual report on rota gaps and vacancies was submitted to Board for the 18 months ended 31 March 2018. That Report concluded that rotas at that time were compliant with safe working hours and the vacancy rate was relatively static. Unfilled rota gaps reduced from 18% to 6% and largely related to higher grade trainee Health Education England recruitment issues.

The Trust has a Forum of Trainee Safe Working (FTSW) and a Medical Workforce Team to support improvement actions including improving low levels of exception reporting within Surgical Specialties. Work Schedule Reviews have been an effective mechanism for highlighting and resolving issues with rotas and working patterns. The next Annual Report is due in June 2019.

Outlined below is performance against Governors' measures from recent years.

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. The national and local performance indicator is to have zero cases. In 2018/19 cancelled elective operations reduced by 34% with 74% 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 additional outsourcing of elective capacity and continued focus on reducing length of stay to increase bed availability.

Table 2: Cancelled elective operations

Cancelled elective operations	2018/19	2017/18	2016/17
Cancellations	270	361	483
Breaches of the 28 day standard	10	38	74

Discharge summary processing time within Pharmacy

This indicator is part of our ongoing quality priority to improve medication safety. The first measure of 'issued on time' records what percentage of discharge prescriptions, also known as To Take Out (TTO) medications, are completed by Pharmacy within its internal 2 hour target. The second measure of 'average time taken' shows the average number of minutes spent on a discharge prescription within Pharmacy.

Comparison of the discharge prescription timeliness and average time spent per discharge prescription for 2018/19 with the previous year shows a significant improvement in both measures. This reflects changes to our processes and implementation of a more streamlined TTO dispensary using the electronic medicines management module.

4 Schedule 6, paragraph b

Table 3: Discharge summary processing time within Pharmacy

Metric	17/18 YTD	Apr 18	May 18	Jun 18	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	Jan 19	Feb 19	Mar 19
% issued on time	38.3	77.8	83.3	78.4	77.4	89.5	86.5	85.9	86.5	93.4	85.8	90.7	91.0
Average time taken	136	151	132	132	125	94	99	132	125	83	98	85	86

Data for this indicator cannot be accurately validated owing to a portion of prescriptions 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 blood test results needed to guide the prescription, the absence of evidence to demonstrate 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 has been rolled out in Q1 2018/19 and means that both inpatients and people going home get their medications faster and the workload of Pharmacists can be spread more evenly across the day. Wards have benefitted because drug charts will no longer need to be taken to Pharmacy which is much more efficient.

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 2018 to 31 March 2019 Ashford and St Peter's Hospitals NHS Foundation Trust provided and/or subcontracted 208 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 2019 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 reporting period.

Participation in national clinical audit and national confidential enquiries

During the 12 months ended 31 March 2019, 44 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 96% 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.

Table 4: National clinical audits and national confidential enquiries completed

National clinical audits and national confidential enquiries	Percentage of cases submitted	
National audits (A shaded box indicates no national data being collected)	**2017/18**	**2018/19**
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%
Adult Community Acquired Pneumonia The Trust is participating in the audit which runs from 1.12.18 to 31.5.19. Refer to: https://www.brit-thoracic.org.uk/		NEW
British Association of Urological Surgeons (BAUS) Nephrectomy Refer to http://www.baus.org.uk/patients/surgical_outcomes/	5	5
British Association of Urological Surgeons (BAUS) Percutaneous Nephrolithotomy Refer to http://www.baus.org.uk/patients/surgical_outcomes	5	5
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	100%	100%
Feverish children – care in Emergency Departments The Royal College of Emergency Medicine (RCEM). Refer to www.rcem.ac.uk Data collection closed on 14.2.19.		100% provisional
Inflammatory Bowel Disease Inflammatory Bowel Disease Programme. Managed by The Royal College of Physicians. Refer to www.rcplondon.ac.uk/ibd https://ibdregistry.org.uk	0%	
Learning Disability Mortality Review Programme (LeDeR) Refer to http://www.bristol.ac.uk/sps/leder/ The Trust has a process to review patients with a learning disability who die in hospital. Participation in the audit is not included in the national report. Internal data shows 100% participation in 2017/18 and 2018/19.	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.	100%	100%
Mandatory Surveillance of Bloodstream Infections and Clostridium Difficile Infection Refer to Public Health England: https://www.gov.uk	100%	100%
National Adult Diabetes Inpatient Audit National Adult Diabetes Inpatient Audit (NaDIA). https://digital.nhs.uk	100%	TBC[8]
National Audit of Adult Asthma – National Asthma and COPD Audit Programme (NACAP) https://www.nacap.org.uk/ Started in November 2018.		NEW
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%	100%
National Audit of Care at the End of Life (NACEL) 67% of case notes were audited and 79% of case notes were reviewed. Refer to: NHS Benchmarking Network http://www.nhsbenchmarking.nhs.uk/		67%
National Audit of Dementia National Audit of Dementia of The Royal College of Psychiatrists. The third round of the National Audit of Dementia was from 2015 to 2017. Refer to www.rcpsych.ac.uk In 2017 we undertook an optional casenote audit on 57 cases which exceeded the minimum volume needed of 50 cases.	100%	[9]
National Audit of Inpatient Falls Falls and Fragility Fracture Audit Programme run by the Royal College of Physicians. Refer to www.rcplondon.ac.uk/ A new continuous data collection started from 1.1.2019.	100%	NEW
National Bariatric Surgery Registry (NBSR) British Obesity and Metabolic Surgery Society Refer to: http://www.bomss.org.uk/	97%	[10]
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/	100%	57%
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%	93%
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.	100%	100%
National Clinical Audit of Seizures and Epilepsies for Children and Young People – National Organisational Audit Refer to: www.hqip.org.uk/ and https://www.rcpch.ac.uk		100%
National Clinical Audit of Rheumatoid and Early Inflammatory Arthritis Refer to: https://www.rheumatology.org.uk		[10]

5 Data was submitted but no national report was published. The current year's report is awaited.
6 All eligible patients submitted, case ascertainment is not reported.
7 45 cases were submitted to the prior audit but 0% was recorded owing to a data submission issue. The Trust is submitting to the new IBD Registry and the next report is awaited.

8 69 cases submitted for last year's audit period. On 1 May 2018 a new continuous collection method commenced.
9 Questionnaires from 14 carers and 67 staff have been submitted.
10 Awaiting next publication.

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/	100%	
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%	
National Comparative Audit of Blood Transfusion Programme – Transfusion Associated Circulatory Overload Audit 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%	
National Comparative Audit of Blood Transfusion Programme – The Use of Fresh Frozen Plasma, Cryoprecipitate and other Blood Components in Neonates and Children National Comparative Audit of Blood Transfusion Programme. Managed by NHS Blood and Transplant. Refer to http://hospital.blood.co.uk/audits/national-comparative-audit/		0%[11]
National Diabetes Audit National Diabetes Audit (NDA). www.digital.nhs.uk	100%	100%
National Elective Surgery PROMS[12] – Hip Replacement National Elective Surgery Patient Reported Outcome Measures (PROMs)[13] for Hip Replacement. For all procedures provisional data is available. www.digital.nhs.uk	364 cases	329 cases[14]
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.	401 cases	318 cases
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.	102 cases	
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.	45 cases	
National Emergency Laparotomy Audit National Emergency Laparotomy Audit (NELA). Refer to www.hqip.org.uk/	96%	10
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/	98.4%	10
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 respectively. Figures refer to patients who give their consent for their data to be included. Refer to www.njrcentre.org.uk	94% and 95%	10

11 The Trust did not participate owing to insufficient case volume.
12 The participation rates for 2016/17 are provisional.
13 NHS Choices defines PROMS as patients' assessments about their health and quality of life before an operation compared with their health after the operation.
14 Patient participation is voluntary in this questionnaire. 2018/19 is to January 2019.

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%	100%
National Maternity and Perinatal Audit (NMPA) Royal College of Obstetricians and Gynaecologists Refer to: https://www.rcog.org.uk/	100%	100%
National Mortality Case Record Review Programme Refer to https://www.rcplondon.ac.uk and the Learning from Deaths Section which follows on Structured Judgement Reviews.	62%	66%
National Oesophago-Gastric Cancer Audit These patients are treated at the Royal Surrey County Hospital. Refer to www.hqip.org.uk The participation is shown as a range across a rolling 3 year period.	81-90%	71-80%
National Ophthalmology Audit Royal College of Ophthalmologists. No report published 2015/16. https://www.rcophth.ac.uk/standards-publications-research/national-ophthalmology-database/ The Trust registered for the audit but has not submitted data because the Trust does not have the correct software.	0%	0%
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	100%	100%
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 AAA is abdominal aortic aneurism and CEA is carotid endarterectomy surgery.	AAA 93% CEA 100%	AAA 100% CEA 90%
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%
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%
Reducing the impact of serious infections (antimicrobial resistance and sepsis) Refer to Public Health England: https://www.gov.uk		10
Sentinel Stroke Sentinel Stroke National Audit Programme (SSNAP). Refer to www.strokeaudit.org	≥86%[15]	10
Serious Hazards of Transfusion (SHOT) UK National Haemovigilance Scheme Refer to https://www.shotuk.org/	100%	100%
Seven Day Hospital Services Refer to: https://www.england.nhs.uk/seven-day-hospital-services/	100%	100%
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/	16	16

15 Latest data available for April to July 2017.
16 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

Surgical Site Infection Surveillance Service Mandatory Orthopaedic Audits The audits run from January to March each year. Refer to: Public Health England https://www.gov.uk	100%	ongoing
UK Parkinson's Audit Parkinson's UK www.parkinsons.org.uk/	100%	
Vital Signs in Adults (Care in Emergency Departments) Refer to www.rcem.ac.uk Data collection closed on 14 February 2019. Data is provisional.		100%
Venous Thromboembolism Risk in Lower Limb Immobilisation (Care in Emergency Departments) Refer to www.rcem.ac.uk Data collection closed on 14 February 2019. Data is provisional.		100%
National confidential enquiries (A shaded box indicates no national data being collected)	**2017/18**	**2018/19**
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	100%	
NCEPOD – Acute Bowel Obstruction National Confidential Enquiry into Patient Outcome and Death (NCEPOD) Acute Bowel Obstruction. Refer to www.ncepod.org.uk Provisional data.		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.	100%	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.	100%	
NCEPOD – Long Term Ventilation National Confidential Enquiry into Patient Outcome and Death (NCEPOD) Long Term Ventilation. Refer to www.ncepod.org.uk Study underway.		100%
NCEPOD – Peri-operative Diabetes National Confidential Enquiry into Patient Outcome and Death (NCEPOD) Peri-operative Diabetes. Refer to www.ncepod.org.uk	100%	100%
NCEPOD – Pulmonary Embolism National Confidential Enquiry into Patient Outcome and Death (NCEPOD) Pulmonary Embolism. Refer to www.ncepod.org.uk		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	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 2019 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 2018/19 period. A selection of some of our learning and improvement work in clinical effectiveness is shown below.

Table 5: Improvement actions from national clinical audits

National clinical audits reviewed with improvement actions
National Health Service Blood and Transplant Service (NHSBT) Usage of red cells The Service is actively seeking ways to reduce its red cell usage in future, with a training programme to promote awareness and close scrutiny of requests from high volume usage areas.
National Neonatal Audit Programme The neonatal unit is relaunching the 'Footsteps Pathway'. This is in line with the Neonatal Intensive Care Unit (NICU) philosophy of family centred care and working in partnership with parents. The 'Footsteps Pathway' is an accessible and easy to use resource pack for parents to use throughout their stay on NICU. It will help parents to recognise their baby's progress and enable them to anticipate discharge.
National Maternity and Perinatal Audit (NMPA) The Caesarean Section rate is above 25% (26.9% unadjusted; 25.9% adjusted) for the period 1 April 2016 – 31 March 2017 and is above national average of 25.8%. Caesarian section requests are now reviewed by 2 Consultants and emergency cases are reviewed weekly for learning. The Trust is continuing to focus on reducing the number of post-partum haemorrhages.
National Emergency Laparotomy Audit (NELA) The Trust has introduced a care bundle with core components of prophylactic non-invasive ventilation, goal directed fluid therapy, lidocaine infusions for pain alongside a reminder to consider feeding and antibiotics. Review of data three months before and after bundle introduction has shown a reduction in length of stay from 4.8 days to 2.1 days. This work will be consolidated to see if the results can be sustained.
Learning Disability (LD) Mortality Review Programme The Trust continues to strive to provide excellent support for patients with learning disabilities. Patients are supported to access Outpatient appointments and to ensure smoother experience of discharge with referrals to Community Learning Disability Teams. The LD Team is working with Primary Care to improve accessability and uptake of community-based screening of patients for abdominal aortic aneurism.
Sentinel Stroke Audit Sentinel Stroke National Audit Programme (SSNAP) quarter-end ratings are B (March 18), C (June 18), and D as at September 2018. The ratings dip largely reflects ability to access to a designated stroke bed. The Trust has an improvement plan which is designed to prioritise both patients' admission to a stroke bed within 4 hours of arrival and to enable a patient to spend 90% of their stay in a designated stroke bed. A key pathway change on 7 January 2019 was implementing direct access to the hyper-acute stroke unit (HASU) within the Acute Medical Unit (AMU).

The reports of 7 national confidential enquiries were reviewed by Ashford and St Peter's Hospitals NHS Foundation Trust in the 12 months ended 31 March 2019 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.

