



Croydon Health Services
NHS Trust

Annual Report

2017/18



Welcome

Croydon Health Services NHS Trust is at the heart of our community - in our hospitals, clinics and in people's homes - and every day our dedicated teams are striving to provide excellent care for all.

Our new vision is to provide *“Excellent care for all” and to help people in Croydon live healthier lives.*”

This highlights to our staff, patients, service users and the wider community that we are always here for everyone who needs us and we are determined to provide consistently excellent and high-quality care.

We are also working with our partners to increasingly help promote healthy lifestyles and to help keep people well for longer.

Working closely with staff across the organisation, the Trust also has a new set of values which represent the behaviours we should all be demonstrating every day:

- Professional
- Compassionate
- Respectful
- Safe

Taken together, we believe our new vision and values will give us all a shared purpose as we look after our community. They will shape everything we do, every single day, and determine our behaviour and the experience of those we look after.

To truly care for people's health and well-being, we need to work closely with others. Thus, we are already working with our partners to give families the Best Start in life and through the One Croydon Alliance we are offering more co-ordinated holistic care to older people.

This year, the CQC returned to inspect the Trust and we were pleased that ratings for three of out of four core services they inspected moved from 'Requires Improvement' to 'Good.' For the second time, the Trust was rated as 'Good' for caring.

The Trust was rated as 'Requires Improvement' overall – the same as its last inspection in June 2015 – as there are areas where more progress is needed. One of these is to improve our Critical Care Unit and we have agreed short term environmental improvements whilst we draft and progress a £12m capital bid for a new unit within the hospital.

Across the Trust we have already completed many improvements in the estate, including a major £1.2 million upgrade of our cardiology care through creating the Croydon Heart Centre, a new Clinical Decision Unit, a new £1.1m radiology refurbishment providing a new CT scanner, enhanced environments with new murals in our Lucina Birth Suite and the Willows outpatients clinic room used by children with cancer, plus a £750,000 refurbishment of our Dental unit.

We also opened the first phase of our new Emergency Department – the Resuscitation Unit - and work is continuing apace on the rest of the building, which we are looking forward to opening fully in 2018.

Improving our estate however is only important if it translates into a better quality of care for our patients and service users.

Our Friends and Family Test scores are currently at 90 percent among those who have used our inpatient, A&E, outpatient, maternity and community services, which reflects the positive experience that most have of our care. However, like many trusts across the country, we continue to find it a challenge to meet the four-hour waiting time standard for A&E.

Nevertheless our performance against the four hour standard has still been high enough to place us regularly in the top third of London's 18 Acute Trusts. This is a real achievement given the pressures that the NHS has been under during the winter months.

This year has also brought wider recognition for some of our staff including those who have won national awards, headed-up pioneering research and been featured on national media.

Within the Trust we are continuing to reap the benefits of Listening into Action (LiA), with the launch of the LiA Ambassadors initiative which saw 30 members of staff leading on specific improvement work within their services, all with the aim of improving our care.

Looking ahead to the next year, we know there will continue to be financial challenges and demand on our services will continue to grow. However, with the support of our excellent staff and increased partnership working, we are confident that we will continue to improve and ensure we consistently deliver high quality care for our community and reduce our deficit by at least half.



Mike Bell
Chair



John Goulston
Chief Executive

The Trust: overview of the year

April 2017

- **New state-of-the-art Croydon dental unit**
 - **GP Hubs give care from 8am to 8pm, seven days a week**
 - **One Croydon health and care alliance launched**
 - **CHS 'highly commended' for fighting flu**
-

New state-of-the-art Croydon dental unit

Dental patients at CUH gained state-of-the-art facilities thanks to a £750,000 refurbishment. Now patients enjoy a spacious and comfortable environment with eight private treatment rooms, high quality equipment and improved facilities for dentistry while sedated.

GP Hubs give care from 8am to 8pm, seven days a week.

We launched new services as part of the Croydon Urgent Care Alliance. Together with our partners (Croydon GP Collaborative and AT Medics), we now provide a wide range of urgent care services including three 'GP Hubs' across the borough. Run by doctors and nurses from Croydon University Hospital, alongside Croydon GPs, the hubs are available to make it easier for people to access urgent care and support, without a hospital visit or waits in A&E. The Hubs offer booked appointments with a GP from 8am to 8pm, seven days a week. Walk in appointments are also available. The new services have been developed in response to local residents who called for longer opening hours and more GP appointments for urgent health needs.

One Croydon health and care alliance launched

From April 2017, the One Croydon alliance for people over 65 was launched. Our aim is for health and care organisations in the borough to work together to improve the health and wellbeing for people in Croydon and breakdown the organisational barriers that can often cause a person's care to be fragmented and frustrating. New Personal Independence Coordinators, one of many One Croydon initiatives, The Alliance is a partnership between the local NHS, Croydon Council and Age UK Croydon. would become a success throughout the year (see below). The Alliance members alongside CHS are: Croydon Council, Age UK Croydon, the Croydon GP Collaborative, South London and The Maudsley NHS Foundation Trust and Croydon

CCG. Focusing first on the care of older people in our borough, One Croydon is to broaden its remit to all ages to provide more coordinated care and support at every stage of life.

CHS 'highly commended' for fighting flu

Despite their busy schedules, 77 per cent of our patient-facing staff found time to be vaccinated against flu over the flu season of 2016/17. This high rate was the second most successful among all of London's acute NHS trusts. As a result, we were recognised as Highly Commended at the national NHS Employers Flu Fighter Awards in April. More importantly, our high vaccination rates help ensure flu is kept away from our staff and patients in our care.

May 2017

- **CQC's annual Inpatient Survey showed trust improvements**
- **Croydon Stars Awards**
- **Celebrating record breaking Croydon research**
- **Recognising our fantastic nurses**

CQC's annual Inpatient Survey showed trust improvements

The CQC published the results of the 2016 Inpatient survey in May for NHS Trusts across the country. The results for CHS showed continued improvements in a number of areas. In just three years, the proportion of patients who always felt they were treated with respect and dignity increased from 68 to 75 per cent. In total, 77 per cent rated their overall experience of care as at least 7 out of 10, with more than a third rating the Trust 9 or 10. Also 98 per cent said hospital rooms and wards were clean – three percentage points better than the previous year.

Croydon Stars Awards

We applauded our wonderful staff and volunteers at the annual Croydon Stars awards at Crystal Palace Football Club (CPFC). Recognising outstanding achievements and incredible service, these awards showcased the calibre of our staff and volunteers and their tireless contribution to care for our community. These are important awards as the nominees are put forward by their peers, patients and service users. Among the many fantastic winners were Belphebe Lundy, for her support of women who suffer the loss of a child in pregnancy, and Elaine Pritchard, whose 45 years of volunteering was welcomed by a standing ovation on the night.

Celebrating record breaking Croydon research

CHS celebrated its scientific and clinical research teams at its 16th Annual Research and Development Day. The focus of many teams is aligned with key health burdens affecting Croydon, such as children with asthma being more likely to attend A&E in Croydon than any other part of London. Our research included reducing the risk of childbirth trauma during labour (see below), helping babies and children fight sepsis by using varied cannulas, and tackling children's asthma to reduce their need for A&E visits.

Recognising our fantastic nurses

On International Nurses' Day our nursing staff Sashane Dean, Belphebe Lundy and Ophelia Clemente each received awards from our Trust and from former Chief Nursing Officer of England Dame Christine Beasley. The awards celebrated the importance of nurses, midwives and healthcare assistants.

June 2017

- **Major £1.2 million upgrade to Croydon's cardiology care**

Major £1.2 million upgrade to Croydon's cardiology care

All of our cardiology care was joined together in one location at CUH in a major £1.2 million upgrade. For the first time, Croydon patients can now experience the full range of cardiology care without moving between two separate departments. The service is called the Croydon Heart Centre and its patients benefit from bigger, brighter, purpose-built rooms and £180,000 of upgraded technology. This was a major undertaking for such a busy cardiology department, which tests or scans 30,000 patients each year. Television actress Lynda Baron, who was in shows including Open All Hours and EastEnders, officially launched this service later in the year.

July 2017

- **CHS beat national average in latest Cancer Patient Experience Survey**
- **One year anniversary of our patient lunch club**

CHS beat national average in Cancer Patient Experience Survey

CHS beat the national average in the Cancer Patient Experience Survey published this month. Cancer patients surveyed in August 2016 rated CHS highly in the National Cancer Patient Survey, commissioned by NHS England. We scored 8.8 out of 10 overall for care compared to the average for trusts across the country of 8.7. The survey also showed that 97 per cent of Croydon patients said that it had been 'quite easy' or 'very easy' to contact their Clinical Nurse Specialist. This compares to 93 per cent the previous year, while exceeding the national average of 86 per cent.

One year anniversary of our patient lunch club

We celebrated the one year anniversary of our patient lunch club, an initiative to create a social environment for patients to eat together with volunteers and staff. It is run by our hospital volunteers, dieticians and catering team two days a week and can help to rehabilitate patients and boost poor appetites.

August 2017

- **CHS surged into nation's Top 10 list for Acute Trust research trials**
- **Patients place CHS's environment top in SWL**

CHS surged into nation's Top 10 list for Acute Trust research trials

Croydon's public are benefiting from one of the fastest local increases in access to research trials anywhere in England. The National Institute for Health Research's annual Research Activity League Table, which was published this month, showed that CHS had increased its number of studies open for participation by 26 per cent – from 34 in 2015/16 to 43 in 2016/17. It placed us tenth in the country among Acute Trusts. These trials can give hope and better results for patients who have tried every other type of available care. The number of public participants in our research has more than doubled in the same period.

Patients place CHS's environment top in SWL

Patients rated CHS best among acute hospitals in South West London for our food and the condition, appearance and maintenance of our buildings. The results were published by NHS Digital in its annual Patient-Led Assessments of the Care Environment (PLACE).

September 2017

- **A bigger, upgraded ward for critically unwell patients**
 - **‘Discharge to Assess’ working well**
 - **Major bowel cancer study launched**
 - **LiA accreditation renewed**
-

A bigger, upgraded ward for critically unwell patients

CUH opened a new Resuscitation Unit to better help patients in ‘life or death’ emergencies. This major development was the first part of the hospital’s new £21.25m Emergency Department to open to the public. It meant our ‘resus’ unit now has eight beds, rather than five, and an array of improvements including new technology and better rooms that have doubled in size. The new Emergency Department will open in fully in 2018. As well as being much bigger than the previous department, the new facility will offer greater privacy for all patients. It will also include a separate children’s unit with its own waiting room and play area, and will be one of the first hospitals to include a dedicated Children and Adolescent Mental Health Service (CAMHS).

‘Discharge to Assess’ working well

From the moment a patient arrives at hospital, our clinical teams are working together to deliver consistently good care, and plan for their discharge home. We do this so that when doctors and therapists say a patient is ready to leave hospital, we can avoid unnecessary delays that can cause frustration our patients and their families. This is especially important during winter, when we need to free-up beds quickly – and safely – to help us admit other patients waiting to be seen. From September we implemented a new service called ‘Discharge to Assess’. The initiative means our trained clinical staff assess patients on the wards and at home or a community care setting. Where required, we work with Croydon Council, adult social services to put in place a package of care (such as home visits) within 24hours a day or the very next day. Discharge to Assess was piloted on three wards before being rolled out across the Trust.

Major bowel cancer study launched

CHS has led a major study which initially sought 6,000 participants from West London but is now expanding even further across the country. The study, called NICE FIT, is exploring a diverse population to create detailed benchmarks for a bowel cancer faecal ‘dipstick’ test called FIT. FIT is highly accurate but, without these benchmarks, it cannot yet give excellent and cost-effective ‘all clears’ from bowel cancer. Evidence suggests our research can achieve at least a 40 per cent reduction in ‘unnecessary’ colonoscopies. We are very thankful to RM Partners, who

helped us secure £550,000 funding and coordinated partners in West London to get NICE FIT started.

LiA accreditation renewed

CHS was awarded Listening Into Action (LiA) accreditation for the third year running. Our Trust first adopted LiA as a way of working in 2013. Since then, it continues to be the way we engage and empower our staff to make CHS a better place to work and to further improve our care. This fantastic achievement came one month after our improved results in the annual LiA Pulse Check, which is a Trust-wide survey of staff how staff feel. More than 2,100 staff responded and showed an improvement in 8 of the 15 questions asked, including 'would you recommend CHS to your friends and family' - which increased 4 percent above the previous year.

October 2017

- **Partnership LIFE team moves to our Lennard Road site**
 - **CHS achieves lowest rate of childbirth trauma in the country**
 - **Lucina Birth Suite**
 - **BBC TV News explored our operating theatre achievements**
 - **Our A&E achievements highlighted in two national reports**
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Partnership LIFE team moves to Lennard Road

The One Croydon partnership also runs LIFE (Living Independently for Everyone). In October, the LIFE team relocated to our Lennard Road site bringing together colleagues from our community services along with staff from Croydon Council Adult Social Care, Age UK Croydon and a private sector provider of domiciliary care, SureCare.

Their main focus is to provide person-centred care once they leave hospital, which means it is one of our Discharge to Assess pathways (see below) and a key service of our transformation of out of hospital services. What makes LIFE different is that goals are set around the person's desires, and not just around their personal needs. Both parties work together to enable a person to become as independent as possible as early as possible. This can be something as simple as being able to walk to the shops.

CHS achieves lowest rate of childbirth trauma in the country

The Health Innovation Network (South London Academic Health Science Centre) recognised the outstanding work of our researcher Ranee Thakar and her team in improving our maternity services. Thanks to the team's work, Croydon achieved the

lowest rate of childbirth trauma in the country. They successfully reduced the rate of perineal tears from 4.6 percent to 0.4 percent between June 2016 to March 2017 – the lowest recorded in the UK and far lower than the national average of 2.9 percent. The care bundle was developed in Croydon with the Royal College of Obstetrics and Gynaecology and is now being implemented across 16 hospitals in the UK.

Lucina Birth Suite

CUH's award-winning Maternity Department is better and brighter following a range of improvements. It now includes large, calming murals and also 'cold cots' which allow a parents to spend more days with their child in the tragic event that the child has passed away. We have also transformed the Garden Bereavement Suite courtyard. The Mayor of Croydon, former rugby star Craig Chalmers and Barclays helped its launch.

BBC TV News explored our operating theatre achievements

CUH was featured on BBC TV 's six o'clock and ten o'clock news in a report about how our hard work has improved productivity in our operating theatres. It described how we increased the number of operations we performed by 1,200 in one year and how we reduced on-the-day cancellations from 12 percent to 7 percent.

Our A&E achievements highlighted in two national reports

Achievements in our Trust's key services were reflected in two very encouraging reports. The Care Quality Commission published patient feedback from the survey undertaken in 2016 across England's Emergency Departments. Our scores for 2016 improved in 29 of the 33 questions that the survey had also asked in the previous survey (in 2014). In a separate report, the BBC's own investigations resulted in ranking for trusts across three key areas. Our Trust scores higher than the national average in all three areas, with were around the four-hour A&E target, the 62 day target for cancer treatment and the 18 week target for planned operations and care.

Gynaecology services accredited

Our Urogynaecology and also our Endometriosis services have been accredited by the British Society of Urogynaecologist and the British Society of Gynaecological Endoscopy respectively. This accreditation recognises our high standards and helps us ensure we maintain that level.

November 2017

- **One Croydon partnership helping older people**
- **Nearly 36,500 patients benefit as Edgecombe Unit reaches 2-year milestone**
- **A step forward in falls prevention**

- **Health Education England applauds training at CHS**
-

One Croydon partnership helping older people

By November our new local One Croydon alliance was showing proven benefits for caring for older people in our borough.

Bringing health professionals together from different organisations has already helped hundreds of older people across our borough stay well by taking into account all of the factors that can affect their health and well-being – such as housing, lifestyle, family and social connections, including tackling loneliness and mobility problems.

Together One Croydon has set up six Integrated Community Networks (ICNs) made up of GPs, community nurses, CCG pharmacists, social workers and eighteen Age UK Personal Independence Coordinators (PICs). In just three months this teamwork had reduced drop-in admissions by eight percent in pilot areas by helping older people become healthier and more independent at home. Areas that had not yet adopted ICNs as a way of working saw non-elective admissions increase by six percent across the same period.

Nearly 36,500 patients benefit as Edgecombe Unit reaches 2-year milestone

Our team in CUH's Edgecombe Unit celebrated its two-year anniversary. The pioneering unit was initially created to reduce pressure on our Emergency Department, providing an alternative option for specialist care and avoiding unnecessary patient waits.

Every day the unit has helped prevent up to 25 patients from being admitted unnecessarily. This is an enormous benefit to patients, especially the frail and elderly. Importantly, re-attendance rates have not risen since the unit opened.

A step forward in falls prevention

The excellent work of our Falls Improvement Collaborative was showcased at November's large Patient First 2017 event in London. 'Baywatch' cards were used to help staff-to-staff handovers, and bedside arrangements were matched to the side of bed a patient prefers to get out of. These, as well as other adjustments, have all helped to make the environment safe and comfortable for patients while reducing falls.

Health Education England applauds training at CHS

Health Education England (HEE) Chairman Sir Keith Pearson and Director of Nursing Lisa Bayliss-Pratt called quality of innovation and training at CHS a “triumph” following a visit to the Trust and a tour of our Edgecombe Unit. Sir Keith said “It is obvious that NHS Constitution values and behaviours (safe care, delivered with compassion, dignity and respect) are firmly at the heart of the ethos of CHS”. HEE accepted CHS as one of only two pilot sites in London for its flagship Improving Surgical Training Programme.

December 2017

- **Croydon NHS exceeded national target for protecting staff from flu**
 - **New Clinical Decision Unit opened**
 - **Discharge Lounge expanded**
-

Croydon NHS exceeded national target for protecting staff from flu

CHS exceeded the annual national target of 70 percent for its proportion of patient-facing staff who chose to get vaccinated against flu. By 31 December, 1,806 (71 percent) of our patient-facing staff were vaccinated, thanks to extensive work by our vaccinators and Occupational Health team. This is an important achievement which greatly helps protect staff and patients from the dangerous virus. Public Health England’s estimate is that an average of 8,000 people die from flu in England each year and sometimes this reaches 14,000, which is why CHS takes it very seriously.

New Clinical Decision Unit opened

During December we opened a new Clinical Decision Unit (CDU) at CUH to help ease the pressure on our Emergency Department. The CDU is situated on the ground floor of the Woodcroft Wing and is open between 8am and midnight every day. The CDU plays a critical role by providing a more appropriate setting for adult emergency patients who need emergency treatment but who do not require to be admitted to an acute inpatient bed. This also gave us additional capacity to care for those who require evaluation, testing, treatment and medical management.

Discharge Lounge expanded

We also increased the size of our Discharge Lounge. The new facility offers more comfort and an improved environment for our patients. The improved lounge has additional space for those waiting for transport or medication. We can also provide hot meals and refreshments.

January 2018

- **CHS Chair reappointed**

CHS Chair reappointed

Mike Bell was reappointed as Chairman of CHS. Recently, Mike has been involved in a leading think tank report and championed ever-closer working with our partners in the borough, including the local authority, general practitioners and the voluntary sector. As a result, he has helped us to deliver many of our successes, including the Best Start programme for the under-fives and new GP hubs, which provide access to urgent care for all ages.

February 2018

- **‘Good’ rating for three out of four services inspected at CHS by the CQC**
- **Maternity awards**
- **Improving patient safety**

‘Good’ rating for three out of four services inspected at CHS by the CQC

The Care Quality Commission rated three of out of four core services at CHS as ‘Good’ following a routine inspection. The unannounced inspection, which was carried out during October and November 2017, focused on surgery, critical care, end of life care and outpatients at both CUH and Purley War Memorial Hospital.

The inspectors found there had been improvements in surgery, end of life care and outpatients, raising the rating from ‘Requires Improvement’ to ‘Good’ in all three services. The CQC rated critical care as “Requires Improvement.”

For the second time, the Trust was rated as ‘Good’ for caring. The CQC also increased the Trust’s rating to ‘Good’ for responsive services.

The Trust was rated as ‘Requires Improvement’ overall – the same as its last inspection in June 2015.

Among its feedback, the CQC said our staff showed compassion and said “patients could access services quicker because of the improvements the Trust had made.”

Maternity awards

Our midwife Memuna Sowe was declared Midwife Of The Year at The British Journal of Midwifery Practice Awards, leading to many media interviews in prestigious outlets including ITV London News. Memuna used the opportunity to highlight the life-changing work of our Homeless Health team and our outreach to vulnerable pregnant women, including those who live on the streets or who have experienced female genital mutilation (FGM).

Paulina Sporek, also a CHS midwife, won the Midwife Achievement Award at the London Maternity and Midwifery Festival. They recognised her remarkable work founding and carrying forward a project called Deaf Nest, which improves deaf parents' experience, equality of access, choice and control over maternity care.

Improving patient safety

Ten stories of staff-led changes across the NHS were published in February. The very first was from Croydon. We were one of the first trusts to adopt the Listening into Action as way of working to support staff to make the changes that they want to see. As one of our many LiA success stories, we have spearheaded a movement across the Trust to improve patient safety and spread learning from incidents and best practice. As a result, the reporting of incidents has tripled over a two year period, leaping CHS to the top quartile of Trust's nationally (11th out of 136 Trusts) according to the National Reporting and Learning System (NRLS), whereas previously we were ranked as 124th. This does not mean that more incidents are occurring – it means that we are reporting incidents correctly and also increasing the opportunities for learning through more detailed analysis – for example breaking down the causes of any one incident to share lessons learned across different teams.

March 2018

- **Diagnostic Centre and CT scan suite**
- **Crocus homebirth team shortlisted for national award**

Diagnostic Centre and CT scan suite

A new £1.1m radiology refurbishment that was completed in March. It included new scanners, rooms and much more. It is part of a range of upgrades and improved integration at CUH in what is now called the Diagnostic Centre. A £1.5m refurbishment of our CT scan suite also concluded in March.

Crocus Homebirth team shortlisted for national award

Our Crocus homebirth team were finalists for the 'Team of the Year' at the annual Royal College of Midwifery Awards. The Crocus team supports more than 80 women a year to give birth in the comfort of their own home. The team is often praised on social media and in the feedback we get from Croydon families. It is fantastic to see them get the recognition they deserve.

About Us

Croydon is a hugely diverse borough with a growing population and we play an important role in keeping our community well and healthy.

Croydon Health Services employs more than 3,800 staff and provides integrated NHS services to care for people at home, in schools, and health clinics across the borough as well as at Croydon University Hospital and Purley War Memorial Hospital.

CUH provides more than 100 specialist services and more than 350,000 outpatient appointments every year. The Trust also performs more than 25,000 procedures annually. The hospital is also home to the borough's only Emergency Department and 24/7 maternity services, including a labour ward, midwifery-led birth centre and the Crocus home birthing team.

Purley War Memorial Hospital (PWMH) in the south of the borough offers outpatient care, including diagnostic services, physiotherapy and ophthalmology services run by Moorfields Eye Hospital, alongside an onsite GP surgery.

Our experienced district nursing teams, Allied Health Professionals and community matrons look after people of all ages across Croydon and our Children's Hospital at Home cares for children with long-term conditions without them having to come to hospital.

Our emergency care doctors and nurses have also teamed up with local GPs to run a seamless network of urgent care services across the borough, including booked appointments with a GP available seven days a week.

In 2017/18 we ...



Community

provided **44 community services** ranging from health visiting supporting new mums and babies through to home visits and rehabilitative & independent living services



Maternity

delivered 3,717 babies
including **2.72%** home deliveries and
received 92.98% positive recommendations*



Emergency

Looked after **127, 897** attendances (urgent and emergency care),
including **35,043** emergency admissions
and **91** blue-light ambulances every day

*FFT data



Planned care

provided **2,451** inpatient operations,
22,645 day case procedures
and **353,829** outpatient appointments



Workflow

employed **3,887** staff
and had **400** volunteers



Income

had a total income during 2017/18 of **£293.1m**, a **5.7% growth** compared to the
previous year

Our Community

“An outer London borough with inner London issues and a very large population”¹

Croydon is home to more than 380,000 people making it the second largest London borough by population. Over the next 15 years the number of people living in the borough is set to rise to more than 430,000.

Within our population, we have the highest number of 0-17 year olds in London and the third highest number of people aged 65 and over. We are also a highly diverse borough with our communities speaking more than 100 languages between them and currently just over half of Croydon's population are Black, Asian and Minority Ethnic groups.

The borough also has some challenges around deprivation, with 10,261 people living in areas considered to be within the 10% most deprived in the whole country. Life expectancy also varies across Croydon with men in some areas expected to live a decade longer than those in other parts of the borough. Croydon also faces unique challenges from having the Home Office's UK Visa and Immigration division based in the borough, such as the highest number of Unaccompanied Asylum Seeking Children in London.

Given these and a range of other factors, Rachel Flowers, Director of Public Health for Croydon recently described the borough as “an outer London borough with inner London issues and a very large population.”

We are working closely with our partners to help address these challenges and opportunities. For example.

- Through Best Start, we are helping build healthy families and the One Croydon alliance is enabling older people to be more independent and receive the support they need to keep them well.
- Our community clinics and our hospitals provide more than 100 services to care for people when they are unwell or to help keep them healthy.
- With Croydon's fertility rate being the 4th highest in London, our maternity team are delivering thousands of babies every year in our birth centre or increasingly in women's own homes with the support of our Crocus team.
- Through the GP hubs and our Urgent Care Centre, we are helping improve access to people who need urgent care closer to their homes.

- With A&E demand increasing across the country every year, we are building our brand new Emergency Department which will look after our community's current needs and those of future generations.

This Annual Report sets out how we are working hard to improve the health of our whole community with all their different and diverse needs.

1. [2017 Annual report of the Director of Public Health](#)

Vision and values

“Excellent care for all and helping people in Croydon live healthier lives”

This is our renewed vision for the Trust.

Rooted in our community through our hospitals and clinics across the borough, we always strive to provide excellent care for all.

Croydon is a great place to live and work but some people in our borough face the challenges of poverty, housing or other environmental factors that can contribute towards poorer health and shorter lives.

Our local population is also growing rapidly in size. We have the youngest population of any London borough, with almost a third of our residents aged under 25 and, at the same time, people are living longer.

This means we have to do much more to prevent ill-health and help people in Croydon to stay well. We must do this at the same time as providing rapid access to diagnostic services and medical expertise when and where it is needed.

Collaboration is the key. Only by working well together with our partners in the borough, can we connect the services available to give people more coordinated and person-centred care which will deliver real benefits for our patients and service users in the years to come.

Our values

We want local people to feel confident in our care, and for our staff to feel proud to work here. Our values shape everything we do, every single day. They determine our behaviour and the experience of those we look after.

We will always be professional, compassionate, respectful and safe.

Professional

- Set ourselves very high standards and share best practice
- Keep our uniforms smart, and be professional and consistent in our approach
- Work in partnership to best support our community's needs

- Use resources wisely without compromising quality or safety

Compassionate

- Treat everyone as we would want to be treated ourselves
- Demonstrate kindness, dignity, empathy and compassion
- Make time for the people we are caring for, to understand their needs and wants
- Organise our services to give people the best possible experience of care

Respectful

- Be courteous and welcoming, and introduce ourselves
- Value the diversity and needs of everyone
- Always involve people in decisions about their care, listening to and respecting their wishes
- Appreciate the contribution that staff from all backgrounds bring to our services

Safe

- Be open and honest in everything we do, sharing what we do well and admitting our mistakes, to constantly improve our care
- Protect the confidentiality of those in our care and show sensitivity to people around us
- Feel free to raise concerns so we are always learning
- Make time for training and development and support research so people always receive the highest standards of care

Annual priorities 2017/18

Objective	17/18 priorities	Progress
1. Quality	<ul style="list-style-type: none"> Constitutional standards – including expected performance standards Delivery of quality priorities developed in consultation with patients staff and stakeholders 	<p>Our objective is to achieve a rating of 'Good' – if not better – from the CQC. Currently, the Trust remains 'Requires Improvement.' As set out earlier on in this report, we have made clear progress in 2017/18. As a result, the CQC have increased our rating from 'Requires Improvement' to 'Good' in End of Life Care, Outpatients and Diagnostics, and Surgery. Critical Care however remains at 'Requires Improvement'. The CQC have changed their inspection process and therefore we can expect further inspections of our services last rated by the CQC in 2015. Our priority in 2018/19 must be to maintain our quality improvements and continue to enhance our services so that we achieve a 'Good' CQC rating.</p>

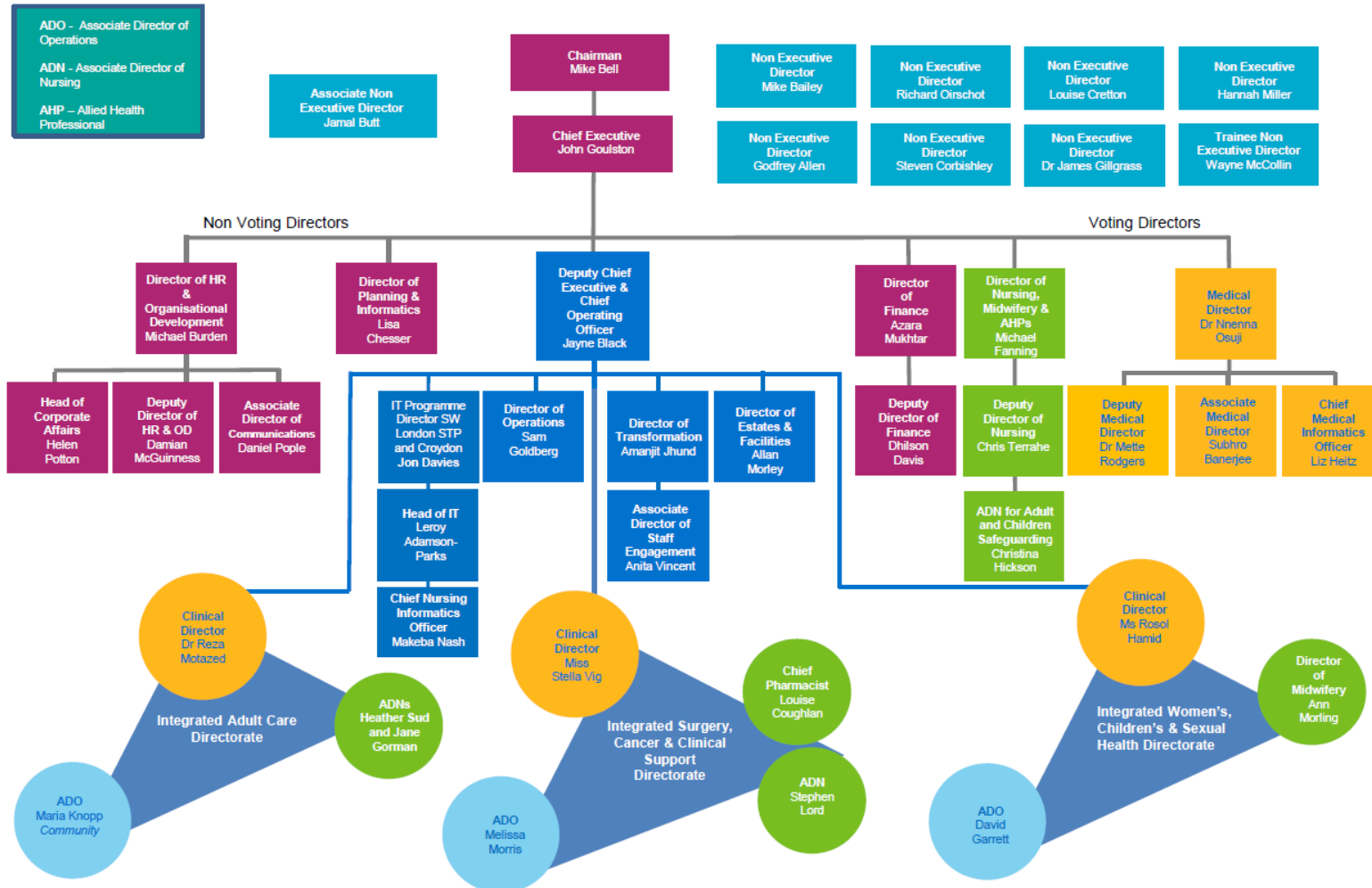
Objective	17/18 priorities	Progress
2. Emergency care	<ul style="list-style-type: none"> A&E standard: achieve 90% and then 95% by March 2019 	<p>Like most acute trusts across the country, we did not see and treat 95% of patients who attend our Emergency Department within four hours in 2017/18. Our performance however, was above the average in England at 89.95% (for all A&E attendances). Looking ahead in 2018/19, we must achieve 90% on our improvement trajectory and then achieve 95% by March 2019. Our priority is to move to best segment on NHS Improvement Emergency care ratings. Currently we are in segment two – about half way.</p>

Objective	17/18 priorities	Progress
3. Finance	<ul style="list-style-type: none"> • Maintain strict financial controls • Deliver savings and income plans • Meet financial control total and receive £8.7m STF 	<p>We have successfully reduced our deficit by £6m in 2017/18 to meet our deficit target of £26.3m (post STF)). This is in line with our financial turnaround plan, but is £6m more of our original deficit control total of £19m. In 2018/19, we must more than halve our deficit again to around £10m. This will require the delivery of a further £19m of savings this year, and around £5m of net additional income. Our priority is to meet the agreed control total and receive Sustainability and Transformation Funding (STF) funding, which is conditional on maintaining quality performance standards also.</p>

Objective	17/18 priorities	Progress
4. Sustainability	<ul style="list-style-type: none"> • Measureable improvements in health and clinical outcomes • Return CHS to surplus by 2019/20 • Develop robust case for Accountable Care System 	<p>At a borough level, we must continue to work together to develop a local plan to improve health and care for local people through the Croydon Local Transformation Board. The developing Croydon Health and Care Plan is our response to the South West London Health and Care Partnership (previously referred to as South West London STP). Extending the One Croydon Alliance agreement for next nine years supports this plan. Progressing this further, our priorities are to: develop a strategic sustainability plan for the Croydon Health & Care System; return the Trust to surplus by 2019/20; and develop the One Croydon Alliance into an Integrated Care System.</p>

Objective	17/18 priorities	Progress
5. Leadership and Improvement Capability (Well-led)	<ul style="list-style-type: none"> • Build provider leadership and improvement capability to deliver sustainable services 	<p>The CQC's 'well led' assessment of the Trust remains 'Requires Improvement' (Feb 2018). Inspectors highlighted how more of our staff felt proud to work at Croydon Health Services and that the Trust's senior leadership team had improved, strengthened and become more stable, with a clear set of values.</p>

Managing Croydon Health Services



CHS Clinical Directorates

Integrated Adult Care Directorate

Acute Medical Unit
Adult Therapies
A&E Liaison Team
Community Matrons
Community Nursing
Cardiology services
Diabetes
Elderly Care
Emergency Dept.
24/7 Team
Endocrine
Endoscopy
Gastroenterology
HV Older People
Learning Disabilities

Integrated Surgery, Cancer & Clinical Support Directorate

Anaesthetics
Breast Surgery
Cancer services
Day Surgery
Dentistry
Dermatology
End of Life care
ENT
General Surgery
Haematology
Head and neck specialties
Health records
ITU/HDU
Maxillo-facial
Mortuary service*
Neurophysiology
Neurosurgery

Integrated Women's, Children's & Sexual Health Directorate

Breast-feeding support
Children's Hospital at Home
Children's medical services
Children's therapies
Colposcopy
Continence Service
Early Pregnancy Unit
Gynaecology
Maternity Services
Out-patient Gynaecology, Fertility
Paediatrics (except A&E)
Safeguarding children
Sexual health
School nurses
Special Care Baby Unit (SCBU)

*overseen by the Corporate division

Latest CQC Inspection

In January 2018, the Care Quality Commission (CQC) published its latest report on the Trust. Of the four core services it inspected at the Trust, three were rated as 'Good'.