Table 6: Improvement actions from national confidential enquiries

National confidential enquiries into patient outcome or death (NCEPOD)
On the Right Course (2018) reviewed care provided to patients aged below 25 years receiving systemic therapy for cancer who subsequently were admitted to Critical Care or died. The Trust is ensuring its protocols are optimal to support the transitional care of oncology patients between Paediatric, Teenage, Young Adult and Adult Teams.
Highs and Lows (2018) reviewed care quality for diabetic patients aged over 16 who had surgery. The Trust is reviewing its handover of patients from Theatre Recovery to Wards.
"Treat as One" Mental Health in General Hospitals (2017) Since April 2018 Psychiatric Liaison Services have been available 24/7 in the Emergency Department. Although provision of a CAMHS service is not currently available in ED, there are two full time Registered Mental Health Nurses supporting children and young people who are admitted to the paediatric ward within the hospital. The Trust has worked with local Mental Health Services to identify patients who may benefit from targeted psychosocial and mental health interventions in order to reduce attendances.
Mothers and Babies: Reducing Risk through Audits and Confidential Enquiries across the UK (MBRRACE-UK). Improvement areas include attaining full adherence to household carbon monoxide level monitoring, a refreshed training package for fetal monitoring during labour and rolling out a revised audit programme for growth restricted babies.

Local clinical audits reviewed

The reports of 130 local clinical audits were reviewed by the Trust in the 12 months ended 31 March 2019 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 below17.

Results from key local audits are presented by specialties to divisional governance meetings and included in annual reports to the Quality of Care Committee and to Trust Board as applicable. Learning from audits was shared in educational meetings and in our annual audit and QI event on 19 June 2018. The Trust had displays for patients and staff during the Clinical Audit Awareness Week in November and released daily articles to staff to improve understanding of the importance of clinical audit.

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

Table 7: Improvement actions from local audits

Local clinical audits reviewed with improvement actions for 2018/19
Achilles Tendon Rupture: Ultrasound report details are being strengthened to include more precision on the tear supported by dynamic foot scanning. We have created an accelerated rehabilitation programme for patients who are conservatively managed to reduce the variability in treatment regimens and achieve better outcomes.
Eye Lens Protection When Performing Computed Tomography (CT) Head: An eye lens is very sensitive to radiation so all patients should have their lenses excluded during CT head imaging. Our first audit round identified lens inclusion to be 62.5% and following staff awareness training a re-audit has reduced this to 41.6%. Ongoing work is prioritising increasing the lens exclusion rate.
Audit of Patients Lost to Follow-Up: Specialty Teams are reviewing patients weekly to ensure future appointments are booked where necessary. Diagnostics are using a waitlist system to minimise the risk of missed bookings or results not being reviewed.
Audit of the Malnutrition Universal Screening Tool: Actions to improve patient nutrition include producing a snack list along with clear information for wards on nutritional supplement suitability for patients on texture modified diets.

Participation in clinical research

In the 12 months ended 31 March 2019 we recruited 2143 patients receiving relevant health services to participate in clinical research approved by a research ethics committee.[18]

Table 8: Patients recruited to participate in ethics committee approved research by year

Patients recruited to participate in ethics committee approved research by year					
2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
1,179	1,600	1,671	1,853	2,135	2,143

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.

ANDHI Extension study is evaluating the safety and efficacy of the medication Benralizumab in patients with severe asthma.

SAPS is reviewing salt intake in pregnancy including pre-eclampsia.

SELECT is evaluating cardiovascular outcomes of the medication Semaglutide in type 2 diabetes patients with significant cardiac risk factors.

TORIC is comparing using a Toric lens which reduces astigmatism after cataract surgery compared with incising the cornea to reduce pre-existing astigmatism during cataract surgery.

More details of clinical studies in the Trust can be found on our website: (http://www.ashfordstpeters.nhs.uk/about-us/research-and-development).

18 Within the National Research Ethics Service.

Learning from Deaths

In March 2017 the National Quality Board[19] issued National Guidance on Learning From Deaths (LFD). To standardise our approach to this the Trust has implemented the National Mortality Case Record Review programme of the Royal College of Physicians (RCP). A sample of deaths is reviewed by multi-disciplinary specially trained reviewers using the RCP's structured judgement review (SJR) tool. Oversight of the LFD programme is by the Mortality Committee. This year we have focussed on embedding the learning from these reviews widely which has been through local learning within specialties, multi-disciplinary learning events based on the successful Schwartz Round model with a learning panel sharing key messages and facilitating conversations about practice improvements. Quarterly infographics provide targeted summaries of key learning and are widely distributed to reach staff unable to attend the collaborative learning events.

During 2018/19 1274 of the Trust's patients died. This comprised the following number of deaths which occurred in each quarter of 2018/19: 296 in the first quarter, 300 in the second quarter, 320 in the third quarter, and 358 in the fourth quarter.

Current year's case reviews

By 16 April 2019 103 SJRs have been carried out in relation to the 1274 deaths this year of which 1172 deaths were within the scope of the SJR framework. In addition, the number of deaths where a serious incident investigation only was carried out was 2 in the first quarter, 4 in the second quarter, 4 in the third quarter and 2 in the fourth quarter. There were 12 cases where a death was subjected to both an SJR and a serious incident investigation. The number of deaths in each quarter for which an SJR or a serious incident investigation was carried out is shown in the below table. All data is shown in the period to which it applies.

From the 103 SJRs into deaths this period, two cases, representing 0.2% of patient deaths during the year[20], are 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 SJRs and the findings were independently validated by a second independent senior reviewer.

The Trust has learned from our review into these two cases in which care problems occurred. For example, following an incident in which a patient admitted with suspected sepsis died and the subsequent SJR found that there were issues in the management of their hyperkalemia; changes are being made to the guidance for management of patients with high potassium and sepsis is part of our new Infection Prevention and Control Strategy and Plan for next year. The importance of timely reviews of patients by senior staff is part of our 7DS programme described in Section 2.1.2. The ReSPECT programme was rolled out to strengthen joined-up decision making and documentation about a patient's resuscitation status. Our ongoing medication safety improvement programme is targeting ensuring that patients do not have missed doses of critical medicines such as anticoagulants. Pharmacy has also refreshed its anticoagulant medication protocols which cover blood test monitoring requirements.

Our assessment of the impact of these actions is that they will strengthen the safety of the clinical care provided to patients in the above areas.

Retrospective case reviews into deaths during the 2017/18 reporting period

30 SJRs completed after 31 May 2018 related to deaths which took place before the start of the reporting period, and pertained to deaths during 2017/18. The Trust has now retrospectively re-calculated its Learning from Deaths findings for 2017/18 following the inclusion of these cases into last year's dataset. One case representing 3% of patient deaths before the reporting period, is judged to be more likely than not to have been due to problems in the care provided to the patient. This number has been estimated using the structured judgement review methodology.

Retrospective case reviews into deaths during the 2016/17 reporting period

Retrospective reviews into 20 cases from the 174 inpatient deaths in January 201721 were performed between October 2018 and March 2019. The rise in deaths that month was looked into in depth to provide assurance about the quality of clinical care provision at that time. The aim was to establish if there was a disproportionate level of poor care during this period, any evidence of avoidability of death, and to identify any further learning using the subsequently introduced SJR methodology.

From the SJRs of the 20 sampled cases from January 2017[21], 18 cases were found to have received adequate, good or excellent care. In 2 (10%) cases patients were found to have received 'poor care.' Both patients had significant co-morbidities and neither case was found to have strong evidence of avoidability despite this evidence of 'poor care'.

Since these findings the ReSPECT programme has been brought in (see above) and we have a new Infection Control Strategy with QI aims to support sepsis identification and timely treatment.

19 Supported by NHSI, NHS England, and the CQC.
20 By quarter this was 1 death in Q1 and 1 death in Q2, representing 0.2% of deaths respectively.

21 The 174 deaths in January 2017 was a significant increase against previous months and remains the highest number of deaths recorded in a single month.

Table 9: Learning from Deaths Framework

Summary total deaths and total number of cases reviewed under the Structured Judgement Review Methodology	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Cumulative
Total number of adult inpatient deaths	88	103	85	95	93	94	101	81	105	128	95	104	1172
A&E deaths (in scope from July 18)	7	5	4	6	3	3	7	7	11	8	8	9	78
Total number of deaths in scope	95	108	89	101	96	97	108	88	116	136	103	113	1250
% of deaths receiving initial review	94%	90%	90%	85%	86%	82%	86%	77%	83%	83%	78%	43%	81%
Number of cases requiring an SJR	16	12	14	21	10	24	18	9	5	10	10	7	156
Total deaths receiving structured judgement review	15	9	9	16	10	23	11	6	0	3	1	0	103
Percentage of SJRs completed	94%	75%	64%	76%	100%	96%	61%	67%	0%	30%	10%	0%	66%
Percentage of SJRs completed (by quarter)		79%			89%			53%			15%		66%
Total Number of reviewed deaths considered more likely than not due to problems in care	0	1	0	0	0	1	0	0	0	0	0	0	2
Number of deaths of people with learning disabilities	1	1	0	0	0	2	1	0	0	0	2	0	7
Number of deaths of people with learning disabilities that have been reviewed	1	1	N/A	N/A	N/A	2	1	N/A	N/A	N/A	0	N/A	5
Number of deaths of people with learning disabilities considered more likely than not to be due to problems in care	0	0	N/A	N/A	N/A	0	0	N/A	N/A	N/A	0	N/A	0

Commissioning for quality and innovation (CQUIN) payment framework

A proportion of the Trust's income in the 12 months ended 31 March 2019 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 2019 are below and more information is electronically available on http://www.ashfordstpeters.nhs.uk/quality/cquin.

Table 10: Income conditional upon attaining CQUIN framework goals

Income conditional upon CQUIN goals	2017/18	2018/19
Total income conditional upon achieving CQUIN goals	£5,137 k	£5,607 k
Monetary total of the associated CQUIN income received	£4,859[22] k	£4,894 k

The monetary total of income conditional upon achieving CQUIN goals for 2018/19 is £5,607k of which £4,894k is anticipated to be received reflecting 87% recovery. For 2017/18 planned recovery was £5,137k with 95% actual recovery of £4,859k.

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

The section below provides a summary of some of the agreed goals for 2018/19 and how they align with local and regional strategies.

2018/19 CQUIN improvement goals overview

All of our 5 local CQUIN schemes support national strategies. The health and wellbeing CQUIN included frontline staff influenza vaccination reaching 75%, providing healthier food to patients and staff, and supporting staff wellbeing as measured through staff surveys. Reducing the impact of serious infections through sepsis identification and treatment and more targeted use of antibiotics remains a priority area. We are working with mental health services to reduce Emergency Department attendances for people with particular mental health needs. The preventing ill health by risky behaviours programme is targeting screening and giving advice to reduce harm from alcohol use and smoking.

Specialist commissioning goals

Specialist Commissioning goals are agreed in partnership with the Specialised Commissioning Team at NHS England. For 2018/19 our national schemes included medicine optimisation and complex devices. The local goal involved the actions from the Small Services Review which looked at improving the governance associated with small services and those provided on a shared care basis between different hospitals.

Care Quality Commission (CQC) registration

The CQC fully inspected both Ashford Hospital and St Peter's Hospital in December 2014. Subsequent focussed inspections took place in March 2017, September 2017 and June - July 2018. The latest Trust and site Inspection Report was published on 4 October 2018 and 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 St Peter's Hospital is rated as 'good' and Ashford Hospital was rated as "requires improvement." The ratings are summarised by site and core service in Tables 11 to 14 which follow.

The CQC identified a number of areas of outstanding practice within the Trust including:

- Compassionately meeting patients' needs in Critical Care
- Children and Young People's weekly developmental care rounds
- Ensuring the needs of children with mental health issues were met
- Implementation and embedding of our Strategy
- Our quality improvement and research programmes.

The latest Inspection result also identified that Trust has been issued with requirement notices against 3 of the Health and Social Care Act (RA) Regulations 2014 reflecting areas we must improve:

- Regulation 12 Safe care and treatment
- Regulation 15 Premises and equipment
- Regulation 17 Good governance.

Safety improvement areas include security over patient information and medications safety and in the Emergency Department a comprehensive improvement programme is underway as part of strengthening the unplanned care pathway.

Premises and equipment needed to be better looked after through tighter fire prevention and management, waste segregation, and emergency equipment checking.

Governance structures supporting delivery and development of outpatient services at Ashford Hospital are being addressed as part of a wider improvement programme of outpatients across the Trust.

The ultimate completion date of the CQC improvement plan will be determined in June 2019 guided by the intended deliverables of the two major transformation programmes in Outpatients and the Emergency Department.

The CQC has not taken enforcement action against Ashford and St Peter's Hospitals NHS Foundation Trust during the year ended 31 March 2019.

Table 11: Key to CQC rating tables

Key to tables					
Ratings	**Not rated**	**Inadequate**	**Requires improvement**	**Good**	**Outstanding**
Rating change since last inspection	Same	Up one rating	Up two ratings	Down one rating	Down two ratings
Symbol*	→←	↑	↑↑	↓	↓↓
Month Year = Date last rating published					

Table 12: CQC rating of the Trust

Rating for acute services/acute trust

	Safe	Effective	Caring	Responsive	Well-led	Overall
Ashford Hospital	Requires improvement →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Requires improvement ↓ Sept 2018	Requires improvement ↓ Sept 2018
St Peter's Hospital	Requires improvement →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018
Overall trust	Requires improvement →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018

Table 13: CQC rating of St Peter's Hospital

Rating for St Peter's Hospital

	Safe	Effective	Caring	Responsive	Well-led	Overall
Urgent and emergency services	Requires improvement →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Requires improvement ↓ Sept 2018	Requires improvement ↓ Sept 2018	Requires improvement ↓ Sept 2018
Medical care (including older people's care)	Requires improvement →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018
Surgery	Requires improvement Mar 2015	Good Mar 2015	Good Mar 2015	Good Mar 2015	Good Mar 2015	Good Mar 2015
Critical care	Good ↑ Sept 2018	Good →← Sept 2018	Outstanding ↑ Sept 2018	Good →← Sept 2018	Outstanding ↑↑ 2018	Outstanding ↑↑ Sept 2018
Maternity	Good Mar 2015	Good Mar 2015	Good Mar 2015	Good Mar 2015	Requires improvement Mar 2015	Good Mar 2015
Services for children and young people	Good ↑ Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Good ↑ Sept 2018	Good ↑ Sept 2018
End of life care	Good Mar 2015	Good Mar 2015	Good Mar 2015	Good Mar 2015	Good Mar 2015	Good Mar 2015
Outpatients	Good Mar 2015	Not rated	Good Mar 2015	Good Mar 2015	Good Mar 2015	Good Mar 2015

Table 14: CQC rating of St Peter's Hospital

Rating for Ashford Hospital

	Safe	Effective	Caring	Responsive	Well-led	Overall
Medical care (including older people's care)	Requires improvement Mar 2015	Good Mar 2015	Good Mar 2015	Good Mar 2015	Good Mar 2015	Good Mar 2015
Surgery	Requires improvement Mar 2015	Good Mar 2015	Good Mar 2015	Good Mar 2015	Good Mar 2015	Good Mar 2015
Outpatients	Requires improvement →← Sept 2018	Not rated	Good →← Sept 2018	Good →← Sept 2018	Requires improvement →← Sept 2018	Requires improvement →← Sept 2018

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 2019.