The unannounced inspection carried out during October and November 2017 focused on surgery, critical care, end of life care and outpatients at both Croydon University Hospital and Purley War Memorial Hospital.

The inspectors found there had been improvements in surgery, end of life care and outpatients, raising the rating from 'Requires Improvement' to 'Good' in all three services. The CQC rated critical care as "Requires Improvement." For the second time, we were rated as 'Good' for caring. The CQC also increased our rating to 'Good' for responsive services.

The Trust overall was rated as 'Requires Improvement'– the same as its last inspection in June 2015.

Publishing their findings, the CQC's inspectors reported:

- "Staff cared for patients with compassion, treating them with dignity and respect," and "involved patients and those close to them in decisions about their care."
- "Patients could access services quicker because of the improvements the Trust had made."

The CQC found that we were "performing consistently better than the England average for people with cancer being seen within two weeks of an urgent GP referral."

Among surgical patients spoken to by inspectors, regular users of the service and their relatives said "care had vastly improved over the last two to three years."

Specific CQC actions that we must now take are:

- Ensure that all patients with mental health needs receive care in line with national best practice that meets the requirements of the Mental Health Act.
- Ensure that all staff are aware of their responsibilities under the Mental Capacity Act (2005) and Deprivation of Liberty Safeguards (DoLS) and ensure they are translated into practice. Staff should be able to provide when required evidence that, where appropriate, demonstrates mental capacity assessments and DoLs have been carried out and recorded.

In critical care, actions that we must now address includes: improving the management of medicines; urgently reviewing fire safety compliance; and reviewing the storage of equipment in the unit.

Other recommended actions for us include, addressing maintenance and minor repairs, increasing the number of End of Life Care consultants and ensuring staff adhere to the Trust's policy and guidance on infection control measures.

Some of the positive findings from the CQC inspection report include:

- The percentage of cancelled operations not treated within 28 days and the average length of stay for surgical elective patients was better than the England average;
- Patients, families and carers gave positive feedback about the care being received;
- Surgical wards appeared clean and tidy and staff followed good practices for cleanliness and hygiene;
- For surgical patients, pain was appropriately managed and there was effective multi-disciplinary working as "staff worked together as a team for the benefits of patients"
- People's spiritual needs were supported through the chaplaincy;
- The Trust treated concerns and complaints seriously and investigated them;
- There is a better culture for reporting incidents and shared learning;
- The Trust ensures it includes and communicates effectively with patients, staff, the public and local organisations;
- The Trust's services are planned and delivered according to the needs of local people.

The CQC's previous inspection of the Trust was in June 2015 and the four services of surgery, critical care, end of life care and outpatients were all rated as Requires Improvement. This is why they were prioritised in the CQC's new inspection regime.

The remaining core services will be re-inspected at some point in the coming year.

Ratings for Croydon University Hospital

	Safe	Effective	Caring	Responsive	Well-led	Overall
Urgent & emergency services	Requires improvement Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015
Medical care	Requires improvement Oct 2015	Good Oct 2015	Requires improvement Oct 2015	Good Oct 2015	Good Oct 2015	Requires improvement Oct 2015
Surgery	Requires improvement ↔ Feb 2018	Good ↔ Feb 2018	Good ↔ Feb 2018	Good ↑ Feb 2018	Good ↑↑ Feb 2018	Good ↑ Feb 2018
Critical care	Requires improvement ↔ Feb 2018	Requires improvement ↓ Feb 2018	Requires improvement ↓ Feb 2018	Requires improvement ↔ Feb 2018	Inadequate ↓ Feb 2018	Requires improvement ↔ Feb 2018
Maternity and gynaecology	Requires improvement Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015
Children and young people's services	Requires improvement Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015
End of life care	Good ↑ Feb 2018	Requires improvement ↔ Feb 2018	Good ↔ Feb 2018	Good ↔ Feb 2018	Good ↔ Feb 2018	Good ↑ Feb 2018
Outpatients and diagnostic imaging	Good ↑ Feb 2018	Not rated	Good ↔ Feb 2018	Good ↑ Feb 2018	Requires improvement ↔ Feb 2018	Good ↑ Feb 2018
Overall	Requires improvement ↔ Feb 2018	Requires improvement ↓ Feb 2018	Good ↔ Feb 2018	Good ↑ Feb 2018	Requires improvement ↔ Feb 2018	Requires improvement ↔ Feb 2018

Performance report

Signed



John Goulston, Chief Executive

Date: 23 May 2018

Overview

Our care in collaboration across Croydon

Our patients tell us that their care can become fragmented when many different agencies are involved, so we have formed new alliances across Croydon to give people access to more joined-up care and support.

To look after people at every stage of life, we have joined forces with our partners in the borough:

For children: With our local authority, we have opened Croydon's first Child Development Centre and joined health and social care services together to give children aged under 5 the "Best Start" in life

For all ages: With our GP partners, we now run a network of GP hubs across the borough, including the Urgent Care Centre alongside our Emergency Department to make it easier for people of all ages in our borough to get expert urgent and emergency care.

For older people: With the local authority, the voluntary sector, we are working together to ensure that the services we are delivered – starting with our care for people aged over 65 as part of the One Croydon alliance.



Friends and Family

The test records the percentage of respondents who would recommend a service to their friends and family. There are no nationally set standards for this score however the internal standard at Croydon Health Services is currently at 90%.

Recommendation scores are monitored monthly for each service and the standard was met consistently across services.

Each service is able to access comments made by respondents on a web based system to look for themes and to identify improvement actions. The Trust uses "You said, we did" visual displays in ward and departments to communicate improvements to patients and service users.

Services include A&E, Maternity, Outpatients, Day Cases and Community Services. As new services start FFT is immediately implemented and monitored. In April 2017 the trust took over adult and paediatric urgent care and the out of hours GP services. Recommendation scores are monitored and reported each month and overall the 90% standard for all services was met.

Staff Friends and Family Test (FFT)

The level of staff advocacy of an organisation is a key indicator of staff engagement and has been shown to have a direct impact on quality of patient care, the experience of patients, staff and services provided. Of the latest results available, 71% of staff indicated they would recommend the Trust as a place to work in Quarter 1 2017/18 while 63% would recommend the Trust in Quarter 2. Staff recommendation of the Trust to friends and family as a place to receive care or treatment was 71% in Quarter 1 and 70% in Quarter 2. Staff FFT is not recorded in Q3 because this is when the annual Staff Survey is carried out. Quarter 4 data showed that 71% would recommend the Trust to friends and family as a place to receive care or treatment.

Volunteers

The Trust has almost 400 active volunteers giving their time in the hospital and community. Volunteers carry out many valuable roles from ward helpers, patient feeders, administrators, 'welcomers' to the Trust and to support the Chaplaincy, The Volunteer team run various volunteer initiatives to support patients:

- 'Lunch Club', which is an innovative programme enabling patients recovering from long-term conditions to eat lunch in the Oasis Restaurant as part of their rehabilitation
- Activity Arts & Crafts Clubs in both the elderly care and stroke wards
- Poetry club for the elderly
- Knitting clubs that provide sensory items for the elderly and baby items for the SCBU
- Volunteers that visit patients to sign post them to smoking cessation services

We also have over 70 volunteer peer supporters helping in the Baby Cafes across the borough supporting new mums with breast feeding.

PLACE assessments

Every NHS patient should be cared for with compassion and dignity in a clean, safe environment. Patient Led Assessment in the Care Environment (PLACE) audits provide a framework to review how the environment supports patient privacy and dignity, quality of food provided, cleanliness and general building maintenance. The inspectors are a mix of Trust members, external inspectors and patient representatives. The group is at liberty to visit any ward or department in which patient care is provided. The assessments take place every year, and results are reported publicly.

Last year's assessment was conducted in May 2017 and report issued in September 2017. It showed that we scored an impressive 95.14% on food and hydration, placing us top among acute trusts in South West London and well above the national average of 89.7%.

Against the measure of how well we meet the needs of people with dementia, we scored 84.5% – 13% higher than any other acute hospital in South West London and almost eight percent above the average score in England.

We also achieved the highest score among South West London hospitals for how well we meet the needs of people with disabilities, with a score of 86.98, which was 11% more than others in our region and above the national average of 82.6%.

On cleanliness we scored 96.32, which place us below the national average but third within hospitals in the South West region.

We were rated as below the national average on privacy, dignity and wellbeing, however this was not the lowest in our region. On the condition, appearance and maintenance of our buildings we achieved the top score among South West London acute hospitals, however, this was still below the national average, perhaps reflecting the age of many NHS buildings within London.

This year's PLACE assessment is due to be completed in Spring 2018 and report produced in September 2018.

Research

The annual 2016-17 NIHR Research Activity League Table published on 2 August by the authoritative National Institute for Health Research (NIHR) showed that people in Croydon are benefiting from one of the fastest local increases in access to research trials anywhere in England.

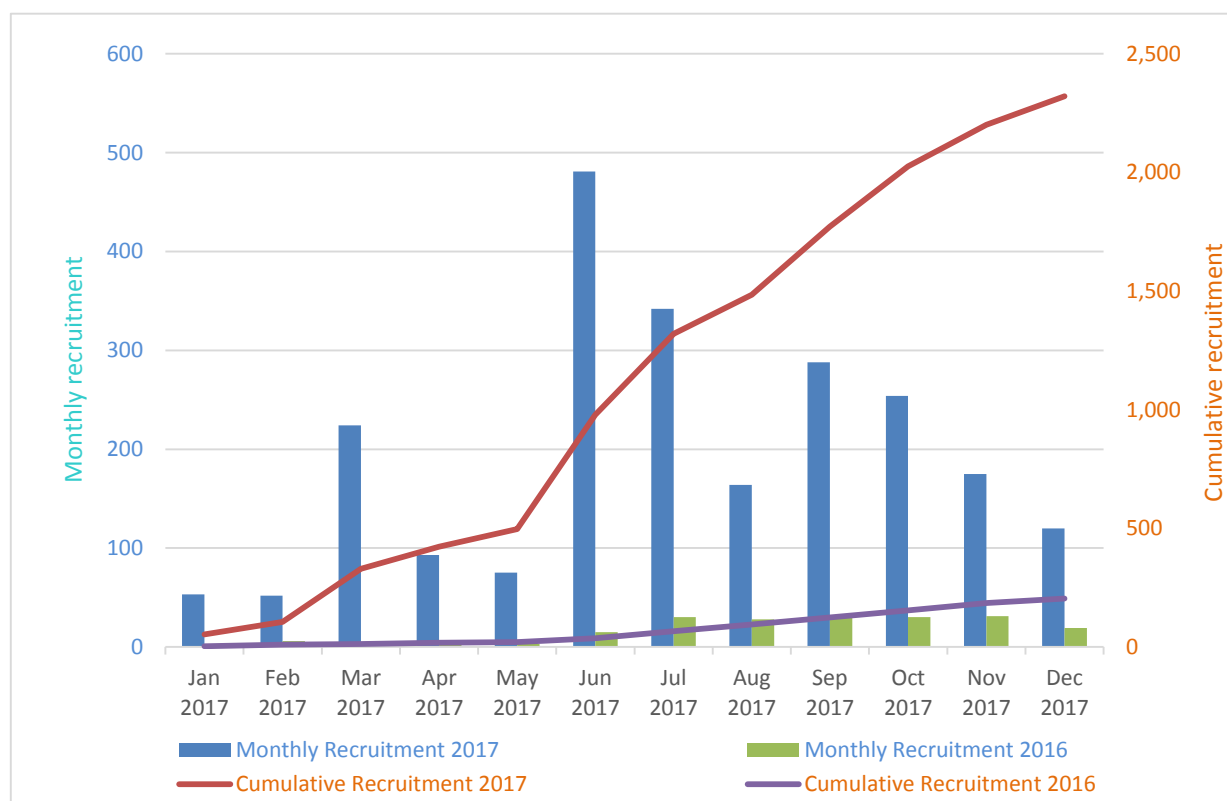
It showed that Croydon Health Services NHS Trust has increased its number of studies that are open for participation by Croydon residents by 26 per cent – from 34 in 2015/16 to 43 in 2016/17. It places tenth in the country among Acute Trusts.

These trials can give hope and better results for patients who have tried every other type of available care – whether on the NHS or elsewhere. The increase in studies has meant a 124 per cent increase in participating residents. In 2015/16, 390 patients took the opportunity to take part in a clinical trial at the Trust and that jumped to 873 last year.

Research is a core part of the NHS, enabling it to transform services and improve the current and future health outcomes of the people it serves. By fully integrating research into our organisation we aim to outperform organisations that do not, leading to better quality care and improved use of resources. 'Clinical research' refers to studies that have received a favourable opinion from a research ethics committee.

All patients receiving NHS services provided or sub-contracted by Croydon Health Services NHS Trust in Jan 2017 to Dec 2017 were eligible to be approached for research. A total of 2,321 patients were recruited to participate in research approved

by a research ethics committee. This figure is based on the Clinical Research Network (CRN) registered file. Compared to last year this is a rise in recruitment of almost 360%. This far exceeded our predicted recruitment from the year before. With these numbers it opens the potential for the trust to secure a three year devolved budget for research staff, rather than an annual negotiated budget.



This sharp rise in recruitment is due to two funded studies that were started at Croydon and adopted into the CRN portfolio. The first is the OPTIMAL study, a computer system that aids identification of at risk patients for admission, working in conjunction with discharge advocates following up patients after discharge. It aims to support the patient immediately post-discharge by signposting the patient to other resources that may help them should their condition be a cause for concern. This may lead to earlier intervention and prevent a readmission. The aim of the study would be reduced readmission into hospital before the 30 day window. The study could have the potential to save the Trust money by reducing penalties incurred when patients are readmitted within the 30 day post discharge period. As well as improving quality of patient care by offering support to the needy patients within the community. This study has, at the time of the report, recruited 1,123 patients over the course of the year. The project is scheduled to conclude in April 2018; however a three month extension is being applied for. This extension is being applied for because of engagement with a second site (Sherwood Forest) to start recruitment, and a slowdown in patient recruitment over the winter period, culminating at a risk of failing to achieve 1700 patients needed for the study analysis.

The second study is the NICE FIT trial, which examines for the presence of blood in patient stool samples and comparing these results to colonoscopy results. This is with the view of having a non-invasive test for bowel cancer. The study has recruited

688 patients since March 2017 and is set to finish in September 2018, with a recruitment target across all participating sites of 6000 patients.

Participation in clinical research demonstrates our commitment to improving the quality of care we offer and to us making our contribution to the wider health economy improvement. Our clinical staff stay abreast of the latest possible treatment availabilities, and active participation in research can lead to more successful patient outcomes.

In 2017-2018, 66 clinical research studies were being conducted in the Trust; 54 of which were funded by the CRN. Twelve studies concluded by December 2016 of which 50% were completed as designed within the agreed time and to the agreed recruitment target.

In 2017-18 Croydon approved 22 studies of which 11 were supported by the CRN.

There were 117 clinical staff members participating in research approved by research ethics committee at Croydon Health Services during 2017 – 2018. 42% of these were Research Passport Personnel supporting the research studies. These staff participated in research covering 16 specialities.

In October 2017 the HOT clinic and Research and Development team completed the fourth year on the WELCOME study which is an EU-funded study run between seven different countries. Prototype vests were produced and the team and consortium partners have finished running the trial. At present the data is in the process of being analysed and being written up in reports for final review. Eleven COPD patients from Croydon took part in remotely monitoring their health and disease progression. This study ran with an eventual goal of developing the vest and sensors into a commercial product. To date at least four patents have been produced from the project, and over 20 publications in peer-reviewed journals.

A second EU-funded project called AEGLE completed its third year in April 2017 and is set to finish in November 2018. This is a big data analytics programme that will analyse anonymised patient data to try to improve the treatment of diabetes. We have diabetes data from Croydon and Epsom and St Helier, plus data from Northern Ireland. Analysis and testing of the software is being carried out to visualise the data and create predictive models. It is hoped that developing a High Performance Computing (HPC) system into a usable web-based system, will empower clinical staff to not only work more collaboratively but also enable the harnessing of clinical databases at a local, regional, national and international level to further improve patient care and outcomes.

In the last three years, 51 publications have resulted from our involvement in Research. Of these 51 publications, 12 were directly from NIHR studies.

National Clinical Audits and National Confidential Enquiries

Participation in national clinical audits and National Confidential Enquiries enables us to benchmark the quality of the services that we provide against other NHS Trusts, and hence highlight best practice in providing high quality patient care and drive continuous improvement across our services. The Clinical Audit priorities are

selected on the basis of national requirements, commissioning requirements and local evidence that has emerged from themes from incidents or complaints.

During 2017-18, the Trust participated in 54 national clinical audits and 9 National Confidential Enquiries. Out of the 54 national audits, 38 were in the NHS England Quality Account listed audits that the Trust was eligible to participate in, so representing 100% participation. Further details are outlined in the Quality Report.

Service and quality accreditations

CHS was the first Trust to receive LiA accreditation and renewed this in September 2017. It has also achieved or is working towards external accreditations and external peer reviews.

Health and Safety

During 2017/18 there were no incidents that were investigated by the Health and Safety Executive.

QESP

The main driver for delivering improvements to service quality at the Trust has been the Quality, Experience & Safety Programme (QESP). Established in January 2015, the primary aim of the programme was to build upon the previous CQC Inspection Quality Improvement Plan to improve the quality of patient care, patient safety and patient experience across the Trust and embed 'Best Practice' processes and procedures. Following the 2015 inspection, The QESP has overseen the development of a comprehensive CQC Quality Improvement action plan. These action plans include the high level milestones, risks & mitigations, assurance required to evidence delivery and a project summary for audit purposes.

The QESP's focus also covers preparations for the 2015 and 2018 CQC inspections, the inspection itself and the factual accuracy checks of the draft report.

C. difficile target

Croydon Health Services has observed a reduction in the number of hospital associated infections (HAI) this year.

There were no HAI C.difficile infections for the last four months in 2017/18 i.e November 2017 – February 2018 which is encouraging.

Total HAI C. difficile cases for period 1st April 2017 to 31st March 2018 is 13 against the Department of Health and Social Care annual trajectory of ≤ 16 .

There were several driving forces employed in achieving this target, including:

- Antimicrobial prescribing which stipulates that when prescribing Tazocin, Carbapenems e.g. Meropenem or Co-amoxiclav, staff should ensure shortest course possible is prescribed to reduce the risk of C. difficile.

- Introduction of diarrhoea poster which stipulates when to send stool specimen for C. difficile testing.
- RCA meetings on new C. difficile cases within 24hrs of the lab result.
- Weekly Infection Control Team (ICT) C.difficile case review meetings and follow up all inpatients with C.difficile infections/carrier.
- Enhanced Surveillance on wards with a period of increased incidence of C. difficile infection.
- Increased joint antibiotic ward rounds by the Consultant Microbiologist and Antimicrobial Pharmacist.
- Daily ITU ward rounds.
- Antibiotic guidelines have been updated in 2017.

Antibiotic stewardship activities which include antibiotic prescribing audits and targeted antibiotic ward rounds specific to Carbapenem Trust usage are also in place.

MRSA target

Total number of Hospital-acquired MRSA bacteraemia cases (April 2017 – March 2018) is zero.

To continue assurance of local effective prevention and control of MRSA and reduce MRSA transmission, the Trust MRSA guidelines advise the following:

- Routine MRSA screening for all adult emergency admissions as well as pre-operative MRSA screening for all elective and emergency surgical patients.
- All patients found to be MRSA positive should be started on anti-MRSA topical treatment.
- If patients are found to be MRSA positive, the presence of MRSA should be stated in the discharge summary.
- Those patients who are MRSA negative at admission but are considered at high risk for MRSA acquisition i.e.: all patients on ITU/HDU, SCBU, vascular wards, elderly care wards and those with indwelling devices or wounds (e.g. chronic ulcers, pressure sores, and surgical wounds) should be screened weekly for MRSA
- There is also on-going training of staff in relation the intravascular device management.
- A database of patients with peripherally inserted central lines (PICC) has been devised by the infection control team, and the patient details are uploaded by the PICC line insertion team. The PDN will facilitate an appropriate care plan for inpatients with PICC lines.

Influenza

The Trust treated a total of 451 laboratory confirmed influenza cases during the winter season beginning early December 2017 up to end of March 2018. This is a much higher number of cases compared to 2016/17 winter season. The commonest circulating seasonal strains locally were Influenza A (non H1N1) and Influenza B. The number of inpatient admissions due to this infection did create increased demand for single rooms on the general wards and the critical care unit. An exceptional number of patients particularly in the high risk groups were admitted with

secondary complications such as pneumonia. A few patients with pre-existing co-morbidities deceased. There were 27 hospital acquired infections. No wards were closed due to influenza. Affected bays practised restricted admissions and admitted only low risk group patients to the bays until the infectious period was over.

The Staff uptake for the influenza vaccine was moderate. There were no confirmed hospital acquired influenza infections amongst staff.

Norovirus

There were 17 lab confirmed Norovirus diagnoses at CUH April 2017 – March 2018. There were 2 small outbreaks of Norovirus on the elderly care wards which were well contained.

GRE (Glycopeptide Resistant Enterococci)

Routine pre-admission and weekly screening of ITU/HDU patients has been in place for some years. Routine screening of this group of patients has enabled ITU/HDU to provide timely single room nursing or implement enhanced infection control precautions on the main ward.

There has been no continuing increase in GRE numbers and typing results did not confirm an outbreak. There has been continuing low levels (1 – 2 per month) of ITU/HDU associated GRE colonisation diagnosed on the unit. There was only one GRE blood stream infection since April 2017

The Infection Control Team has worked closely with ITU/HDU staff to identify risk factors for the increased numbers. Nursing practices, environmental cleaning standards and antibiotic prescribing have been reviewed. Changes are also being implemented to improve storage facilities and bed spaces to facilitate easy cleaning of the environment.

Gram Negative Bacteraemias

From April 2017 a government initiative extended the surveillance of bacteraemias caused by Gram-negative organisms to include *Klebsiella* species and *Pseudomonas aeruginosa* in addition to the existing *E.coli* collation with the intention of reducing gram negative bacteraemias by 50% by the financial year 2021. More detailed information has also been requested on the *E. coli* bacteraemias.

DoH Mandatory reporting now includes *Klebsiella* and *Pseudomonas* bacteraemias with effect from 1/4/17.

Achieving the 50% reduction by 2020/21 will require close working with the community based healthcare providers, care homes and GPs as majority of these bacteraemias are community acquired/associated infections.

Urinary catheter care is being reviewed and arrangements are being implemented for more extensive education and audits, in order to monitor practice as well as improve catheter care.

From 4th September 2017 – a more enhanced catheter care audit tool has been introduced. This is a monthly audit carried out by the clinical area staff and information is recorded on line on “RATE”.

A new internal quality improvement target has been set for 2017/18 ie. aim for ≤ 26 HAI E.coli bacteraemia for 2017/18. The total number of HAI E.coli bacteraemias from April 2017 up to date is: 22 (2017/18 target is ≤ 26 HAI)

The Infection Control Doctor (ICD) had been designated as the Trust lead for co-ordinating actions to achieve Gram negative Bacteraemia Target.

The ICD has convened multidisciplinary meetings at the Trust and also attended a meeting at the CCG to formulate an action plan which would be initially focusing on urinary catheter care as many of the bacteraemias are due to catheter associated urosepsis.

Mortality

The Trust has a robust process of retrospective case review of all in-hospital deaths and the results of the reviews are securely recorded within the Datix Incident Module.

According to the most recent Dr Foster report,

- Croydon is one of 7 Trusts whose HSMR is as expected within the London Peer group
- For the past 11 quarters, the trust has been within the expected range for HSMR
- For the rolling period Nov 16 to Oct 17, HSMR at the trust has been better than expected at 87.18
- HSMR for weekend is within the expected range and weekday is better than expected
- The two Mortality metrics within the patient safety Indicators – Deaths in low risk diagnosis group and deaths after surgery are as expected
- The three diagnosis group with the highest number of observed deaths at the Trust are within Pneumonia, Septicaemia and Aspiration Pneumonitis, food/vomit.

In 2017-18 financial year, the Trust received notification of a mortality alert from CQC for the diagnosis group Fractured neck of femur. A comprehensive retrospective note review from the Cerner electronic system was undertaken and an action plan is in place to address the issues identified.

Progress update on Mortality process:

1. Electronic death summary documents have been introduced as part of the revamp of the current discharge summary process.
- 2 Reinforced the importance of recording provisional diagnosis on Post Take ward round. This has an impact on the data finalised by the coding team as all data is locked within 6 weeks of discharge/death of the patient. An observational audit will be undertaken in AMU to scrutinise adherence.
- 3 Policy incorporating Learning from deaths is in place.

4 Scrutiny of electronic referral to the Coroner.

Further detailed information on mortality is in the Trust's separate Quality Account.

Patient Safety incidents

The Trust is clear in its expectations that staff will report near miss and unexpected adverse events using the Trust's web-based incident reporting system (Datix). Use of this reporting system enables the Trust to use its data intelligently, interrogating the information that is recorded, investigating thoroughly, and carrying out trend analyses in order to impact positively on patient outcomes, quality of care and safety.

The Trust's Datix system is electronically linked to the National Reporting and Learning System (NRLS), and patient safety incidents are uploaded to this central reporting and analysis centre.

Local investigation of all adverse events is supported within the Trust to ensure that appropriate challenge to existing practice is encouraged and that any good practice identified is rewarded. Periods of reflective practice in supervision and learning from investigations through regular learning events are two ways in which learning is shared throughout the organisation. Further detailed information on mortality is in the Trust's separate Quality Account.

PALS

The Patient Advice and Liaison Service (PALS) provides impartial advice and assistance in answering questions and resolving concerns that patients, their relatives, friends and carers might have. The Trust encourages concerns to be raised at ward and department level but in line with CQC best practice the Trust widely advertises the PALS office through its web page, literature and public facing posters.

It is expected that each PALS contact has the potential to resolve the specific concern preventing escalation to a formal complaint.

During 2017/8 the PALS team received 1965 cases. Of these 1545 (79 %) were resolved and closed within 2 working days. The PALS team is located and visible at the front entrance to CUH. The PALS team are visible in wards and departments as they try to resolve concerns and they use robust procedures to ensure that cases are resolved either at the time or within two working days.

Over the past year the profile of PALS has been raised and concerns are resolved much earlier. In 2017 the department attracted new volunteers to work within the team and to support PALS by helping to put the public at ease when they visit the department.

Complaints

During 2017/18 the complaints team received **585** formal complaints compared to **617** received during 2016/17.

The Trust has standards for *acknowledging* complaints (100% within 3 working days) and also that a *final response* is produced within the agreed timescale (target of

80%). The Trust is committed to achieving these targets and ensuring that all of our complainants receive an acknowledgement and a detailed response to their complaint within the timescale. The Trust achieved 98% compliance for *acknowledging* a complaint within 3 working days (an increase from 94% in 2016/17) and 98% compliance in the provision of a *final response* for 2017/18 (an increase from 80% in 2016/17).

In order to comply with these standards the Complaints Department and directorate leads work within clear standard operating procedures so that all complaints are investigated and progressed in a timely manner. Complaints Coordinators and directorate governance leads meet regularly to expedite serious complaints and escalate delays to make sure that the complainant is kept informed throughout the duration of the complaints process.

The proactive escalation of delays is agreed at the complaints department weekly operational meeting and weekly performance data is provided to execs and directorate leads. Performance has significantly improved since 2016/7 with the YTD compliance of 94% against the 80% standard.

The key themes for complaint were concerns about clinical care and treatment, access admission and discharge and the communication of staff. During the period under review, there were nine complaints which were escalated to the Ombudsman, which is a reduction from 44 in 2016/17.

Duty of Candour

All healthcare professionals have a responsibility to be open with service users, their next of kin, carers and advocates, when something goes wrong with their treatment or care causing moderate or severe harm. This is known as Duty of Candour and means conversations between the health professional and the patient or next of kin comprising:

- A full and true account of what has happened and answering any questions.
- An apology and offer of appropriate support.
- Advice on investigation being conducted.
- Sharing the findings and learning.

Croydon Health Services continues to show an absolute commitment to the Duty of Candour principles with the Clinical Lead and a Family Liaison and Investigation Facilitator continuing to provide invaluable support to staff in enabling the Duty of Candour process. They also work with the hospital chaplaincy service in ensuring support is available to patients, next of kin and carers.

Awareness of the Duty of Candour process is being raised at the Trust Induction and also through provision of talks at ward staff handover meetings. The investigation findings are shared with patients or their next of kin through “family meetings” where these have been accepted. Although this is a difficult time for both families and staff, the meetings have identified further learning from the events and provided another perspective leading to improved safety and quality of service to users as well as families and carers.

The Trust Executive Incident Review Group has a monitoring role to ensure the Duty of Candour is complied with. This includes a weekly review of incidents that may have caused moderate or severe harm. The Directorate Quality Board meetings also support in monitoring the Duty of Candour process. This year we have planned the enhancement of the Duty of Candour training programme, with the production of a short video which we hope will further engage all those staff members undergoing Duty of Candour training.

Staff survey

The 2017 NHS staff survey showed our staff were more enthusiastic about their jobs and more able to provide the care they aspire to, compared to staff in other similar organisations across the NHS.

Published on 6 March 2018, the results showed our strength in important areas such as care quality and good management. Of those where our scores declined, this followed the national trend which reflects the current pressure on NHS services.

Overall our staff were more positive now about our line management and this might be helped by the attention they place on employees' training and skills, where we score much higher than the NHS average.

CHS recorded its highest ever response rate, with 1406 people completing the survey – an increase of 238 people (19.5%) on the number who participated in the previous year.

Here are some key findings:

- 75% said they are often/always enthusiastic about their job, compared to the 73% national average for similar organisations.
- 69% said they are able to provide the care they aspire to, compared to the 66% national average for similar organisations.
- 81% said they are satisfied with quality of care they give to patients/service users, compared to the 80% national average for similar organisations.
- The proportion of staff who know how to report unsafe clinical practice remains at 95%, having climbed steadily from 92% to 95% over the previous three years.
- 75% of our respondents said care of patients/service users is our organisation's top priority, compared to the 74% national average for similar organisations.
- 73% of our respondents said our organisation acts on concerns raised by patients/service users, compared to the 71% national average for similar organisations.

- We are performing notably better than other similar organisations across a wide range of questions about training and appraisals.
- There is an improving trend in questions about immediate line management and also about health & wellbeing.

We scored well on many of the most crucial questions and saw significant improvements in four of the 77 areas.

Our results worsened on seven of the 77 question, however six of those seven questions also worsened across the national average. These issues included career progression and lack of flexible working. Concerns also remained from previous years around resourcing and staff feeling discriminated at work. We have zero tolerance for discrimination and will work hard to resolve barriers to equality.

Listening into Action

In 2017, the Trust received LiA accreditation for the third year in recognition of continued commitment to engaging and empowering staff to deliver quality and service improvements. The Trust launched the LiA Ambassadors initiative which saw 30 members of staff leading on specific improvement work within their services. Some of the outcomes from the LiA Ambassadors include;

- Improving transfer of care for care home residents which focussed on working with care homes to provide clear care plans for their residents. The team designed, developed and implemented standardised care plans for care home residents discharged from CUH. They also implemented new ways of working including collaborative clinical reviews, implementation of anticipatory care plans and Multi-agency safeguarding approach.
- Improving waiting times in Adult MSK services from 40 days to 26 days. This was made possible by implementing an e-roster system that allows better planning, greater visibility of staffing levels and increased productivity.
- Physiotherapy led initiative enabled 90% of able patients on Heathfield ward assisted to a chair before breakfast/ lunch time to maintain pre-admission functional level and to prevent deterioration.
- Introduction of a fast-track pre-assessment clinic improved the pathway for surgical patients and is enabling better management of high risk patients prior to surgery date, reduction in pre-assessment waiting time and improved patient experience.
- Patient care within community midwifery was improved by standardising and increasing visibility of antenatal and post natal appointments 100% of the time. This has increased access to the service and allows better planning of appointments.
- Staff developed a communication protocol on Purley 2 for all professionals and this has improved patients experience and communication with relatives on patient care and outcomes.