Healthcare data submitted to secondary uses service (SUS)[23]

Ashford and St Peter's Hospitals NHS Foundation Trust submitted records during the 12 month period ended 31 March 2019 to the Secondary Uses Service for inclusion in the Hospital Episode Statistics which are included in the latest published data to February 2019. Comparative data for completeness of data submitted to SUS for NHS number and General Medical Practice (GMP) Code is shown in the table below.

Table 15: Completeness of data submitted to Secondary Uses Service (SUS)

Completeness of data submitted to secondary uses service (SUS) (%)	2017/18	2018/19
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	98.5	98.2
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	99.9

Data security and protection assessment

The Data Security and Protection Toolkit[24] (DSPT) enables NHS organisations to self-assess against the National Data Guardian's 10 data security standards to provide assurance that they are implementing good data security and that personal information is handled correctly. The Trust's assessment for 2018/19 was submitted on 28 March 2019 and the score is "Standards Met". Progress with the DSPT is monitored throughout the year by the Information Governance Steering Group. Last year, under the now discontinued Information Governance Toolkit, the Trust achieved what was classified as a "Satisfactory" grade.

Payment by Results coding audit

Ashford and St Peter's Hospitals NHS Foundation Trust was not subject to[25] the Payment by Results clinical coding audit during either 2018/19 or 2017/18. The Trust was last audited as part of the Costing Assurance Programme for the 2016/17 financial year and there is no current national coding audit programme.

23 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 https://digital.nhs.uk/services/secondary-uses-service-sus.
24 Refer to NHS Digital's Data Security and Protection Toolkit on https://www.dsptoolkit.nhs.uk
25 Stand-alone costing audit of the former Audit Commission was discontinued 4 years ago.

2.3 Performance against core indicators

Performance against Health and Social Care Information Centre (HSCIC) core indicators aligned with the NHS Outcomes Framework26 5 domains follows.

Domain 1: Preventing people from dying prematurely

1. Summary hospital-level mortality indicator (SHMI)

The SHMI banding[27] for a Trust indicates whether, given the characteristics of patients treated there, observed patient death numbers[28] 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 February 2019 for data from the 12 months ending September 2018. Table 16 below shows the Trust's mortality banding as 2 which is as expected.

Table 16: SHMI Mortality data

Summary hospital-level mortality indicator (SHMI)	Oct 2015 to Sept 2016	Oct 2016 to Sept 2017	Oct 2017 to Sept 2018	Oct 2018 to March 2019[29]
Trust score	0.947	0.980	0.978	Not released
Trust banding	2	2	2	Not released
National benchmark	1.0	1.0	1.0	1.0
Lowest score nationally (most favourable)	0.689	0.689	0.691	Not released
Highest score nationally (least favourable)	1.164	1.118	1.268	Not released

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.[30] 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.

26 Refer to http://www.england.nhs.uk/resources/resources-for-ccgs/out-frwrk/ for information on the NHS Outcomes Framework and the 5 domains.
27 SHMI: Guidance for press teams and journalists.
28 Deaths are those in non-specialist acute hospitals or in the 30 days following discharge per Hospital Episode Statistics.
29 This is most recent available local data.
30 Palliative care coding is at either diagnosis or treatment specialty level.

Table 17: Palliative care coding rate

Palliative care rate (%)	Oct 2015 to Sept 2016	Oct 2016 to Sept 2017	Oct 2017 to Sept 2018
Trust score	44.6	47.1	43.8
National benchmark	29.6	31.5	33.6
Lowest score nationally	0.4	0	14.3
Highest score nationally	56.3	59.8	59.5

Table 18: Deaths in hospital

Deaths in hospital (%)	Oct 2015 to Sept 2016	Oct 2016 to Sept 2017	Oct 2017 to Sept 2018
Trust score	69.2	73.0	70.7
National benchmark	71.2	71.0	70.7
Lowest score nationally	63.2	61.6	57.2
Highest score nationally	81.7	83.3	78.4

Table 18: Deaths in hospital

Deaths out of hospital (%)	Oct 2015 to Sept 2016	Oct 2016 to Sept 2017	Oct 2017 to Sept 2018
Trust score	30.8	27.0	29.3
National benchmark	28.8	29.0	29.3
Lowest score nationally	18.3	16.7	21.6
Highest score nationally	36.8	38.4	42.8

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[31]

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 for the procedures specified by the PROMS national programme. This information is gathered from a questionnaire that patients are invited to complete before and 6 months after surgery. Pre-operative assessment teams encourage participation in the questionnaire.

The indicator used is the EQ-5D index casemix adjusted health gain and a higher value represents a better score.

The table below shows full data from 2016/17 for all procedures. Finalised data for 2017/18 is shown for primary hip and knee replacements. Data for those procedures for 2018/19 is not yet available. PROMS data collection on groin hernia and varicose vein surgery ceased to be collected nationally from 1 October 2017 as notified by NHS England.

Table 20: Patient reported outcome measures hip and knee replacement

	Hip replacement - primary		Knee replacement - primary	
Period	**2016/17**	**2017/18**	**2016/17**	**2017/18**
Trust	0.436	0.457	0.297	0.308
National	0.445	0.468	0.323	0.338
Lowest	0.310	0.408	0.237	0.234
Highest	0.537	0.566	0.398	0.417

Table 21: Patient reported outcome measures groin hernia and varicose veins

	Groin hernia		Varicose veins	
Period	**2016/17[2]**	**Apr-Sep 2017**	**2016/17[2]**	**Apr-Sep 2017**
Trust	0.104	0.115	0.089	*
National	0.086	0.089	0.092	0.096
Lowest	0.006	0.029	0.010	0.03
Highest	0.135	0.136	0.155	0.134

31 Refer to www.hscic.gov.uk/proms
*Insufficient data and the dataset does not record this item.

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 for groin hernia 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.

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'.[32]

Table 22: 28 Day emergency (non-elective) readmissions

Patient	Age 0-15			≥16		
Period	**2016/17**	**2017/18**	**2018/19**	**2016/17**	**2017/18**	**2018/19**
Trust	5.8%	6.5%	6.1%	14.0%	13.6%	7.9%

National comparative data from HSCIC has been unavailable for the past 4 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, peer benchmarking with deep dives into areas by exception.

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 2018 to January 2019 is due for publication in June 2019.

32 Definition per NHS England Quality Account Data Dictionary.

Table 23: Patient experience per National Inpatient Survey

Hospital inpatient experience per National Inpatient Survey	Trust 2016/17	Trust 2017/18[33]	National 80th percentile 2017/18
Access and waiting domain – waiting list time, admission date changes, waiting for bed on arrival.	81.1	82.8	86.8
Safe, high quality co-ordinated care domain – consistent staff advice, delay on discharge day, advice on post discharge warning signs.	71.1[34]	71.9	75.5
Better information, more choice domain – involvement in decision making, medication explanations including adverse effects.	64.2	65.9	70.7
Building closer relationships domain – Doctors' and nurses' approach and explanations to questions.	83.7	84.8	87.8
Clean, friendly, comfortable place to be domain – Cleanliness, quiet nights, privacy and dignity, food rating, pain relief adequacy.	80.7	80.8	83.2
Trust score	76.4 [35]	77.3	80.2
National average	78.0	78.4	
Lowest score nationally (least favourable)	72.0	71.8	
Highest score nationally (most favourable)	89.0	88.9	

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.

33 2017/18 Survey Questions - Hospital stay: 01/07/2017 to 31/07/2017; Survey collected 01/08/2017 to 31/01/2018. https://digital.nhs.uk/data-and-information/publications/clinical-indicators/nhs-outcomes-framework/current

34 NHS Digital subsequently refreshed 2016/17 comparator by re-stating this from 65.2 to 71.1 owing to national question re-alignment for the safe, high quality co-ordinated care domain.

35 National data refresh by NHS Digital subsequently changed this national comparator from 76.7 last year to 78.0 in the revised dataset reflecting question alignment. The Trust prior year score increased from 75.0 last year to 76.4 for the comparable time period now.

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 24: Staff recommending the Trust

Staff who would recommend the Trust to family or friends – National Survey Data	2016	2017	2018
Trust	70.8	80.6	71.4
National average	69.3	87.5	71.3
Lowest score nationally[36] (least favourable)	44.6	42.9	39.8
Highest score nationally (most favourable)	94.6	100	87.3

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 in the Trust Board scorecard. Our staff experience programme is monitored by the People Board Sub-Committee, the Trust Executive 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)

In February 2019 the Trust commenced a pilot of a new real-time electronic patient feedback solution called R-outcomes with initial rollout in maternity services. The pilot questions measure the three Trust strategy aims, FFT and other priority areas including accessibility of information. Expanding electronic patient feedback including tailoring feedback to the needs of service users from different Divisions will continue in 2019/20.

Table 25: FFT satisfaction rate (%)

Inpatients including Daycase

2015/16	2016/17	2017/18	2018/19	Target
96.20%	95.0%	96.3%	96.5%	>95%

Outpatients

2015/16	2016/17	2017/18	2018/19	Target
94.7%	95.8%	95.8%	97.0%	>92%

Maternity Touchpoint 2

2015/16	2016/17	2017/18	2018/19	Target
96.3%	96.8%	81.6%	93.5%	>97%

Accident and Emergency Department with Paediatrics

2015/16	2016/17	2017/18	2018/19	Target
84.3%	86.4%	83.9%	76.8%	>87%

36 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 thromboembolism

This measure shows the percentage of patients admitted to hospital who were risk assessed for venous thromboembolism (VTE) during the reporting period.

Table 26: VTE risk assessment showing the % risk assessed

Percentage risk assessed for VTE	Q1 Apr to Jun 2017	Q2 Jul to Sep 2017	Q3 Oct to Dec 2017	Q4 Jan to Mar 2018	Q1 Apr to Jun 2018	Q2 Jul to Sep 2018	Q3 Oct to Dec 2018	Q4 Jan to Mar 2019
ASPH	98.13	99.19	99.12	99.05	98.98	98.78	98.58	98.78
National benchmark	95.20	95.34	95.36	95.21	95.63	95.59	95.65	95.49
Lowest	79.84	71.88	76.08	67.04	75.84	68.67	54.86	68.67
Highest	100	100	100	100	100	100	100	100

The Trust has consistently delivered above the National average in this target VTE assessment. The process for admission, (as opposed to decision to admit) is not a single point in time and assessments of one form or another are continuing throughout the day. However, In March 2018 National Guidance changed and the most recent NICE guidance included a new statement that pharmacological thromboprophylaxis should be started within 14 hours of admission, which makes it implicit that the initial admission assessment should be completed within 14 hours and therefore provides a justification for putting the timescale at 14 hours. From a practical point of view to allow for prescribing and administration we are within a 12 hour window.

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.[37] Pending data is marked with asterisk*.

37 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.

Table 27: Clostridium difficile infection

Clostridium difficile	Target	2017/18	Target	2018/19
Trust - cases per year	17	15	16	14
Infection rate per 100,000 bed days	9.90	7.75	9.50	*
National comparison data (/100,000 bed days)				
National average bed days				*
Lowest score nationally bed days – most favourable		0		0
Highest score nationally bed days – least favourable				*

A root cause analysis was undertaken for all hospital onset Clostridium difficile cases during 2018/2019 in conjunction with our Clinical Commissioning Group. Of the 14 hospital onset cases 2 were deemed to have a lapse in care related to non-compliance with antimicrobial prescribing guidelines; and one of the cases was delayed being isolated into a side room. A further case outcome is still under review by the CCG. Feedback to clinical teams was given in real time regarding the 2 lapse cases and there has been ongoing focus on antimicrobial stewardship across the Trust. The Trust is also in the process of launching a new Bristol Stool chart with a diarrhoea assessment tool to aid timely isolation when required.

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.[38] Benchmarked data is for the national subset of Acute (Non Specialist) Trusts. The latest annual dataset is as at September 2018. The national 6 monthly report from October 2018 to March 2019 has not yet been published.

Table 28: Patient safety incidents

Patient safety incidents ASPH	Oct 16 to Mar 17	Apr 17 to Sep 17	Oct 16 to Mar 18	Apr 18 to Sep 18
Total number of incidents reported	4,127	4,175	4,725	3,932
Number of incidents causing death	7	9	8	11
Number of incidents causing severe harm or death	4	3	8	15
Rate of incidents reported per 1000 bed days	48.26	50.49	43.70	48
% of incidents causing severe harm39	0.1	0.1	0.2	0.4
% of incidents causing death	0.2	0.2	0.2	0.3
% of incidents causing severe harm or death	0.3	0.3	0.4	0.7
Acute (Non Specialist) Trust average				
Total number of incidents reported	5,160	5,226	5,448	5583
Rate of incidents reported per 1000 bed days	41.10	42.84	42.54	44.5
Lowest rate of incidents reported per 1000 bed days	23.13	23.47	24.19	13.1
Highest rate of incidents reported per 1000 bed days	68.97	111.69	101.4	107.4
% incidents causing severe harm	0.3	0.3	0.2	0.2
% of incidents causing death	0.1	0.1	0.1	0.1
% of incidents causing severe harm or death	0.4	0.4	0.3	0.3

National data is from https://improvement.nhs.uk/resources/organisation-patient-safety-incident-reports for latest data from 1 April 2018 to 31 September 2018. 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 will continue to take actions to improve this rate, and the quality of its services, by progressing our quality improvement priorities which focus on reducing harms. This includes designated strategies for reducing harms in a number of priority areas including medication safety, infection prevention and control, and hospital acquired pressure ulcers. We will continue to become a learning organisation and will expand our successful learning events for serious incidents and Learning From Deaths. The overarching aim is to be a learning organisation to reduce harm to our patients.

38 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/

39 Percentage data is to 2 decimal places owing to relatively lower sample sizes.

Part 3: Other information

3.1 Overview of the quality of care against 2018/19 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. Detailed monitoring is at Quality of Care Committee with exception reporting in the monthly Quality Report to Board. These measures were approved by Board on 28 March 2019 and the rationale for changes to the measures compared with 2017/18 priorities is described in the section which follows the table.

	Priority 1 Effectiveness - learning from deaths and reducing in-hospital mortality	18/19	17/18	Grey shading for 17/18 represents a new or modified measure so no comparison rating is shown.
1.1	**100% of applicable deaths will receive a timely structured judgement review (SJR) per the Learning from Deaths (LFD) Frameworkby Q4.**	✗		This has been our first full year of the national Learning from Deaths Programme and we have increased our pool of specifically trained multidisciplinary reviewers. Reviews are undertaken in arrears, with performance at the end of Q3 2018/19 at 53%. This will continue to be a priority improvement area next year as we aim for 100%.
1.2	**90% of Emergency Department and inpatients with sepsis will receive antibiotics within 1 hour.**	✗		Sepsis continues to be a priority improvement area nationally and is one of our local priorities next year, measure 1.3, which triangulates with complaints and incident learning. Supported by our Infection Prevention and Control Strategy and Plan for next year, we will be expanding the measure from a focus on patients with sepsis in the Emergency Department to also promptly identifying and treating inpatients who develop sepsis. Emergency Department performance was 87.4% this year and 87.5% last year. The average sepsis antibiotic treatment result for Emergency Department and inpatients was 84.4%.
1.3	**82% of patients with fractured neck of femur will receive surgery within 36 hours of arrival at the Emergency Department.**	✓		The Trust is performing well with our integrated trauma care pathway which received a favourable local area Trauma Network Peer Review in 2018. Performance was 87.5% this year. The aim to provide surgery within 36 hours stems from a national hip fracture best practice tariff criteria.
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).**	✗		Individualised care planning seeks to ensure that each patient's specific needs are accommodated. The End of Life Care Steering Group has a detailed strategy to achieve this personalised care, with a focus on working sensitively with ward teams to identify patients who will benefit from this. Applicable patients reached has improved over the year from 39% in April 2018 to 55% in December 2018, with an overall result of 59% for the nine month period.

	Priority 2 Safety - learning from errors and reducing avoidable harm	18/19	17/18	Grey shading for 17/18 represents a new or modified measure so no comparison rating is shown.
2.1	**Zero repeat never events of similar themes.**	✓		There has been 1 never event this year in ICU involving a retained guidewire. This incident was not a repeat of a similar theme. Central to improving safety culture has been our Serious Incident Learning Events which were introduced in 2018 where multi-disciplinary colleagues reflect and openly discuss how to put in changes to prevent recurrence of clinical care which has not gone well.
2.2	**Inpatient falls resulting in harm to be 364 or fewer which is a 5% reduction on 2017/18 levels of 383.**	✓	✗	271 falls with harm this year meant the 364 target was met which is a significant achievement. Last year 383 falls exceeded the limit of 319. Our Falls strategy and plan will be refreshed next year in line with this service now being led by the Therapies Team which continues to support wards with focussed patient care.
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.**	✓	✗	167 hospital acquired category 2 and above pressure ulcers this year meant the 190 target was met. Last year 201 pressure ulcers exceeded the limit of 141. NHS Improvement issued a revised definition and measurement process for pressure ulcers in June 2018 and a gap analysis was performed to ensure Trust compliance. Learning from pressure ulcer damage incidents has led to a focus on heel ulcer risk and device related pressure ulcers in particular. In March 2019 the Tissue Viability Team received third place in the 'Pressure Care' Award category at the national Journal of Wound Care (JWC) Awards 2019. The award reflected the Team's innovative 'Heel S.O.S.' (Strictly Off Surface) safety campaign.
2.4	**Moderate and severe harm from medication errors will be reduced by 50% over 5 years. This year's target was to achieve a 30% reduction in those medication incidents resulting in moderate or severe patient harm.**	✗		Our medication safety QI programme has used a range of initiatives to improve medication safety, of which this measure is one aspect and although we did not quite achieve the target we have made excellent progress by a 59% reduction. The teams have held weekly multi-professional medicines safety huddles, learning events, medication audits, staff story videos and monthly infographics. Guided by our medication strategy we will continue this programme going forward in order to improve access to medicines expertise and address human factors through eprescribing and automation. The strategy is in line with this goal to reduce medication related harm in line with the 2017 WHO five-year challenge.

	Priority 3 Patient experience - Learning from our patient feedback and ensuring a	18/19	17/18	Grey shading for 17/18 represents a new or modified measure so no comparison rating is shown.
3.1	**A new patient satisfaction measure will be implemented this year, with the method to be confirmed by Q2.**	✓		In February 2019 the Trust commenced a pilot project in Maternity to electronically capture real-time individual patient feedback which enables the Trust to measure achievement of its strategic outcomes, Friends and Family Test data, plus targeted feedback measures to guide service improvement. This was a one month survey, the company of choice was selected for the simplicity of its design. Early indications demonstrated a low yield of less than 10%, however, the quality of feedback gave good indication of how maternity services was generally positive. A table top exercise was undertaken in mid April to develop a long term strategy of patient engagement and rollout across the organisation. Greater emphasis needs to be deployed to engage staff and volunteers in the patient experience process.
3.2	**Evidence involvement of patients and carers in co-design of service improvement pathways including vulnerable and protected characteristic patients.**	✓		An experience-based co-design event in November 2018 involved complainants and staff working together to collaboratively improve the pathway. The Emergency Department rebuild capital project involved service users feedback to ensure the facilities meet the needs of vulnerable patients and their families and carers. Disability Group members are providing input to how we practically ensure people with specific communication needs have these met with the Accessible Information Standard programme. Patient involvement in service improvement is part of Care Quality Commission requirements.
3.3	**95% of complaints will be responded to by the internal number of days per grade from Q3.**	✗	✗	A Trust wide complaints improvement programme is underway to achieve this measure by Q1 2018/19 which will include a re-build of the Datix complaints module; the rebuild will better support all actions that come from complaints by providing a centralised system where all evidence is stored and actioned. This will provide a transparent evidence trail of service improvements, and stream line data reporting . A specialist complaints writer is being sourced. An experience-based co-design event in November 2018 involved complainants and staff working together to collaboratively improve the pathway, feedback from this event has been incorporated into the Patient Experience Work plan 2019-20. The complaints team are now one central team a pilot to support the improvement plan and support the divisions with complaint response and management. A Head of Patient Experience has been appointed to support Patient Experience within the Trust. With new ways of working and weekly priority meetings we are currently on target at 80% for April 2019. Work continues to clear the back log across the organisation; TASCC being 100% compliant.

3.1.1 2017/18 rationale for indicator changes

Indicators are refreshed each year by the Board of Directors and the rationale for discontinuation of selected measures from 2017/18 is outlined below.

Each year we renew our quality improvement (QI) priorities in light of our strategic aim and consider what we have achieved and what we must do next to ensure we are a learning organisation with continuous improvement. Achievement against the current year's priorities is outlined in detail in Section 3.1 above.

In line with the cohesive approach to quality improvement and assurance the Trust discontinued Quality Account priority areas which have been achieved or do not sufficiently align with our overall aim to be a learning organisation. Many measures will still continue as part of business as usual such as VTE, E. coli bacteraemia infection and 7 Day Services 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.

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 off 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 29: Safety Thermometer Harms[40]

Safety Thermometer (%) – Percentage of patients on the spot day with harm	National average	2018/19	2017/18
A low score represents good performance			
Combined new harms	2.12	1.56	1.49
Falls with harm	0.50	0.55	0.37
Catheter associated urinary tract infection (CAUTI)	0.27	0.12	0.09
New pressure ulcers	0.92	0.62	0.63

40 Data is now shown as averages rather than rolling medians in line with the national dataset.

Table 30: Medication Safety Thermometer

Medication Safety Thermometer (%)	National average	2018/19	2017/18
Measures for which a high score represents good performance			
Medication reconciliation started within 24 hours of admission	76.3	75.4	66.3
Percent of patients with medication allergy status documented	97.5	97.3	96.1
Measures for which a low score represents good performance			
Percent of patients with omitted dose in past 24 hours	10.9	9.6	12.1
Percent of patients with critical medicine omitted in past 24 hours	7.1	6.4	10.1
Percent of patients receiving a high risk medication in past 24 hours	40.9	42.5	42.5
Percent of patients that trigger a multidisciplinary huddle	1.0	0.4	0.9

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 3.1.

Table 31: Maternity Safety Thermometer

Table 31: Maternity Safety Thermometer	National average	2018/19	2017/18
NHS Maternity Safety Thermometer – percentage of patients with combined harm free care			
Harm free care – physical harm and women's perception of safety	74.1	67.9	86.0

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 (further revised July 2018) follows.

Table 32: NHS Improvement operational indicators

	2017/18	Apr-18	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	2018/19	National Target	National average
RTT Incomplete Pathway	92.0%	89.9%	91.5%	91.3%	91.5%	91.3%	90.7%	91.5%	91.9%	91.1%	90.9%	90.5%	91.5%	91.2%	> 92%	87.3%
% Compliance - 62 Day GP Referral	87.1%	90.5%	87.4%	85.4%	86.3%	88.3%	86.1%	87.8%	80.5%	82.0%	80.8%	81.2%	89.6%	85.8%	> 85%	79.3%
% Compliance - 62 Day Screening	94.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	71.4%	85.7%	100.0%	87.5%	66.7%	83.3%	92.1%	> 85%	88.3%
A&E Performance - NHSI	91.0%	91.4%	93.2%	90.5%	87.7%	88.9%	88.2%	88.1%	88.8%	87.4%	86.1%	84.4%	85.8%	88.4%	> 95%	88.1%
6 Week Diagnostic Performance	98.4%	99.0%	99.0%	98.8%	98.8%	99.0%	96.8%	96.1%	97.2%	97.1%	97.5%	98.4%	98.2%	98.0%	> 99%	97.2%

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 3rd quartile nationally, where 4th quartile is highest, which was an improvement on last year's 3rd quartile placing.

The RTT performance increase reflected the increase in clinic and daycase activity scheduled during the year, to counter the lost elective capacity from emergency bed pressures and 6 week suspension of non-urgent surgery during winter at our St Peter's site to release bed stock.

During 2018 we fully implemented the national e-RS electronic referral system and now have the capability to receive all referrals from General Practice to consultant led hospital services electronically. The long term aim is to enable patients to go online and book and change their appointments themselves. This will improve referral times and patient pathways through prevention of missed appointments and late cancellations.

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 continue to work with commissioners and tertiary 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 better than the average of 137 Trusts nationally although we missed the 95% national goal. https://www.england.nhs.uk/statistics/statistical-work-areas/ae-waiting-times-andactivity/ae-attendances-and-emergency-admissions-2017-18/. Our urgent care improvement programme focussed on directly streaming patients to specialties with the introduction of the Urgent Treatment Centre (UTC) preventing attendance with telephone advice and direct referrals to patients' GPs. Measures to promote inpatient capacity and promote flow from the ED included ongoing implantation 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, the Red to Green initiative which means every patient should receive clear steps towards discharge every day, and Multi Agency Discharge Events bringing together the local health system to support improved patient flow across the system.

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 unforeseen increased demand for Endoscopy, MRI & Cardiology 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 summary hospital-level mortality indicator (SHMI)

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 a national focus on this indicator. Auditors have this year tested the processes behind generating the SHMI reported in Table 16 on page 151.

The Summary Hospital-level Mortality Indicator (SHMI) is an indicator which reports on mortality at trust level across the NHS in England using a standard and transparent methodology. It is produced and published quarterly as a National Statistic by NHS Digital.

The SHMI is the ratio between the actual number of patients who die following hospitalisation at the trust and the number that would be expected to die on the basis of average England figures, given the characteristics of the patients treated there. It covers all deaths reported of patients who were admitted to non-specialist acute trusts in England and either die while in hospital or within 30 days of discharge. SHMI values for each trust are published along with bandings indicating whether a trust's SHMI is 'higher than expected', 'as expected' or 'lower than expected'.

Summary Hospital-level Mortality Indicator (SHMI) is sourced from Hospital Episode Statistics (HES) data which is extracted from all provider organisations' SUS submissions. Provisional HES data typically is only usually available around 3 months in arrears to allow for clinical coding at provider trusts to catch up as well as to allow for processing and data quality checks that are applied to SUS data when it goes to HES. SHMI is calculated from the HES data by NHS Digital and adjusted for age, sex, deprivation and other factors including diagnosis which requires comparison with national all provider data as a reference to calculate the relative value. There is a lag in SHMI data becoming available nationally and without this external reference data the Trust cannot calculate SHMI internally. National SHMI data is not yet available for October 2018 onwards.

3.4 Glossary

Astigmatism is an imperfection in the cornea of the eye which results in blurred vision.