- Improving access and activity in GUM OPD by reducing patient 'Did Not Attend' (DNA) by 40% and improving clinic slot utilisation.
- Work to ensure every patient attending the Emergency Department has minimal interactions to gain maximum benefit through safe processes and reduced duplication, saw an increase of 23% of ambulance handovers within 15 minutes.

The Trust also had six LiA teams focussing on various improvement areas in 2017, some of which are listed below;

- To further improve the care and treatment of patients with cognitive impairment on our wards, there has been a cultural change effort to ensure continuity of care. All staff take ownership of improving communication and information sharing with patients and carers staff and supporting patients with cognitive impairment to effectively communicate their needs.
- Focusing on the national maternity ambition to reducing the Stillbirth rate in our community by at least 20% by 2020. The Trust purchased three new CO2 Monitors, reintroduced mandatory E-Learning and Smoking Cessation sessions for the Antenatal and Community Midwifery Teams. K2 CTG package has been launched at the Trust and all Midwives have now been enrolled, compliance is monitored regularly by the Practice Development Midwife.
- The Right Person Right Bed work focusses on proactively working together to provide high quality care in the right environment. Trauma patients are now seen on a dedicated unit, a safer model of care was launched and there is more focussed and structured board rounds for inpatients.
- The 'world class documentation' team focussed efforts on leading the Trust into 'paperlite' ways of working to reduce carbon footprint and increase cost effectiveness. Three community and one acute service (CNRT, Podiatry, Continence and Breast Surgery) are now working in a 'paperlite' environment and there are several 'paperlite'/'paperless' meetings taking place across the Trust.
- The Trust continues to focus on embedding a culture of shared learning whereby practice is improved to benefit patient care and this is yielding positive results. The CHS shared learning team was recognised as one of the 10 top stories of inspiring staff-led changes achieved by Listening into Action (LiA) Teams in 2017. This was due to the improvement in the incident reporting culture which resulted in moving CHS from 124th to 11th ranked Trust in the national NRLS.
- As a community and acute service provider, ensuring an integrated approach to service delivery and that there is a team spirit that cuts across geographical locations is essential at CHS. In 2017, the Trust focused on further developing the team spirit through community and acute joint shared learning, increased visibility and knowledge of community services through

the intranet, 'know our community services' week and Information Technology.

Croydon Stars

At our Annual Croydon Stars Awards, which took place in May last year, the Trust thanked members of staff and volunteers who went the extra mile.

The awards categories included outstanding leadership, achievement, teamwork, and volunteering. There were also two Listening into Action awards for the best team and individual who have ensured staff can make any changes to improve care.

Performance analysis

CHS Integrated Performance Overview

Croydon Health Services (CHS) provides a full range of clinical services, caring for the Croydon Community throughout their lives, from the moment of their birth through to their old age. NHS treatment is delivered in hospitals, at home, clinics, schools and in community settings across the borough. The Trust also has a Private Patients and Overseas Bureau for those patients who are either not eligible for free healthcare due to non-residential reasons or for these opting to pay privately for their healthcare. The Trust plays an active role in working with new models of care that offer proactive and preventative health and care in the community. Services include a busy Accident & Emergency department, with a new £21.25m facility currently in its last stages of construction; our transformed maternity services; and specialist care for stroke, heart disease and elective (planned) surgery, including trauma and orthopaedics.

Our secondary base is Purley War Memorial Hospital, which re-opened in 2013 after an £11.15m extensive refurbishment, to offer improved access for people living in south of the Borough to diagnostic and outpatient services, including ophthalmology services provided by Moorfield's Eye Hospital. The base is co-located with Keston Medical Centre, a GP-led hub offering multidisciplinary services to meet the needs of the service users.

The continuation of a new model of care contract, which formed a health collaboration with our Health and Social Care Alliance partners, in 17/18 has been signed for a further nine years. This will continue to ensure that the residents of Croydon will have access to services to help keep them well, active and healthy. The partnership will ensure that if residents have been admitted to hospital, they will receive early supported discharges from an acute setting and care packages, with supported independence in their residential setting, empowering individuals to manage their physical, psychological and social care with access to information and support should they require it. In 18/19 The Trust will also continue its successful health engagement programme with colleagues across South West London to establish the SWL Acute Provider Collaborative, which has allowed us to deliver more effect joint working across the region during 17/18.

The Trust's Performance and NHSI Single Oversight Framework

To support the delivery of key performance standards services at Croydon Health Services there is an established Performance Management Framework. All performance reporting is aligned with the Care Quality Commission's (CQC) five domains around Responsive, Caring, Effective, Safe and Well-led services and NHS Improvement's Single Oversight Framework's five themes for delivering care. Built around each of the five domains there are a suite of indicators set out in NHS Improvements Single Oversight Framework and The Model Hospital with the addition of other national and local indicators identified as a priority by key stakeholders.

2017/18 Priorities

NHS Single Oversight Framework Theme	Aim
1. Quality of Care (Safe, Effective, Caring, Responsive)	To continuously improve care quality, helping to create the safest, highest quality health and care service
2. Finance and Use of Resources	For the provider sector to balance its finances and improve its productivity
3. Operational Performance	To maintain and improve performance against core standards
4. Strategic Change	To ensure every area has a clinically, operationally and financially sustainable pattern of care
5. Leadership and Improvement Capability (Well-led)	To build provider leadership and improvement capability to deliver sustainable services

All Trust performance is reported through a suite of bespoke integrated quality, safety, access and finance dashboards. The dashboards, supported by detailed quality, performance and financial reports, are presented to the Trust Board Sub-Committees and the Executive Management Board following Directorate weekly, monthly and quarterly Strategic Performance Reviews. All Directorates have business plans with objectives aligned to the delivery of the Trust's five corporate objectives and key priorities, set out in our Annual Plan and Annual Quality Account. These include key performance indicators (KPIs) which are reflected in team and personal objectives as part of the performance appraisal process. Directorates also have Operational Agreements in place and are aware of their responsibilities to improve and deliver high quality patient care and achieve best value for money in its use of resources through effective capacity and demand planning.

Delivery of the Trust objectives is monitored by the Trust Board via sub-committee, executive director and directorate governance structures and at ward level by matrons through the Trust's Quality Rounds programme and through the Clinical Business Unit (CBU) structure. The CBU structure, originally implemented in 2015, strengthened the organisational effectiveness of services across the Trust by providing groups of services with increased autonomy in, and accountability for, their own development and performance. It will continue to evolve and support services throughout 2018/19.

Specific improvement actions from Quality Rounds are agreed with ward sisters/charge nurses and monitored weekly through the rounds, and the quality dashboards, which are discussed within CBUs and coordinated at directorate Quality Governance meetings. When wider themes are identified these generate actions adopted by all Directorates, which are highlighted in action plans and monitored at bi-weekly Matrons and Support Services Operational Meetings. Externally, quality reviews and audits are undertaken by commissioners and regulators such as Croydon Clinical Commissioning Group and the Care Quality Commission. Monthly

performance assessments also take place against Key Performance Indicators by both commissioners in accordance with our contractual obligations and by NHS Improvement through the delivery of the Trust's bespoke Single Oversight Framework dashboard which is benchmarked against local/national comparators and other Trusts where applicable.

Referral to Treatment Waiting Times

RTT

The Trust has successfully delivered against the incomplete performance target for RTT during 17/18 apart from the month of September. Performance has continued to improve on an upward trend since April 2017 ending the year on 92.17%. The Trust performance has consistently positioned around 15th out of the 24 London Trusts reporting, however in February the London positioning had improved to 10th across London with 13 Trusts reporting. This continued improvement is representative of the significant work being delivered across the specialties to drive productivity and is expected to continue this upward trend in 18/19.

Cancer

It is recognised that detecting cancers early and beginning treatment swiftly is key to improving survival rates and clinical outcomes from cancer. Throughout the year, the Trust has worked with its clinical and operational workforce to optimise the clinical pathways for suspected cancers, ensuring that they are seen and treated quickly.

CHS has consistently performed within the top 5 Trusts in London during 17/18 and met the 62 day performance target 11 out of 12 months in 2017 . This is exceptional performance by the teams at CHS who have worked tirelessly to drive the 28day diagnosis and 38 day targets in advance of their go live.

We have consistently maintained a high position within SW London and have generally been within the top 5 performing Trusts in London for the Cancer Waiting Time targets. The Trust is one of the first to implement direct booking via eRS for the majority of its tumour sites with an exception of those pathways that go straight to test.

In the National Cancer Patient Survey, commissioned by NHS England, the Trust scored 8.8 out of 10 overall for care compared to the average for trusts across the country of 8.7. The survey also revealed that 97 per cent of Croydon patients said that it had been 'quite easy' or 'very easy' to contact their Clinical Nurse Specialist. This compares to 93 per cent last year, beating the national average of 86 per cent. Demonstrating the Trust's ongoing commitment to providing high quality cancer care to the people of Croydon, the survey also highlighted that:

- 76% of patients said that they were definitely involved as much as they wanted to be in decisions about their care and treatment (compared to 70% last year)
- 89% said that they were given the name of a Clinical Nurse Specialist who would support them through their treatment (compared to 86% last year)

- 86% said that, overall, they were always treated with dignity and respect while they were in hospital (compared to 81% last year)

Croydon Health Services works in close partnership with Macmillan cancer charity whose cancer centre, based at Croydon University Hospital provides invaluable support to many patients and their families. The Trust also works closely with RM Partners who have also supported a number of research developments and grants during 17/18.

Emergency Department

On 17th October 2017 the Care Quality Commission published patient feedback from the survey undertaken in 2016 across England's Emergency Departments. The Trusts scores for 2016 improved in 29 of the 33 questions that the survey had also asked in the previous survey (in 2014). While the scoring of these questions has changed slightly over the two years, the raw data also shows extensive improvements. Patients rated their overall experience at our Trust as 7.8, which has increased from 7.3 in 2014. This is now comparable with our neighbouring trusts - including 7.8 for King's College, 7.9 for Epsom & St Helier and 8.0 for both St George's and Surrey & Sussex.

In 2017/18 the Trust saw 78,503 patients within the Trust's Emergency Department, this equates to a 6% growth in patient footfall (4,848 more patients) than the previous year. To help us cope with extra demands on our services throughout the year and especially over the winter period, our staff worked tirelessly assessing all of our patients thoroughly and as quickly as possible and ensuring priority was given to those with the most pressing health needs. In September 2017 we opened our new Resuscitation Unit - the first phase of our new Emergency Department. The benefits of the new 'resus' meant that the Trust had eight beds, where it had previously had only five, with an array of improvements including new technology and better equipped rooms which ensured that our patients received a more efficient service with greater privacy.

During December 2017 the Trust opened a new Clinical Decision Unit (CDU) to help ease the pressure on our Emergency Department. The CDU is situated on the ground floor of the Woodcroft Wing is open between 8am and midnight every day and plays a critical role by providing a more appropriate setting for adult emergency patients who need emergency treatment but who do not require to be admitted to an acute inpatient bed. This change gave us additional capacity to care for those who required evaluation, testing, treatment and medical management. Work will continue in the forthcoming financial year on our new Emergency Department which is due to open in 2018. The £21.25 million department, designed by our clinicians and nurses, will offer the excellent high-quality environment which the Borough population now require to meet the emergency health needs, for both now and in the future.

A&E Waiting times standard

Over the course of 2017/18, the four hour A&E waiting time remained a challenge for the Trust but was also a national challenge for our peers across London. There was a 6% increase in patients attending our A&E which equated to 4,848 more patients than the previous year (fig 2).

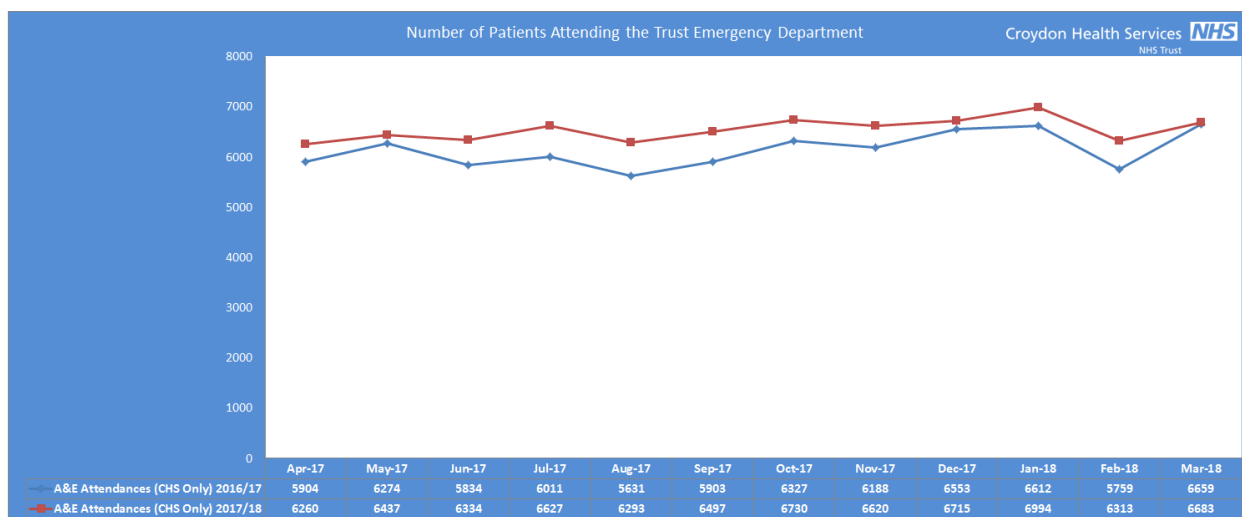


Fig 2 Patients Attending A&E 2017/18 v 2016/17

The new model of care introduced in November 2015, incorporating the Trust's Edgecombe Unit, helped us to manage the higher activity levels over the winter and the introduction in the latter part of 2017 using new models of care for Discharge to Assess and discharge support to help manage the demands and ensure that patients were discharged to home much quicker.

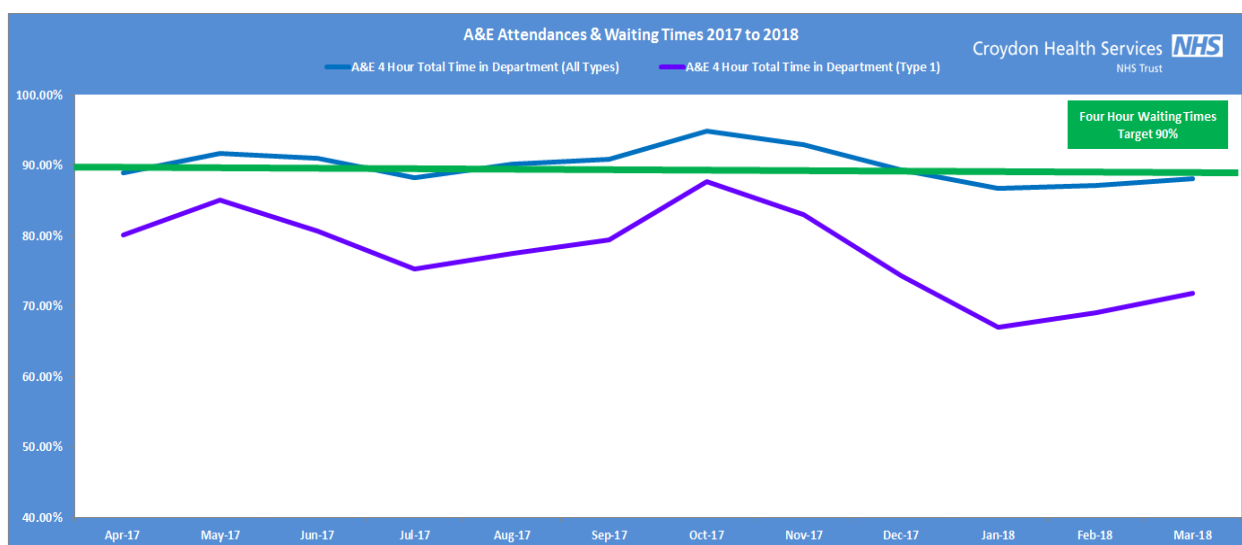


Fig 3 A&E Four Hour Waits Performance

There was a national requirement that by September 2017, all acute trusts should see and treat or discharge 90% of people attending A&E within four hours with the aim of improving further to achieve 95% by March. Like other acute trusts across the country, we found this to be a challenge, particularly with the pressures of winter. However the Trust performed well when compared to its peers with the end of year position for the four hour A&E waiting time (for all types) showed that 89.95% of all patients were seen within four hours and ended the year above the national average. Among babies and children arriving on foot or by ambulance, 96.06% were triaged within fifteen minutes of arrival at the Trust.

Performance Trends

The performance table shows how the Trust performed in 2017/18 against targets set at both national and local levels. These performance standards are used as a health check by our regulatory colleagues to monitor and measure our performance. Delivery of these performance standards are reviewed both weekly and monthly and any trends over time are monitored and peer comparisons made using the published data from the Model Hospital, NHS England and NHS Digital.

Responsive Standards	2017/18	Target
A&E 4 Hour Total Time in Department (All Types)	89.95%	90.00%
A&E 4 Hour Total Time in Department (Type 1)	77.51%	90.00%
A&E : 30 Minutes from Ambulance Arrival to Triage (% of Amb. Arrivals)	4.29%	0.00%
A&E : 15 Minutes to Triage - Adults Ambulances & Walk-ins (% of total attendances)	62.89%	95.00%
A&E : 30 Minutes to Triage - Adults Ambulances & Walk-ins (% of total attendances)	81.03%	90.00%
A&E : 15 Minutes to Triage - Paediatrics Ambulances & Walk-ins (% of total attendances)	96.06%	95.00%
A&E : 12 Hour Trolley Waits	2	0
Diagnostic > 6 Week Waits	1.97%	1.00%
Cancer Waits - Referral to First Appt for Urgent Suspected Cancer (14 Days)	96.63%	93.00%
Cancer Waits - Referral to First Appt for Breast Symptoms (14 Days)	99.16%	93.00%
Cancer Waits - Subsequent Treatment: Surgery (31 Days)	96.30%	94.00%
Cancer Waits - Subsequent Treatment: Drugs (31 Days)	100.00%	98.00%
Cancer Waits - Diagnosis to First Treatment (31 Days)	98.54%	96.00%
Cancer Waits - Referral to Treatment for Urgent Suspected Cancer (62 Days)	88.99%	85.00%
Cancer Waits - Referral to Treatment for NSP Referrals (62 Days)	97.87%	90.00%
Cancer Waits - Referral to Treatment for Consultant Upgrade Referrals (62 Days)	88.81%	85.00%
Urgent Operations being Cancelled for the Second Time	1	0
Cancelled Operations - Last Minute Cancellations	160	
Cancelled Operations - Last Minute Cancellations (%)	0.65%	0.80%
Cancelled Operations not readmitted within 28 Days	4	0
Cancelled Operations not readmitted within 28 Days - % of all Last Minute Cancellations	2.82%	5.00%
Certification against compliance/ access to health care for people with learning disabilities	C	C
Delayed Transfers of Care	4.31%	3.50%

Caring Standards	2017/18	Target
Friends and Family Test - % Likely to Recommend A&E	90.86%	90.00%
Friends and Family Test - % Likely to Recommend DC	96.11%	90.00%
Friends and Family Test - % Likely to Recommend Inpatients	91.85%	90.00%
Friends and Family Test - % Likely to Recommend Maternity	92.98%	90.00%
Friends & Family Test - % Likely to Recommend Outpatients (Inc Purley)	94.02%	90.00%
Friends & Family Test - % Likely to Recommend Community	95.49%	90.00%
Friends & Family Test - % Likely to Recommended – Staff (Care)	70.62%	80.00%
Friends & Family Test - % Likely to Recommended - Staff (Work)	66.51%	75.00%
Mixed Sex Accommodation Breaches	0	0

Safe Standards	2017/18	Target
Infection Control: Clostridium Difficile Incidences (Hospital Acquired)	13	< 16
Infection Control: MRSA Bacteraemias (Hospital Acquired)	0	0
Incidents: Never Events	1	0
Incidents: Medication Errors	682	503
Patient Safety Thermometer - % of Patients Harm Free	94.30%	95.00%
Maternal Deaths	0	0
VTE Risk assessment on admission as Inpatient	96.12%	95.00%
Incidents: Serious Incidents	98	105
Central Alert System (CAS) Alerts - Overdue	0	0
Admissions to adult facilities of patients under 16 years of age	0	0
Incidents: Falls (per 1,000 beddays)	4.3	6.00
Infection Control: eColi Cases (Hospital Acquired)	28	26
Infection Control: MSSA Cases (Hospital Acquired)	15	9
WHO Surgical Checklist Compliance (Main Theatres and DSU only)	C	C

Caring Standards	2017/18	Target
Friends and Family Test - % Likely to Recommend A&E	90.86%	90.00%
Friends and Family Test - % Likely to Recommend DC	96.11%	90.00%
Friends and Family Test - % Likely to Recommend Inpatients	91.85%	90.00%
Friends and Family Test - % Likely to Recommend Maternity	92.98%	90.00%
Friends & Family Test - % Likely to Recommend Outpatients (Inc Purley)	94.02%	90.00%
Friends & Family Test - % Likely to Recommend Community	95.49%	90.00%
Friends & Family Test - % Likely to Recommended – Staff (Care)	70.62%	80.00%
Friends & Family Test - % Likely to Recommended - Staff (Work)	66.51%	75.00%
Mixed Sex Accommodation Breaches	0	0

Effectiveness Standards	2017/18	Target
Emergency Re-Admission Rate: Post Elective Spell within 30 days	2.15%	1.90%
Emergency Re-Admission Rate: Post Emergency Spell within 30 days	12.45%	11.00%
Hospital Standardised Mortality Ratio (HSMR)	87.30	100.00
C-Section Rates Emergency C/S (London & National Averages)	28.22%	<=26.2% G, >28.4% R
Midwife/Birth Ratio	1.28	<=1:28 G, >1:40 R
Stroke patients who spend at least 90% of their time in hospital on a stroke unit	87.56%	90.00%
TIA Higher risk patients assessed and treated within 24 hours	94.92%	60.00%
New Birth Visits within 10-14 Days	88.30%	80.00%

Finance report

Finance Overview

We have successfully reduced our deficit by £6.4m this year to meet our deficit target of £25.9m (post STF) in 2017/18.

Almost two thirds of the Trust's overall budget is spent on staffing. In 2017/18, we spent £3.7m less on agency and locum staff compared to £1.2m in 2016/17. This will continue to be a focus for the Trust going forwards with a view to reduce it by a further £3.3m in 2018/19. We also delivered around £4.6m of Cash Releasing Efficiency Savings (CRES).

We all want to see a sustainable Croydon Health Services that can meet the health needs of our growing community. To do this, we have to work smarter within the existing resources we have.

To achieve this we have worked with our staff to help us make the right choices, asking for their suggestions on how we could save money or reduce waste – without impacting on the quality of our care.

All cost saving initiatives are quality assessed by the Trust's most senior clinicians to ensure that our standards of safety and performance are maintained.

Our accounts

The Trust prepares its accounts in accordance with International Financial Reporting Standards (IFRS). There have been no significant amendments to the accounting standards in 2017/18 and HM Treasury requirements, so our accounting policies remain largely unchanged.

In 2017/18, the Trust achieved three out of the four annual financial targets.

The Trust did not achieve break even or its agreed control total of £19.1m deficit pre STF. The Trust reported a retained deficit of £25.9m pre STF. The post STF position reports the Trust Q1 £1.3m STF plus an additional £2.4m payment by NHSI taking full year STF payment to £3.7m. This gives the final result at £22.2m post STF. As stated above, in M12 The Trust received £2.4m general distribution STF incentive, i.e. the balance of unearned STF after the core, incentive and bonus scheme payments to all providers that signed up to a control total in 2017/18.

The Trust targeted £13.5m of Cash Releasing Efficiency Savings (CRES) plans in order to meet its £19.1m deficit control total. The Trust struggled to fully identify these savings and implement them in year and as a result ended the year with £4.6m CRES and cost containment. Income significantly overperformed, particularly non elective and A&E, which meant that a number of the pay and non-pay savings could not be made as additional temporary staff were required to service the additional activity together with additional clinical supplies and services. Despite this the Trust spent £3.7m less on agency staff by moving more staff onto bank and

locum rates. The Trust spent £17.3m on agency staff and aims to reduce this to £14m in 2018/19.

Going Concern

The Treasury's Financial Reporting Manual (FReM) provides the following interpretation of the going concern requirements set out in IAS1 "that the continuation of the provision of the service is the important determinant of the basis of preparation of the financial statements for public sector entities".

Croydon Health Services NHS Trust's annual report and 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.

Profitability alone does not ensure the Going Concern status of an organisation. The critical factor that management use to determine the Going Concern status of Croydon Health Services NHS Trust is whether we can maintain sufficient working balances to ensure our creditors are paid. Our Better Payment Practice figures showed improvement in value terms in our ability to pay suppliers within 30 days in 2017/18.

The Trust suffered cash shortages throughout the year. The Trust was reliant on Department of Health and Social Care (DHSC) revenue support loans of £10.4m which was linked to the delivery of the £19.1m control total deficit. The Trust submitted an adverse change to forecast at Month 9, to a £25.0m deficit including £1.3m quarter 1 STF, to NHSI. The revised forecast was accepted and the Trust was able to draw down cash support of £14.257m in March 2018 as an uncommitted interim support loan at the interest of 1.5%. To date, the Trust has drawn down £80.106m. The loans are due for repayment in 2018/19, 2019/20, 2011/12 for £26.4m, £28.711m and £24.995m respectively. The Trust may not be able to repay the loans when due. NHS Improvement advises the Trust to seek extension from the DHSC. In 2018/19 the Trust does not require cash support from the DHSC provided the £0.5m adjusted plan surplus is achieved.

The Trust has moved from a pre STF deficit of £32.3m in 2016/17 to £25.9m in 2017/18 and a forecast deficit of £12.7m in 2018/19. The opening of new Emergency Department in 2018/19 signifies the continuation of provision of clinical services in the future. It is reasonable for the Directors of our Trust to consider the continuation of our provision of clinical services in the future as sufficient evidence of a going concern. Furthermore the trajectory of the Trust's deficits is on a downward trend, albeit not at planned control total levels.

The Trust has a reasonable expectation that adequate resources, from a cash perspective, will be available to continue in operation for at least 12 months from the date of preparation of the 2017/18 accounts. This will be through a combination of its existing internal working capital and financial support offered by the DHSC, linked to an agreed financial recovery plan. Therefore the Trust will continue to adopt the going concern basis in preparing the accounts.

2018/19 Outlook

Looking ahead, the Trust must reduce its financial deficit by £10.8m (pre PSF) in 2018/19 to a £15.1m (pre PSF) deficit to achieving the control total.

We are currently forecasting a £15.1m deficit, pre Provider Sustainability Fund (PSF) for 2018/19. We started to identify and develop our Cost Improvement Plans (CIPs) in January 2018 and have worked with Turnaround specialists to bolster our capacity and capability in generating our £19.2m CIP. These plans have been developed top down using benchmarking and other metrics to ensure that there opportunities for cost improvement before detailed plans being developed bottom up. This process has ensured that the plans are robust and owned by the directorates that are going to be delivering them and has resulted in 70% of the plans being green rated in April ie £13.6m. The Trust will continue to develop these bottom up plans to ensure that the full £19.2m of opportunities have robust detailed delivery plans supporting them.

The detailed CIPs have been developed by clinical directorates through weekly meetings supported by our Turnaround specialists supported by Finance, PMO and Information. These meetings both work through developing plans and ensuring that in year delivery is on target. The corporate directorates have separately developed their own bottom up details plans to meet their CIPs.

The clinical directorate weekly meetings are attended by the Clinical Directors, Associate Directors of Operations and Associate Nursing Directors ensuring that CIPs are reviewed from both an operational and clinical perspective. All financials associated with CIPs are completed by the Finance Business Partners and validated by the Associate Director of Finance.

The CIPs for 2018/19 focus on four workstreams which collectively will deliver the required cost efficiencies. The workstreams are:

Back Office: focussing on reducing non patient facing workforce and non-pay through streamlining processes, becoming more productive and cost effective

Non Pay: focussing on Procurement, Estates and Facilities, IT spend and Pharmacy

Patient Flow: focussing on improving the patient journey through the hospital and making the best use of our beds as well as focussing on the emergency care pathway to make it is effective and efficient as possible

- **Clinical Directorate schemes:** focussing on a range of specific focussed service and cost improvements across the entire patient pathway and ensuring that we are making the best use of our out of hospital and community services.

Lastly the Trust is looking to repatriate £7.8m of Croydon patients from other providers to ensure that care is provided closer to home and the health can social care economy makes the best use of the Croydon pound. Part of the repatriation will be through helping other providers with their long waiting lists to ensure that patients are treated in a more timely fashion.

Croydon Health Services NHS Trust is part of the SWL (South West London) STP and the Croydon sub regional STP. The Trust strategy is fully aligned with the vision set out in the STP as articulated in the Trust's current priorities. The Croydon sub-regional STP is delivered through a Transformation Board which incorporates all of the organisations involved in the local health and social care economy as part of the One Croydon Alliance. As an Integrated Care Organisation, and a member of the One Croydon Alliance, providing both hospital and community services, we will be shifting the focus of care towards prevention and early intervention to provide safer, efficient, effective and economic healthcare. We had some success in developing new models of care which saw a greater number of patients being treated in the community or ambulatory services as opposed to staying overnight in hospital.

Financial Review 2017/18

The table below sets out Croydon Health Services NHS Trust's financial targets, and its performance against these, in the 2017/18 Financial Year:

Target	Performance	Target met?
Breakeven on revenue and operating costs	The Trust did not meet its £19.1m agreed deficit control total pre Sustainability and Transformation Fund (STF). The Trust did meet its agreed adverse forecast from plan, which was agreed with NHSI at Month 9 reporting. The final outturn was £25.9m deficit pre STF and £22.2m deficit post STF. The Trust has returned three successive deficits and has therefore failed the breakeven duty.	No. Paragraph 2(1) of Schedule 5 to the National Health Service Act 2006 states: "Each NHS trust must ensure that its revenue is not less than sufficient, taking one financial year with another, to meet outgoings properly chargeable to the revenue account." The breakeven duty will be assumed to have been met if the breakeven cumulative net deficit is less than or equal to 0.5% of the turnover of the reporting year. The board is accountable for financial control and for ensuring that the Trust meets its statutory duty to break even.
Keep within the capital resource limit (CRL) of £11.336m (including £0.513m capital PDC)	The Trust remained within the CRL, and generated an underspend of £0.009m	Yes
Remain within the external financing limits (EFL) of	The Trust remained within its EFL, and over achieved	Yes

£26.898m	on this by £0.94m.	
Keep within a Capital Cost Absorption Rate (CCAR) of 3.5%	The Trust kept within the 3.5% CCAR. This has resulted in dividend payments of £4.125m to the DHSC.	Yes

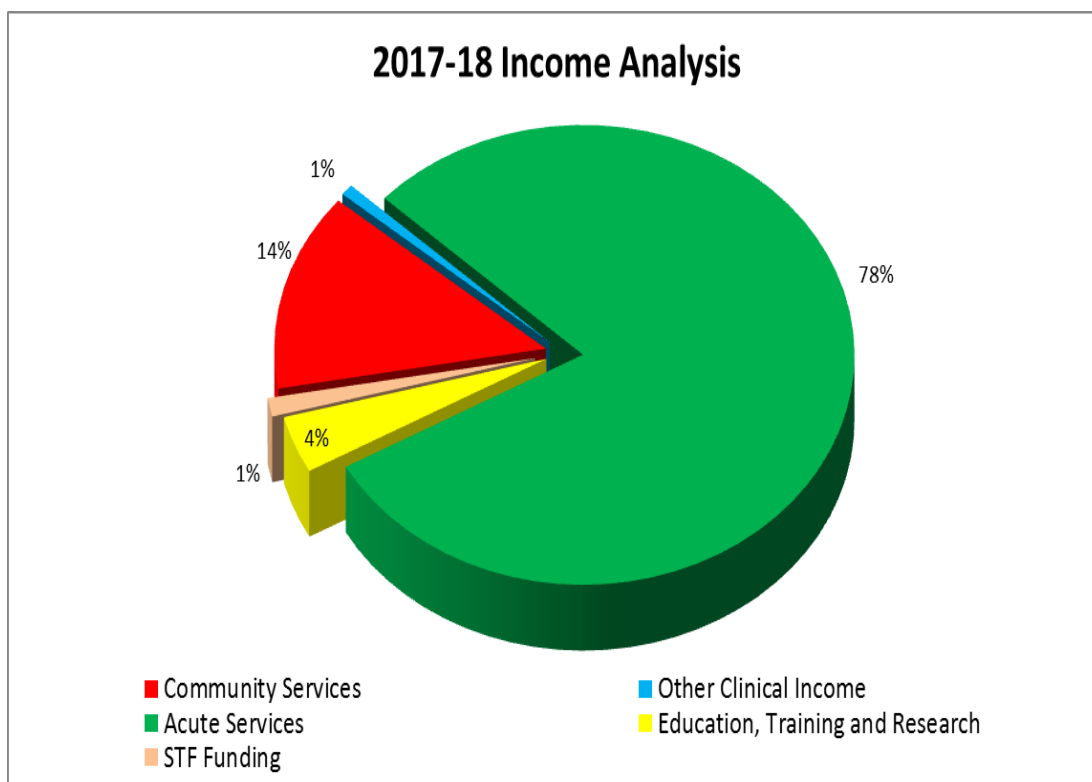
Where our money comes from

There was a 5.7% growth in the Trust's total income to £293.1m, due to significantly increased in activity and over performance of £5.7m.

The revenue generated from NHS and non NHS clinical activity is £271.3m. This principally comes from the following sources of income which are the CCGs for delivery of acute and community patient care activities, NHS England for specialised services and local authorities for acute and community services. There are a number of other income sources such as the Education and Training income that pays for the training of doctors, nurses and other healthcare professionals – which, in doing so, supports the quality of the care we provide. The remainder of the Trust's income sources are not directly linked to patient care and include items such as catering, accommodation revenues and income for services provided to other third parties.

Income is classified as follows:

Revenue	£000	%
Acute Services	229,138	78%
Community Services	39,880	14%
Other Clinical Income	2,246	1%
Education, Training and Research	11,506	4%
STF Funding	3,750	1%
Other Operating Income	6,596	2%



What we spend money on

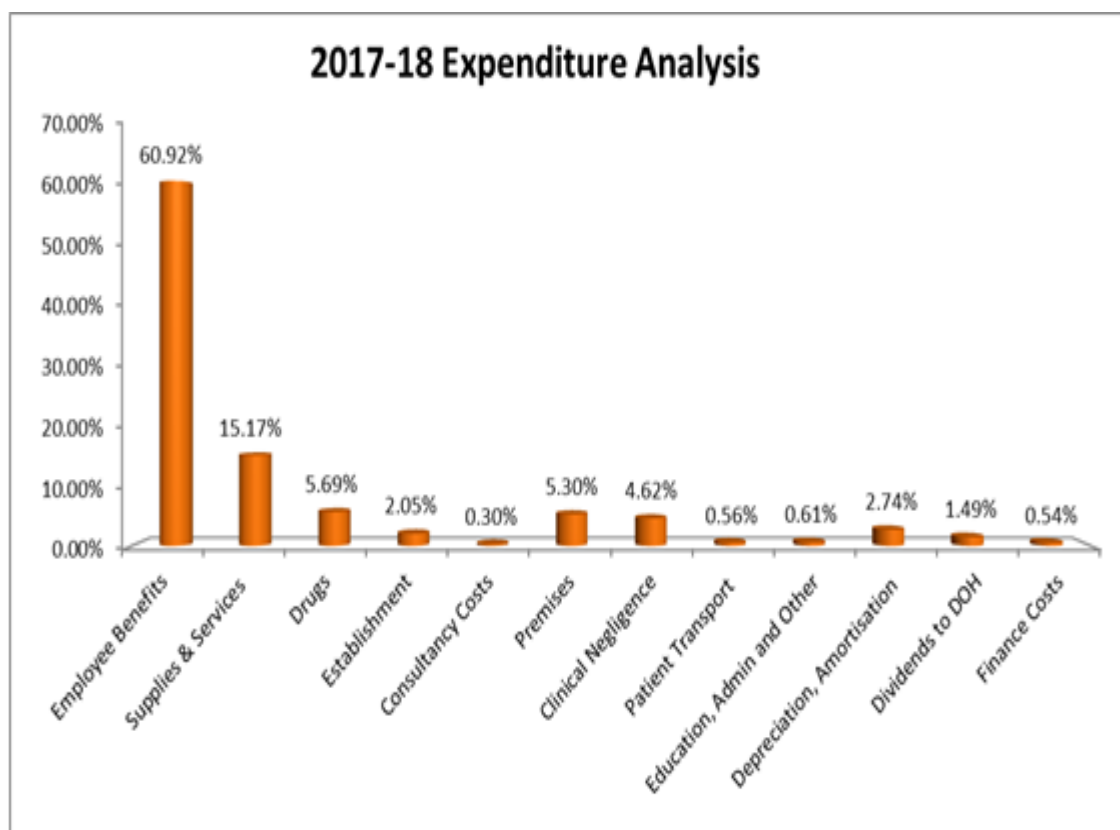
Our Trust's total expenditure in the year was £315.5m - an increase of £17.8m (6%) from the previous financial year. The key drivers for the increase are pay, linked with escalation beds and enhanced care being above plan. Apprentice levy of £0.6m was implemented in 2017/18. The Trust has signed up for the provision of Urgent Care Centre services hence additional staffing cost was incurred for this service. Other items such as the non-pay increase are due to higher IT and Estates costs, consultancy and professional fees. In addition bad debt provision for overseas visitors and equal pay provision also increased the overall spend.

Staff costs are the largest component of expenditure, accounting for 61% of operating expenses followed by supplies and services for clinical and drugs costs. As part of the efficiency scheme, the Trust was required to deliver £13.5m of Efficiency saving in 2017/18. A detailed programme of schemes across all divisions has been monitored throughout the year with reports to the Financial Improvement & Transformation Board. The programme is a combination of schemes identified by divisions and Trust-wide initiatives. In the year £4.6m savings were delivered.

The spend is summarised as follows:

Expenditure	£000	%
Employee Benefits	192,179	60.9%
Supplies & Services Clinical/General	47,861	15.2%
Drugs	17,955	5.7%
Establishment	6,473	2.1%
Consultancy Costs	948	0.3%

Premises	16,717	5.3%
Clinical Negligence	14,583	4.6%
Patient Transport	1,772	0.6%
Education, Admin and Other	1,930	0.6%
Depreciation & Amortisation	8,629	2.7%
Dividends to DoH	4,715	1.5%
Finance Costs	1,705	0.5%



Getting best value for money

We made £4.6m efficiency savings during the 2017/18 financial year, which equates to 1.6% saving against actual turnover. These savings have been reinvested in patient care.

Capital investment

The Trust continued to invest in estates and facilities. In the 2017/18 year the Trust incurred £10.8m of capital expenditure including £4.3m on the Emergency Department (ED), £1.2m on IT infrastructure, £1.8m on medical equipment and £3.5m on estates improvements. The Trust received £0.5m capital PDC funding from Department of Health and Social Care (DHSC) as part of modernising health information exchange standards and enhancement of cyber security.

As the Trust continued to have limited resources for our capital programme, all projects, even essential or contractually committed programmes, were approved using strict criteria. Each scheme had to meet one or more of the following criteria:-

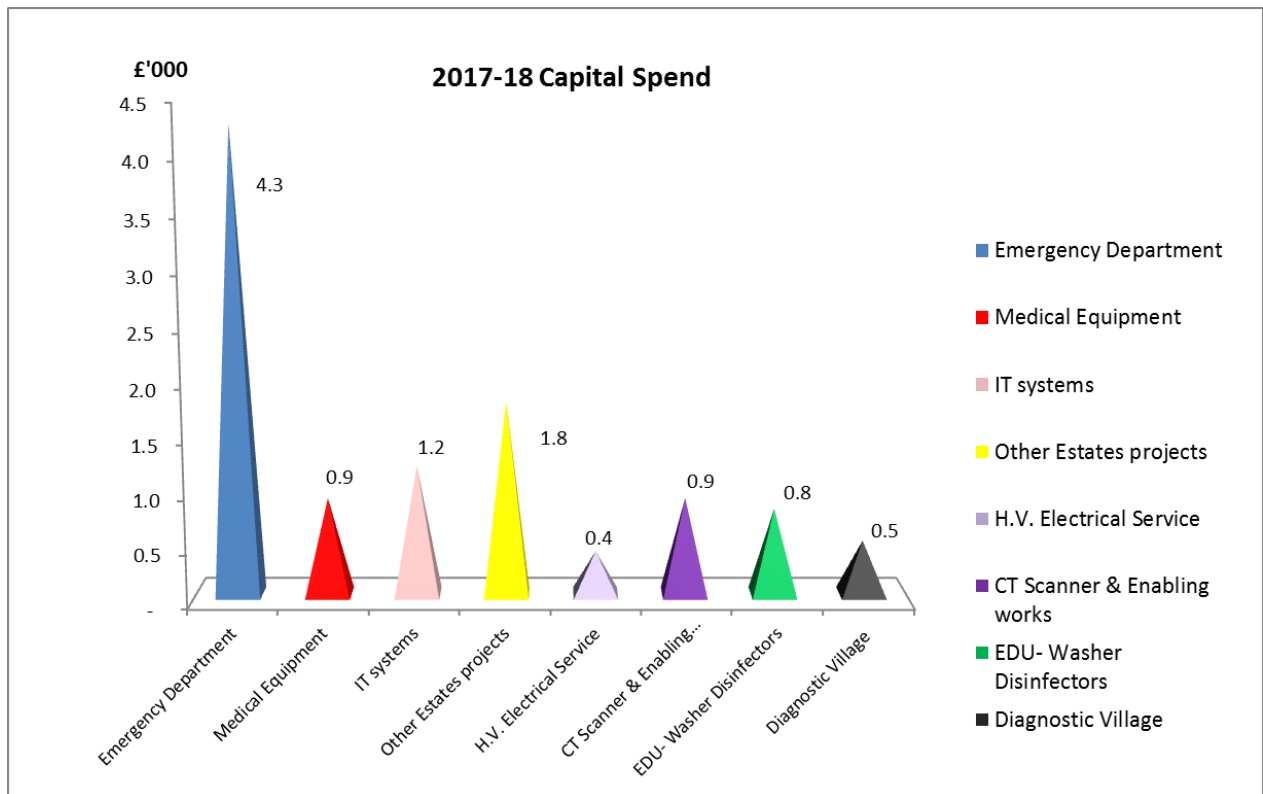
1. to meet CQC requirements
2. for business continuity and/or
3. to enhance future revenue as long as the return on investment covered the revenue costs of the scheme in year and overall the revenue benefit would cover the costs of the capital financing and other costs of delivery.

The Trust performed a desktop valuation of its land and buildings as at 31 March 2017, as required by accounting policies. For those properties where there is market-based evidence to support the use of Existing Use Value (EUV) to arrive at Current Value (e.g. a residence, office or industrial property) the comparative method of valuation has been adopted. For those properties where there is no market-based evidence to support the use of EUV to arrive at Current Value, the Depreciated Replacement Cost (DRC) approach has been used. All assets are measured subsequently at fair value as defined by IFRS 13. This resulted in an overall increase in the value of the asset base by 9% generated a net increase in the revaluation reserve of £10.8m.

These are the major schemes into which we invested:

- ED Redevelopment, £4.3m
- H.V. Electrical Service, £0.36m
- Diagnostic Village – CT, £0.5m
- EDU - Endoscopy Washer Disinfectors, £0.8m
- Other Estates projects, £1.9m
- CT Scanner & Enabling Works, £0.9m
- Other Medical Equipment, £0.9m
- IT Systems and Infrastructure, £1.2m

The capital programme for 2018/19 continues with the on-going investment in patient care and well-being. The ED will be completed in 2018/19, with £2.9m of budget allocated until completion. All other projects in the 2018/19 have been allocated funding using the criteria used in 2017/18.



Accountability report

Signed



John Goulston, Chief Executive

Date: 23 May 2018

Directors' report and role of the Trust Board

The Trust Board run our two hospitals and community services across Croydon. The Board is responsible for determining the overall strategy and monitoring the performance of the Trust, ensuring it meets its statutory obligations and provides the best possible service to patients, within resources available.

The Trust Board meetings are open to the public and are held regularly during the year. It is held to account for the delivery of services and use of public money by NHS Improvement and for the quality of services by the Care Quality Commission.

Leadership

The Board is led by the Chair who holds the Chief Executive as Accountable Officer to account. The Chief Executive is supported by the Executive Directors for ensuring that the Trust delivers high quality care for our community.

Non-executive Directors

Our non-executive directors work alongside other executive directors as equal members of the Board, sharing responsibility for the decisions made. Using their personal experience and expertise, they bring independent and external skills to the Board, to help lead improvements in healthcare for patients and service users. They also hold the executive team to account for strategy development.

Leadership effectiveness and appraisal

The Board met in public throughout the year with meetings held in April 2017, July 2017, October 2017 and January 2018. Attendance was monitored at all meetings and there were four authorised absences from Non-executive Directors, two authorised absences from Executive Directors.

During 2017 the Trust undertook a series of well led self-assessments against the Care Quality Commission Well Led Key Lines of Enquiry. The self-assessments involved discussions at a Board seminar with executive and Non-executive directors,

a senior leader's event and a Trust-wide survey for all staff to complete. Action plans were developed to address the recommendations.

The summary report was shared with the Executive Management Board and the Trust Board. NHS Improvement provided external support prior to the Care Quality Commission's inspection of the Trust in October 2017, which assessed the Trust against the Well Led domain as part of its overall inspection of the organisation.

The Audit Committee has overseen the ongoing development of an Assurance Map to provide additional assurance to the Audit Committee and Board of Directors re the Corporate Risk Register and Board Assurance Framework. The Board Assurance Framework has been revised to provide additional assurance to the Trust Board that the risks to the strategic objectives are being managed.

The Risk Management Framework was approved by the Trust Board in October 2017.

A Cycle of Business for the Trust Board and each Board committee has been put in place along with action trackers and decision logs.

Board development days and seminars have been held to further develop strategic planning.

The Board's Register of Interests was maintained throughout 2017/18 and is included as a standing agenda item at each Trust Board meeting. The Chairs of each of the Board committees present written reports to the Board supplemented by verbal updates.

Further details of the CQC findings are outlined in the Performance section of this report.

Profiles of our Board

Mike Bell, Chair

Since joining Croydon Health Services in 2013, Mike Bell has helped shape the Trust's vision and, alongside its senior management team, has seen the organisation deliver continued improvements in care and performance.

The Trust has formed new alliances with the local authority, commissioners, GPs, mental health services and the voluntary sector to make services more joined up for patients.

Mike has held a number of senior positions across the NHS, including chair of the London Mental Health & Employment Partnership and vice chair of NHS London.

He is the director of a consultancy company, MBARC Ltd, which works with central and local government and various NHS bodies on issues relating to both social exclusion and quality assurance.

John Goulston, Chief Executive

John Goulston has more than 20 years' experience as a Chief Executive and Director of Finance within the NHS.

He took on the role of Chief Executive of Croydon Health Services NHS Trust in May 2012 and has led a transformation of the Trust's services during a period of unprecedented challenges for the NHS.

This includes overseeing continued quality improvements and steering the Trust out of financial special measures.

John was instrumental in adopting "Listening into Action" – a way of working that empowers frontline staff to make the changes they want to improve care standards.

Supported by this, the Care Quality Commission's recent inspection described the Trust as having made "significant progress."

Dr Nnenna Osuji, Medical Director

With more than 20 years' experience within the NHS, Nnenna has been the Medical Director at Croydon Health Services since September 2015 and prior to that was Associate Medical Director and Deputy Medical Director. The Medical Director is the most senior medical position at an NHS Trust, sitting on the Board to provide a clinician's voice on all management decisions.

Nnenna oversees the Trust's medical workforce providing professional leadership, support and accountability. Together with the Director of Nursing and Allied Health Professionals, Nnenna leads on delivery of continuous quality and safety improvements at Croydon Health Services. Nnenna also leads on promoting

Research and Development and is the Caldicott guardian for the Trust, providing senior advice and direction on the ethical and correct use of information.

Nnenna joined the Trust as a Consultant Haematologist in 2005. She is an active member of the National Clinical Research Network for Cancer Chemotherapy and Pharmacy Advisory Service Committee. She was also an associate lecturer and consultant for the Mary Seacole Programme run by the NHS Leadership Academy, Open University and Hay Group, which develops leadership across the health service.

Michael Fanning, Director of Nursing, Midwifery and Allied Health Professionals

Michael Fanning joined the Trust as Interim Director of Nursing, Midwifery and Allied Health Professionals in December 2014.

A registered nurse since 1983, Michael brings with him more than 30 years' experience in the NHS, including eighteen months at the Department of Health and Social Care. He offers a wealth of experience as both a senior nurse leader and operational manager and has also worked as a Clinical Director in the commercial sector.

Michael was previously appointed as a panel member to the Nursing & Midwifery Council to hear fitness to practice hearings and he has also worked for several years as a volunteer counsellor for a charity in Oxford.

Azara Mukhtar, Director of Finance

Azara Mukhtar was instrumental in the Trust's exit from NHS Improvement's financial special measures after only seven months in February 2017. The Trust's recovery plan was carefully developed with close inclusion of senior clinicians.

A qualified accountant, Azara joined the NHS in 1995 and held a number of senior finance roles at NHS London, Barts and The London and Guy's & St Thomas'. Azara joined the Croydon Health Services as our Director of Finance in 2013.

TO BE UPDATED PRIOR TO MAY 23 BOARD MEETING

Michael Burden, Director of Human Resources and Organisational Development

Michael first joined the Trust in 2011 and has diverse experience of nursing and human resources management in healthcare.

He was trained as a general nurse at St Helier Hospital and then as a registered mental health nurse before moving into human resource management in a number of healthcare settings followed by a period at the Royal College of Nursing.

His HR team has worked hard to ensure staff feel supported and recognised – for example through our Croydon Stars Awards.

Dr James Gillgrass, Non-executive Director

Dr James Gillgrass became Non-Executive Director in January 2014 following a long medical career. He worked in various hospitals including Croydon University Hospital before becoming a GP in Croydon in 1983.

In addition to establishing a medical practice, Dr Gillgrass has held a number of leadership positions in local GP organisations including Chairman of the Croydon Local Medical Committee, Chief Executive of Surrey and Sussex Local Medical Committees and Chairman of the Practice Based Commissioning Group in Croydon. He was also the Surrey and Croydon representative on the British Medical Association's GP committee between 2004 and 2009.

James has chaired the Trust's Appointments Advisory Committee since March 2014, which has overseen the appointment of 13 consultants in 2016/17.

Godfrey Allen, Non-executive Director

Godfrey Allen joined Croydon Health Services in January 2013 and chairs the Trust's Quality & Clinical Governance Committee. The Committee has oversight of the Quality, Experience and Safety Programme (QESP) – the Trust's blueprint for further improving care and acting on the findings of the Care Quality Commission's inspection. Godfrey completes an executive walk-round of services every month to speak to patients, staff and visitors about our care.

He is a former Chief Executive in the public, private and charitable sectors and served as a non-executive director for Wandsworth PCT.

Richard Oirschot, Non-executive Director

Richard is a member of the Institute for Turnaround, a Fellow of the Institute of Chartered Accountants and a Licensed Insolvency Practitioner. He has a wealth of experience gained from over 25 years of turnaround, restructuring and recovery work across a broad range of business sectors.

Richard's career has included specialised lending at HSBC, a partnership at Smith and Williamson and roles with Hacker Young and PKF. He built a successful investment portfolio for Barclays Ventures, completing over 35 investments, working closely with Boards to implement restructures and turnaround strategies.

Now focusing on turnaround and Non-Executive Director (NED) assignments, Richard's current roles include: Insolvency Service - Non-executive board member; MHS Homes – member of the Finance, Risk and Audit committee.

Louise Cretton, Non-executive Director

Louise Cretton took up this position in 2014 and brings a wealth of knowledge about markets, research and strategy.

She has been a lecturer at undergraduate and post graduate levels and conducted various research projects for the NHS, including a pilot project aligning staff engagement with improving patient experience.

Louise is a member of The Market Research Society and sits on the Editorial Board of The International Journal of Market Research.

Louise chairs the Trust's Finance & Performance Committee to provide additional scrutiny and oversight, which supported the Trust's exit from Financial Special Measures and continued improvements in operational performance.

Mike Bailey, Non-executive Director

Mike Bailey took up this position in May 2015, having been an Associate Non-executive Director since July 2014.

Mike's role is to bring experience and expertise to ensure the training that doctors and other healthcare professionals receive at Croydon Health Services delivers the best possible care to our patients, and supports the ongoing career development of our clinical staff.

He worked in the NHS for more than 40 years including 28 as a consultant urologist, and was the Medical Director at St George's and Epsom Hospital. Mike was also the joint Medical Director for the 'Better Services, Better Value' health service improvement programme that examined the configuration of the NHS in South West London from 2011 to 2014. He has previously been a council member of the British Association of Urological Surgeons.

Steven Corbishley, Non-executive Director

Steven joined the Trust in April 2013 and Chairs the Trust's Audit Committee.

A chartered accountant by trade, he has worked at the National Audit Office since 1987 and, during his career so far, has audited a wide range of central government departments and their arm's length bodies, including the Department of Health and Social Care.

He has also held senior non-executive roles at NHS South East London Joint Primary Care Trusts Boards and NHS Lewisham.

In his role as Chair of the Audit Committee, he has worked to strengthen our governance arrangements, embed risk management within the Trust, ensure sound financial reporting, and has supported the way the Trust navigated its way through Financial Special Measures.

Hannah Miller, Non-executive Director

A social worker by profession, Hannah Miller has managed a range of housing and social services across the borough.

Previously Hannah was the Executive Director Adult Services, Health & Housing, and the Deputy Chief Executive of Croydon Council.

She was awarded an OBE for services to the welfare of children in 2009. She is a Senior Associate at the Social Care Institute for Excellence and a NED at L&Q Living, a care and support housing association. Hannah is a member of the Trust's

Finance & Performance Committee, which played a significant part in the Trust's exit from Financial Special Measures. She also forms part of the Trust's Remuneration Committee which is responsible for determining the policy of executive pay.

Jamal Butt, Associate Non-executive Director

Jamal brings valued commercial and pharmacy experience, having spent more than 20 years in a variety of senior strategic and commercial roles within Boots UK.

Trained at the London School of Pharmacy and also at the Said Business School, Oxford University, he now has experience and expertise in leading large change management programmes across the UK, as well as an extensive network of relationships within the NHS and private organisations.

Over recent years, Jamal has headed-up the healthcare services wing at Celesio UK, which supports the creation of innovative integrated services across primary, secondary and social care.

Jamal is currently the business development director at I Want Great Care where he brings experience of driving patients' voice in improving the quality of healthcare.

Attendance at Board meetings

Attendance at Public Board meetings Name	Designation	From	To	2017/18 Board Attendance
John Goulston	Chief Executive	1-Mar-13	Present	4
Azara Mukhtar	Director of Finance	18-Mar-13 (seconded until 31-Jul 13)	Present	4
Nnenna Osuji	Medical Director	01-Sep-15	Present	4
Michael Fanning	Director of Nursing & Allied Health Professionals	08-Dec-14	Present	4
Jayne Black	Chief Operating Officer and Deputy Chief Executive	01-Nov-14	Present	4

Non-Voting Executive Directors Name	Designation	From	To	2017/18 Board Attendance
Michael Burden	Director of HR & OD	01-May-13	Present	4
Lisa Chesser	Director of Planning & Informatics	01-Apr-14 (seconded until 28-Feb-2015)	Present	2

Non-Executive Directors Name	Designation	From	To	2017/18 Board Attendance
Michael Bell	Chairman	02-Jan-13	Present	4
Steven Corbishley	Non-Executive Director and Chair of Audit Committee	01-Apr-13	Present	3
Godfrey Allen	Non-Executive Director and Chair of Quality & Clinical Governance Committee	14-Jan-13	Present	4
Dr James Gillgrass	Non-Executive Director	01-Jan-14	Present	4
Louise	Non-Executive Director	01-Jan-14	Present	4

Cretton				
Richard Oirschot	Non-Executive Director	1-Sept-17	Present	2
Mike Bailey	Non-Executive Director	01-Jul-14	Present	3
Hannah Miller	Non-Executive Director	01-Oct-15	Present	2
Jamal Butt	Associate Non-Executive Director	01-Apr-13	Present	4

Committee structure

The Trust Board operates with the support of the following five committees:

Audit Committee: assists the Trust Board to deliver its responsibilities for the conduct of public business and the stewardship of funds under its control. The Committee provides independent assurance to the Board that an appropriate system of internal control is in place to ensure that:

- Business is conducted in accordance with the law and proper standards of public business
- Public money is safeguarded and properly accounted for
- Financial statements are prepared to meet regulatory timescales and the Trust's Annual Statutory Accounts are reviewed before being presented to the Trust Board.
- Effective internal audit arrangements are in place to meet mandatory NHS Internal Audit Standards.
- The findings of External Audit are reviewed and the Committee provides a conduit through which their findings can be considered by the Board.

In addition the Committee receives the Board Assurance Framework, the Corporate Risk Register and the Assurance Map at every meeting and maintains oversight of the Trust's Counter Fraud arrangements.

Finance and Performance Committee: oversees the Trust in its efforts to maximise its healthcare provision subject to financial constraints. The committee considers patient safety to be of paramount importance. The Committee's role is to provide challenge, critical review and assurance of the Trust's performance delivery. It achieves its aim by providing assurance to the Board that there are robust mechanisms in place to ensure:

- There is detailed consideration of the Trust's sustainability in respect of financial, investment and performance issues
- There is adequate information is available on key issues to enable clear decisions to be made Compliance with regulatory requirements e.g. NHS Improvement and the Care Quality Commission
- The achievement of the Trust's strategic aims and objectives
- There is a robust performance management framework in place
- The effective management of operational performance against national targets

The Quality and Clinical Governance Committee: is responsible for providing assurance to the Board on all aspects of quality including safety, patient experience, clinical effectiveness, research and development, medical revalidation and regulatory standards of care and on-going compliance with the Care Quality Commissions' recommendations following the inspection of its services in hospital and the community. The Committee ensures that appropriate systems are in place to ensure:

- The delivery and reporting of the Trust's Quality Account and the Quality priorities
- An effective review and scrutiny on all aspects of quality to ensure any aspects of concern are satisfactorily addressed

- Relevant independent reports and enquiries are responded to
- Monitoring of progress and completion of action plans as a result of Care Quality Commission Inspections and other external body assessments or accreditations
- **The Remuneration Committee:** is responsible for determining the policy on executive remuneration, approving contracts of employment for executives and agreeing arrangements for the termination of contracts and for approving any variations to pay. The Committee ensures that:
 - Appropriate performance management arrangements are in place for Executive Directors and works with the Chief Executive to relate performance judgements where necessary, to pay.
- **The Charitable Funds Committee:** is responsible for overseeing the management, investment and disbursement of the Croydon Health Services Charitable Funds (Registered Charity No. 1054824). The Committee must ensure:
- - Compliance with statutory or other legal requirements or best practice required by the Charity Commission. This is a delegated duty carried out on behalf of Croydon Health Services NHS Trust (the Trust), which is the sole corporate trustee of the charity.

Membership of committees

Audit Committee

- Steven Corbishley (Chair)
- Louise Cretton
- Godfrey Allen

Finance and Performance Committee

- Louise Cretton (Chair)
- Mike Bell, Trust Chairman
- Richard Oirschot
- Hannah Miller
- Jamal Butt

Quality and Clinical Governance Committee

- Godfrey Allen (Chair)
- Mike Bailey
- James Gillgrass

Remuneration Committee

- Louise Cretton (Chair)
- Mike Bell, Trust Chairman
- Hannah Miller
- Jamal Butt
- Godfrey Allen
- Mike Bailey
- Steven Corbishley
- James Gillgrass
- Richard Oirschot

Charitable Funds Committee

- Mike Bailey (Chair)

Declaration of Interests

Name	Role Type	Declaration Status YES/NO	Declaration Details
Godfrey Allen	Non-Executive Director	No	None
Dr Michael Bailey	Non-Executive Director	No	None
Mike Bell	Chairman	Yes	<ul style="list-style-type: none"> • MBARC Ltd holds a contract with NHS England which commissions services from CHS NHS Trust
Jane Black	Chief Operating Officer and Deputy	No	None
Michael Burden	Director of Human Resources and Organisational Development	No	None
Jamal Butt	Non-Executive Director	Yes	<ul style="list-style-type: none"> • Business Development Director , iWGC Ltd
Lisa Chesser	Director of Planning and Informatics	No	None
Steven Corbishley	Non-Executive Director	Yes	<ul style="list-style-type: none"> • Holds a small number of shares in former publicly owned utilities (BT, National Grid) • Sole Paid full time employment is as an officer of the National Audit Office
Louise Cretton	Non-Executive Director	Yes	<ul style="list-style-type: none"> • Pittards PLC- Non Executive Director • Surrey Club for Young People (Trustee of the Charity) • International Journal of market Research (Board Member)

Michael Fanning	Director of Nursing, Midwifery and Allied Health Professionals	Yes	<ul style="list-style-type: none"> • Director Michael Fanning Consulting Ltd • Senior Clinical Fellow, Kingston University
Dr James Gillgrass	Non-Executive Director	No	None
John Goulston	Chief Executive	Yes	<ul style="list-style-type: none"> • Member of the One Croydon Alliance Board (from 1 April 2017) • Member of the Croydon Local Strategic partnership (LSP) Board and the LSP Chief Executives Group (June 2012 to present) • Chair of the London procurement partnership (LPP) Steering Group (from 1 April 2015) • Member of the Royal Marsden Partners' Board (from 1 April 2016) • Member of the South West London Acute Provider, Collaboration Board (from 1 April 2017)
Hannah Miller	Non-Executive Director	Yes	<ul style="list-style-type: none"> • Director of HANNAH MILLER LTD • Associate Atlantic Solutions • Senior Associate Social care Institute for Excellence • Independent Chair – Adult and Children Safeguarding Boards, London Borough of Hounslow • Trustee Croydon Community against Trafficking • Non- Executive Director L&Q Living
Azara Mukhtar	Director of Finance	No	None
Richard Oirschot	Non-Executive	Yes	<ul style="list-style-type: none"> • Director of R Oirschot Ltd • Wife is a director of

	Director		Oirschot Ltd <ul style="list-style-type: none"> • Non –Executive Board member of the Insolvency Service • Member of the Finance, Risk and Audit Committee of MHS Homes Group Ltd
Nnenna Osuji	Medical Director	Yes	<ul style="list-style-type: none"> • Private practice provided via BMI Shirley Oaks Hospital

Statutory statement on Modern Slavery

UK Modern Slavery Act 2015

The Croydon Health Services NHS Trust is an organisation providing acute and community health services across the largest London Borough, with a population of over 380,000 residents. The Trust employs over 3,800 staff and has a dedicated team of 400 volunteers. More than a third of our staff work within our community services, alongside our partners in primary care and social services, to care for people in-and out-of-hospital.

The Trust runs two hospital sites covering both the north and south of the borough: Croydon University Hospital is our main hospital and includes one of the busiest Accident & Emergency Departments in South London. Purley War Memorial Hospital, offers improved access for people living in south Croydon, providing diagnostic and outpatient services, including ophthalmology services provided in partnership with Moorfields Eye Hospital.

The Trust's community services delivered across Croydon include community nursing, health visiting, school nursing, homeless health, sexual health and Children's Hospital At Home. These are delivered in a variety of settings, including the home, at schools and colleges and in our 15 other community sites across the London Borough of Croydon.

The Trust is aware of its responsibility towards patients, employees and the community which it serves. It already has a programme for advice and training on slavery and human trafficking available to staff through the Safeguarding Team. However, the Trust also acknowledges that slavery and human trafficking can be less visible through procurement and other contractual supply chains.

The Trust expects all its suppliers of goods and services to adhere to ethical values and comply with the requirements of the Modern Slavery Act 2015. An Action Plan for 2017/18 has been approved by the Board of Directors to review our existing supply chains with a view to confirming their appropriate behaviour.

The Trust intends to implement evidence gathering questions into its tendering processes for all future contractual relationships and to explore measures over the coming year to elevate the profile of our safeguarding team to promote advice and training.

Signed on behalf of the Board of Directors



Michael Bell
Chairman of the Trust Board

23 May 2018



John Goulston
Chief Executive

23 May 2018

Statement of the Chief Executive's Responsibilities as the Accountable Officer of the Trust

The Chief Executive of the NHS Trust Development Authority has designated that the Chief Executive should be the Accountable Officer to the Trust. The relevant responsibilities of Accountable Officers are set out in the Accountable Officers Memorandum issued by the Chief Executive of NHS Improvement.

These include ensuring that:

- there are effective management systems in place to safeguard public funds and assets and assist in the implementation of corporate governance;
- value for money is achieved from the resources available to the trust;
- the expenditure and income of the trust has been applied to the purposes intended by Parliament and conform to the authorities which govern them;
- effective and sound financial management systems are in place; and
- annual statutory accounts are prepared in a format directed by the Secretary of State with the approval of the Treasury to give a true and fair view of the state of affairs as at the end of the financial year and the income and expenditure, recognised gains and losses and cash flows for the year.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as an Accountable Officer.

I confirm that, as far as I am aware, there is no relevant audit information of which the trust's auditors are unaware, and I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the trust's auditors are aware of that information.

I confirm that the annual report and accounts as a whole is fair, balanced and understandable and that I take personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.



John Goulston
Chief Executive

23 May 2018

Statement of the Directors' Responsibilities in Respect of the Accounts

The directors are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of the Treasury, directs that these accounts give a true and fair view of the state of affairs of the trust and of the income and expenditure, recognised gains and losses and cash flows for the year. In preparing those accounts, directors are required to:

- apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury;
- make judgements and estimates which are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the accounts.

By order of the Board



John Goulston
Chief Executive
23 May 2018



Azara Mukhtar
Finance Director
23 May 2018

Annual Governance Statement 2017/18

1. Scope of responsibility

The Board is collectively accountable for governance at Croydon Health Services NHS Trust (CHS). As the Trust's Accountable Officer and Chief Executive, I have responsibility for maintaining a sound system of governance and internal control that supports the achievement of the organisation's policies, aims and objectives. I also have responsibility for safeguarding the public funds and the organisation's assets, for which I am personally responsible as set out in the Accountable Officer Memorandum. The Executive Team is collectively responsible for maintaining the systems of internal control and directors are accountable to me for ensuring effective governance arrangements in their individual areas of responsibilities. These areas of responsibility are detailed in the Trust's Scheme of Delegation.

1.1 Accountability

In the delivery of my responsibilities and objectives, I am accountable to the Board and my performance is reviewed regularly and formally by the Chairman on behalf of the Trust. The Trust reports formally to NHS Improvement reporting routinely on quality, financial, operational and strategic matters.

1.2 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; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of CHS. These are 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 CHS for the year ended the 31st March 2018 and up to the date of approval of the Annual Report and Accounts.

2. The Governance Framework of the Organisation

2.1 Board Committee Structure

The Trust Board

The Trust Board (Board) has overall responsibility for the activity, integrity and strategy of CHS and is accountable through its Chairman to NHS Improvement and the Secretary of State for Health. The role of the Board is largely supervisory and strategic and it also has the following key functions:

- **set strategic direction, define objectives and agree plans for the Trust**
- **to monitor performance and ensure corrective action**
- **to ensure financial stewardship**

- **to ensure high standards of corporate and clinical governance and personal behaviour**
- **to appoint, appraise and remunerate executives**
- **to ensure dialogue with external bodies and the local community**

The Trust Standing Orders, Reservations and Delegation of Powers and Standing Financial Instructions outline the accountability arrangements and the scope of responsibility of the Board of Directors, Executive Directors. The Board has been fully involved in agreeing the strategic priorities of the Trust.