CCG is a Clinical Commissioning Group which is the statutory body for planning and commissioning local health care services.

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

Confidential enquiries are national enquiries which investigate clinical standards and decisions in specific circumstances to determine whether the outcome could have been potentially avoidable.

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.

Pre-eclampsia occurs in pregnancy and features raised blood pressure and organ dysfunction such as in the kidneys.

QI Quality improvement.

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

The Patient Experience Group of the Council of Governors comprises Governors appointed by the Council to assist that body in achieving its functions in relation to patient experience in the Trust. The Group makes a report to each meeting of the Council.

The Patient Experience Group at each of its meetings has a Quality item on the agenda with the opportunity to discuss the data with a senior manager, usually the Associate Director of Quality, and this also presents opportunities for monitoring leading to quality priority setting.

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 meetings have 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 Governors are impressed with the quality of services provided, appreciating that standards are maintained under constant pressure.

Keith Bradley,
Governor and Chair of the Patient Experience Group of the Council of Governors

9 May 2019

Surrey Health, Integration & Commissioning Select Committee

As the Committee only responds to requests for comments when the Committee has scrutinised the provider in question in the last year, I can confirm that the Committee will not be providing any comments.

Joss Butler
Democratic Services Officer
Surrey Health, Integration & Commissioning Select Committee, Surrey County Council
16 May 2019

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 Accounts. With limited resources we do not believe this is the best way to use our time to make a difference for the people of Surrey. We 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 have been receptive to our insight and feedback.

Kate Scribbins
Chief Executive
7 May 2019

NHS North West Surrey Clinical Commissioning Group

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 Report for 2018/19. The CCG is satisfied that the Quality Report has been developed in line with the national requirements and gives an overall accurate account and analysis of the quality of services. Quality data is reviewed throughout the year as part of performance under the contract with NWS CCG.

Performance on 2018/19 quality priorities is clearly summarised within the Quality Report and it is confirmed that this is an accurate reflection of achievement and clearly outlines outcomes and what did/didn't go well.

In particular, we note the good work in relation to engaging patients and carers in the co- design of service improvement pathways and the work being done to explore more effective ways of capturing patient feedback on services.

We also note that the Trust has also provided open and honest feedback where priority targets were not achieved and clearly outlined the actions that are being taken to address these areas.

ASPHFT has clearly outlined its quality priorities for 2019/20 and the CCG agrees that these are pertinent areas to drive forward improvements in patient care. We note and support in particular the focus on:

- Improving the Trust's rating against the Sentinel Stroke National audit programme measures
- The establishment of the medical examiner role to support the learning from death work
- The work to increase the time multi-disciplinary teams spend engaged in quality improvement and learning events.

Data Quality

Surrey Heartlands CCGs on behalf of North West Surrey CCG is satisfied with the quality of the data contained in the draft Quality Report provided for review 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, Surrey Heartlands CCGs on behalf of North West Surrey CCG would like to thank ASPHFT for sharing the draft Quality Report 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 seeking and acting on feedback from patients and stakeholders is a high priority for the Trust. As a Commissioner we look forward to building on our positive relationship and will continue to work together with Ashford and St. Peter's Foundation Trust and other system stakeholders to ensure continuous improvement in the delivery of safe and effective services for North West Surrey residents.

Caroline Simmonds, Head of Quality & Safety
NHS North West Surrey Clinical Commissioning Group

13 May 2019

2018/19 Statement of Directors' Responsibilities in respect of the Quality Report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare Quality Accounts for each financial year.

NHS Improvement has issued guidance to NHS foundation trust boards on the form and content of annual Quality Reports (which incorporate the above legal requirements) and on the arrangements that NHS foundation trust boards should put in place to support the data quality for the preparation of the Quality Report.

In preparing the Quality Report, Directors are required to take steps to satisfy themselves that:

- the content of the Quality Report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2018/19 and supporting guidance
- the content of the Quality Report is not inconsistent with internal and external sources of information including41:
  - Board minutes and papers for the period April 2018 to 23 May 2019
  - papers relating to quality reported to the Board over the period April 2018 to 23 May 2019
  - feedback from commissioners dated 13 May 2019
  - feedback from governors dated 9 May 2019
  - feedback from local Healthwatch organisations dated 7 May 2019
  - feedback requested from Surrey Health, Integration & Commissioning Select Committee dated 16 May 2019
  - the Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 16 May 2019
  - the 2017 national patient survey 13 June 2018
  - the 2018 national staff survey 26 February 2019
  - the Head of Internal Audit's annual opinion over the Trust's control environment dated 23 May 2019
  - CQC inspection report dated 4 October 2018
- the Quality Report presents a balanced picture of the NHS foundation trust's performance over the period covered
- the performance information reported in the Quality Report is reliable and accurate
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice
- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions 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 Mazars LLP Statutory Auditor has tested and is unable to issue an opinion over for the below reasons. The Directors are unable to confirm this item is accurate owing to the exceptions notified below.

The mandated indicator which measures 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

23 May 2019

Suzanne Rankin
Chief Executive

23 May 2019

41 The last Care Quality Commission Intelligent Monitoring Report was dated 1 December 2014. These reports are not currently issued for acute Trusts.

Independent Auditor's Report to the Council of Governors of Ashford and St. Peter's

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 to perform an independent assurance engagement in respect of Ashford and St Peter's Hospitals NHS Foundation Trust's Quality Report for the year ended 31 March 2019 (the "Quality Report") and certain performance indicators contained therein.

Scope and subject matter

The indicators for the year ended 31 March 2019 subject to limited assurance consist of the national priority indicators as mandated by NHS Improvement:

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

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

Respective responsibilities of the Directors and auditors

The Directors are responsible for the content and the preparation of the Quality Report in accordance with the criteria set out in the NHS Foundation Trust Annual Reporting Manual issued by NHS Improvement.

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in NHS Improvement's Detailed Requirements for External Assurance for Quality Reports 2018/19; 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 supporting guidance and the six dimensions of data quality set out in the Detailed Requirements for External Assurance on Quality Reports.

We read the Quality Report and consider whether it addresses the content requirements of the NHS Foundation Trust Annual Reporting Manual and supporting guidance, 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 for the period April 2018 to April 2019;
- Papers relating to quality reported to the Board over the period April 2018 to April 2019;
- Feedback from Commissioners, dated 13 May 2019;
- Feedback from governors, dated 9 May 2019;
- Feedback from local Healthwatch organisations, dated 16 May 2019;
- Feedback from Surrey Wellbeing and Health Scrutiny Board, dated May 2018;
- The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 16 May 2019;
- The latest national patient survey dated 13 June 2018;
- The latest national NHS staff survey dated 26 February 2019;
- Care Quality Commission inspection, dated 04 October 2018;
- The Head of Internal Audit's annual opinion over the trust's control environment, dated 23 May 2019; and
- Any other information included in our review.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with those documents (collectively the "documents"). Our responsibilities do not extend to any other information.

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

This report, including the conclusion, has been prepared solely for the Council of Governors of Ashford and St Peter's Hospitals NHS Foundation Trust as a body, in reporting Ashford and St Peter's Hospitals NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2019, to enable the Council of Governors to demonstrate that it has discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicators. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and Ashford and St Peter's Hospitals NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) – 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board ('ISAE 3000'). Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicators;
- 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 impact comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision 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 non-mandated indicators which have been determined locally by Ashford and St Peter's Hospitals NHS Foundation Trust.

Basis for qualified conclusion on the 4 hour A&E indicator: maximum waiting time of four hours from arrival to admission, transfer or discharge indicator ('the 4 hour A&E indicator')

Our detailed sample testing of this indicator identified 14 cases out of 40 tested, where there were differences between times reported within the indicator data and Casualty Cards ("CAS" cards), as the prime record for the indicator. As a result of these differences, we have concluded that the 4 hour A&E indicator for the year ended 31 March 2019 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 qualified 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 2019:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in NHS Improvement's Detailed Requirements for External Assurance for Quality Reports 2018/19; and
- the indicators in the Quality Report subject to limited assurance have not been reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and supporting guidance.

Signed:

Lucy Nutley
For and on behalf of Mazars LLP

Date: 24 May 2019

Chartered Accountants and Statutory Auditor
Tower Bridge House St Katharine's Way
London
E1W 1DD

5. ANNUAL ACCOUNTS

5. Annual Accounts

1 April 2018 – 31 March 2019

Foreword to the Accounts

These Accounts for the year ended 31 March 2019 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
23 May 2019

Independent Auditor's Report to the Council of Governors of Ashford and St Peter's Hospitals NHS Foundation Trust

Opinion on the financial statements

We have audited the financial statements of Ashford and St Peter's Hospitals NHS Foundation Trust ('the Trust') for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Taxpayers' Equity, the Statement of Cash Flows, and notes to the financial statements, including the summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as interpreted and adapted by the Government Financial Reporting Manual 2018/19 as contained in the Department of Health and Social Care Group Accounting Manual 2018/19, and the Accounts Direction issued under section 25(2) of Schedule 7 of the National Health Service Act 2006 ("the Accounts Direction").

In our opinion, the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 March 2019 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2018/19; and
- have been properly prepared in accordance with the requirements of the National Health Service Act 2006 and the Accounts Direction issued thereunder.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Accounting Officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, 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.

Key audit matter	Our response and key observations
Valuation of land and buildings At 31 March 2019 the Property Plant and Equipment balance totalled £179m. The Trust based its disclosures as at 31 March 2019 on a valuation provided by Cushman and Wakefield as at 31 March 2019, adjusted for the proposed land sales (updating the original proposal to base its disclosures as at 31 March 2019 on the interim valuation effective from 1 April 2016). Changes in the value of property may impact on the Statement of Comprehensive Income depending on the circumstances and the specific accounting requirements of the Annual Reporting Manual and the Department of Health and Social Care Group Accounting Manual. This is an estimate with a high estimation uncertainty.	Our audit approach included: • assessing the independence and objectivity of your management expert using our expert; • reviewing updated asset lives obtained by the Trust and discussing their inclusion in the financial statements; • challenging management and management's expert over the basis of the assumptions used in the valuation and subsequent disclosures in the financial statements; • ensuring the information that formed the basis of the valuation was complete and accurate i; and • ensuring the reasonableness of the data used to derive the model for the valuation of land included in the alternative site valuation and sold in-year. There were no significant findings arising from our review of the valuation of land and buildings.
Revenue recognition Auditing standards include a rebuttable presumption that there is a significant risk in relation to the timing of income recognition, and in relation to judgements made by management as to when income has been earned. The pressure to manage income to deliver forecast performance in a challenging financial environment increases the risk of fraudulent financial reporting leading to material misstatement and means we are unable to rebut the presumption.	We undertook a range of substantive procedures including: • testing of material income streams and year end receivables; • testing receipts in the pre and post year end period to ensure they have been recognised in the correct period; • reviewing intra-NHS reconciliations and data matches provided by the Department of Health and Social Care (DHSC); • agreeing PSF income recorded in the financial statements to NHS Improvement notifications and • review of the Trust's application of IFRS15 to ensure that R&D monies are recognised as income in the correct period. There were no significant findings arising from our review of revenue recognition.
Expenditure recognition For public sector organisations, the same risk applies to the recognition of non-payroll expenditure and contractual obligations. The pressure to manage expenditure, especially when dealing with high cost specialisms that are not specifically funded, increases the risk surrounding fraudulent financial reporting of expenditure. The pressure to manage expenditure to deliver forecast performance in a challenging financial environment increases the risk of fraudulent financial reporting leading to material misstatement. We have therefore assessed the recognition of expenditure as a significant risk and key audit matter.	We undertook a range of substantive procedures including: • testing of material expenditure streams, year-end payables, accruals and provisions • testing payments in the pre and post year-end period to ensure they have been recognised in the correct period; and • reviewing intra-NHS reconciliations and data matches provided by DHSC. There were no significant findings arising from our review of expenditure recognition.

Our application of materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures, and in evaluating the effect of misstatements, both individually and on the financial statements as a whole. Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Trust
Overall materiality	£3.0m
Basis for determining materiality	1% of gross expenditure on continuing operations
Rationale for benchmark applied	Gross expenditure on continuing operations was chosen as the appropriate benchmark for overall materiality as this is a key measure of financial performance for users of the financial statements
Performance materiality	£2.10m
Reporting threshold	£0.09m

An overview of the scope of our audit

As part of designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements. In particular, we looked at where the Accounting Officer made subjective judgements such as making assumptions on significant accounting estimates.

We gained an understanding of the legal and regulatory framework applicable to the Trust and the sector in which it operates. We considered the risk of acts by the Trust which were contrary to the applicable laws and regulations including fraud. We designed our audit procedures to respond to those identified risks, including non-compliance with laws and regulations (irregularities) that are material to the financial statements.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the National Health Service Act 2006.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of our risk assessment, our understanding of the Trust's accounting processes and controls and its environment and considered qualitative factors in order to ensure that we obtained sufficient coverage across all financial statement line items.

Our tests included, but were not limited to:

- obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by irregularities including fraud or error;
- review of minutes of board meetings in the year; and
- enquiries of management.

As a result of our procedures, we did not identify any Key Audit Matters relating to irregularities, including fraud.

The risks of material misstatement that had the greatest effect on our audit, including the allocation of our resources and effort, are discussed under 'Key audit matters' within this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We are also required to consider whether we have identified any inconsistencies between our knowledge acquired during the audit and the directors' statement that they consider the Annual Report is fair, balanced and understandable and whether the Annual Report appropriately discloses those matters that we communicated to the Audit and Risk Committee which we consider should have been disclosed.