The Board receives regular reports from each of the nominated committees that report into it and it has received an annual report from each of its Committees.

The Board met in public on four occasions in 2017/18 and was noted to be quorate at all the meetings. The papers are published on the Trust website. The Trust held its Annual General Meeting on 6 September 2017.

Committee structures

The Trust Board operates with the support of the following five committees:

- **Audit Committee:**

The Committee assists the Trust Board to deliver its responsibilities for the conduct of public business and the stewardship of funds under its control. The Committee provides independent assurance to the Board that an appropriate system of internal control is in place to ensure that:

- **Business is conducted in accordance with the law and proper standards of public business**
- **Public money is safeguarded and properly accounted for**
- **Financial statements are prepared to meet regulatory timescales and the Trust's Annual Statutory Accounts are reviewed before being presented to the Trust Board.**
- **Effective internal audit arrangements are in place to meet mandatory NHS Internal Audit Standards.**
- **The findings of External Audit are reviewed and the Committee provides a conduit through which their findings can be considered by the Board.**

In addition the Committee receives the Board Assurance Framework, the Corporate Risk Register and the Assurance Map at every meeting and maintains oversight of the Trust's Counter Fraud arrangements.

- **Finance and Performance Committee:**

The Committee is an assurance committee which oversees the Trust in its efforts to maximise its healthcare provision subject to financial constraints. The committee considers patient safety to be of paramount importance. The Committee's role is to provide challenge, critical review and assurance of the Trust's performance delivery. It achieves its aim by providing assurance to the Board that there are robust mechanisms in place to ensure:

- **There is detailed consideration of the Trust's sustainability in respect of financial, investment and performance issues**

- **There is adequate information is available on key issues to enable clear decisions to be made Compliance with regulatory requirements e.g. NHS Improvement and the Care Quality Commission**
 - **The achievement of the Trust's strategic aims and objectives**
 - **There is a robust performance management framework in place**
 - **The effective management of operational performance against national targets**
- **The Quality and Clinical Governance Committee:**
The Committee is an assurance committee and is responsible for providing assurance to the Board on all aspects of quality including safety, patient experience, clinical effectiveness, research and development, medical revalidation and regulatory standards of care and on-going compliance with the Care Quality Commissions' (CQC) recommendations following the inspection of its services in hospital and the community. The Committee ensures that appropriate systems are in place to ensure:
 - **An effective review and scrutiny on all aspects of quality to ensure any aspects of concern are satisfactorily addressed**
 - **Relevant independent reports and enquiries are responded to**
 - **Monitoring of progress and completion of action plans as a result of Care Quality Commission Inspections and other external body assessments or accreditations**
 - **The Remuneration Committee:** Is responsible for determining the policy on executive remuneration, approving contracts of employment for executives and agreeing arrangements for the termination of contracts and for approving any variations to pay outside Agenda for Change. The Committee ensures that:
 - **Appropriate performance management arrangements are in place for Executive Directors and works with the Chief Executive to relate performance judgements where necessary, to pay.**
 - **The Charitable Funds Committee:** Is responsible for overseeing the management, investment and disbursement of the Croydon Health Services Charitable Funds (Registered Charity No. 1054824). The Committee must ensure:
 - **Compliance with statutory or other legal requirements or best practice required by the Charity Commission. This is a delegated duty carried out on behalf of Croydon Health Services NHS Trust (the Trust), which is the sole corporate trustee of the charity.**

During 2017/18, the Committees met as shown in the table below:

Board Committees	Number of Meetings	Quorate
Audit	8	Yes
Finance and Performance	12	Yes
Quality and Clinical Governance	11	10/11
Remuneration	1	Yes
Charitable Funds	4	Yes

2.2 Board Performance and Effectiveness

The Trust Board met in public throughout 2017/18 in April, July and October 2017 and in January 2018. Attendance was monitored throughout the year, and there were four authorised absences from Non-Executive Directors and two authorised absences from the Executive Directors.

- The Audit Committee has overseen the ongoing development of an Assurance Map to provide additional assurance to the Audit Committee and Board of Directors re the Corporate Risk Register and Board Assurance Framework. The Board Assurance Framework has been revised to provide additional assurance to the Trust Board that the risks to the strategic objectives are being managed.
- A refreshed Risk Management Framework was approved by the Trust Board in October 2017.
- A Cycle of Business for the Trust Board and each Board Committee has been put in place along with action trackers and decision logs.
- Board development days and seminars have been held to further develop strategic planning.

The Board's Register of Interests was maintained throughout 2017/18 and is included as a standing agenda item at each Trust Board meeting. The Chairs of each of the Board committees present written reports to the Board supplemented by verbal updates.

Fit and Proper Person

In order to meet the requirements of the Fit and Proper Person test, the Trust must provide evidence that appropriate systems and processes are in place to ensure that directors are, and continue to be, fit and that no appointments meet any of the unfitness criteria set out in schedule 4 of the 2014 Regulations. Declarations are received annually by the Director of Human Resources and Organisational Development and the Head of Corporate Affairs, to ensure that individuals meet the requirements of the regulation. In 2017/18, there were no issues identified with regard to the Fit and Proper Person requirements.

In November 2017, the files of newly appointed non-executive Directors were inspected and no issues were raised.

2.3 Highlights of the Board Committee Reports

Each Committee of the Board concluded that they had effectively discharged their responsibilities throughout 2017/18 and that there was nothing they were aware of that had not been appropriately disclosed.

The Quality and Clinical Governance Committee

The Quality and Clinical Governance Committee undertook a full programme of work and reviewed and updated its terms of reference in December 2017. It considered annual reports and all matters relating to clinical quality at each monthly meeting in line with its annual cycle of business. These included reports from complaints, incidents, infection control, the WHO checklist, medical revalidation, legal services, the Friends and Family test, patient safety alerts, children and adult safeguarding and equality and diversity. It reviewed a number of external reports and received minutes each month from its sub committees

Each month a clinical directorate presented their quality report and every month the committee received the Trust wide quality report which presented information set out under the CQC five quality domains. The Committee received regular reports on CQC regulatory requirements, the Quality Strategy, the Quality Account and the quality priorities. The committee Chair provided its minutes and reports on the monthly meetings to the Trust Board to provide assurance of the work being undertaken by the committee,

Audit Committee

The Audit Committee undertook a full programme of work and organised its meetings and agendas to discharge its responsibilities throughout the year as set out in the Audit Committee Handbook. It reviewed and updated its terms of reference. The Committee received progress reports from internal and external audit, the draft Annual Accounts, the Annual Report, the Annual Governance Statement and the draft Quality Accounts.

At each meeting, the Committee received reports on the Corporate Risk Register, the Board Assurance Framework, and the Assurance Map and received progress against internal audit recommendations. A number of 'deep dives' into key issues and risks were received. These included Cyber security, the redevelopment of the Emergency department and the Urgent Care Centre Contract. The Committee received progress reports from Counter Fraud and Finance and approved the Charitable funds Accounts. It approved the Counter Fraud Policy and the Conflicts of Interest, Gifts and Hospitality Policy and received the Declarations of Interest and the Gifts and Hospitality registers.

The Chairs of the Finance and Performance and the Quality and Clinical Governance committees are members of the Audit Committee.

Finance and Performance Committee

The Committee reviewed and updated its terms of reference, which were approved by the Trust Board in January 2018. In both the areas of finance and performance, work continued to refine the way data was presented to ensure information was understandable and relevant to enable robust scrutiny and to monitor progress. A major focus of the Committee's work in 2017/18 was its role in monitoring both the Trust's Financial Recovery Plan and the Emergency Care Recovery Plan

The Committee monitored all aspects of the performance of the Trust against national and local financial and performance standards and received monthly exception reports on Cancer, planned care / Referral to treatment (RTT) waiting times and health visiting. In addition, the Committee received reports on the Emergency Department rebuild, the Urgent Care contract, updates on the mental health pathway and winter planning.

The committee received reports on the Cost Improvement Programme for 2017/18 and budget setting. It received reports on commissioning contract updates, contracts awarded over £25,000, business cases approved and a presentation on the implications of IR35 with regard to staff.

2.4 Quality Governance

Quality Account

The Trust is required under the Health Act 2009 and the National Health Service (Quality Account) Regulations 2010 (as amended) to prepare the Quality Account for each financial year. The formulation of the Quality Account has been led by the Head of Patient Safety and Quality on behalf of the Director of Nursing, Midwifery and Allied Health Professionals to meet all relevant Department of Health and Social Care requirements. It provides a 'look-back' against identified priorities, overall progress and improving quality (safety, effectiveness and experience). It also provides a look forward to future priorities. The account includes a section on mandated topics, for example clinical audits and reports against the achievement of national standards. The progress of preparation and finalisation of the Quality Account is monitored monthly by the Quality and Clinical Governance Committee.

2.5 Care Quality Commission (CQC) Regulatory Requirements

The CQC is the independent regulator for health and social care services in England. The CQC's duty is to ensure that hospitals meet government standards of safe, effective, caring, responsive and well led care.

The Trust is required to register with the CQC and comply with their fundamental standards of quality care. Our current registration status is "registered without conditions" which means that CHS is not subject to any CQC enforcement actions.

The CQC monitors the fundamental standards of care through inspections, patient feedback and other external sources of information. They inspect Trusts at a core service level and publish reports giving each service a rating which is then amalgamated into a Trust wide rating. The whole Trust (acute and community) was

inspected by the CQC in June 2015 and a report was published on 7th October 2015 stating the Trust was given an overall rating of “Requires Improvement.”

In October/November 2017 the CQC re-inspected the following core services: surgery, critical care, end of life care and outpatients. Of these all but critical care improved to a rating of “Good”. Critical care remained as “Requires improvement”.

The CQC also looked for the first time at mental health provision in an acute setting and carried out a separate in-depth review of the well led domain in conjunction with NHS Improvement.

The remaining core services of medical care, urgent and emergency services, maternity, gynaecology and community (children and adult) will be re-inspected before the Trust’s overall rating of “Requires Improvement” is reviewed.

The Trust has been given a “Good” rating for the domains of Caring and Responsive, with the remaining domains of Safe, Effective and Well Led given the rating of “Requires Improvement”.

The Trust was given 8 “must do” actions and 19 “should do” actions and these have been included in the Trust priorities for 2018/19. The “must do” actions related to compliance of the following regulations:

- Regulation 12, 2 (d), (g) and (h), Health and Social Care Act 2008 (Regulated Activities) Regulations 2014 – Safe care and treatment.
- Regulation 13 (1) 13 (2) 13 (4) (b) 13 (4) (d), Health and Social Care Act 2008 (Regulated Activities) Regulations 2014 – Safeguarding service users from abuse and improper treatment.
- Regulation 17, 2 (b) and (c), Health and Social Care Act 2008 (Regulated Activities) Regulations 2014 – Good governance.

A comprehensive action plan has been drawn up to address these areas of improvement and is being monitored and reported on by the Trust’s Quality, Safety and Experience Programme (QESP).

The Trust continues to work towards achieving a “Good” or “Outstanding” rating throughout the CQC inspection process to build on our previous achievements.

2.6 Well Led Assessment

During 2017 the Trust undertook a series of well led self-assessments against the Care Quality Commission Well Led Key Lines of Enquiry. The self-assessments involved discussions at a Board seminar with Executive and Non- Executive Directors, a senior leader’s event and a Trust wide survey for all staff to complete. Actions plans were developed to address the recommendations. The summary report was shared with the Executive Management Board and the Trust Board.

NHS Improvement provided external support prior to the Care Quality Commissions inspection of the Trust in October 2017, which assessed the Trust against the Well Led domain as part of its overall inspection of the organisation. The most recent CQC assessment was held in November 2017 and the results were included in the

last CQC Inspection report which was published in February 2018. In summary the report found

- The Trust had improved its governance structures. The Board and senior leadership team had improved, strengthened and become more stable.
- The Board and senior leadership team were able to articulate the long term vision and strategy of the Trust which had been developed with staff, patients and community groups.
- The Trust had come out of Financial Special Measures, but the focus on efficiencies still required sustained improvement.
- Improvements were required for patients with mental health needs
- There had been an improvement in the number of staff who said they felt proud to work for the organisation.
- The medical leadership was more effective which had contributed to improvements in patient safety, performance, leadership and governance.
- The Trust made sure that it included and communicated effectively with patients, staff, the public and local organisations.

The Trust will continue to carry out a well led self- assessment throughout 2018/19 in preparation for the next CQC's annual well led assessment.

2.7 Quality Strategy

The Quality Strategy is an integral part of a dynamic healthcare organisation and leads quality improvement. It is through the delivery of the Quality Strategy that the Trust has developed a programme of continuous improvement, innovation and the delivery of high quality care. The document sets out the quality goals under the five CQC domains and the aspirations in providing quality care throughout the organisation, which are:

- Safe
- Effective
- Caring
- Responsive
- Well-led

Throughout 2017/18, the Quality Strategy was monitored through the production of a monthly Quality Report which included national and local priorities. In addition, each Directorate provided a quarterly Quality Report which was presented to the Quality and Clinical Governance Committee.

The Trust Board continues to receive a monthly performance report which provides up-to-date information on key quality indicators set out under the five CQC domains.

The Quality Strategy was reviewed by the Quality and Clinical Governance Committee in February 2018 where it was agreed the strategy would be combined with the Patient Safety Strategy and the patient Experience strategy during 2018.

2.8 Management of incidents

Incident reporting

The Trust has been clear in its expectation that staff must report all incidents, accidents, near misses and unexpected adverse events. Any incident which has, or could have the potential to cause harm to our patients, service users, visitors, staff or contractors should be reported on Datix – the Trust's secure web-based system.

Use of this reporting system enables the Trust to closely monitor trend analysis, carrying out investigations and monitor outcomes and actions required in relation to patient experience and safety.

The Trust's Datix system is electronically linked to the National Reporting and Learning System (NRLS) and patient safety incidents are uploaded to this central reporting and analysis centre. Local investigation of all adverse events is supported within the Trust to ensure that appropriate challenge to existing practice is encouraged and good practice identified is rewarded. Periods of reflective practice in supervision and learning from investigations through regular learning events (known as clinical governance) are two ways in which learning is shared throughout the organization.

The Datix incident report form captures information to drive the quality and usefulness of safety information captured such as:

- Duty of candour compliance with patients and their representatives
- Flagging safeguarding concerns, including rationale for why a safeguarding is raised;
- Recording root cause and lessons learnt;

A total of 24,574 adverse events and near misses were recorded in 2017/18, including 22,075 clinical incidents and 2,499 non-clinical. Of these, 98 were reported and investigated as Serious Incidents.

Of the Serious Incidents reported, 13 were de-escalated following investigation by the Trust, which identified the incidents did not meet the Serious Incident criteria or where there were no issues identified with the care or service delivered.

During 2017/18, the Trust reported one Never Event. Never Events are serious incidents that are wholly preventable as guidance or safety recommendations that provide strong systemic protective barriers are available at a national level and should have been implemented by all healthcare providers. The Never Event at the Trust related to a patient whose epidural infusion was inadvertently joined up to the wrong connection.

A Never Event is classified as having the potential to cause serious patient harm or death. However, serious harm or death is not required to have happened as a result of a specific incident occurrence for that incident to be categorised as a Never Event.

The Trust has a robust investigation process and all Serious Incident final reports are also subject to an internal quality assurance programme, with sign-off by either the Medical Director or the Director of Nursing, Midwifery and Allied Health Professionals prior to being sent on to the Clinical Commissioning Group for external scrutiny of the report and appropriateness of the actions before final closure of the Serious Incident.

Duty of Candour

The Duty of Candour is a legal requirement to ensure there is transparency in NHS Organisations when things have, or might have, gone wrong.

All healthcare professionals have a responsibility of being open with patients, service users, their next of kin, carers and advocate if there is an error in their treatment or care which causes moderate or severe harm.

The Duty of Candour states that healthcare professionals must tell a patient, service user or their representative that an incident has happened as soon as it has been identified. 'Being Open' conversations must happen within 10 days of an incident, and must include:

- A full and true account of what has happened and answering any questions;
- An apology and offer of appropriate support;
- Advice on investigation being conducted;
- Sharing the findings and learning and actions the Trust is taking to safeguard from this happening again.

The Trust has embraced the Duty of Candour principles with the appointment of a Clinical Lead and a Family Liaison and Investigation Facilitator to support clinical staff in enabling an effective Duty of Candour process. They also work with the hospital chaplaincy service in ensuring support is available to patients, next of kin and carers.

Awareness of the Duty of Candour process is being raised at the Hospital Induction and also through provision of talks at ward staff handover meetings.

Major Incident

The Trust has detailed plans in place to respond to a wide range of incidents and emergencies. In the event of a major incident, we are quickly able to mobilise our staff and flex the way we work in order to maintain our services or priorities our life-critical care, depending on the severity of the incident.

We also work closely with our partners, including the London Ambulance Service (LAS), neighboring trusts, NHS England and the local authority in order to give a coordinated response.

The Trust also responded to two internal IT incidents in 2017/18 relating to a temporary radiology images system (PACS) downtime. All systems were back on within the day. The Trust also responded to two instances in which Imaging machinery (MRI) had downtime.

Serious incidents are investigated using root cause analysis (RCA) investigation techniques. Investigation panels are convened to bring together appropriate colleagues to complete the investigation including a colleague who has been trained in RCA techniques.

Serious incident final reports are also subject to an internal quality assurance programme, with sign-off by an executive directors usually either the Medical Director or the Director of Nursing, Midwifery and Allied Health Professionals prior to being sent on to the Clinical Commissioning Group for external scrutiny of the report and appropriateness of the actions before final closure of the serious incident.

2.9 Clinical Audit

Participation in national clinical audits and confidential enquiries enables us to benchmark the quality of our services against other NHS trusts. This helps us to highlight best practice in providing high-quality patient care and to drive continuous improvement across our services. The Clinical Audit priorities are selected on the basis of national requirements, commissioning requirements and local evidence that has emerged from themes from incidents or complaints.

During 2017/18, the Trust participated in 54 national clinical audits and five national confidential enquiries covered NHS services that Croydon Health Services NHS Trust provides. The Trust also completed 42* local clinical audits during 2017/18. As at 31/3/2018 the trust is currently participating in 38 National Audits and participating in one National Confidential enquiry.

During 2017/18, the Trust participated in 54 national clinical audits and five national confidential enquiries covered NHS services that Croydon Health Services NHS Trust provides. The Trust also completed at 31/3/18 the trust also completed 73 local clinical audits.

2.10 Statutory Functions

Compliance with Equality and Diversity and Human rights legislation

In January 2018, the Trust Board signed off and published on the internet the following documents:

- Work Force Race Equality Standard (WRES) 2017 data
- Equality Delivery System (EDS2) 2017
- CHS Annual Equality Report 2016/17

To ensure the smooth delivery and governance of the Equality, Diversity and Inclusion Strategy and other key requirements, we have set up the following groups:

- Equality, Diversity and Inclusion (EDI) Committee
- Staff Working Groups
- Stakeholders EDI Forum

The Equality, Diversity and Inclusion Committee is made up of senior managers across the Trust. Their role is to oversee the delivery of the Strategy, and the

integration of the WRES and EDS2 into the Business Planning process, together with identifying the actions that need to be taken in Human Resources and across the directorates. In addition, we have made improvements to ensure that our staff have an opportunity to engage through the Staff Working Groups with the aim of improving the equality agenda throughout the organisation.

The CHS Annual Equality Report 2016/17 sets out the achievements during the year and the challenges for 2017/18.

2.11 Compliance with NHS Pension scheme

As an employer with staff entitled to membership of the NHS Pension scheme, the Trust has control measures in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments in to 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.

An NHS Pensions return is submitted each year. This is prepared by the Financial Services and approved by the Director of Finance.

2.12 Compliance with climate change adaptation reporting to meet the requirements under the Climate Change Act 2008

The Trust continued to work towards its pledge of reducing carbon emissions by 30% from 2013/14 levels by 2019/20. In order to deliver this the Trust has robust carbon reduction plans in place. These plans enable the Trust to comply with its obligations under the Climate Change Act and the adaptation reporting requirement.

Direct carbon emissions per employee have dropped by 18% from baseline levels, putting the Trust on track to achieving this pledge. One of the main focus areas, electricity use has dropped 7% from 16/17 showing improvements are still being made.

3 Risk Assessment

The Executive Director for Human Resources and Organisational Development has executive responsibility for the system of risk management within the Trust, which is led on his behalf by the Head of Corporate Affairs. While the Head of Corporate Affairs has a lead role in terms of reporting arrangements, all directors have responsibility for the management of risk within their own area of direct management responsibility, and corporate and joint responsibility for the management of risk across the organisation.

Structures and systems are in place to support the delivery of risk management across the organisation. Trust Board Committees are in place to ensure effective governance. A revised Trust Risk Management Framework was approved by the Risk Assurance and Policy Group in October 2017 and is subject to review in October 2019. Risks are recorded on Datix, which can be accessed by all directorates. Directorates are responsible for the identification, assessment, and recording on Datix and review on a regular basis of risks particular to their areas of

operation. Handlers are responsible for recording risks on Datix and the relevant manager for agreeing/approving the risks. Newly identified risks need to be approved by the Directorate Quality Boards before they are actively managed through Datix.

The Risk Assurance and Policy Group meets monthly to review the directorate risk registers with each clinical and corporate directorate presenting a deep dive into their risks every six months. The Risk Assurance and Policy Group is chaired by the Head of Corporate Affairs.

The Board Assurance Framework and the Corporate Risk Register were presented monthly to the Executive Management Board, every two months to the Audit Committee and quarterly to Part 1 (Public session) of the Trust Board.

The Board Assurance Framework, which looks at the risks to the delivery of the Trust's strategic objectives, has been aligned to the Corporate Risk Register and reflects significant risks at both a corporate and directorate level.

The Trust's Assurance Map was presented to the Audit Committee every two months. This continues to be a dynamic document designed to provide assurance against a number of themes and identifies any potential or actual gaps in assurance. The assurance map was updated to include more information relating to clinical risks.

4 Board Assurance Framework

The Trust identified its major strategic risks in 2017/18 which were monitored and managed through the Board Assurance Framework (BAF).

A significant amount of work was undertaken in 2017/18 to revise and refresh the Board Assurance Framework. As part of this work, two Executive Management Board deep dives were held to review and discuss the high level risks with the Executives and senior managers. This discussion focused on three elements:

- The high level risks articulated on the existing BAF
- The high level risks articulated on the Corporate Risk Register (CRR)
- Whether there were any gaps identified

As part of this process the high level risks in the CRR and the BAF were mirrored across both documents. This enabled a better focus on the high level/strategic risks and removed a number of risks which were similar but articulated in a different way. The Board Assurance Framework risks were reviewed and updated through the Trust's governance structure and were assessed for completeness of actions, review of control mechanisms and on-going assessment and review of scores

The revised BAF and CRR format was approved by both the Executive Management Board and the Audit Committee in September 2017.

4.1 Principal Risks

As a result of the deep dives around the BAF, it was agreed that only those risks which scored 15 and above would be articulated on the BAF which is in line with the

current Risk Management Framework (RMF) and better enabled a clearer understanding of the key risks threatening the corporate objectives.

The review identified 7 risks which were similar and could be articulated under a single risk. Two of the risks related to Human Resources and were merged into one risk which is currently reference ID 2628 on the BAF. Four risks related to Finance, which were merged into risks 2307 and 2306. One risk relating to effective working with stakeholders was merged into risk 2306.

Table of Strategic Risks and Control/Assurances

Objectives	ID	Description	Controls/Assurances
SO1	1586	If the Trust does not ensure the correct systems and processes are in place to support nurse revalidation, this may have an impact on the number of nurses and midwives available to work as registered practitioners to provide consistent, safe, high quality care.	<ul style="list-style-type: none"> • Staff due to revalidate identified • Policy written pending approval • Surgeries for confirmers and registrants being held • Paper for board presented • Names of staff due to revalidate to be sent to line manager and ADN on a monthly basis (as currently for the list if staff due to re-register yearly). • Consideration is being given to introducing an on line package for revalidation. <p>End of Year Position: This risk was removed from the Board Assurance Framework in January 2018 as there had been no reports of any nursing staff not completing their revalidation.</p>
SO1		If the Trust does not address the recommendations of the CQC Inspection (June 2015), this may impact negatively on the Trust's subsequent hospital rating	<ul style="list-style-type: none"> • QESP Group chaired by the Director of Nursing, Midwifery and AHPs • Monthly QESP reports to the Quality & Clinical Governance Committee, the Executive Management Board and quarterly reports to the Trust Board • Monthly Trust wide Quality reports • 'Reasonable' Assurance from Internal audit • Peer Reviews • Director led Walk rounds • Quality Improvement Plan <p>End of Year Position: This risk was removed from the Board Assurance Framework in January 2018 as all actions were completed and the outstanding actions with the exception of the Theatres refurbishment plan which has been incorporated into the Capital Planning programme.</p>
SO1	2860	If current resources in the safeguarding team remain insufficient to ensure compliance with the Care Act, this may result in insufficient monthly and local reporting of vulnerable adults to the local authority and external agencies and result in a backlog of patients being at risk.	<ul style="list-style-type: none"> • Safeguarding Adult & Children's Safeguarding Committee to oversee governance and assurance issues. • Steering Group meetings • Deputy Medical Director responsible for Safeguarding Adults. Medical Consultant with programme activity is supporting the adult safeguarding team. • Fully established safeguarding team. • Training programme in place <p>End of Year Position: This risk was removed from the Board Assurance Framework in January 2018. The risk is managed on the local Corporate Nursing risk register.</p> <p>There is now an Associate Director of Nursing in post to oversee</p>

			Safeguarding Children and Adults.
SO1&SO2	2065	If the Trust is unable to manage the level of emergency demand; it may fail to meet the agreed trajectory against national standard for A&E waiting times for 2017/18	<ul style="list-style-type: none"> • Daily and weekly monitoring of performance • Daily calls with the Clinical Commissioning Group (CCG) • Detailed action plan reported on to the • NHS Improvement and NHS England • Triumvirate meetings with the NHSI, CCG and the Trust • Joined Emergency Collaborative • Revised the Emergency Recovery Programme • Rejuvenated the discharge work stream -working with the Perfect Patient Journey • Monthly Performance reports to the Executive Management Board • Monthly reports to NHS Improvement • Daily reports to the NHS Improvement & NHS England • ECIP Review/ Report <p>End of Year Position: The Trust agreed A&E performance trajectory target was 90%</p> <p>The Trust achieved an overall performance of 89.95%.</p>
SO1	2882	If the Trust does not meet the performance targets for RTT the impact will be that patients are not referred to the Trust for treatment	<ul style="list-style-type: none"> • Weekly Patient Tracking List Pathway (PTL) meetings are being revised with new Terms of Reference to increase accountability across operational and other teams • Monthly breach panels • Recovery trajectories at service level requested from operational teams • Increased directive management of backlog • Bi-weekly conference call to NHSI/Croydon CCG <p>End of Year Position: This risk was closed off on the BAF in November 2017 and is now managed via the local risk register.</p> <p>The Trust performed close to the 92% compliance throughout 17/18 apart from Q4 where by the concentrated effort on productivity and review of processes has demonstrated an improvement in performance towards the 93%. This is expected to continue for 18/19 and the Trust expects to be compliant each month against the target.</p>
SO1	2883	If the Trust does not meet the performance targets for Cancer waits the impact will be that patients are not referred to the Trust for treatment	<ul style="list-style-type: none"> • Weekly Patient Tracking List (PTL) • Monthly breach panel reviews with Croydon CCG • Weekly local KPI monitoring • Weekly conference calls • New PTL escalation flags for 7 days, 28 days and 38 days <p>End of Year Position: This risk was closed off on the BAF in November 2017 and is now managed via the local risk register. During 17/18; apart from October the Trust was compliant against the 62 days standard and performance was within the top 3-5 Trusts within London. The Trust delivered consistently against the 14day target and this is anticipated to continue in 18/19.</p>

SO1& SO2	2628	Difficulty to attract, recruit and retain high calibre and skilled workforce to clinical specialist roles such as - A&E, Acute Medical Unit (AMU), Intensive Care Unit (ITU), Anaesthetics, Theatres and Paediatrics, Emergency Medicine Consultants, senior therapy roles, cardiac physiologists, paediatric and neonatal unit staff and neurophysiologist medical grades.	<ul style="list-style-type: none"> • Workforce plans in place • Trust Recruitment & Retention Strategy with approved Recruitment and Retention Plan • Training and resources for staff development are available • Range of workforce procedural documents to support staff in employment and their ongoing development • Succession planning / talent management • Post tracking information to monitor progress • Vacancy KPI monitored closely at Performance Framework Review meetings • Review of attraction strategy and marketing focus group with dedicated project leads (Health Education funded) meeting bi-weekly • Development and rotation package developed • Work streams leads established and sponsors assigned. • Sign up & participation on the national NHS Employers Retention Workshops – forming a work stream group with St Georges and Guy's & St Thomas' • Attraction & Retention plan published. • Increased number of Associate Nursing Practitioners • CHS has obtained Croydon 'Good employer' status • Established links with Croydon Works job brokerage service and attend Croydon Works recruitment events • Continued attendance at University events for Nurse recruitment including student open days • Funding agreed for a new externally managed exit interview process to enable a consistent dataset for better analysis <p>End of Year Position: The Trusts actual staffing numbers in real terms has increased in year by 33 Whole time equivalents (WTE) - resulting in the vacancy rate reducing to 14% - a 1% reduction in year.</p>
SO1 & SO2	2044	If the Trust does not update aged Desktops staff will be unable to use clinical systems across the Trust	<ul style="list-style-type: none"> • A Business Case was submitted to the Business Case Review Group in November 2017 seeking funding to commence a rolling refresh programme of the PC estate. Funding for this work was included within a list of prioritised bids for capital funding for 2018/19 <p>End of Year Position: This risk has been reduced to a rating of 12 and is managed in the local IT risk register.</p> <p>Windows XP computers have been upgraded to Window 7. A rolling programme has been implemented to upgrade aged desk tops This risk was removed from the Board Assurance Framework in January 2018.</p>
SO1&SO3	2307	If the Trust fails to deliver on its Financial Recovery Plan (FRP) assumptions or fails to fully address areas that are off plan with suitable mitigations, there is a risk that the Trust may not achieve its agreed year end forecast of £25m deficit and as a result may not have sufficient cash flow to meet operational requirements without recourse to additional unplanned loans at higher than normal interest rates.	<ul style="list-style-type: none"> • For 2017/18 the Trust submitted an Operational Plan to NHSI which met its control total of £19.135m deficit (pre STF). To support this, the Trust required additional cash resources to fund the deficit. The Trust had loan support approval to the £19.135m control total. • Trusts are only able to change their forecasts at quarter ends and these changes need to be pre agreed with the Trust regulator (NHS Improvement (NHSI)). In January 2018 (Month 9 and Quarter 3 reporting) the Trust submitted an adverse movement of forecast from the control total to a £25m deficit, supported by a FRP and agreed with NHSI London region. The £25m deficit included the £1.3m receipt of Quarter 1 Sustainability and Transformation Funding (STF). This allowed the Trust to access additional cash in the form of an Interim Uncommitted Single Currency Loan at up to the agreed forecast at 1.5% interest. • It should be noted that due to the use of non-cash backed non recurrent measures in both this and previous years there is an ongoing cash shortfall in the Trust even if the revised forecast is

			<ul style="list-style-type: none"> met. The Trust has met its Month 10, 11 and 12 FRP trajectories albeit by different means <p>End of Year Position: The Trust has met its £25m deficit forecast at year end (year-end deficit of £22.2m (post STF) and drew down all cash loans allowing it to make payments to a number of its outstanding creditors</p>
SO1&SO2	2047	There is a risk that the Trust's systems will be subject to a cyber-attack, leading to a potential loss of individual or collective information systems	<ul style="list-style-type: none"> Current IT infrastructure features various standard security measures and is protected by a set of firewalls Key third parties who handle patient identifiable data are contractually obliged to observe relevant ISO standards around handling of data Email service is externally managed by NHS Digital (outsourced to Accenture) , and as such observes industry standard security practices and protocols Upgrade of XP machines across the Trust to W7; Outstanding security patches applied; Business as usual process in place for ongoing application of patches All devices (except servers) are running McAfee anti-virus software Network remediation work and firewall replacement Deployment of mandatory end user training (awareness of cyber security threat) Deployment of method to manage user and privileged system access <p>End of year position: Third party reviews have been completed and reports received and reviewed. There remains a significant risk to the organisation of being affected by a cyber security attack which may result in loss of data.</p> <p>£120k from NHSI has been invested in hardware and software to reduce the risk of a cyber-attack.</p>
SO1, SO3 & SO4	2306	If the Croydon Health and Social Care system is unable to work together to create a sustainable plan for all the organisations within it, there is a risk that one or more organisations will not be able to demonstrate financially sustainable plans resulting in actions being taken by their regulator.	<ul style="list-style-type: none"> During 2017 the Croydon Health and Social Care system completed a strategic review of the local health economy which both identified current drivers for deficit and benchmarking as well as outlining the strategies for addressing the issues. This has resulted in the establishment of the Croydon Transformation Board to shepherd the delivery of our collective response and to develop our five year strategy. For 2018/19, CHS has a control total of £10.5m, pre-STF. The Trust submits its final 2018/19 operating plan until 30 April 2018. The operating plan includes an analysis of the financial risks and their potential mitigations. The One Croydon Alliance agreement has been extended for the next nine years ensuring a framework exists in order to make transformational change and reduce the overall cost for the local health and social care economy and improve the financial position of all partners. The Trust has worked through the contracting arrangements with Croydon CCG including risk share arrangements for 2018/19. External experts Kingsgate were appointed by the Trust as turnaround support in late November/early December 2017. This added capacity and capability has resulted in tightening of controls on key run rate drivers. The Trust proposes to continue with this support until the end of September 2018, pending NHSI approval, to ensure that Trust expenditure savings and additional market share measures are <p>End of year position: The Trust has signed the nine year extension with the One Croydon Alliance. The Trust has agreed contracts with Croydon CCG including risk share covering the Trust and the CCG.</p>
SO1, SO2	2366	The Trust is seeing a marked increase in the	<ul style="list-style-type: none"> The risk this cohort of patients pose is currently managed through 2 mechanisms:

& SO3		number of patients admitted into the organisation due to a lack of mental health capacity in designated units.	<ul style="list-style-type: none"> On admission to ED a risk assessment is completed to determine if suitable for transfer into bed base. AE Delivery Board Care needs for this cohort are met through the enhanced care process allowing the booking of additional staff. Monthly reports to Executive Management Board and Finance & Performance Committee Secondment from South London and the Maudsley Foundation NHS Trust (SLAM) for 6 months to provide oversight and mitigation of risks Mental Health Sub-group of the Croydon A&E Delivery Board around is monitoring usage and impact There is a system wide escalation meeting held every 6 weeks to review the Mental Health patients that have been admitted to the CHS Emergency Department <p>End of Year Position: The Trust reports monthly to Croydon CCG on performance. There is now a Service level Agreement with SLAM in place to ensure the Trust is compliant with the Mental Health Act and in order to support Trust wide compliance, best practice and training, the Trust has appointed a Head of Nursing for mental health.</p>
SO1	2024	Capacity to deliver Health Visiting (HV) mandated contacts including New Birth visit (NBV)	<ul style="list-style-type: none"> Temporary staff relocated to areas of high need. Use of vacant caseload policy. HV School Nursing administration hub launched from 1.4.17 to increase clinical capacity. Saturday working introduced and Agency HV services secured from 1.5.17 as per escalation process. Temporary staff engaged within budget to support reduction in current backlog of NBV; proposed service priorities for 17/18 to maximise capacity within current demand developed and in discussion with commissioners. Temporary staff engaged within budget and directed to areas of need; 7 WTE HV staff came into post by November 2017; additional 4 WTE posts to be recruited to; centralised model of delivery of universal 1 and 2 year reviews being established; performance for NBV reviewed weekly. Reports to Executive Management Board, the Finance & Performance Committee and the Quality & Clinical Governance committee and the Executive Management Board <p>End of Year Position: Following notification from Croydon Council in November 2017 that the Trust that was in breach of the S75 agreement due to underperformance against the agreed targets in the S75 contract for 2016/18 the Trust agreed with the Council an improvement plan. Weekly snapshot reports have shown an improved performance across all mandated reviews. The Trust has achieved the KPI for New Birth Visits in 14 days from December 2017 with a significant increase in performance at 6-8 weeks.</p>
SO1	141	Critical care environment - The environment in ITU has been highlighted as sub-optimal due to close proximity of patients which contributes to Infection control risk and a lack of storage space	<ul style="list-style-type: none"> Risk presented and discussed at Clinical Directorate Board. Options appraisal on environmental improvements progressed. An architect has been engaged to draw up plans. Enhanced surveillance period has led to good compliance with the additional audit requirement. Project manager appointed and project team identified. Funds secured for external support to develop the business case. Plans agreed to move blood gas machine in line with recommendation from Public Health England. Barrier precautions when conducting patient care re-enforced e.g. staff and visitors to wear gloves and aprons and masks. Enhanced environmental and near patient cleaning and hand

			<p>hygiene.</p> <ul style="list-style-type: none"> Restricting use of Glycopeptide antibiotics, such as Vancomycin and Teicoplanin <p>Admission and weekly screening for(Glycopeptide Resistant Enterococci</p> <ul style="list-style-type: none"> GRE on HDU/ITU. Informing receiving ward/healthcare settings of all GRE positive patients when transferred. Store room created. Store person post created and requires recruiting to. Ongoing work with site team to manage bed flow and step up / down from critical care. Infection Control Action Plan in place Enhanced Surveillance <p>End of Year Position: An Estates and Facilities plan has been developed to improve the environment. Phase one of the plans has been completed which has provided additional storage and completion of minor works.</p> <p>Phase two requires patients to be decanted to a suitable area while major works are undertaken to increase floor space. This is in the process of being planned to ensure minimal disruption to patients and staff.</p>
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Strategic Objectives

SO1	To deliver high quality, integrated people centred services that meet the needs of the people who use our services
SO2	To ensure staff are able, empowered and responsible for the delivery of effective and compassionate care
SO3	To secure value for money and ensure the financial sustainability of the Trust
SO4	To work with partners to improve the health and well-being of the people of Croydon

4.2 Compliance with Information Governance and Data Security

Information Governance (IG) encompasses a number of different elements such as data quality, records management, legislative compliance, technical information security and organisational information security.

The IG Toolkit (IGTK) is a performance tool produced by the Department of Health and Social Care and now hosted by NHS Digital. It draws together the legal rules and central guidance and presents them in one place as a set of IG requirements.

All NHS Bodies are required to carry out self-assessments of their compliance against the IG requirements, as indeed are all health and social care service providers. The purpose of the assessment is to enable the Trust to measure compliance against the law and central guidance, and to ascertain whether information is handled correctly and protected from unauthorised access, loss, damage and destruction.

The ultimate aim is to demonstrate that the Trust can competently maintain the confidentiality and security of personal and corporate information. This, in turn, increases public confidence that the NHS and its partners can be trusted with personal data.

National guidance requires all organisations delivering NHS services, to achieve a level 2 or above compliance across all of the IGTK requirements. Croydon Health Services NHS Trust's submitted 66% on their NHS Digital Information Governance Toolkit v14.1 on March 29th 2018 which is level 2 compliant.

There was one information security breach reported to the Information Governance Information Commissioner's Officer in the 2017/18 period.

Code	Description	No.
A	Corruption or inability to recover electronic data	0
B	Disclosed in Error	1
C	Lost in Transit	0
D	Lost or stolen hardware	0
E	Lost or stolen paperwork	0
F	Non-secure Disposal – hardware	0
G	Non-secure Disposal – paperwork	0
H	Uploaded to website in error	0
I	Technical security failing (including hacking)	0
J	Unauthorised access/disclosure	0
K	Other	0

5 The Risk and Control Framework

5.1 Performance against

national priorities set out in the NHSI Accountability Framework

18 Week Referral to Treatment (RTT)

The year-end position for RTT is expected to be 92.6% against the 92% target. The Trust has consistently achieved this performance apart from one month in September due to administrative incident. The Trust performed close to the 92% compliance throughout 2017/18 apart from Q4 where by the concentrated effort on productivity and review of processes has demonstrated an improvement in performance towards the 93%. This is expected to continue for 2018/19 and the Trust expects to be compliant each month against the target.

There were 24 52 week breaches during 17/18 which were predominantly in gynaecology and head and neck services. These have all had clinical reviewed. The majority of these have resulted from incorrect clocks stops, whilst others due to inappropriate application of the Trust access policy. The Trust is due to launch a new Patient Tracking List (PTL) with the ability to undertake more spot check audits

in addition to the roll out of further training to limit the likelihood of future occurrences.

Cancer Waits

The Trust has strong engagement at all levels with clear oversight and accountability for the cancer waiting times standards. Cancer Performance against all access standards is reported monthly to the Trust Board.

The senior management team and lead clinicians meet weekly to review cancer, monthly with the CCG cancer team and quarterly with the internal Cancer Trust Board.

The Trust has operational policies for each tumour group and timed pathways are either completed or in development for each area. The Trust is also working towards full delivery of the optimised pathways for specific tumour sites.

The Trust has robust processes in place for monitoring and tracking patient level pathways and has flags in place to highlight when escalation is required. During 2017/18; apart from October 2017, the Trust was compliant against the 62 days standard and often performed within the top 3-5 Trusts within London. The Trust delivered consistently against the 14 day and breast symptomatic performance and this is anticipated to continue in 18/19.

4 Hour Access Standard in A&E

Like most acute trusts in the country, we found it a difficult challenge to treat, admit or discharge 95 per cent of patients who attended our Emergency Department within four hours in 2017/18. The winter was a particularly challenging time, as in line with other London NHS Trusts, we saw an increase in 6.2% of patients who required treatment, as well as an increase in acuity.

We ended the year achieving 89.95 per cent. This was below our locally agreed target of 90 per cent (See section 7.2)

Our staff work extremely hard in order to see all of our patients quickly and thoroughly, and priority will be given to our patients with the most pressing health needs.

Infection Control

C Difficile

Croydon Health Services has made significant improvement in reducing healthcare associated infections (HCAI) this year.

Total HCAI *C.difficile* cases for period 1st April 2017 to 31st March 2018 is: **13** against an annual trajectory of **16**. There were several driving forces employed in achieving this.

These include,

- Antimicrobial prescribing which stipulates that when prescribing Tazocin, Carbapenems e.g. Meropenem or Co-amoxiclav, staff should ensure shortest course possible is prescribed to reduce the risk of C. difficile.
- Introduction of diarrhoea poster which stipulates when to send stool specimen for C. difficile testing.
- RCA meetings on new C. difficile cases within 24hrs of the lab result.
- Weekly Infection Control Team (ICT) C.difficile case review meetings and follow up all inpatients with C.difficile infections/carrier.
- Enhanced Surveillance on wards with a period of increased incidence of C. difficile infection.
- Increased frequency of antibiotic ward rounds by the Consultant Microbiologist and Antimicrobial Pharmacist.
- Daily ITU ward rounds.
- Antibiotic guidelines have been updated in 2017.

Antibiotic stewardship activities which include antibiotic prescribing audits and targeted antibiotic ward rounds specific to Carbapenem usage within the Trust are also in place.

MRSA bacteraemia target

Total number of HCA MRSA bacteraemia cases (April 2017 – March 2018) is: 0

To continue assurance of local effective prevention and control of MRSA and reduce MRSA transmission, the Trust MRSA guidelines advise the following:

- Routine MRSA screening for all adult emergency admissions as well as pre-operative MRSA screening for all elective and emergency surgical patients.
- All patients found to be MRSA positive should be started on anti-MRSA topical treatment.
- If patients are found to be MRSA positive, the presence of MRSA should be stated in the discharge summary.
- Those patients who are MRSA negative at admission but are considered at high risk for MRSA acquisition i.e.: all patients on ITU/HDU, SCBU, vascular wards, elderly care wards and those with indwelling devices or wounds (e.g. chronic ulcers, pressure sores, and surgical wounds) should be screened weekly for MRSA.
- There is also on-going training of staff in relation the intravascular device management.
- A database of patients with peripherally inserted central lines (PICC) has been devised by the infection control team, and the patient details are uploaded by the PICC line insertion team. The PDN facilitates an appropriate care plan for inpatients with PICC lines.

Influenza

- The Trust treated a total of 451 laboratory confirmed influenza cases during the winter season beginning early December 2017 up to end of March 2018. This is a much higher number of cases compared with 2016/17 winter season when the total number of influenza cases treated for the similar time period

December 2016 up to end of March 2017 was 161 cases. The commonest circulating seasonal strains locally were Influenza A (non H1N1) and Influenza B. The number of inpatient admissions due to this infection did create increased demand for single rooms on the general wards and the critical care unit. An exceptional number of patients particularly in the high risk groups were admitted with secondary complications such as pneumonia. A few patients with pre-existing co-morbidities deceased. There were 35 hospital acquired infections. No wards were closed due to influenza. Affected bays practised restricted admissions and admitted only low risk group patients to the bays until the infectious period was over.

- The Staff uptake for influenza vaccine was 71%. There were no confirmed hospital acquired influenza infections amongst staff.

Norovirus

- There were 17 lab confirmed Norovirus diagnoses at CUH April 2017 – March 2018
- There were 2 small outbreaks of Norovirus on the elderly care wards which were well contained.
-

GRE (Glycopeptide Resistant Enterococci)

Routine pre-admission and weekly screening of ITU/HDU patients has been in place for some years. Routine screening of this group of patients has enabled ITU/HDU to provide timely single room nursing or implement enhanced infection control precautions on the main ward if the positive patient remained on the main ward.

There has been no continuing increase in GRE numbers and typing results did not confirm an outbreak.

There has been continuing low levels (1 – 2 per month) of ITU/HDU associated GRE colonisation diagnosed on the unit. There was only one GRE blood stream infection since April 2017

The Infection Control Team has worked closely with ITU/HDU staff to identify risk factors for the increased numbers. Nursing practices, environmental cleaning standards and antibiotic prescribing have been reviewed. Changes are also being implemented to improve storage facilities and bed spaces to facilitate easy cleaning of the environment.

Gram Negative Bacteraemias

From April 2017 a government initiative extended the surveillance of bacteraemias caused by gram negative organisms to include data collation for bacteraemias due to *Klebsiella* species and *Pseudomonas aeruginosa* in addition to *E.coli*. The intention is to work towards reducing gram negative bacteraemias by 50% by the financial year 2020/2021. More detailed information has also been requested on the *E. coli* bacteraemias which has been reported since 2011.

DH Mandatory reporting for the Trust now includes Klebsiella and Pseudomonas bacteraemias with effect from 1st April 2017.

Achieving the 50% reduction by 2020/21 will require close working with the community based healthcare providers, care homes and GPs as majority of these bacteraemias are community acquired/associated infections.

CCGs have been requested to devise a plan to achieve a 10% reduction in E.coli Bacteraemias (CAI + HAI) in 2017/18 NHS Quality premium. The baseline figure to assess this reduction will be the 2016 E.coli bacteraemia numbers.

Although this has been a difficult ambition to achieve, this Trust has been identified as one of the 59 who have achieved a 10% or greater reduction in the hospital onset Escherichia coli bloodstream infections.

CHS baseline numbers were 30 in 2016, 27 in 2017, equivalent to a 10% reduction in cases.

Many of the bacteraemias are due to UTI especially catheter associated infections. Urinary catheter care is being reviewed and arrangements are being implemented for more extensive education and audits, in order to monitor practice as well as improve catheter care.

From 4th September 2017 – a more enhanced catheter care audit tool has been introduced. This is a monthly audit carried out by the clinical area staff and information is recorded on line on “RATE”.

A new internal quality improvement target has been set for 2017/18:
i.e. aim for ≤ 26 HAI E.coli bacteraemia for 2017/18

Total number of HAI E.coli bacteraemias for 2017/18 is: 28

The Infection Control Doctor (ICD) had been designated as the Trust lead for co-ordinating actions to achieve Gram negative Bacteraemia Target.

The ICD has convened multidisciplinary meetings at the Trust and also attended a meeting at the CCG to formulate an action plan which would be initially focusing on urinary catheter care as many of the bacteraemias are due to catheter associated urosepsis.

5.2 Review of Economy, Efficiency and Effectiveness

The Trust signed up to a deficit control total of £19.1m pre-Sustainability & Transformation Fund (STF), £10.4m post-STF for 2017/18, and £10.8m pre-STF, £2.1m post-STF for 2018/19 as part of the 2017-19 operating plan process. The plan assumptions were scrutinised by NHS Improvement (NHSI) as part of the Trust exiting from Financial Special Measures (FSM) in February 2017. The 2017/18 budgets were based on the £19.1m, pre-STF, plan. The Trust retained all of the enhanced controls that were introduced during FSM and the authorised signatory lists and revised sign off limits remained in place in 2017/18.

In the 2017/18 Financial Plan, the £13.5m target for new CRES broadly compensated for the reduction in the Trust's deficit Control Total between 2016/17 and 2017/18. Inflation, cost pressures and investments added £21.7m to the deficit and these costs were broadly funded within the Plan by a targeted increase in income of £16.6m and assumed cost reduction of £6m to offset QIPP income losses. To allow for the time required to develop the CRES plans, savings were largely profiled over quarters 3 and 4.

The finances materially deteriorated in Month 5 and by the end of quarter two, the Trust was £4.5m adverse to plan. The quarter two income underperformance against plan was £1.8m and the forecast impact of the existing savings programmes was £5.3m. During this period the Trust developed a financial recovery plan and a range of possible year end scenarios.

In November 2017, the Board recognised the need to bring in additional support and capacity to support the recovery plan and appointed Kingsgate as Turnaround support.

The financial position at the end of quarter three was £10.6m adverse to plan and the Trust had breached its annual control total of £19.1m deficit in Month 7. Trusts can only change their forecasts from NHSI control totals at quarter ends. This requires Board approval and NHSI sign off before an adverse forecast to control total can be submitted, and it must be supported by a signed off financial recovery plan. The Trust submitted a revised forecast of £25m deficit, including Quarter 1 STF. This forecast was supported by a recovery plan which was signed off by the Trust Board prior to Month 9 returns to NHSI. The recovery plan detailed the improvements to run rate required month on month from Month 10-12 to deliver the revised forecast. There were recovery groups covering both income and expenditure with weekly executive and executive management board touchpoints to ensure issues were resolved quickly and actions were taken promptly. The weekly clinical directorate CRES meetings were reinvigorated and turned into formal turnaround meetings.

During Quarter 4, a suite of weekly KPIs were developed to monitor the recovery plan actions and these were reviewed at the weekly financial executive management board meetings. The weekly turnaround meetings with clinical directorates reviewed the actions required to deliver the plan including any mitigating action required for both income and expenditure. A continued focus was placed on planned care activity ensuring that scheduling and bookings made the best use of capacity and work continued to repatriate activity from other providers. The Trust achieved its monthly run rate trajectories for Months 10 to–12 in line with the overall financial recovery plan. During the period a number of longstanding contracting issues were resolved which de-risked the income position both for 2017/18 and on an ongoing basis. The Trust agreed a year end deal with Croydon CCG which supported the delivery of the £25m deficit, including STF, as forecast in the financial recovery plan.

During quarter 4, the planning for 2018/19 was also undertaken ensuring the triangulation of contracts, activity, income, expenditure and workforce was planned as top down assumptions and bottom up delivery plans. The Trust has agreed 2018/19 contracts with all its main commissioners and submitted its final operating plan for 2018/19 on 30 April 2018. The Trust's control total, pre- STF is a £15.1m deficit. The 2018/19 financial plan includes a £19.2m cost improvement programme (CIP) as well as securing net additional income from treating more Croydon patients in Croydon of £5.3m.

An independent review of the reasons for the missing the control total in 2017/18 has been undertaken with the review and the lessons learnt will be presented to the Audit Committee meeting in 2018. Separately an internal audit review of the CRES programme in 2017/18 was presented to the Audit Committee meeting in May 2018.

Under best practice, internal budgets should be set by 31 March. The budgets for 2018/19 are expected to be uploaded in early May 2018 post full directorate sign off of activity, expenditure and workforce. The focus on monitoring financial success in 2018/19 will be on run rate versus the operating plan which will be replicated in budgets.

5.3 Compliance with Counter Fraud Legislation

Counter Fraud Opinion for 2017/18

The Trust's management takes seriously the potential threat and losses associated with possible fraudulent activity. The Trust has complied with the Secretary of State's Directions on countering fraud in the NHS and nominated a professionally accredited Local Counter Fraud Specialist (LCFS) who undertakes a programme of work designed to raise awareness amongst staff of possible fraud and to carry out investigations of any suspicions of fraud. The LCFS provides reports to each Audit Committee of the progress of any on-going investigations as well as work undertaken to detect and prevent fraud at the Trust. The Trust's annual counter fraud work plan covers a wide range of activities in line with NHS Counter Fraud Strategy. Included within these plans are specific exercises, known as proactive reviews, which seek to identify the risk of fraud in a specific area. Our LCFS has undertaken a number of these exercises under the direction and overall management of the NHS Counter Fraud Authority.

Our staff are encouraged, through the Trust's counter fraud and whistle-blowing policies, to raise and refer any concern about fraud to the LCFS who will undertake an appropriate investigation. This encouragement is reinforced through the regular awareness presentations given by the LCFS to Trust staff.

Whistle Blowing

The Trust continues to build an organisation culture that encourages and support staff to speak up when they have concerns. There are multiple channels for staff to raise concerns including 5 named Freedom to speak up guardians and anonymity within Datix reporting functionality. Concerns are investigated and feedback provided to staff on outcomes and actions taken. The importance of staff raising

concerns, of managers ensuring concerns are investigated and of ensuring staff are given feedback on the outcome of their concerns are reinforced through awareness sessions.

Through the Trust's counter fraud and whistle-blowing policies, staff are encouraged to raise and refer any concern about fraud to the LCFS who will undertake an appropriate investigation. This encouragement is reinforced through the regular awareness presentations given by the LCFS to Trust staff.

6 Review of the Effectiveness of Risk Management and Internal Control

As Accounting Officer, I have responsibility for reviewing the effectiveness 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 directors and clinical leads within the Trust who have responsibility for the development and maintenance of the internal control framework.

My review is also informed by the following sources of information:

- CQC report – February 2018
- Internal audit reports (risk management, corporate governance, CQC)
- Board Assurance Framework
- Assurance Map
- External reviews Reports from Board Sub-Committee
- Reports from executive directors (verbal and minutes of meetings)
- Performance Reports
- Staff Survey and CHS annual staff pulse check
- Picker National Inpatient Survey
- Quality, Experience and Safety Programme
- Monthly Quality Report

7 Significant Issues

7.1 Finance

The Trust failed to achieve its control total of £19.1m deficit, pre-STF in 2017/18. The Trust brought in external turnaround expertise to support the Trust, with capacity and capability, to develop a credible financial recovery plan for 2017/18 as well as planning for the significant CIP requirement for 2018/19.

The Trust Board approved and submitted to NHSI a recovery plan to deliver a £25m deficit, including STF, in January 2018. This plan was accepted by NHSI and the Trust made an adverse variance to forecast request to NHSI in January 2018, in line with the financial recovery plan, which was also accepted. It should be noted that the revised forecast did not alter the original agreed control total against which the Trust continued to be monitored by NHSI.

The Trust ended the year with a £22.2m deficit, post STF.

Section 5.2 details the Trust 2017/18 financial performance and the financial recovery plan to achieve the agreed outturn position, including lessons learnt and embedded for 2018/19.

7.2 Emergency Access Target

To help us cope with demand, we continue to utilise our clinically-led initiatives, including combining rapid access services, including Acute Care of the Elderly (ACE), within the hospital's Edgecombe Unit. The Edgecombe Unit has continued to deliver real benefits for patients this year, helping to prevent up to 20 unnecessary hospital admissions every day by utilising ambulatory care pathways. We have further introduced out of hospital liaison services in the Emergency Department for seven days, and extended the Discharge to Assess presence in the Emergency Department, supporting admission avoidance and the delivery of ongoing care needs to the patients in the place of residence.

Every patient who attends the Emergency Department or Urgent Care Services is also “clinically streamed” by a trained senior nurse on arrival. This helps us to assess patients and see them through the most appropriate services, depending on their condition or clinical need.

In 2017/18, we have also trialled direct referrals from the London Ambulance Service straight to the Trust's Rapid Assessment Medical Unit (RAMU), which is part of the Edgecombe Unit. To date, the volume of activity has not yet been proven successful; however this is an on-going piece of work for 2018/19. Bed pressures across the Trust, due to higher admissions and challenges in reducing delays when discharging patients home after a hospital stay or to ongoing care in the community with our partners in social care, has increased the pressure on the Emergency Department and impacted on waiting times.

We have seen a higher number of mental health attendances in 2017/18 with a 15% increase of patients presenting to the Emergency Department in crisis, and a 4.9% increase requiring an admission to a mental health bed. In addition, despite repeated recruitment drives, recruiting more middle-grade A&E doctors has been a real challenge. In 2018, additional Specialist Registrars will be joining the team.

The Emergency Department Recovery Plan is managed through the CHS Emergency Care Board, which met on a monthly basis throughout the year and by the Croydon A&E System Delivery Board which also meet monthly. One of the main challenges remains managing current demand at the same time as building a larger

Emergency Department at CUH. Our A&E has been in temporary facilities since November 2015 and the new department is due to open in early Autumn 2018. There have been delays with the Emergency Department new build which the Trust has been managing.

Following the emergency care “reset,” NHS England and NHS Improvement wrote to all trusts (9 March 2017) setting out the actions needed for the turnaround of A&E performance. There remains a significant amount of work to do to recover and improve performance back to an acceptable level and all local systems are required to comply with the minimum national expectations for delivery of the four hour emergency care standard, that is, 90% by or in September 2018 and 95% by March 2019.

Across England, local health systems have been categorised into groups based on recent emergency care performance metrics and levels of risk within the health economy. Croydon is in group 2 (with group 1 being the least challenged, and group 4 the most).

The lessons learnt from this year will be analysed, and the views and suggestions of our emergency care clinical teams listened to in order to develop a realistic Croydon A&E Delivery Plan for 2018/19 for sign-off and close monitoring at the Trust Board and at the Croydon A&E Delivery Board (system wide board).

7.3 Care Quality Commission (CQC) Must Do Actions

In November 2015 the CQC inspected the whole Trust and we were awarded an overall rating of ‘Requires Improvement’. In October and November 2017 the CQC re-inspected 4 of the core services that had been previously graded as ‘requires improvement’. These were:

- Surgery
- Intensive/critical care
- End of life care
- Outpatients

Following the unannounced inspection, three of the core services had improved and were regraded to ‘Good’. Intensive/critical care remained as ‘requires improvement’ and therefore the overall Trust rating continues to be ‘requires improvement’. The CQC acknowledged the many improvements that had been made since their last inspection, however identified 8 actions which must be completed in order for the Trust to be fully compliant with the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014. The actions will be incorporated within the Trust’s Quality Improvement Plan which is monitored by the Quality, Experience and Safety Programme Group. The Group meets monthly to review, monitor and report on progress against all of the CQC actions, along with any issues affecting delivery.

The ‘must do’ actions to be completed are:

Trust wide:

- The Trust must ensure that all patients with mental health needs receive care in line with national best practice that meets the requirements of the Mental Health Act.
- The Trust must ensure that all staff are aware of their responsibilities under the Mental Capacity Act (2005) and Deprivation of Liberty Safeguards (DoLS) and ensure they are translated into practice. Staff should be able to provide when required evidence that, where appropriate, demonstrates mental capacity assessments and DoLS have been carried out and recorded.

Critical Care:

- Urgently review fire safety risk and compliance in the HDU and staff areas of the unit. This must include a strategy to ensure fire exits remained accessible at all times.
- Review the storage of equipment in the HDU to ensure staff have safe access to bed bays.
- Implement a strategy to ensure staff follow infection prevention and control standards and compliance is monitored.
- Implement effective record keeping standards for nursing care notes and ensure all information, including Deprivation of Liberty Safeguards, is recorded.
- Improve the clinical governance and leadership practices in the unit to ensure there is effective peer review and audit; meaningful morbidity and mortality reviews and drives to improve patient outcomes.

7.4 Never Event

During 2017/18 the Trust reported one event as a Never Event. Notably, the national framework classification of this event was subsequently modified such that the reported event was no longer considered a Never Event.

Never Events are serious incidents that are wholly preventable as guidance or safety recommendations that provide strong systemic protective barriers are available at a national level and should have been implemented by all healthcare providers. Each Never Event type has the potential to cause serious patient harm or death, however serious harm or death is not required to have happened as a result of a specific incident occurrence for that incident to be categorised as a Never Event.

The Never Event in 2017-18 related to a patient whose epidural infusion was correctly cited but subsequently was inadvertently joined up to the wrong connection. The patient did not come to any harm; however the investigation has identified a number of lessons that we were able to immediately share across the Trust to implement system based changes to help prevent any recurrence.

7.5 Cyber Security

A main focus of the trust this year has been to replace the Windows XP Operating System with Windows 7 for all desktop devices, as XP is no longer supported and as such exposed the Trust to an increased risk from a cyber-attack.

Cyber security relates to the systems and processes that organisations have to protect themselves from external threats from individuals and organisations. At CHS we have a Cyber Security programme which follows the 10 Steps to Cyber Security approach. The Trust invested in a programme of activity in line with these 10 steps, governed by the Cyber Security Programme Board. The Trust commenced a number of activities in 2017/18 to strengthen its protection, including procuring more robust firewalls, which help block these threats, a new more secure anti-virus tool (which has been deployed to desktop devices, with a plan to rollout to underlying infrastructure/hardware in 2018/19), developed a mandatory training course on cyber security, and planned a cyber security test, which is due to be undertaken in the early part of 2018/19. Further work is planned for 2018/19 to continue this work, and to ensure that the Trust remains protected from evolving threats.

7.6 Recruitment and Retention

The Trusts actual staffing numbers in real terms increased in year by 33 WTE - resulting in the vacancy rate reducing to 14% - a 1% reduction in year.

With the forecasted corporate staffing reductions in M1 of the 2018/19, the Trust is forecasting a vacancy rate of 11-12% - which is below average for NHS providers in London.

However it should be noted that progress with respect to our hard to recruit positions has flat lined this year which is effectively the same position for the past few years. The Trust essentially has a breakeven percentage after incoming and leavers are accounted for are hard to recruit professional groups.

In terms of recommendations, as well as continuing to embed the Trusts recruitment and retention action plans two key themes need to be closely monitored and supported.

1. Marketing / Re-branding of the Trust

The Trust was successful in obtaining funding centrally from Health Education England to re-brand and re-market the Trust to support recruitment and retention of our nursing staff.

2. International Nursing Recruitment

All the Trusts in the sector listed on page 2 have embarked on recent international nursing recruitment drives – it has been a number of years since Croydon Health Services did so. An international business case recommending the recruitment of 120 nurses at a cost investment over two years of approx. £1 million pounds is currently being drafted.

8. Head of Internal Audit Opinion

8.1 The Head of Internal Audit Opinion

The purpose of my annual HoIA Opinion is to contribute to the assurances available to the Accountable Officer and the Board which underpin the Board's own assessment of the effectiveness of the Trust's system of internal control. This Opinion will in turn assist the Board in the completion of its AGS.

The HoIA's **overall opinion** is that:

Reasonable assurance can be given that there is a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently. However, some weakness in the design and/or inconsistent application of controls put the achievement of particular objectives at risk. We have issued reasonable assurance opinions on most areas of work that we have undertaken during the year. We have, however, provided limited assurance on two reports the (Cash Releasing Efficiency Savings Programme and the Information Governance Toolkit).

Cash Releasing Efficiency Savings Programme

As a result of audit work undertaken predominantly in the second quarter of the year, Audit provided limited assurance overall as to the Trust's arrangements relating to its Cash Releasing Efficiency Savings Programme.

Audit found that the programme was not developed early enough and individual projects were not sufficiently developed and needed to be more detailed. Audit considers the Trust needs programmes in future years to be fully developed and ready to be implemented in advance of the start of each new financial year.

The programme and progress of its implementation require sufficient scrutiny and, when necessary, prompt remedial action. Mechanisms need to be in place to make sure that that remedial action happens. Governance and procedures were under review at the time of the audit.

Information Governance Toolkit

The overall limited assurance level reflects the position at the time of the audit and was determined on the basis of a number of cumulative factors which included the factors outlined below.

Whilst an overall framework for information governance is in place, there has continued to be some instability in the structure and resourcing of the Information Governance (IG) function during the year owing to staff vacancies and the need for continuing reliance on interim staff. This appears to have led to delays in implementing all of the previous recommendations and ensuring a fully embedded assessment process throughout the year (e.g. to facilitate updated and real time scoring for the July and October updates and the final submission at year-end).

Testing of IG Toolkit evidence identified a number of areas where the documentation was insufficient to support the score and supporting documentation available indicated that little in the way of new documentation relevant to 2017/18 had been uploaded to the Toolkit. It is acknowledged that the Trust may be able to provide additional evidence to show that it is meeting the Toolkit requirements in practice. Audit's main concern related to the fact that for the majority of requirements sample tested, the scores were not supported by sufficient / up to date evidence at the time of the review.

Post Audit Note

It should be noted however that subsequent to the audit testing being completed, considerable effort was put into the Toolkit assessment process and to address deficiencies in evidence. The Trust's final Toolkit submission resulted in an overall minimum level two score across all requirements. The final submission was not subject to audit.

Conclusion

The past year has been challenging for the Trust in terms of its financial position and needing to revise its deficit. We need to maintain the rigour that has been in place since December 2017 with regard to achieving our savings plans for 2018/19. We have also had a CQC Inspection which whilst our overall rating of Requires Improvement did not change it was clear that improvements were in place particularly around governance and leadership.

Our achievements over the past year mean we should look forward to 2018/19 with increased confidence. The Trust has made significant progress over the past twelve months, and our staff should be proud of the many changes we have made. Listening to our patients, community and staff, we will continue to improve Croydon Health Services and challenge ourselves to deliver the highest quality, most effective, efficient and compassionate care.

Accountable Officer:



John Goulston, Chief Executive

Date: 23 May 2018

Independent Auditor's Report to the Directors of Croydon Health Services NHS Trust

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Croydon Health Services NHS Trust (the 'Trust') for the year ended 31 March 2018. The financial statements comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Taxpayers Equity, the Statement of Cash Flows and the 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 the Department of Health and Social Care Group Accounting Manual 2017-18 and the requirements of the National Health Service Act 2006.

In our opinion the financial statements:

- give a true and fair view of the financial position of the Trust as at 31 March 2018 and of its expenditure and income for the year then ended; and
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2017-18; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

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 for the audit of the financial statements 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.

Who we are reporting to

This report is made solely to the Directors of the Trust, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014. Our audit work has been undertaken so that we might state to the Trust's Directors 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 Trust and the Trust's Directors, as a body, for our audit work, for this report, or for the opinions we have formed.

Material uncertainty related to going concern

We draw attention to note 1.1.2 in the financial statements, which indicates that the directors of the Trust have submitted a financial plan for 2018/19 to NHS Improvement which delivers a £2.8 million deficit (including Sustainability & Transformation Fund of £12.2 million) after delivery of a £19.2 million savings programme which has been agreed by the Trust Board and is embedded in the budget. The Trust Board have recognised that this is a highly demanding plan, and dependent upon the full delivery of cost reduction targets, realisation of recurrent savings, and the adherence to agreed budgets.