We have nothing to report in these regards.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Accounting Officer is required to comply with the Department of Health and Social Care Group Accounting Manual and prepare the financial statements on a going concern basis, unless the Trust is informed of the intention for dissolution without transfer of services or function to another entity. The Accounting Officer is responsible for assessing each year whether or not it is appropriate for the Trust to prepare its accounts on the going concern basis and disclosing, as applicable, matters related to going concern.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Opinion on other matters prescribed by the Code of Audit Practice

In our opinion:

- the parts of the Remuneration and Staff Report subject to audit have been properly prepared in accordance with the requirements of the NHS Foundation Trust Annual Reporting Manual 2018/19; and
- the other information published together with the audited financial statements in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Annual Governance Statement	
We are required to report to you if, in our opinion: • the Annual Governance Statement does not comply with the NHS Foundation Trust Annual Reporting Manual 2018/19; or • the Annual Governance Statement 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 respect of these matters.

Reports to the regulator and in the public interest	
We are required to report to you if: • we refer a matter to the regulator under Schedule 10(6) of the National Health Service Act 2006 because we have a reason to believe that the Trust, or a director or officer of the Trust, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency; or • we issue a report in the public interest under Schedule 10(3) of the National Health Service Act 2006.	We have nothing to report in respect of these matters.

The Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources

Matter on which we are required to report by exception

We are required to report to you if, in our opinion, we are not satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2019.

We have nothing to report in this respect.

Responsibilities of the Accounting Officer

The Chief Executive as Accounting Officer is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in the Trust's use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor's responsibilities for the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We are required by Schedule 10(1)(d) of the National Health Service Act 2006 to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General 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. The Comptroller and Auditor General determined this criterion as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2019.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary.

Use of the audit report

This report is made solely to the Council of Governors of Ashford and St Peter's Hospitals NHS Foundation Trust as a body in accordance with Schedule 10(4) of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust as a body for our audit work, for this report, or for the opinions we have formed.

Certificate

We certify that we have completed the audit of Ashford and St Peter's Hospitals NHS Foundation Trust in accordance with the requirements of chapter 5 of part 2 of the National Health Service Act 2006 and the Code of Audit Practice.

Lucy Nutley
For and on behalf of Mazars LLP

Tower Bridge House
St Katharine's Way
London
E1W 1DD

24 May 2019

Statement of Comprehensive Income for the year ended 31 March 2019

	Note	2018/19 £'000	2017/18 £'000
Income			
Income from patient care activities	3	282,604	271,291
Other operating income	4	52,972	35,258
Operating expenses	6	(300,638)	(281,520)
Operating surplus		**34,938**	**25,029**
Finance costs			
Finance income		193	39
Finance expense		(261)	(423)
Public dividend capital dividends payable		(6,018)	(5,750)
Other gains/(losses)		17,987	(4)
Retained surplus/(deficit) for the year		**46,839**	**18,891**
Other Comprehensive Income:			
Impairments – net reversal on property, plant and equipment		(4,462)	-
Revaluations		16,734	-
Total comprehensive income/(expense) for the year		**59,111**	**18,891**

The notes on pages 189 to 228 form part of these accounts.

Statement of Financial Position as at 31 March 2019

	Note	31/03/19 £'000	31/03/18 £'000
Non-current assets			
Property, plant and equipment	15	179,391	172,317
Intangible assets	16	5,712	4,478
Other investments	19	60	120
Receivables	21	13,716	771
Total non-current assets		**198,879**	**177,686**
Current assets			
Inventories	20	3,549	3,678
Receivables	21	50,593	20,841
Cash and cash equivalents	22	43,871	25,115
Total current assets		**98,013**	**49,634**
Total assets		**296,892**	**227,320**
Current liabilities			
Trade and other payables	23	(34,604)	(28,151)
Other liabilities	23	(311)	(123)
Borrowings	24	(1,701)	(1,488)
Provisions	26	(1,978)	(453)
Total current liabilities		**(38,594)**	**(30,215)**
Total assets less current liabilities		**258,298**	**197,105**
Non-current liabilities			
Borrowings	24	(6,133)	(4,165)
Provisions	26	(139)	(111)
Total assets employed		**252,026**	**192,829**
Financed by taxpayers' equity			
Public dividend capital		88,975	88,889
Income and expenditure reserve		85,720	32,081
Revaluation reserve		77,331	71,859
Total taxpayers' equity		**252,026**	**192,829**

The financial statements on pages 185 to 228 were approved by the Board on 23 May 2019 and signed on its behalf by:

Suzanne Rankin,
Accounting Officer Ashford and St Peter's Hospitals NHS Foundation Trust,

23 May 2019

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2019

	Public Dividend Capital (PDC) £'000	Retained Earnings £'000	Revaluation Reserve £'000	Total £'000
Balance at 1 April 2018	88,889	32,081	71,859	192,829
Changes in taxpayers equity for the year ended 31 March 2019				
Retained surplus/(deficit) for the year	-	46,839	-	46,839
Public Dividend Capital received	86	-	-	86
Net impairments	-		(4,462)	(4,462)
Net gain in revaluation of property, plant and equipment	-	-	16,734	16,734
Transfer to retained earnings on disposal of property, plant and equipment	-	6,800	(6,800)	-
Balance at 31 March 2019	**88,975**	**85,720**	**77,331**	**252,026**

	Public Dividend Capital (PDC) £'000	Retained Earnings £'000	Revaluation Reserve £'000	Total £'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	**88,889**	**32,081**	**71,859**	**192,829**

Statement of Cash Flows for the year ended 31 March 2019

	Note	2018/19 £'000	2017/18 £'000
Cash flows from operating activities			
Operating surplus		34,938	25,029
Depreciation and amortisation		7,229	7,145
Impairments – net reversal		(1,414)	-
(Increase)/decrease in inventories		129	503
(Increase)/decrease in receivables		(22,853)	(1,119)
Increase/(decrease) in trade and other payables		6,210	(1,881)
Increase/(decrease) in other current liabilities		188	(198)
Increase/(decrease) in provisions	26	1,553	(14)
Other movements in operating cash flows		(294)	(179)
Net cash inflow/(outflow) from operating activities		**25,686**	**29,286**
Cash flows from investing activities			
Interest received		179	33
Purchase of property, plant and equipment and intangible assets		(7,974)	(8,033)
Proceeds from sales of property, plant and equipment		8,306	-
Net cash inflow/(outflow) from investing activities		**511**	**(8,000)**
Net cash inflow/(outflow) before financing		**26,197**	**21,286**
Cash flows from financing activities			
Public Dividend Capital received		86	600
Capital element of finance lease rental payments		(1,138)	(1,243)
Interest element of finance lease		(261)	(416)
Interest paid		-	(7)
Dividends paid		(6,128)	(5,564)
Net cash inflow/(outflow) from financing activities		**(7,441)**	**(6,630)**
Net increase/(decrease) in cash and cash equivalents		18,756	14,656
Cash (and) cash equivalents at the beginning of the year		25,115	10,459
Cash (and) cash equivalents at 31 march	**22**	**43,871**	**25,115**

Notes to the Accounts 31 March 2019

1. Accounting policies

1.1

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2018/19, issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to 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

Income from patient care activities: where agreement has not already been reached on final contract outturns, invoicing deadlines for NHS income prevent actual activity data from being used for all 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 2018/19 was £2,468,000 (2017/18: £2,244,000).

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 2018/19 this equated to £464,000 (2017/18: £440,000) 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 26.

Building lives: building lives used for depreciation purposes in 2018/19 are based on lives provided by the Trust's professional valuers as at 1 April 2016. Revised building lives have been provided following the latest full valuation as at 31 March 2019 and these will be applied, for depreciation purposes, from 1 April 2019.

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 Revenue

1.5.1 Revenue

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS). As directed by the GAM, the transition to IFRS 15 in 2018/19 has been completed in accordance with paragraph C3 (b) of the Standard: applying the Standard retrospectively but recognising the cumulative effects at the date of initial application (1 April 2018).

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

The Trust's income predominantly derives from the delivery of healthcare activity with liability for payment arsing on discharge of the patient, for spells, or attendance at hospital for A&E and outpatients. Main contracts are paid evenly throughout the year with variation invoices raised for under or over-performance. Non-contract activity is invoiced upon delivery of the activity.

Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for health care services. A performance obligation relating to delivery of a spell of health care is generally satisfied over time as healthcare is received and consumed simultaneously by the customer as the Trust performs it. The customer in such a contract is the commissioner, but the customer benefits as services are provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligns with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that are substantially the same and have a similar pattern of transfer. At the year end, the Trust accrues income relating to activity delivered in that year, where a patient care spell is incomplete.

Revenue is recognised to the extent that collection of consideration is probable. Where contract challenges from commissioners are expected to be upheld, the Trust reflects this in the transaction price and derecognises the relevant portion of income. Where the Trust is aware of a penalty based on contractual performance, the Trust reflects this in the transaction price for its recognition of revenue. Revenue is reduced by the value of the penalty.

The Trust receives income from commissioners under Commissioning for Quality and Innovation (CQUIN) schemes. The Trust agrees schemes with its main commissioner but they affect how care is provided to patients. That is, the CQUIN payments are not considered distinct performance obligations in their own right; instead they form part of the transaction price for performance obligations under the contract.

In the adoption of IFRS 15 a number of practical expedients offered in the Standard have been employed. These are as follows;

- As per paragraph 121 of the Standard the Trust does not disclose information regarding performance obligations part of a contract that has an original expected duration of one year or less;
- The GAM does not require the Trust to disclose information where revenue is recognised in line with the practical expedient offered in paragraph B16 of the Standard where the right to consideration corresponds directly with value of the performance completed to date;
- The GAM has mandated the exercise of the practical expedient offered in C7A of the Standard that requires the Trust to reflect the aggregate effect of all contracts modified before the date of initial application.

Revenue from research contracts

Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. For some contracts, it is assessed that the revenue project constitutes one performance obligation over the course of the multi-year contract. In these cases it is assessed that the Trust's interim performance does not create an asset with alternative use for the Trust, and the Trust has an enforceable right to payment for the performance completed to date. It is therefore considered that the performance obligation is satisfied over time, and the Trust recognises revenue each year over the course of the contract.

NHS injury cost recovery scheme

The Trust receives income under the NHS Injury Cost Recovery Scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

1.5.2 Revenue grants and other contributions to expenditure

Government grants are grants from government bodies other than income from commissioners or trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure.

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider, the corresponding notional expense is also recognised at the point of recognition for the benefit.

1.5.3 Other income

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

1.6 Expenditure on employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments, including payments arising from the apprenticeship levy, 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

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 and, where capitalised in accordance with IAS 23, borrowing costs. Assets are revalued and depreciation commences when they are brought into use.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use.

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

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

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 Carbon Reduction Commitment scheme (CRC)

The CRC scheme is a mandatory cap and trade scheme for non-transport CO2 emissions. The Trust is registered with the CRC scheme, and is therefore required to surrender to the Government an allowance for every tonne of CO2 it emits during the financial year. A liability and related expense is recognised in respect of this obligation as CO2 emissions are made.

The carrying amount of the liability at the financial year end will therefore reflect the CO2 emissions that have been made during that financial year, less the allowances (if any) surrendered voluntarily during the financial year in respect of that financial year.

The liability will be measured at the amount expected to be incurred in settling the obligation. This will be the cost of the number of allowances required to settle the obligation.

1.17 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 discount rates published and mandated 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 0.29% (2017/18 0.10%) in real terms. These rates are as follows:

- A nominal short-term rate of 0.76% (2017/18 negative 2.42%) for inflation adjusted expected cash flows up to and including 5 years from the Statement of Financial Position date;
- A nominal medium-term rate of 1.14% (2017/18: negative 1.85%) for inflation adjusted expected cash flows over 5 years up to and including 10 years from the Statement of Financial Position date;
- A nominal long-term rate of 1.99% (2017/18: negative 1.56%) for inflation adjusted expected cash flows over 10 years up to and including 40 years from the Statement of Financial Position date; and
- A nominal very long-term rate of 1.99% (2017/18: negative 1.56%) for inflation adjusted expected cash flows exceeding 40 years from the Statement of Financial Position date.

All 2018/19 percentages are expressed in nominal terms with 2017/18 being the last financial year that HM Treasury provided real general provision discount rates.

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.

1.18 Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution which in return settles all clinical negligence claims. 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 26.

1.19 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.

1.20 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.

1.21 Financial assets and financial liabilities

1.21.1 Recognition

Financial assets and financial liabilities arise where the Trust is party to the contractual provisions of a financial instrument, and as a result has a legal right to receive or a legal obligation to pay cash or another financial instrument. The GAM expands the definition of a contract to include legislation and regulations which give rise to arrangements that in all other respects would be a financial instrument and do not give rise to transactions classified as a tax by ONS.

This includes the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements and are recognised when, and to the extent which, performance occurs, i.e. when receipt or delivery of the goods or services is made.

1.21.2 Classification and measurement

Financial assets and financial liabilities are initially measured at fair value plus or minus directly attributable transaction costs except where the asset or liability is not measured at fair value through income and expenditure. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices or valuation techniques.

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases (note 1.13).

Financial assets are classified as subsequently measured at amortised cost, fair value through income and expenditure or fair value through other comprehensive income.

Financial liabilities classified as subsequently measured at amortised cost or fair value through income and expenditure.

Financial assets and financial liabilities at amortised cost

Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable.

After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income and a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

Financial assets measured at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income where business model objectives are met by both collecting contractual cash flows and selling financial assets and where the cash flows are solely payments of principal and interest. Movements in the fair value of financial assets in this category are recognised as gains or losses in other comprehensive income except for impairment losses. On derecognition, cumulative gains and losses previously recognised in other comprehensive income are reclassified from equity to income and expenditure, except where the Trust elected to measure an equity instrument in this category on initial recognition.

Financial assets and financial liabilities at fair value through income and expenditure

Financial assets measured at fair value through profit or loss are those that are not otherwise measured at amortised cost or at fair value through other comprehensive income. This category also includes financial assets and liabilities acquired principally for the purpose of selling in the short term (held for trading) and derivatives. Derivatives which are embedded in other contracts, but which are separable from the host contract are measured within this category. Movements in the fair value of financial assets and liabilities in this category are recognised as gains or losses in the Statement of Comprehensive income.

Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets or assets measured at fair value through other comprehensive income, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment, in accordance with IFRS 9, and measures the loss allowance for trade receivables, contract assets and lease receivables at an amount equal to lifetime expected credit losses. For other financial assets, the loss allowance is measured at an amount equal to lifetime expected credit losses if the credit risk on the financial instrument has increased significantly since initial recognition (stage 2), and otherwise at an amount equal to 12-month expected credit losses (stage 1).

HM Treasury has ruled that central government bodies may not recognise stage 1 or stage 2 impairments against other government departments, their executive agencies, the Bank of England, Exchequer Funds, and Exchequer Funds' assets where repayment is ensured by primary legislation. The Trust therefore does not recognise loss allowances for stage 1 or stage 2 impairments against these bodies. Additionally, the Department of Health and Social Care provides a guarantee of last resort against the debts of its arm's length bodies and NHS bodies (excluding NHS charities), and the Trust does not recognise loss allowances for stage 1 or stage 2 impairments against these bodies.

The Trust assesses each class of financial asset to determine the historic rate of credit loss applying to that class. That rate is then applied to the value of the financial asset held.

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

1.21.3 Derecognition

Financial assets are de-recognised when the contractual rights to receive cash flows from the assets have expired or the Trust has transferred substantially all the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

1.22 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.

1.23 Foreign exchange

The functional and presentational currencies of the Trust are sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

Where the Trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

- monetary items (other than financial instruments measured at 'fair value through income and expenditure') are translated at the spot exchange rate on 31 March;
- non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction; and
- non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

1.24 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.

1.25 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 31 to the accounts.

1.26 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.

1.27 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.

1.28 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 30.

1.29 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.

1.30 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 along 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.

1.31 Accounting standards issued but not yet adopted

The DHSC GAM does not require the following Standards and Interpretations to be applied in 2018/19:

- IFRS 16 Leases – Published in January 2015 and endorsed by the EU in November 2017 for implementation from 1 January 2019. However, HM Treasury have agreed that entities which prepare their accounts in accordance with the FreM will adopt this standard in 2020/21;
- 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; 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 that the application of the standard relating to leases (IFRS 16) will result in material changes to the accounts in 2020/21 once adopted. This will be in common with all other entities with leases.

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:

	2018/19			2017/18		
	Clinical Divisions £'000	Other £'000	Total Clinical £'000	Divisions £'000	Other £'000	Total £'000
Income	292,014	43,562	335,576	279,547	27,002	306,549
Expenditure	(246,522)	(42,215)	(288,737)	(229,198)	58,460)	(287,658)
Contribution	**45,492**	**1,347**	**46,839**	**50,349**	**(31,458)**	**18,891**

3. Income from patient care activities

3.1 Income from activities

	2018/19 £'000	2017/18 £'000
Analysis by activity		
Elective income	52,629	47,635
Non-elective income	66,095	65,593
Outpatient income	57,631	51,921
A & E income	16,409	15,400
High cost drugs income	13,267	13,746
Other NHS clinical income	70,338	72,767
Private Patient income	2,097	2,074
Agenda for Change pay award central funding	2,613	-
Other non-protected clinical income	1,525	2,155
	282,604	**271,291**

In 2018/19 the Department of Health centrally funded the cost of the Agenda for Change pay award that exceeded the 1% that had been included within national tariffs for that year.

		2018/19 £'000	2017/18 £'000
Activity by source			
Clinical Commissioning Groups and NHS England		276,369	267,061
NHS Foundation Trusts		-	1
Department of Health and Social Care		2,613	-
Local Authorities		142	1,052
Non-NHS	- Private patients	2,097	2,074
	- Overseas patients (non-reciprocal)	343	289
	- Injury cost recovery	890	655
	- Other	150	159
		282,604	**271,291**

Injury cost recovery income is subject to a provision for impairment of receivables of 21.89% (2017/18– 22.84%) to reflect expected rates of collection.

Under the terms of its provider licence, the Trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider license and are services that commissioners believe would need to be protected in the event of provider failure. Income from Commissioner Requested Services in 2018/19 was £280,383,000 (2017/18 - £261,534,000).

The Trust disposed of a number of assets during 2018/19 (see note 14), however these disposals will not impact on the Trust's ability to continue to deliver its commissioner requested services.

3.2 Income from overseas patients

	2018/19 £'000	2017/18 £'000
Income recognised this year	343	289
Cash payments received in year	283	190
Amounts added to the provision for impairment of receivables	66	125
Amounts written off in year	6	-

4. Other operating income

	2018/19 £'000	2017/18 £'000
Other operating income from contracts with customers		
Research and development	1,294	1,103
Education and training	9,192	9,160
Non-patient care services to other bodies	1,150	1,704
Provider Sustainability Fund income	32,800	11,148
Other income:		
Car parking	2,433	2,357
Estates recharges	445	224
Pharmacy sales	1,313	939
Nursery	936	1,007
Other	2,952	7,435
Other non-contract operating income		
Charitable and other contributions to expenditure	294	179
Education and training – notional income from apprenticeship fund	163	2
	52,972	**35,258**

The Provider Sustainability Fund, previously known as 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 further bonus allocations for meeting its overall financial control totals in 2017/18 and 2018/19.

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:

	2018/19 £'000	2017/18 £'000
Income	3,468	3,362
Full Cost	(3,360)	(3,256)
Surplus/(deficit)	**108**	**106**

5. Additional information on revenue from contracts with customers recognised in the period

	2018/19 £'000
Revenue recognised in the reporting period that was included within contract liabilities at the previous period end	123
Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods	-

6. Operating expenses

	2018/19 £'000	2017/18 £'000
Purchase of healthcare from NHS and DHSC bodies	5,798	5,756
Purchase of healthcare from non-NHS and non-DHSC bodies	13,772	10,359
Employee benefits – Executive Directors	1,131	1,079
Employee benefits – Non-Executive Directors	150	143
Employee benefits - staff	190,017	177,797
Drugs costs	21,758	21,885
Supplies and services – clinical (excluding drugs)	29,888	29,790
Supplies and services – general	3,642	3,563
Establishment	2,802	2,349
Transport	728	716
Premises	11,262	10,166
Increase/(decrease) in provision for impairment of receivables	(8)	32
Depreciation and amortisation	7,229	7,145
Impairments of property, plant and equipment net of (reversals)	(1,414)	-
Auditors remuneration	90	83
Internal audit	55	55
NHS clinical negligence scheme	9,560	7,134
Legal fees	263	264
Consultancy costs	797	427
Training, courses and conferences	814	597
Rentals under operating leases	476	472
Insurance	316	262
Losses, ex gratia and special payments	38	120
Other	1,474	1,326
	300,638	**281,520**

This note includes irrecoverable VAT.

Auditors' remuneration

	2018/19 £'000	017/18 £'000
Audit services – statutory audit	56	53
Audit services – audit related regulatory reporting	12	16
	68	**69**

This note excludes irrecoverable VAT and the fee to audit the Ashford and St. Peter's Hospitals Charitable Fund, both of which are included within the operating expenses charge.

Audit Liability Cap

An engagement letter dated 18 January 2019 was signed with Mazars. Currently the liability of Mazars, 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.

7. Operating leases

As lessee:

	2018/19 £'000	2017/18 £ '000
Payments recognised as an expense:		
Minimum lease payments	476	472
Total	**476**	**472**

	31/03/19 £'000	31/03/18 £'000
Total future minimum lease payments:		
Not later than one year	536	411
Between one and five years	1,411	482
Later than five years	-	-
Total	**1,947**	**893**

8. Employee benefits

	2018/19 £'000	2017/18 £'000
Salaries and wages	149,619	142,256
Social security costs	14,814	14,169
Employer's contribution to NHS pensions	16,754	16,176
Apprenticeship levy	727	695
Pension cost – other	14	4
Temporary staff (including agency)	13,634	9,944
Total gross staff costs	**195,562**	**183,244**
Recoveries in respect of seconded staff	(3,745)	(3,714)
Total staff costs	**191,817**	**179,530**
Of which		
Costs capitalised as part of assets	**669**	**654**

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 for Health 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 2019, is based on valuation data as 31 March 2018, updated to 31 March 2019 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019. The Department of Health and Social Care have recently laid Scheme Regulations confirming that the employer contribution rate will increase to 20.6% of pensionable pay from this date.

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgment from the Court of Appeal in December 2018 Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process.

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 2019 there no early retirements (2017/18 - none) from the Trust agreed on the grounds of ill-health with a value of £nil (2017/18- £nil).

11. Better Payment Practice Code

Better Payment Practice Code - measure of compliance

	2018/19		2017/18	
	Number	£'000	Number	£'000
Total Non-NHS trade invoices paid in the year	88,699	105,386	85,012	99,083
Total Non-NHS trade invoices paid within target	80,335	91,467	68,087	79,919
Percentage of Non-NHS trade invoices paid within target	**90.57%**	**86.79%**	**80.09%**	**80.66%**
Total NHS trade invoices paid in the year	1,762	15,452	1,597	15,466
Total NHS trade invoices paid within target	1,095	5,848	846	6,650
Percentage of NHS trade invoices paid within target	**62.15%**	**37.85%**	**52.97%**	**43.00%**

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

	2018/19 £'000	2017/18 £'000
Interest revenue		
Bank accounts	193	39

13. Finance expense

	2018/19 £'000	2017/18 £'000
Interest costs		
Interest on obligations under finance leases	261	416
Other	-	7
Total	**261**	**423**

14. Other gains and losses

	201 8/19 £'000	2017/18 £'000
Interest costs		
Gains on disposal of property, plant and equipment	18,310	-
Losses on disposal of property, plant and equipment	(263)	-
Losses on disposal of intangible assets	-	(4)
Fair value gains/(losses) on financial assets / investments	(60)	-
Total	**17,987**	**(4)**

The Trust sold three plots of land in March 2019 known as the West Site and Optivo Housing at St. Peter's Hospital and the Estates Yard at Ashford Hospital, generating gains on disposal of £18,310,000.

During 2018/19 the Trust also demolished some buildings known as The Ramp to create a new car park and access road. This created a loss on disposal of £263,000.

The fair value loss relates to the valuation of the Trust's investment in Beautiful Information Limited (see note 19).

15. Property, plant and equipment

2018/19	Land £'000	Buildings excluding dwellings £'000	Assets under construction and payments on account £'000	Plant & machinery £'000	Transport & equipment £'000	Information technology £'000	Furniture & fittings £'000	Total £'000
Cost or valuation at 1 April 2018	**30,175**	**133,709**	**1,777**	**36,859**	**116**	**13,608**	**4,691**	**220,935**
Additions purchased	-	1,425	5,065	703	-	726	102	8,021
Additions leased	-	88	2,169	1,062	-	-	-	3,319
Additions donated	-	123	-	171	-	-	-	294
Reclassifications	-	3,115	(6,044)	166	-	567	219	(1,977)
Impairments charged to operating expenses	-	(251)	-	-	-	-	-	(251)
Impairments charged to the revaluation reserve	-	(5,179)	-	-	-	-	-	(5,179)
Reversal of impairments credited to operating expenses	-	1,665	-	-	-	-	-	1,665
Reversal of impairments credited to revaluation reserve	-	717	-	-	-	-	-	717
Revaluations	9,277	(226)	-	-	-	-	-	9,051
Disposals/derecognition	(6,902)	(3,437)	-	(306)	-	-	-	(10,645)
At 31 March 2019	**32,550**	**131,749**	**2,967**	**38,655**	**116**	**14,901**	**5,012**	**225,950**
Depreciation at 1 April 2018	-	5,237	-	27,963	52	11,214	4,152	48,618
Charged during the year	-	2,751	-	2,206	9	1,099	170	6,235
Revaluations	(7,683)	-	-	-	-	-	(7,683)	
Disposals/derecognition	-	(305)	-	(306)	-	-	-	(611)
Depreciation at 31 March 2019	**-**	**-**	**-**	**29,863**	**61**	**12,313**	**4,322**	**46,559**
Net book value at 31 March 2019	**32,550**	**131,749**	**2,967**	**8,792**	**55**	**2,588**	**690**	**179,391**
Net book value								
Purchased	32,550	128,635	798	4,223	55	2,588	681	169,530
Finance leased	-	2,263	2,169	4,013	-	-	-	8,445
Donated	-	851	-	556	-	-	9	1,416
Total at 31 March 2019	**32,550**	**131,749**	**2,967**	**8,792**	**55**	**2,588**	**690**	**179,391**

2017/18	Land £'000	Buildings excluding dwellings £'000	Assets under construction and payments on account £'000	Plant & machinery £'000	Transport & equipment £'000	Information technology £'000	Furniture & fittings £'000	Total £'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	**30,175**	**133,709**	**1,777**	**36,859**	**116**	**13,608**	**4,691**	**220,935**
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	**-**	**5,237**	**-**	**27,963**	**52**	**11,214**	**4,152**	**48,618**
Net book value at 31 March 2018	**30,175**	**128,472**	**1,777**	**8,896**	**64**	**2,394**	**539**	**172,317**
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	**30,175**	**128,472**	**1,777**	**8,896**	**64**	**2,394**	**539**	**172,317**

The Trust had its land and buildings revalued as at 31 March 2019 by Cushman & Wakefield. This resulted in impairments and revaluations for 2018/19 as set out in the table above. The effects on income and expenditure and revaluation reserve for that financial year are shown in note 17.