As stated in note 1.1.2, the 2018/19 financial plan requires cash support from the Department of Health and Social Care of £2.8 million, provided the £2.8 million adjusted planned deficit is met. If the Trust fails to deliver its savings plan of £19.2 million in full and to increase gross income from repatriation of patients, or its financial deficits are greater than planned in 2018/19 then further cash loans will be required. The Trust has requested access to further Department of Health and Social Care borrowing facilities to provide adequate liquidity headroom if needed. The Trust has a revenue loan of £26.4 million that will mature in February 2019. The Trust will need to write to the Department of Health and Social Care to either request for a new loan to repay the old or to extend the maturity. These events or conditions, along with the other matters explained in note 1.1.2, indicate that a material uncertainty exists that may cast significant doubt about the Trust's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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 course of our work including that gained through work in relation to the Trust's arrangements for securing value for money through economy, efficiency and effectiveness in the use of its resources 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 have nothing to report in this regard.

Other information we are required to report on by exception under the Code of Audit Practice

Under the Code of Audit Practice published by the National Audit Office on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not comply with the guidance issued by NHS Improvement or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider

whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

Opinion on other matters required by the Code of Audit Practice

In our opinion:

- the parts of the Remuneration Report and Staff Report to be audited have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2017-18 and the requirements of the National Health Service Act 2006; and
- based on the work undertaken in the course of the audit of the financial statements and our knowledge of the Trust gained through our work in relation to the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources, the other information published together with the 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

Under the Code of Audit Practice we are required to report to you if:

- we have reported a matter in the public interest under Section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we have referred a matter to the Secretary of State under Section 30 of the Local Audit and Accountability Act 2014 because we had reason to believe that the Trust, or an officer of the Trust, was about to make, or had made, a decision which involved or would involve the body incurring unlawful expenditure, or was about to take, or had begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency; or
- we have made a written recommendation to the Trust under Section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit.

We have nothing to report in respect of the above matters except on 23 May 2018 we referred a matter to the Secretary of State under Section 30(b) of the Local Audit and Accountability Act 2014 because we had reason to believe that the Trust will be in breach of its break even duty for the three year period ending 31 March 2018.

Responsibilities of the Directors and Those Charged with Governance for the financial statements

As explained more fully in the Statement of Director's Responsibilities, the Directors are responsible for the preparation of the financial statements in the form and on the basis set out in the Accounts Directions, for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trust lacks funding for its continued existence or when policy decisions have been made that affect the services provided by the Trust.

The Audit committee is Those Charged with Governance.

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.

Report on other legal and regulatory requirements – Conclusion on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Adverse conclusion

On the basis of our work, having regard to the guidance issued by the Comptroller & Auditor General in November 2017, because of the significance of the matters described in the basis for adverse conclusion section of our report, we are not satisfied that, in all significant respects, Croydon Health Services NHS Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2018.

Basis for adverse conclusion

Our review of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources identified the following matters:

- The Trust incurred an adjusted retained deficit of £22.1 million in 2017/18. The Trust did not achieve its £19.1m deficit control total.
- The Trust has prepared a financial plan for 2018/19 forecasting a deficit of £2.8 million. Delivery of this plan assumes receipt of £12.2 million of Sustainability and Transformation Funding and the Trust making savings of £19.2 million. Only £4.6 million of these savings had been identified, developed and approved at the end of April 2018.

These matters identify weaknesses in the Trust's arrangements for setting a sustainable budget and financial forecasting. These matters are evidence of weaknesses in proper arrangements for sustainable resource deployment in

planning finances effectively to support the sustainable delivery of strategic priorities and maintain statutory functions.

Responsibilities of the Accountable Officer

As explained in the Statement of the Chief Executive's Responsibilities, as the Accountable Officer of the Trust, the Accountable Officer is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of the Trust's resources.

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

We are required under Section 21(3)(c) and Schedule 13 paragraph 10(a) of the Local Audit and Accountability Act 2014 to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources and to report where we have not been able to satisfy ourselves that it has done so. 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 in all significant respects, 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 2018, and to report by exception where we are not satisfied.

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 to be satisfied that the Trust has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Report on other legal and regulatory requirements – Certificate

We certify that we have completed the audit of the financial statements of Croydon Health Services NHS Trust in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

Paul Grady

Paul Grady
Engagement Lead

for and on behalf of Grant Thornton UK LLP

30 Finsbury Square
London
EC2A 1AG

23 May 2018

Sustainability Report

As an NHS organisation, and as a spender of public funds, we have an obligation to work in a way that has a positive and sustainable effect on the communities we serve. Sustainability means spending public money well, the smart and efficient use of natural resources and building healthy, resilient communities. By making the most of social, environmental and economic assets we can improve health, both in the immediate and long term, even in the context of rising cost of natural resources. Demonstrating that we consider social and environmental impacts ensures that the legal requirements in the Public Services (Social Value) Act (2012) are met.

As a part of the NHS, public health and social care system, it is our duty to contribute towards the level of ambition set in 2014 of reducing the carbon footprint of the NHS, public health and social care system by 34% (from a 1990 baseline) equivalent to a 28% reduction from a 2013 baseline by 2020. It is our aim to exceed this target by reducing our direct (scope 1 & 2) carbon emissions from 2013/14 levels by 30% by 2019/20.

Overall strategy for sustainability

In order to embed sustainability within our business it is important to explain where in our process and procedures sustainability features. We consider sustainability in areas such as procurement and the impact of our suppliers.

One of the ways in which an organisation can embed sustainability is through the use of a Sustainable Development Management Plan (SDMP). Our Estates team and Sustainability Manager (Trust Sustainability Lead) are in the process of finalising our new Estates Strategy which will contain a SDMP for consideration by the board. This will reflect the Trust's vision for how we can adapt services to be more resilient to our changing climate, in particular developing new models of care with sustainability 'built in'. Examples being new GP hubs that provide more coordinated care and support and improved access to point of delivery teams.

Collaboration

We are working with other South West London Trusts to improve collaboration on sustainability and leverage collective purchasing power in areas such as utilities. An example being the in-progress collective procurement of water and water metering services. We also plan to expand collaboration with the wider community on social and sustainability matters. Current community schemes include our One Croydon collaboration with Age UK to improve care of over 65's in the community. This has resulted in 62% fewer patients requiring care packages six weeks after hospital discharge.

As an organisation that acknowledges its responsibility towards creating a sustainable future, we help achieve that goal by running awareness campaigns that promote the benefits of sustainability and wellbeing to our staff. These campaigns are backed up by staff surveys to measure the effects of the wellbeing and sustainability campaigns. We currently train our staff on a variety of sustainability, and safeguarding adults topics which include modern slavery. More details on our sustainable employment practices can be found on the policy section of our website.

Adaptation

Climate change brings new challenges to our business both in direct effects to the healthcare estates, but also to patient health. Examples of recent years include the effects of heat waves, extreme temperatures and prolonged periods of cold, floods, droughts etc. The organisation has identified the need for the development of a board approved plan for future climate change risks affecting our area.

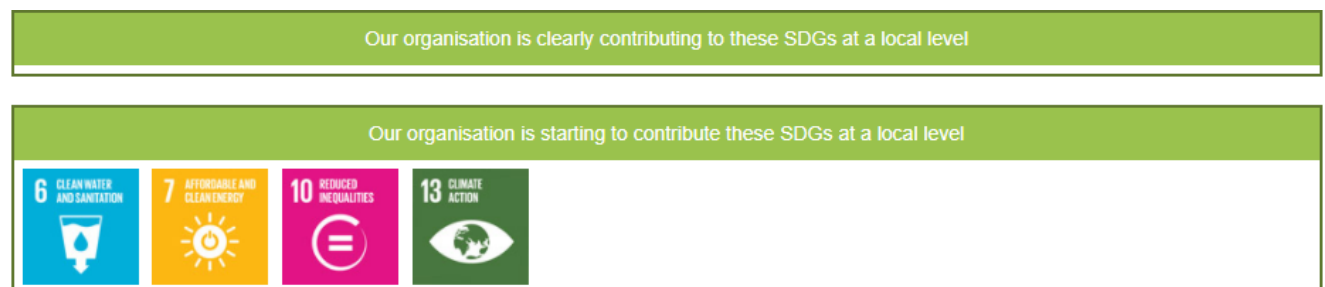
Events such as heatwaves, cold snaps and flooding are expected to increase as a result of climate change. To ensure that our services continue to meet the needs of our local population during such events we have developed and implemented a number of policies and protocols in partnership with other local agencies.

Green space

Currently the organisation has not got a formal approach to unlock the opportunities and benefits of natural capital within our healthcare environment. We are limited by our inner city location but are looking at ways to making best use of available space.

Measuring performance

One of the ways in which we measure our impact as an organisation on corporate social responsibility is through the use of the Sustainable Development Assessment Tool (SDAT). We completed this earlier this year and scored 45%. Our performance areas are shown below and include starting to contribute to: clean water sanitation, affordable and clean energy, reduced inequalities and climate action.



Carbon Footprint

Data normalisation

The hospitals environmental impact is proportional to the number of people it employs and the floor space of the Trust's buildings. Table 1 shows how direct emissions (from energy) have gone down by 18% since the baseline year, whilst over the same period floor space has decreased by 2% and the number of staff have stayed broadly flat. Direct emissions do not include areas such as travel, waste or procurement.

Context info	2013/14	2014/15	2015/16	2016/17	2017/18
Direct Emissions (tCO ₂ e)	13,004	11,545	10,951	10,672	10,714
Floor Space (m ²)	93,140	97,766	93,945	91,584	91,584
Number of Staff (FTE)	3,677	3,628	3,673	3,669	3,680

Table 1: Direct emissions, staff & floor space

This data has been used to normalise our direct emissions and compare progress against our target of 30% reduction by 2019/20. It can be seen from Figure 1 below that the Trust has not met our target when the organisation is normalised by floor space and by number of employees. The percentage reduction for each year is shown in the corresponding bar. Performance is however a slight improvement when compared to the previous financial year.

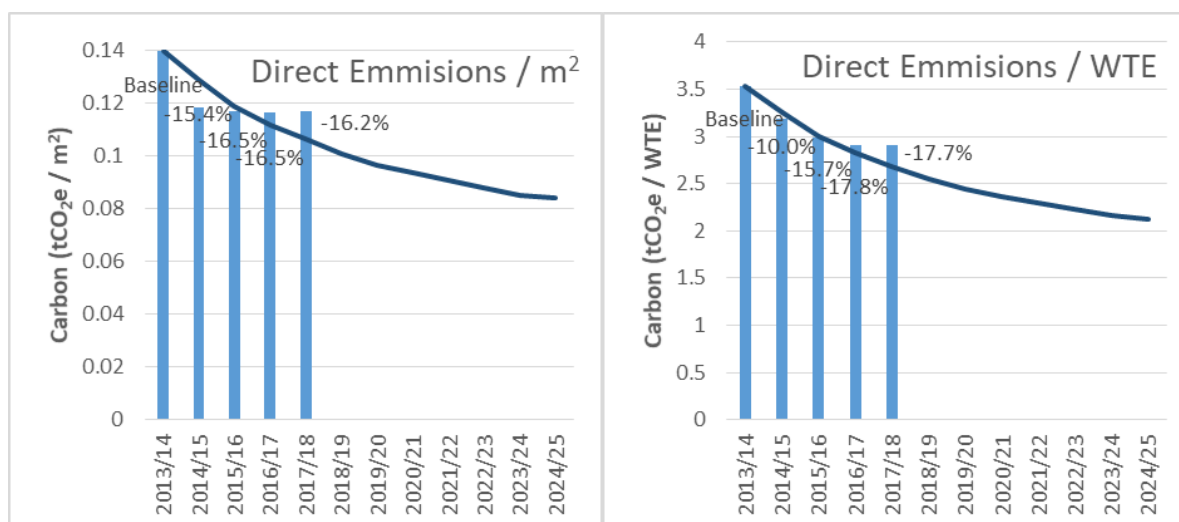


Figure 1: Normalised direct emissions - tCO₂e by m² (LHS) and by employee (RHS)

The remainder of this report uses figures that have been compared directly to the previous years with no normalisation for floor area or staff numbers so the year on year changes can be more clearly seen.

Carbon Emissions Breakdown

We believe it is important to understand the carbon impact of all aspects of our work and not just our direct emissions. We are working to map out how and where our carbon footprint sits from other aspects of our operation. Table 2 & Figure 2 below show the proportions of the carbon footprint by major usage areas. It can be seen that indirect emissions via procurement is the most significant contributor at 51% followed by commissioning at 29% and energy (direct emissions) at 17%.

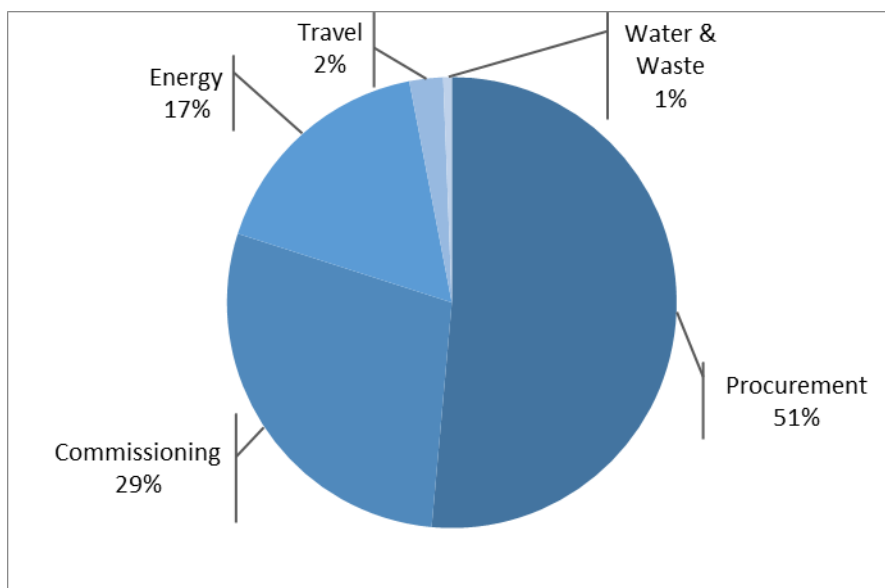


Figure 2: Proportions of Carbon Footprint

Area	Emissions (tCO ₂ e)
Procurement	32,376
Commissioning	17,941
Energy	10,714
Travel	1,528
Water and sanitation	384
Total	62,944

Table 2: Trust Emissions Breakdown

Procurement and commissioning

Procurement and commissioning make up the largest proportion of the Trust's carbon footprint and account for emissions estimated at 50,371 tCO₂e per annum. These emissions were calculated using a spend data split into various purchase categories and NHS Sustainable Development Unit (SDU) carbon factors. Figure 3 below shows the breakdown of emissions by different spend categories and Figure 4 shows changes by year. The SDU carbon factors are the accepted methodology for identifying procurement emissions, however they do not account for inflation in the cost of goods and services and as such the calculated procurement emissions increase in line with year on year increases in cost.

Over the coming years the Trust aims to improve the tracking of its procurement and commissioning carbon footprint. We also take into account the social impact of our procurement and where possible look to support the local economy and ensure that we procure ethically. We plan to investigate our two largest procurement categories, health care commissioning and pharmaceuticals, to develop plans to reduce the carbon footprint of these areas. We will be working with our service partners to ensure their organisations have robust sustainability plans.

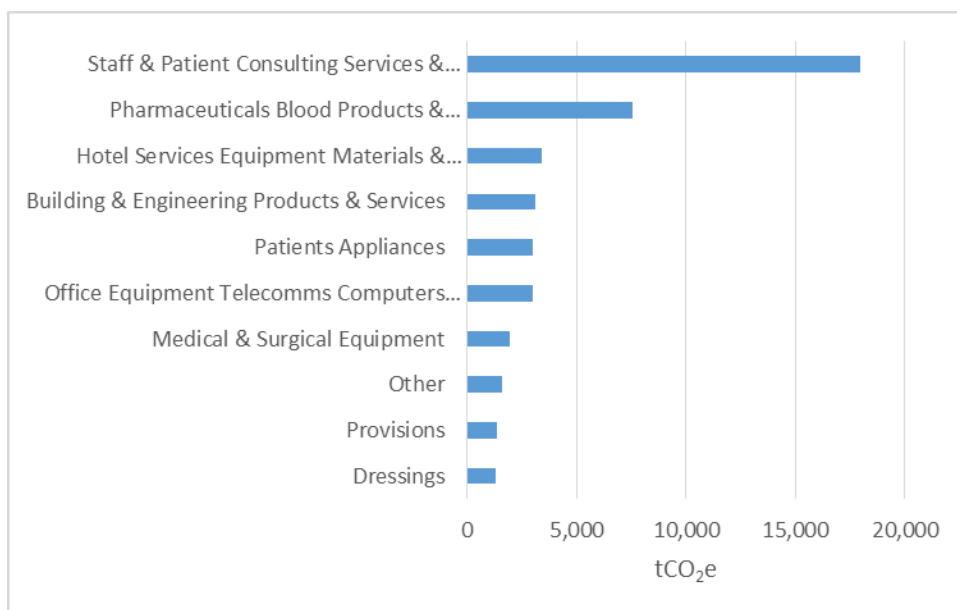


Figure 3: Procurement & Commissioning Carbon Footprint by Category (1718 data extrapolated from 11 months: April 17 – Feb 18)

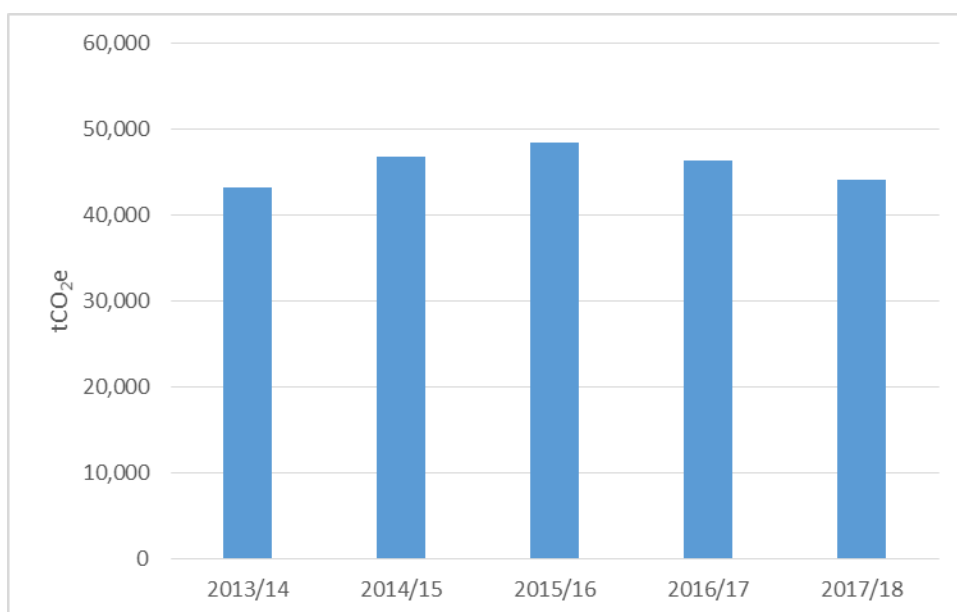


Figure 4: Procurement & Commissioning Carbon Footprint by year (17/18 data extrapolated from 11 months: April 17 – Feb 18)

Energy

This section looks at the Trusts carbon emissions from energy and total energy spend. This provides a top line view of the types of energy the Trust is using, the biggest change to energy use being the installation of two CHP engines in 2014/15. This significantly changed the proportions of gas and electricity used by the Trust as the CHP engines generated 73% of the electricity requirements in 2017/18 by burning natural gas, vastly reducing imported electricity.

The installation of the engines coupled with broadly falling utility prices also explains the cost reductions in energy spend seen over the last three years as imported electricity costs fall. It is however important to remember that this cost reduction does not factor in the operating costs of the CHP engines.

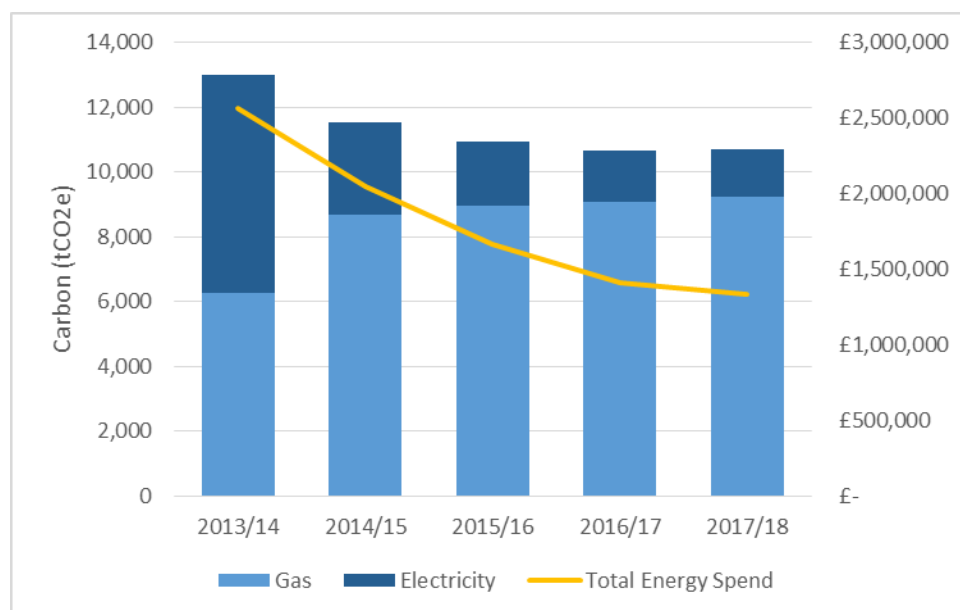


Figure 5: Carbon Emissions by year (1718 data extrapolated from 11 months: April 17 – Feb 18)

Figure 5 shows that the overall carbon emissions from energy use have decreased by 18.0% from the baseline year.

Resource		2013/14	2014/15	2015/16	2016/17	2017/18
Gas	Use (kWh)	29,545,625	41,365,855	42,929,557	42,745,329	43,617,388
	tCO ₂ e	6,268	8,679	8,984	8,933	9,247
Electricity	Use (kWh)	14,570,526	14,664,753	14,285,883	14,705,855	13,667,657
	tCO ₂ e	6,736	2,866	1,967	1,689	1,467
Total Energy tCO ₂ e		13,004	11,545	10,951	10,622	10,714
Energy Spend		£2,562,898	£2,045,020	£1,664,692	£1,411,516	£1,338,060

Table 3: Carbon emissions and energy spend (17/18 data extrapolated from 11 months: April 17 – Feb 18)

From Table 3 it can be seen that the Trust spent £1.34 m on energy last financial year. This is a decrease of 5% from the previous year. This has partly been achieved through lower energy prices but we have also improved our management of peak and triad periods to keep consumption down at the most expensive times.

Currently the Trust has no renewable energy sources however we will be investigating how we can procure or generate energy renewably without significant financial impact. Additionally we plan to investigate renewable heat and electricity sources covered by government incentive schemes.

Last year 10,638 MWh of electricity was generated from the CHP engine equivalent to 73% of the site usage. Of this generation 613 MWh was exported back to the grid. Year on year generated electricity from the CHP is shown below in Figure 6, there was a slight decrease in 17/18 due to an isolated issue with the CHP engine. We

also have plans to improve heat utilisation through improvements to our low grade heat distribution system and reduction in the energy centre parasitic load during the coming year.

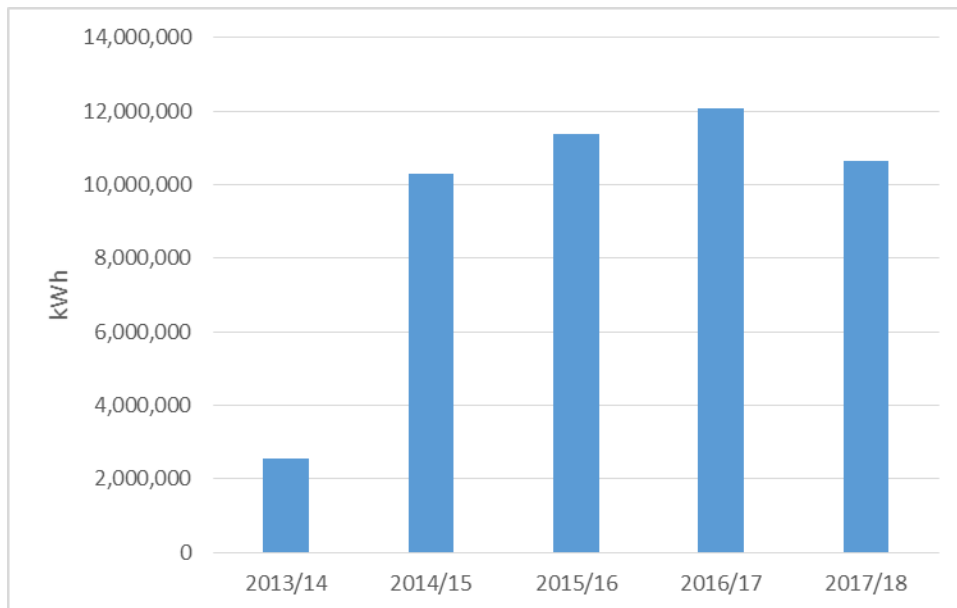


Figure 6: Electricity Generated from CHP (17/18 data extrapolated from 11 months: April 17– Feb 18)

The total trust electrical load has fallen by 7% from 16/17, this has been achieved through a variety of energy saving projects including lighting upgrades. We have also installed an M&T package and started to submeter significant consumers. This will allow us to target future energy saving opportunities. This improvement has been masked financially and enviromentally by the reduction in performance of the CHP engines. It is however important to recognise the progress in reduction of the site baseload that has been made.

We plan to further reduce our electicity use in the coming year through upgrades to ventilation systems and installation of LED lighting in the Jubilee Wing (0.5% electricity reduction).

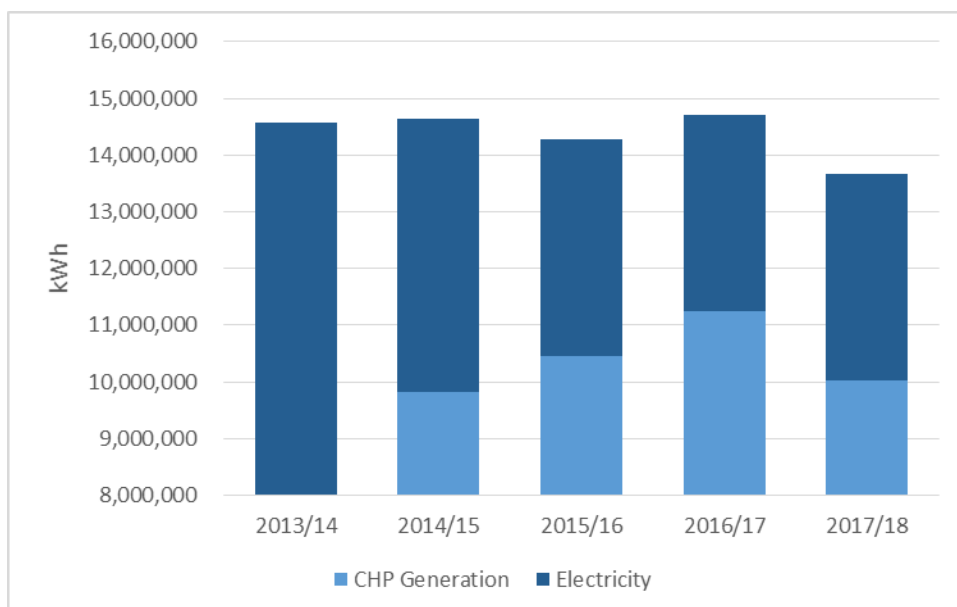


Figure 7: Site Electric Load (17/18 data extrapolated from 11 months: April 17– Feb 18)

Travel

We can improve local air quality and improve the health of our community by promoting active / non-carbon intense travel for our staff, patients and public that use our services. We support a culture of active travel to improve staff wellbeing and reduce sickness, an example of this is providing cycle storage for employees. Our impact from travel is shown below in Table 4.

Category	Mode	2013/14	2014/15	2015/16	2016/17	2017/18
Staff commute	miles	2,769,990	2,859,562	3,137,377	3,186,368	3,535,073
	tCO ₂ e	1,023.4	1,050.7	1,134.6	1,151.6	1,259.63
Business Travel	miles	672,056	689,768	624,649	650,081	642,730
	tCO ₂ e	248.3	253.4	225.9	235.0	229.02
Patient Transport Mileage	miles	96,739	150,430	143,512	142,844	111,748
	tCO ₂ e	35.7	55.3	51.9	51.6	39.82

Table 4: Travel Impact (17/18 data extrapolated from 11 months: April 16 – Feb 17)

Staff commuting impact is estimated from total number of staff on site and average distances travelled from National Travel Survey figures. The Trust is aiming to improve its knowledge of lengths and type of staff commuting in the next year as we recognise that the national survey may not accurately reflect our staff commute profile given our south London location. This will enable the Trust to better model emissions due to staff commuting and implement programs to reduce the environmental impact of staff commuting.

Our business travel impact from claimed mileage has decreased from 16/17 and is still significantly less than in 14/15 when we revised our mileage tracking system, the historical trend is shown on the LHS of Figure 8.

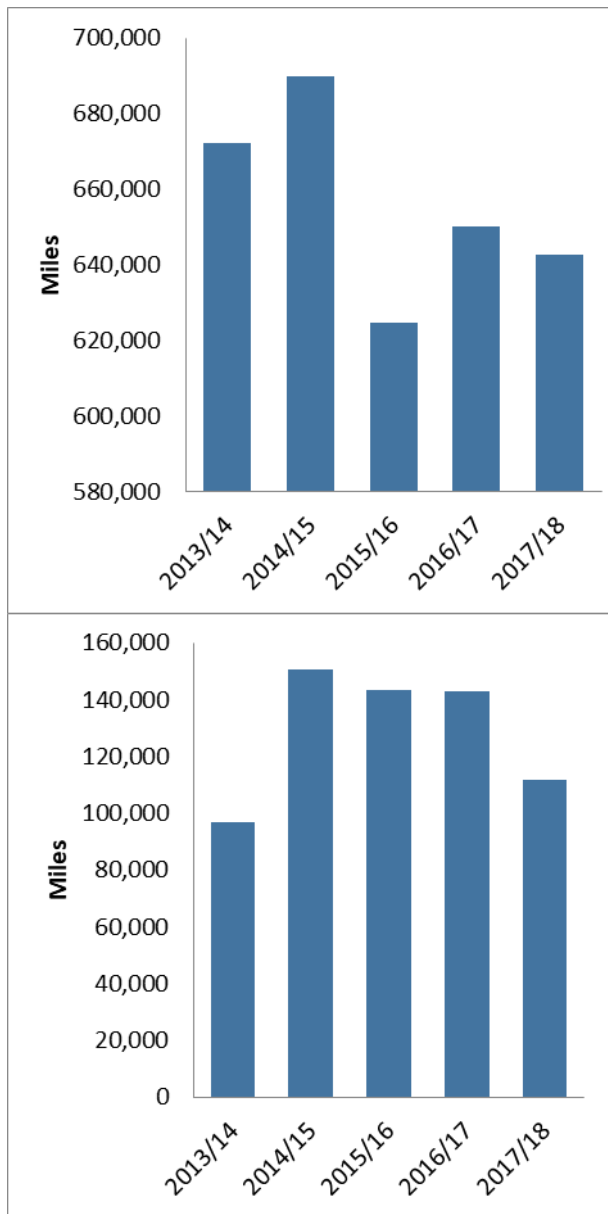


Figure 8: Claimed Mileage (LHS) & Patient Transport Miles (RHS)

We also recognise the impact that patient transport has on the environment and have clear guidelines on the use of patient transport. Through engaging the wards in the importance of this we have been able to reduce unnecessary trips. Patient transport mileage remained dropped compared to last year as shown on the RHS of Figure 8.

Waste minimisation and management

The Trust recognises the importance of reducing waste and in particular waste sent to landfill. Last year 1,944 tonnes of waste was created, Figure 9 below shows the waste destinations. It can be seen that 36% was recycled. The Trust is currently undergoing a complete review of waste management with the aim of reducing cost and increasing recycling rates. We are also investigating alternative waste disposal methods to further reduce the environmental and carbon impact of its waste. Additionally we are looking to reduce incoming packaging waste delivered to site.

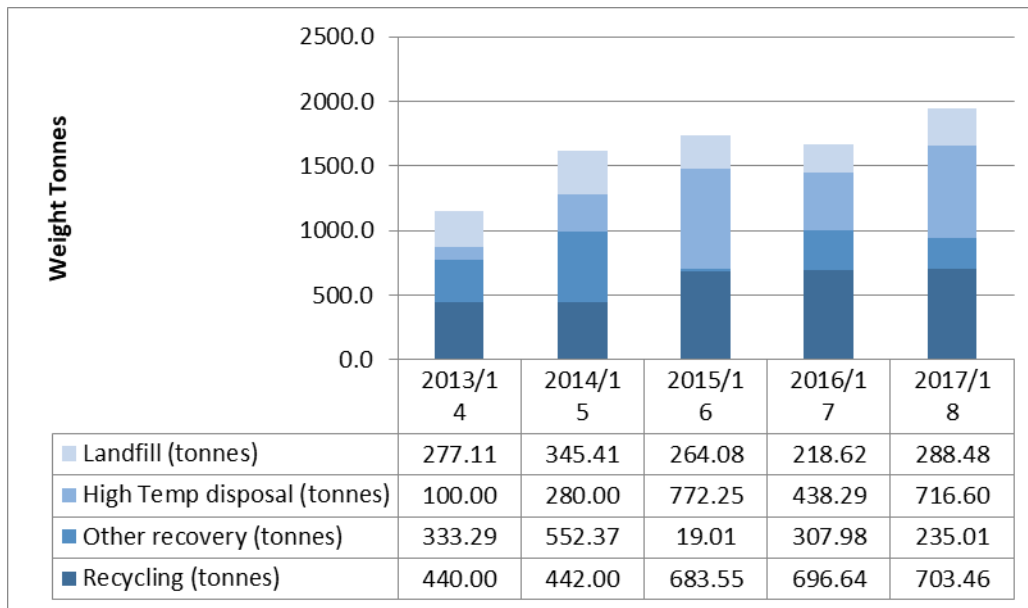


Figure 9: Historical Waste Destinations (17/18 data extrapolated from 11 months: April 17 – Feb 18)

Water consumption

The Trust recognises clean water is a finite resource and its use must be reduced and optimised. Figure 10 below shows how much water the Trust used. It can be seen that the Trust used 4% less water in 2017/18 than in 2016/17. Reductions in water usage have been achieved by elimination of leaks across the Trust. In the coming year we plan to install smart meters to allow us to develop further ideas to reduce our water use.