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

16. Intangible fixed assets

2018/19	Software Licences £'000	Total £'000
Gross cost at 1 April 2018	9,369	9,369
Reclassifications	1,977	1,977
Additions purchased	251	251
Gross cost at 31 March 2019	**11,597**	**11,597**
Amortisation at 1 April 2018	4,891	4,891
Charged during the year	994	994
Amortisation at 31 March 2019	**5,885**	**5,885**
Net book value		
- Purchased	5,712	5,712
- Donated	-	-
Total at 31 March 2019	**5,712**	**5,712**

2017/18	Software Licences £'000	Total £'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	**9,369**	**9,369**
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	**4,891**	**4,891**
Net book value		
- Purchased	4,478	4,478
- Donated	-	-
Total at 31 March 2018	**4,478**	**4,478**

The Revaluation Reserve balance for intangible assets is £nil (2017/18 - £nil).

The economic lives of intangible assets are:

	Minimum life (years)	Maximum life (years)
Software licences	3	10

17. Impairments

Impairments of property, plant and equipment during the year are summarised below:

	2018/19		2017/18	
	Income and Expenditure £'000	Revaluation Reserve £'000	Income and Expenditure £'000	Revaluation Reserve £'000
Revaluation of Estate				
- Revaluation of land and buildings	-	16,734	-	-
- Impairment of buildings	(251)	(5,179)	-	-
- Reversal of prior year impairments of buildings	1,665	717	-	-
Total net	**1,414**	**12,272**	**-**	**-**

18. Capital commitments

Contracted capital commitments were as follows:

	31/03/19 £'000	31/03/18 £'000
Property, plant and equipment	3,670	4,075
Intangibles	-	224
Total	**3,670**	**4,299**

As set out in Note 25, in 2013/14 the Trust entered into a Managed Equipment Service contract for Imaging equipment and £3,670,000 (2017/18- £3,990,000) is included in the above total in respect of this contract.

19. Other investments

	31/03/19 £'000	31/03/18 £'000
Carrying value at 1 April	120	120
Movement in fair value through income and expenditure	(60)	-
Carrying value at 31 March	**60**	**120**

The Trust holds 900 Class C shares in Beautiful Information Limited - these were purchased for £120,000 in October 2016. Following a fair value review of this investment the carrying value was reduced by £60,000 in 2018/19 (2017/18 - £nil).

20. Inventories

	31/03/19 £'000	31/03/18 £'000
Drugs	810	708
Consumables	2,714	2,943
Energy	25	27
Total	**3,549**	**3,678**

21. Trade and other receivables

21.1 Trade and other receivables

	Current		Non-current	
	31/03/19 £'000	31/03/18 £'000	31/03/19 £'000	31/03/18 £'000
Contract receivables*	42,452	-	891	-
Contract assets*	-	-	-	-
Trade receivables*	-	8,756	-	-
Capital receivables	6,960	57	12,825	
Accrued income*	-	10,202	-	-
Allowance for impaired contract receivables/assets	(1,580)	(1,984)	-	-
Prepayments	1,528	1,765	-	-
VAT	776	748	-	-
PDC dividend receivable	102	-	-	-
Other receivables	355	1,297	-	771
Total	**50,593**	**20,841**	**13,716**	**771**

* Following the application of IFRS 15 from 1 April 2018, the Trust's entitlements to consideration for work performed under contracts with customers are shown separately as contract receivables and contract assets. This replaces the previous analysis into trade receivables and accrued income. IFRS 15 is applied without restatement therefore the comparative analysis of receivables has not been restated under IFRS 15.

Capital receivables include £19,775,000 due from Cala Homes following the sale of the West Site, St. Peter's Hospital. Of this £6,950,000 is within current capital receivables and £12,825,000 is shown as non-current capital receivables.

21.2 Allowances for credit losses – 2018/19

	31/03/19	
	Contract receivables & contract assets £'000	All other receivables £'000
Allowances at 1 April 2018 – brought forward	**1,984**	**-**
Impact of implementing IFRS 9 (and IFRS 15) on 1 April 2018	(393)	-
New allowances arising	403	-
Changes in existing allowances	(12)	-
Reversals of allowances	(399)	-
Utilisation of allowances (write offs)	(3)	
Allowances at 31 March 2019	**1,580**	**-**

21.3 Allowances for credit losses – 2017/18

IFRS 9 and IFRS 15 are adopted without restatement therefore this analysis is prepared in line with the requirements of IFRS 7 prior to IFRS 9 adoption. As a result it differs in format to the current period disclosure.

	31/03/18
	All receivables £'000
Allowances at 1 April 2017	1,960
Amount utilised	(8)
Unused amounts reversed	(85)
Increase in provision	117
Allowances at 31 March 2018	**1,984**

22. Cash and cash equivalents

	31/03/19 £'000	31/03/18 £'000
Cash with Government Banking Service	43,720	25,054
Commercial banks and cash in hand	151	61
Balance at 31 March	**43,871**	**25,115**

23. Trade and other payables

	Current		Non-current	
	31/03/19 £'000	31/03/18 £'000	31/03/19 £'000	31/03/18 £'000
Trade payables	16,255	12,156	-	-
Capital payables	2,446	2,195	-	-
Accruals	7,954	7,168	-	-
Other payables	7,949	6,632	-	-
Trade and other payables	**34,604**	**28,151**	**-**	**-**
Deferred income: contract liabilities	311	123	-	-
Other liabilities	**311**	**123**	**-**	**-**

24. Borrowings

	Current		Non-current	
	31/03/19 £'000	31/03/18 £'000	31/03/19 £'000	31/03/18 £'000
Finance lease liabilities	**1,701**	**1,488**	**6,133**	**4,165**

25. Finance lease obligations

Amounts payable under finance leases:	Minimum lease payments	
	31/03/19 £'000	31/03/18 £'000
Within one year	2,028	1,915
Between one and five years	5,897	5,029
Later than five years	1,107	146
Less future finance charges	(1,198)	(1,437)
Net lease liabilities	**7,834**	**5,653**

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.

In 2018/19 the Trust entered into a ten year agreement for the provision of an MRI service. The property, plant and equipment under this agreement has been treated as a finance lease arrangement.

26. Provisions for liabilities and charges

	Pensions – early departure costs £'000	Pensions - injury benefits * £'000	Legal claims £'000	Other £'000	Total £'000
At 1 April 2018	**98**	**88**	**47**	**331**	**564**
Arising during the year	98	-	23	1,813	1,934
Used during the year	(48)	(27)	(21)	(265)	(361)
Reversed unused	-	-	(20)	-	(20)
At 31 March 2019	**148**	**61**	**29**	**1,879**	**2,117**
Expected timing of cashflows:					
Not later than one year	48	22	29	1,879	1,978
Later than one year and not later than five years	100	39	-	-	139
Later than five years	-	-	-	-	-
As at 31 March 2019					
Current	48	22	29	1,879	1,978
Non-Current	100	39	-	-	139
As at 31 March 2018					
Current	48	27	47	331	453
Non-Current	50	61	-	-	111

* In 2018/19 the analysis of provisions has been revised to separately identify provisions for injury benefit liabilities. In previous periods, these provisions were included within other provisions.

Clinical negligence provisions

Included in the provisions of NHS Resolution at 31 March 2019 is £189,893,000 (2017/18 - £175,733,000) 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 27.

Other provisions

Other provisions at 31 March 2019 include:

- £224,000 (2017/18: £110,000) in respect of clinical excellence awards;
- £140,000 (2017/18: £93,000) in respect of employment tribunal claims;
- £418,000 (2017/18: £128,000) in respect of consultants pay appeals; and
- £1,097,000 (2017/18: £nil) in respect of cost provisions associated with two land sales completed in March 2019 – predominantly S106 requirements from the local council.

27. Contingent assets/(liabilities)

Other

Other Contingent Liabilities for non-clinical negligence incidents total £24,000 (2017/18- £31,000).

28. Financial instruments

28.1 Carrying value of financial assets

IFRS 9 Financial Instruments is applied retrospectively from 1 April 2018 without restatement of comparatives. As such, comparative disclosures have been prepared under IAS 39 and the measurement categories differ to those in the current year analyses.

Carrying values of financial assets as at 31 March 2019 under IFRS 9:

	31/03/19		
	Held at amortised cost £'000	Held at fair value through I&E £'000	Total book value £'000
Trade and other receivables excluding non financial assets	61,903	-	61,903
Other investments	-	60	60
Cash and cash equivalents at bank and in hand	43,871	-	43,871
Total at 31 March 2019	**105,774**	**60**	**105,834**

Carrying values of financial assets as at 31 March 2018 under IAS 39:

	31/03/18		
	Loans & Receivables £'000	Available-for-Sale £'000	Total book value £'000
Trade and other receivables excluding non financial assets	17,423	-	17,423
Other investments	-	120	120
Cash and cash equivalents at bank and in hand	25,115	-	25,115
Total at 31 March 2018	**42,538**	**120**	**42,658**

28.2 Carrying value of financial liabilities

IFRS 9 Financial Instruments is applied retrospectively from 1 April 2018 without restatement of comparatives. As such, comparative disclosures have been prepared under IAS 39 and the measurement categories differ to those in the current year analyses.

Carrying values of financial liabilities as at 31 March 2019 under IFRS 9:

	31/03/19	
	Held at amortised cost £'000	Total book value £'000
Trade and other payables excluding non financial liabilities	30,241	30,241
Obligations under finance leases	7,834	7,834
Total at 31 March 2019	**38,075**	**38,075**

Carrying values of financial liabilities as at 31 March 2018 under IAS 39:

	31/03/19	
	Held at amortised cost £'000	Total book value £'000
Trade and other payables excluding non financial liabilities	30,241	30,241
Obligations under finance leases	7,834	7,834
Total at 31 March 2019	**38,075**	**38,075**

28.3 Fair values of financial assets and liabilities

The carrying value of financial assets and liabilities is considered to be a reasonable approximation of fair value.

28.4 Maturity of financial liabilities

	31/03/19 £'000	31/03/18 £'000
In one year or less	31,942	25,670
In more than one year but not more than two years	1,821	1,676
In more than two years but not more than five years	3,444	2,344
In more than five years	868	145
Total at 31 March	**38,075**	**29,835**

28.5 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 2019 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 it capital expenditure from internally generated funds and finance leases/borrowings. The Trust is not, therefore, exposed to significant liquidity risks.

29. Events after the reporting period

There were no events after the reporting period requiring disclosure.

30. Related party transactions

During the year none of the Department of Health and Social Care 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 £4,000 in 2018/19. In addition, Non-Executive Director Marcine Waterman has declared her role as Central Government Faculty Board Member at CIPFA to which the Trust paid £240 in 2018/19.

As set out in note 19 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 2018/19 the Trust procured £28,000 of services from Beautiful Information Limited.

The Department of Health and Social Care is the Trust's parent department and is therefore 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 the main ones being:

- NHS England
- Health Education England
- NHS North West Surrey CCG
- NHS Hounslow CCG
- NHS Surrey Downs CCG
- NHS East Berkshire CCG
- NHS Richmond CCG
- NHS Guildford and Waverley CCG
- NHS Surrey Heath CCG
- NHS North East Hampshire and Farnham CCG
- Frimley Health NHS Foundation Trust
- St George's University Hospitals NHS Foundation Trust
- Royal Surrey County NHS Foundation Trust
- Surrey and Borders Partnership NHS Foundation Trust
- NHS Blood and Transplant
- NHS Resolution
- NHS Pensions Scheme
- NHS Property Services

NHS Supply Chain is operated by DHL Supply Chain Limited on behalf of the NHS Business Services Authority. Entries in the table below against NHS Business Services Authority (NHS BSA) relate to FP10s. NHS BSA recovers costs it has incurred in reimbursing third parties for prescription charges. Transactions with NHS Supply Chain and NHS BSA for FP10s are outside of the whole of government accounts boundary:

	Income £'000	Expenditure £'000	Receivables £'000	Payables £'000
NHS Supply Chain	-	4,280	-	408
NHS Business Services Authority	-	1,056	-	261

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.

31. Third party assets

The Trust held £9,000 cash at bank and in hand at 31 March 2019 (2017/18- £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.

32. 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 50 cases (2017/18 – 99) of losses and special payments totalling £80,000 paid in 2018/19 (2017/18- £103,000). 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.

	31/03/19		31/03/18	
	No. of Cases	Total £'000	No. of Cases	Total £'000
Losses of cash	1	-	29	55
Bad debts and claims abandoned	3	6	33	9
Damage to buildings, property etc.	1	20	-	-
Ex gratia payments	45	54	37	39
Total at 31 March 2019	**50**	**80**	**99**	**103**

33. Initial application of new accounting standards

33.1 Initial application of IFRS 9

IFRS 9 Financial Instruments as interpreted and adapted by the GAM has been applied by the Trust from 1 April 2018. The standard is applied retrospectively with the cumulative effect of initial application recognised as an adjustment to reserves on 1 April 2018.

IFRS 9 replaces IAS 39 and introduces a revised approach to classification and measurement of financial assets and financial liabilities, a new forward-looking 'expected loss' impairment model and a revised approach to hedge accounting.

Reassessment of allowances for credit losses under the expected loss model resulted in a £393k increase in the carrying value of receivables.

The GAM expands the definition of a contract in the context of financial instruments to include legislation and regulations, except where this gives rise to a tax. Implementation of this adaptation on 1 April 2018 has led to the classification of receivables relating to Injury Cost Recovery as a financial asset measured at amortised cost. The carrying value of these receivables at 1 April 2018 was £1,676k.

33.2 Initial application of IFRS 15

IFRS 15 Revenue from Contracts with Customers as interpreted and adapted by the GAM has been applied by the Trust from 1 April 2018. The standard is applied retrospectively with the cumulative effect of initial application recognised as an adjustment to the income and expenditure reserve on 1 April 2018.

IFRS 15 introduces a new model for the recognition of revenue from contracts with customers replacing the previous standards IAS 11, IAS 18 and related Interpretations. The core principle of IFRS 15 is that an entity recognises revenue when it satisfies performance obligations through the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services.

As directed by the GAM, the Trust has applied the practical expedient offered in C7A of the standard removing the need to retrospectively restate any contract modifications that occurred before the date of implementation (1 April 2018).

The standard has had no impact for the Trust on initial application.