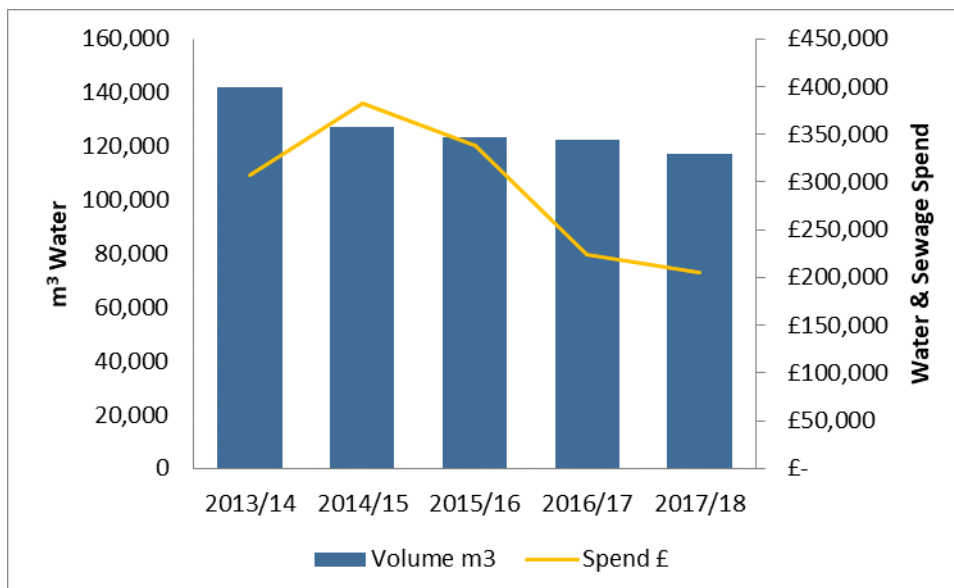


Figure 10: Mains Water use by year (m^3) –Line shows spend (RHS Axis) (17/18 data extrapolated from 11 months: April 17 – Feb 18)

Remuneration and Staff report

Remuneration policy

The Chairman and Non-executive Directors form the Remuneration Committee, which is a sub-committee of the Trust Board. The committee determines the rates of pay and contracts of the Executive Directors against a Department of Health and Social Care framework.

During 2017/18, the committee was chaired by Non- Executive Director Louise Cretton.

Other members during the 2017/18 year were:

- Michael Bell
- Godfrey Allen
- Michael Bailey
- Dr James Gillgrass
- Jamal Butt
- Hannah Miller

The committee also monitors and evaluates the performance of the Executive Directors. This approach is consistent with the overall performance management ethos of the Trust, and ensures linkage to national targets and local priorities.

The committee's role is to ensure that the Executives are fairly rewarded for their contribution to the Trust, having proper regard to its circumstances and performance and to the provisions of any national arrangements for such staff where appropriate.

Annual data comparison will continue to be made with other Trusts of a similar size to ensure that Croydon Health Services continues to pay what is generally considered to be the market rate. No part of the Chief Executive's or Director's remuneration is subject to their performance (in other words they do not attract any kind of performance bonus).

None of the Voting Directors have fixed term contracts. Their contracts can be terminated by either side giving, in the case of the Chief Executive, six months' notice, and for the Executive Directors, three months.



John Goulston

Chief Executive

Date: 23 May 2018

Salary and pensions of senior managers

(subjected to audit)

2017-18						
Name & Title	(a) Salary (bands of £5,000)	(b) Expense payments (taxable) to nearest £100	(c) Performance pay and bonuses (bands of £5,000)	(d) Long term performance pay and bonuses (bands of £5,000)	(e) All pension related benefits (bands of £2,500)	(f) Total (a to e) (bands of £5,000)
	£'000	£'000	£'000	£'000	£'000	£'000
John Goulston, Chief Executive	180 to 185	0	0	0	-17.5 to 0	160 to 165
Azara Mukhtar, Director of Finance	125 to 130	0	0	0	5.0 to 7.5	130 to 135
Jayne Black, Deputy Chief Executive & Chief Operating Officer	125 to 130	0	0	0	-15.0 to 0	115 to 120
Michael Burden, Director of Human Resources & Organisational Development	110 to 115	0	0	0	-17.5 to 0	90 to 95
Nnenna Osuji, Medical Director	200 to 205	0	0	0	27.5 to 30.0	230 to 235

Michael Fanning, Director of Nursing, Midwifery and Allied Health Professionals	110 to 115	0	0	0	-17.5 to 0	95 to 100
Lisa Chesser, Director of Planning & Informatics	105 to 110	0	0	0	20 to 22.5	130 to 135
Michael Bell, Chairman	40 to 45	0	0	0	0	40 to 45
Godfrey Allen, Non-Executive Director	5 to 10	0	0	0	0	5 to 10
Dr James Gillgrass, Non-Executive Director	5 to 10	0	0	0	0	5 to 10
Steven Corbishley, Non-Executive Director (not remunerated)	NA	NA	NA	NA	NA	NA
Louise Cretton, Non-Executive Director	5 to 10	0	0	0	0	5 to 10
Jamal Butt, Associate Non-Executive Director	5 to 10	0	0	0	0	5 to 10
Mike Bailey, Non-Executive Director	5 to 10	0	0	0	0	5 to 10
Hannah Miller, Non-Executive Director	5 to 10	0	0	0	0	5 to 10
Richard Oirschot , Non-Executive Director (Appointed 1 st September 2017)	0 to 5	0	0	0	0	0 to 5

2016-17						
Name & Title	(a) Salary (bands of £5,000)	(b) Expense payments (taxable) to nearest £100	(c) Performance pay and bonuses (bands of £5,000)	(d) Long term performance pay and bonuses (bands of £5,000)	(e) All pension related benefits (bands of £2,500)	(f) Total (a to e) (bands of £5,000)
	£'000	£'00	£'000	£'000	£'000	£'000
John Goulston, Chief Executive Officer	180 to 185	0	0	0	10.0 to 12.5	190 to 195
Azara Mukhtar, Director of Finance	125 to 130	0	0	0	20.0 to 22.5	145 to 150
Jayne Black, Deputy Chief Executive & Chief Operating Officer	125 to 130	10 to 11	0	0	7.5 to 10.0	135 to 140
Michael Burden, Director of Human Resources & Organisational Development	105 to 110	0	0	0	5.0 to 7.5	115 to 120
Nnenna Osuji, Medical Director	200 to 205	0	0	0	90.0 to 92.5	290 to 295

Helen Astle, Director of Quality Assurance and Governance (Resigned 21-Sep -16)	50 to 55	0	0	0	37.5 to 40.0	90 to 95
Michael Fanning, Director of Nursing, Midwifery and Allied Health Professionals	110 to 115	0	0	0	5.0 to 7.5	120 to 125
Lisa Chesser, Director of Planning & Informatics	105 to 110	0	0	0	22.5 to 25.0	130 to 135
Michael Bell, Chairman	40 to 45	0	0	0	0	40 to 45
Godfrey Allen, Non-Executive Director	5 to 10	0	0	0	0	5 to 10
Steven Corbishley, Non-Executive Director (not remunerated)	NA	NA	NA	NA	NA	NA
Dr James Gillgrass, Non-Executive Director	5 to 10	0	0	0	0	5 to 10
Louise Cretton, Non-Executive Director	5 to 10	0	0	0	0	5 to 10
Jamal Butt, Associate Non-Executive Director	5 to 10	0	0	0	0	5 to 10
Mike Bailey, Non-Executive Director	5 to 10	0	0	0	0	5 to 10
Hannah Miller, Non-Executive Director	5 to 10	0	0	0	0	5 to 10

Pension benefits 2017/18

(subjected to audit)

Name	Title	Real increase / (decrease) in pension at pension (bands of £2,500)	Real increase / (decrease) in pension lump sum at pension age (bands of £2,500)	Total accrued pension at pension age at 31 March 2018 (bands of £5,000)	Lump sum at pension age related to accrued pension at 31 March 2018 (bands of £5,000)	Cash Equivalent Transfer Value at 1 April 2017	Cash Equivalent Transfer Value at 31 March 2018	Real increase/ (decrease) in Cash Equivalent Transfer Value	Employer's Contribution to stakeholder pension
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
John Goulston	Chief Executive	0 to 2.5	0 to 2.5	60 to 65	190 to 195	1,388	1,506	78	26
Azara Mukhtar	Director of Finance	0 to 2.5	-5.0 to -2.5	35 to 40	95 to 100	564	626	46	18
Nnenna Osuji	Medical Director	2.5 to 5	-2.5 to 0	45 to 50	115 to 120	675	737	42	27

Jayne Black	Deputy Chief Executive and Chief Operating Officer	0 to 2.5	0 to 2.5	50 to 55	150 to 155	976	1,063	59	18
Michael Burden	Director of Human Resources & Organisation Development	-2.5 to 0	-2.5 to 0	50 to 55	150 to 155	1,048	1,128	50	16
Lisa Chesser	Director of Planning & Informatics	0 to 2.5	0 to 2.5	10 to 15	0 to 5	147	179	28	16
Michael Fanning	Director of Nursing, Midwifery and Allied Health Professionals	0 to 2.5	0 to 2.5	50 to 55	150 to 155	960	1,042	54	17

Pension benefits 2016/17

(subjected to audit)

Name	Title	Real increase / (decrease) in pension at pension (bands of £2,500)	Real increase / (decrease) in pension lump sum at pension age (bands of £2,500)	Total accrued pension at pension age at 31 March 2017 (bands of £5,000)	Lump sum at pension age related to accrued pension at 31 March 2017 (bands of £5,000)	Cash Equivalent Transfer Value at 1 April 2016	Cash Equivalent Transfer Value at 31 March 2017	Real increase/ (decrease) in Cash Equivalent Transfer Value	Employer's Contribution to stakeholder pension
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
John Goulston	Chief Executive	0 to 2.5	2.5 to 5	60 to 65	185 to 190	1,301	1,388	74	26
Azara Mukhtar	Director of Finance	0 to 2.5	-2.5 to 0	35 to 40	95 to 100	525	564	33	18
Nnenna Osuji	Medical Director	5.0 to 7.5	5.0 to 7.5	45 to 50	110 to 115	558	675	111	26

Jayne Black	Deputy Chief Executive and Chief Operating Officer	0 to 2.5	2.5 to 5.0	45 to 50	145 to 150	916	976	51	18
Michael Burden	Director of Human Resources & Organisation Development	0 to 2.5	2.5 to 5.0	50 to 55	150 to 155	989	1048	49	16
Lisa Chesser	Director of Planning & Informatics	0 to 2.5	0 to 2.5	10 to 15	0 to 5	120	147	25	16
Michael Fanning	Director of Nursing, Midwifery and Allied Health Professionals	0 to 2.5	2.5 to 5.0	45 to 50	145 to 150	904	960	47	16

Helen Astle	Director of Quality Assurance and Governance (Resigned 21-Sep-16)	0 to 2.5	2.5 to 5.0	5 to 10	20 to 25	101	142	40	8
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Pay multiples

(subjected to audit)

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

The calculation is based in the full-time equivalent staff of the reporting entity at the reporting period end date on an annualised basis. This is shown in the table below:

	2017/18	2016/17
Band of Highest Paid Director's Total Remuneration	£200k to £205k	£200k to £205k
Median Total Remuneration of all staff	£24,816	£25,427
Remuneration Ratio	8.21	8.02
Number of employees who received remuneration in excess of the highest paid director	0	0
Remuneration for these staff ranged from:	NA	NA

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

Numbers of Senior Staff (by band)

The Trust employs the following senior staff in the organisation:

Band	2017-18 Headcount	2017-18 WTE	2016-17 Headcount	2016-17 WTE
Associate Specialist	13	11.95	14	12.30
Band 8A	141	135.21	133	125.60
Band 8B	41	40.75	42	40.43
Band 8C	25	23.65	23	22.84
Band 8D	16	15.68	14	13.88
Band 9	3	3	4	4.00
Consultant	187	175.33	184	172.84
Very Senior Manager	8	8	9	9
Specialty Doctor	28	23.15	28	22.25
Staff Grade Practitioner	3	2.85	3	2.85
Total	465	439.57	454	425.99

Staff numbers

(subjected to audit)

The Trust employs a total of 3,887 permanent and temporary staff in the following staff groups.

Staff grouping	2017-18 WTE	2016-17 WTE
Medical and dental staff	505.81	500.55
Administration and estates staff	484.93	478.75
Health care assistants and other support staff	1153.42	1088.63
Nursing, midwifery and health visiting staff	1309.93	1320.62
Scientific, therapeutic and technical staff	433.38	445.93
Grand Total	3887.47	3834.47

Note - 2016/17 has been adjusted, substantive headcount for 16/17 was used instead of WTE, this has now been corrected in the above table

Staff composition

Trust Total	2017-18 %	2016-17 %
Female	80.0	79.0
Male	20.0	21.0
Grand Total	100	100

Directors (Board level)	2017-18 Headcount	2017-18 %	2016-17 Headcount	2016-17 %
Female Executive	4	43	5	63
Male Executive	3	57	3	37
Female Non-Executive	2	17	2	25
Male Non-Executive	10	83	6	75
Total Female	6	32	7	44
Total Male	13	68	9	56

Ethnic Origin	Headcount
A White - British	1140
B White - Irish	67
C White - Any other White background	246
D Mixed - White & Black Caribbean	35
E Mixed - White & Black African	14
F Mixed - White & Asian	28
G Mixed - Any other mixed background	41
H Asian or Asian British - Indian	318
J Asian or Asian British - Pakistani	56
K Asian or Asian British - Bangladeshi	9
L Asian or Asian British - Any other Asian background	172
M Black or Black British - Caribbean	345
N Black or Black British - African	415
P Black or Black British - Any other Black background	67
R Chinese	32
S Any Other Ethnic Group	148
Z - Not Stated	533
Trust Total	3666

Trust-wide				
Category	BME	White	Unknown	Total
Trust Workforce	1680	1453	533	3666
%	46.00%	40.00%	14.00%	

At Board level			
Category			
Directors			
Non Execs and Chair	BME	White	Unknown
Total	5	4	0
	2	8	0
	7	12	0

Sickness absence data

Staff Sickness Absence	2017-18 Number	2016-17 Number
Total Days Lost	29,069	27,726
Total Staff Years (average number)	3,357	3,324
Average working Days Lost (total day lost/staff years)	8.70	8.30

Staff disability policies

The Trust is an Employment Service disability symbol user (often referred to as Two Ticks) and has undertaken to implement the symbol's commitments, in letter and in spirit, across its HR policies for recruitment & selection and sickness & attendance management.

These include:

- To interview all applicants with a disability who meet the essential criteria for a post and to consider them on their abilities.
- To take action to ensure that all employees have attained the appropriate level of disability awareness, in order for the Trust to meet its commitments under the symbol.
- To ensure that reasonable adjustments are considered at all stages of the recruitment and selection process, in order to accommodate the particular needs of any disabled person, as defined in the Disability Discrimination Act 1995 and Disability Discrimination (Amendment) Act 2005.”
- Make all reasonable adaptations and changes to the workplace/job to accommodate employees who are deemed disabled.

Reasonable adjustments might include but not limited to:

- Making adjustments to premises, duties, working hours
- Arranging training (and allowing time for the training)
- Acquiring or modifying equipment

Expenditure on consultancy

- The Trust spent £0.948m on consultancy. Consultants were hired to undertake work in relation to staffing strategy and theatre implementation. The Trust also recruited consultants to undertake an in depth critical analysis of Trust strategy.

Off-payroll engagements

- Following the Review of Tax Arrangements of Public Sector Appointees published by the Chief Secretary to the Treasury on 23 May 2012, Departments and their arm's length bodies must publish information in relation to the number of off payroll engagements; more than £245 per day and more than six month that are/were in place within their organisation.

For all off-payroll engagements as of 31 March 2018, for more than £245 per day and that last longer than six months	2017-18 Number	2016-17 Number
Number of existing engagements as of 31 March 2018	42	18
Of which, the number that have existed:		
For less than one year at the time of reporting	12	7
For between one and two years at the time of reporting	19	7
For between 2 and 3 years at the time of reporting	5	3
For between 3 and 4 years at the time of reporting	4	1
For 4 or more years at the time of reporting	2	0

New Off-payroll engagements

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

	Number
No. of new engagements, or those that reached six months in duration, between 1 April 2017 and 31 March 2018	10
Of which...	
No. assessed as caught by IR35	1
No. assessed as not caught by IR35	9
No. engaged directly (via PSC contracted to department) and are on the departmental payroll	0
No. of engagements reassessed for consistency / assurance purposes during the year.	10
No. of engagements that saw a change to IR35 status following the consistency review	0

Off-payroll board member/senior official engagements

- For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2017 and 31 March 2018

Number of off-payroll engagements of board members, and/or senior officers with significant financial responsibility, during the financial year	0	0
Total no. of individuals on payroll and off-payroll that have been deemed “board members, and/or, senior officials with significant financial responsibility”, during the financial year. This figure should include both on payroll and off-payroll engagements.	0	0

Exit packages

(subjected to audit)

Exit Package cost band (including any special payment element)	Number of compulsory redundancies	Cost of compulsory redundancies	Number of other departures agreed	Cost of other departures agreed	Total number of exit packages	Total cost of exit packages	Number of departures where special payment have been made	Cost of special payment element including in exit packages
	Number	£s	Number	£s	Number	£s	Number	£s
Less than £10,000	0	0	0	0	0	0	0	0
£10,000 - £25,000	0	0	0	0	0	0	0	0
£25,001-£50,000	0	0	0	0	0	0	0	0
£50,001-£100,000	0	0	0	0	0	0	0	0
£100,001-£150,000	0	0	0	0	0	0	0	0
£150,001-£200,000	0	0	0	0	0	0	0	0
>£200,000	0	0	0	0	0	0	0	0

	Agreements	Total value of agreements
	Number	£000s
Voluntary redundancies including early retirement contractual costs	0	0
Mutually agreed resignations (MARS) contractual costs	0	0
Early retirements in the efficiency of the service contractual costs	0	0
Contractual payments in lieu of notice	0	0
Exit payments following Employment Tribunals or court orders	0	0
Non contractual payments requiring Department of Health and Social Care approval	0	0
Total	0	0

Financial Statement and Accounts

Summary of 2017/18 financial performance

Key Financial Targets

The table below sets out the Trust's Financial Targets, and its performance against these, in the 2017/18 Financial Year:

Target	Performance	Target met?
Breakeven on revenue and operating costs	The Trust posted a reported deficit of £25.9m pre Sustainability and Transformation Fund (STF) but did not meet its £19.1m pre STF agreed deficit control total. The Trust did meet its agreed adverse forecast from plan, which was agreed with NHSI at Month 9 reporting. The final outturn was £25.9m deficit pre STF and £22.2m deficit post STF.	x
Keep within the capital resource limit (CRL) of £11.336m (including £0.513m capital PDC)	The Trust remained within the CRL, and generated an underspend of £0.09m	✓
Remain within the external financing limit (EFL) of £26.898m	The Trust remained within its EFL, and over achieved on this by £0.94m	✓
Keep within a Capital Cost Absorption Rate (CCAR) of 3.5%	The Trust kept within the 3.5% CCAR. This has resulted in dividend payments of £4.125m to the Department of Health.	✓

Further copies of these accounts can be obtained from:

PA to the Director of Finance
530 London Road
Croydon Health Services NHS Trust
Croydon
CR7 7YE
Tel: 0208 401 3563

Statement of Comprehensive Income for year ended 31 March 2018


		2017/18	2016/17
	Not e	£000	£000
Operating income from patient care activities	3	271,264	248,672
Other operating income	4	21,852	25,999
			(291,646)
Operating expenses	5, 7	(308,727)	()
Operating deficit from continuing operations		(15,611)	(16,975)
Finance income	10	36	23
Finance expenses	11	(1,705)	(1,362)
PDC dividends payable		(4,125)	(4,775)
Net finance costs		(5,794)	(6,114)
Deficit for the year from continuing operations		(21,405)	(23,089)
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments reversal taken to the revaluation reserve	6	6,085	(683)
Revaluations	13	4,777	649
Total comprehensive expense for the period		(10,543)	(23,123)
Financial performance for the year			
Retained surplus/(deficit) for the year		(21,405)	(23,089)
Impairments		(911)	131
Adjustments in respect of donated gov't grant asset reserve elimination		165	(829)
Adjusted retained deficit		(22,151)	(23,787)

The notes on pages 155 to 205 form part of this account.

Statement of Financial Position as at 31 March 2018

	Note	31 March 2018 £000	31 March 2017 £000
Non-current assets			
Intangible assets	12	710	1,053
Property, plant and equipment	13	243,971	229,075
Trade and other receivables	18	727	1,089
Total non-current assets		245,408	231,217
Current assets			
Inventories	17	2,750	2,607
Trade and other receivables	18	20,661	26,822
Cash and cash equivalents	19	4,433	3,494
Total current assets		27,844	32,923
Current liabilities			
Trade and other payables	20	(38,582)	(42,409)
Borrowings	22	(27,218)	(604)
Provisions	24	(2,016)	(2,920)
Other liabilities		(939)	(3,343)
Total current liabilities		(68,755)	(49,276)
Total assets less current liabilities		204,497	214,864
Non-current liabilities			
Borrowings	22	(70,901)	(71,148)
Provisions	24	(605)	(695)
Total non-current liabilities		(71,506)	(71,843)
Total assets employed		132,991	143,021
Financed by			
Public dividend capital		114,741	114,228
Revaluation reserve		99,982	90,754
Income and expenditure reserve		(81,732)	(61,961)
Total taxpayers' equity		132,991	143,021

The notes on pages 155 to 205 form part of these accounts.


John Goulston (Chief Executive)

Date: 23 May 2018

Statement of Changes in Equity for the year ended 31 March 2018

	Public dividend capital	Revaluation reserve	Other reserves	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000
Taxpayers' equity at 1 April 2017 - brought forward	114,228	90,754	0	(61,961)	143,021
Deficit for the year	0	0	0	(21,405)	(21,405)
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	0	0	0	0	0
Other transfers between reserves	0	(1,634)	0	1,634	0
Impairments reversal taken to the revaluation reserve	0	6,085	0	0	6,085
Revaluations	0	4,777	0	0	4,777
Public dividend capital received	513	0	0	0	513
Other reserve movements	0	0	0	0	0
Taxpayers' equity at 31 March 2018	114,741	99,982	0	(81,732)	132,991

Statement of Changes in Equity for the year ended 31 March 2017

	Public dividend capital	Revaluation reserve	Other reserves	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000
Taxpayers' equity at 1 April 2016 - brought forward	114,228	92,408	0	(40,491)	166,145
Prior period adjustment	0	0	0	0	0
Taxpayers' equity at 1 April 2016 - restated	114,228	92,408	0	(40,491)	166,145
Deficit for the year	0	0	0	(23,089)	(23,089)
Other transfers between reserves	0	(1,619)	0	1,619	0
Impairments	0	(683)	0	0	(683)
Revaluations	0	649	0	0	649
Other reserve movements	0	(1)	0	0	(1)
Taxpayers' equity at 31 March 2017	114,228	90,754	0	(61,961)	143,021

Information on reserves

1. Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. Additional PDC may also be issued to trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the Trust, is payable to the DHSC as the public dividend capital dividend.

2. Income and expenditure reserve

The balance of this reserve is the accumulated deficits of the trust.

3. Revaluation reserve

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

Statement of Cash Flows for the Year ended 31 March 2018

	Note	2017/18 £000	2016/17 £000
Cash flows from operating activities			
Operating deficit		(15,611)	(16,975)
Non-cash income and expense:			
Depreciation and amortisation	5	8,629	8,315
Net impairments	6	(911)	131
Income recognised in respect of capital donations	4	(82)	(1,064)
Decrease in receivables and other assets		6,583	(4,571)
Increase in inventories		(143)	(27)
Decrease in payables and other liabilities		(5,660)	2,246
Decrease in provisions		(995)	(1,236)
Other movements in operating cash flows		(15)	0
Net cash used in operating activities		(8,205)	(13,181)
Cash flows from investing activities			
Interest received		36	23
Purchase of intangible assets		(35)	0
Purchase of property, plant, equipment and investment property		(11,928)	(16,572)
Receipt of cash donations to purchase capital assets		82	321
Net cash used in investing activities		(11,845)	(16,228)
Cash flows from financing activities			
Public dividend capital received		513	0
Movement on loans from the Department of Health and Social Care		26,384	36,446
Interest paid on finance lease liabilities		(5)	0
Other interest paid		(1,718)	(1,129)
PDC dividend paid		(4,185)	(4,373)
Net cash generated from financing activities		20,989	30,944
Increase in cash and cash equivalents		939	1,535
Cash and cash equivalents at 1 April - brought forward		3,494	1,959
Cash and cash equivalents at 31 March	19	4,433	3,494

Notes to the Accounts

1. Accounting policies and other information

1.1 Basis of preparation

The Department of Health and Social Care (DHSC) has directed that the financial statements of the trust shall meet the accounting requirements of the DHSC Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2017/18 issued by the DHSC. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to accounts.

1.11 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.

1.12 Going concern

The Treasury's Financial Reporting Manual (FReM) provides the following interpretation of the going concern requirements set out in IAS1 "that the continuation of the provision of the service is the important determinant of the basis of preparation of the financial statements for public sector entities". Croydon Health Services NHS Trust's annual report and 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.

In preparing the financial statements, the directors have considered the Trust's overall financial position and expectation of future financial support. The Trust has submitted a financial plan for 2018/19 to NHS Improvement which delivers a £2.8m deficit (including sustainability & Transformation Fund [STF] of £12.2m) after delivery of a £19.2m savings programme which has been agreed by the Trust Board and is embedded in the budget. The Trust Board have recognised that this is a highly demanding plan, and dependent upon the full delivery of cost reduction targets, realisation of recurrent savings, and the adherence to agreed budgets.

The 2018/19 plan requires cash support of £2.8m from the DHSC provided the adjusted planned deficit is met. If the Trust fails to deliver its savings plan of £19.2m in full and to increase gross income from repatriation of patients £7.8m or its financial deficits are greater than planned in 2018/19 then further cash loans will be required. The Trust has requested access to further DHSC borrowing facilities to provide adequate liquidity headroom if needed.

The Trust has a revenue loan of £26.4m that will mature in February 2019. The Trust will need to write to the DHSC to either request for a new loan to repay the old or to extend the maturity.

Although these factors represent material uncertainties that may cast significant doubt about the Trust's ability to continue as a going concern, the Directors, having made appropriate enquiries, still have reasonable expectations that the Trust will have adequate resources to continue in operational existence for the foreseeable future. As directed by the 2017/18 DHSC Group Accounting Manual the Directors have prepared the financial statements on a going concern basis as they consider that the services currently provided by the Trust will continue to be provided in the foreseeable future. On this basis, the Trust has adopted the going concern basis for preparing the financial statements and has not included the adjustments that would result if it was unable to continue as a going concern".

1.12 Critical judgements in applying accounting policies

The following are the 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 the most significant effect on the amounts recognised in the financial statements.

Going concern (see note 1.1.2)

The Trust assumed to be going concerns where the services currently provided will continue to be provided in the foreseeable future, as evidenced by inclusion of financial provision for that service in published documents.

Non consolidation of charity accounts (see note 1.3)

The Trust does not consolidate the charity accounts on the basis of materiality.

Finance leases (see note 1.13)

The Trust has made a critical judgement regarding the treatment of asset that is finance lease. This finance lease asset relates to equipment used by the Trust.

1.2.1 Sources of estimation uncertainty

In the application of the NHS 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.

The following are the 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.

Revenue - Note 1.4 and Note 3 and 4

The basis of calculation for partially completed spells is detailed in note 1.4.

Asset Lives – Note 12 and 13

The reported amounts for depreciation of property, plant and equipment and amortisation of non-current intangible assets can be materially affected by the judgements exercised in determining their estimated economic lives. Economic lives are determined in a number of different ways such as valuations (external professional opinion) and physical asset verification exercises.

The minimum and maximum estimated economic lives of each class of asset are disclosed in note 1.7.5 and 1.8.3, and the carrying values of property, plant and equipment and intangible assets in notes 13 and 12 respectively.

Land and Buildings Valuations – Notes 1.7.2 and 15

All land and buildings are restated at fair value by way of annual professional valuations carried out by an independent external valuer.

Provision for Impairment of Receivables – Note 18.1

Provisions are based on the average percentage recovery rate of income received for current and prior financial years, according to each category of receivable. The Trust follows the guidance issued in the 2017/18 DHSC Group Accounting Manual in relation to the recommended rate for Injury Cost Recovery receivables.

1.3 Interests in other entities

Subsidiaries

Material entities over which the NHS trust has the power to exercise control are classified as subsidiaries and are consolidated. The NHS trust has control when it is exposed to or has rights to variable returns through its power over another entity. The income and expenses; gains and losses; assets, liabilities and reserves; and cash flows of the subsidiary are consolidated in full into the appropriate financial statement lines. Appropriate adjustments are made on consolidation where the subsidiary's accounting policies are not aligned with the NHS trust or where the subsidiary's accounting date is not co-terminus.

The Croydon Health Services Charitable Fund (Registered Charity No. 1054824) is the only subsidiary of the Trust. The Trust Board is the Corporate Trustee, and the board members of the Trust are jointly responsible for the management of these charitable funds.

Under the provisions of IAS 27 Consolidated and Separate Financial Statements, those Charitable Funds that fall under common control with NHS bodies are consolidated within the entity's financial statements. In accordance with IAS 1 Presentation of Financial Statements, restated prior period accounts are presented where the adoption of the new policy has a material impact.

The value of the Trust's charitable funds is £0.98m; because the value of the funds are not material the Trust has not consolidated these in to its annual accounts on the basis of materiality.

Joint arrangements

Material entities over which the NHS trust has joint control with one or more other entities are classified as joint arrangements. Joint control is the contractually agreed sharing of control of an arrangement. A joint arrangement is either a joint operation or a joint venture.

A joint operation exists where the parties that have joint control have rights to the assets and obligations for the liabilities relating to the arrangement. Where the NHS body is a joint operator it recognises its share of, assets, liabilities, income and expenses in its own accounts. Croydon Health Services has entered into a joint operation with St George's University Hospitals NHS Foundation Trust and Kingston Hospital NHS Foundation Trust for the provision of its Pathology Services. The joint operation is known as "South West London Pathology". The Trust shares control of the joint operation equally with its partners in the operation.

From 1 April 2015, the Trust has participated in South West London Pathology, an arrangement with Kingston NHS Foundation Trust and Croydon University Hospitals

NHS Trust to provide Pathology for all three organisations. The operation is under joint control: its board is made up of the three chief executives and finance directors of each trust, none of whom have overall authority, Ownership is divided based on expected usage: • Croydon University Hospitals NHS Trust 25.8% • Kingston NHS Foundation Trust 27.5% • St George's University Hospitals NHS Foundation Trust 46.7%.

1.4 Income

IFRS 15 Revenue from Contracts with Customers. This standard is effective for accounting periods commencing on or after 1 January 2018, but not yet adopted by the FReM.

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the trust is contracts with commissioners in respect of health care services. At the year end, the trust accrues income relating to activity delivered in that year, where a patient care spell is incomplete.

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.

Where income is received for a specific activity which is to be delivered in a subsequent financial year, that income is deferred.

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.

The NHS trust receives income under the NHS Injury Cost Recovery Scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid e.g. by an insurer. The NHS trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit that the individual has lodged a compensation claim. The income is measured at the agreed tariff for the treatments provided to the injured individual, less a provision for unsuccessful compensation claims and doubtful debts.

1.4.1 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 Expenditure on employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the NHS Pension Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of Secretary of State, in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. There, the schemes are accounted for as though they are defined contribution schemes.

Employer's pension cost contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the trust commits itself to the retirement, regardless of the method of payment.

In addition the Trust also operates a Local government pension scheme (LGPS) for staff not eligible for the NHS pension scheme. This is a defined contribution, off Statement of Financial Position scheme and the number of employees opting in and the value of the contributions has been negligible.

1.6 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

1.7 Property, plant and equipment

1.7.1 Recognition

"Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow to, or service potential be provided to, the trust
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably
- 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 cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, these components are treated as separate assets and depreciated over their useful economic lives. The components, such as fittings, form part of the modern equivalent asset (MEA) building values within the elemental Depreciated Replacement Cost (DRC) approach under Royal Institute of Chartered Surveyors (RICS) mandatory rules on valuations.

1.7.2 Measurement

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. Assets that are held for their service potential and are in use are measured subsequently at their current value in existing use. Assets that were most recently held for their service potential but are surplus are measured at fair value where there are no restrictions preventing access to the market at the reporting date.

Revaluations of property, plant and equipment 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. Current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use.

- Specialised buildings – depreciated replacement cost, modern equivalent asset basis.

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 economic 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.

Subsequent expenditure

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

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful economic lives in a manner consistent with the consumption of economic or service

delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'held for sale' ceases to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the trust, respectively.

Revaluation gains and losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating income.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments

In accordance with the GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised. Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

1.7.3 Derecognition

Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- the sale must be highly probable ie:
 - management are committed to a plan to sell the asset
 - an active programme has begun to find a buyer and complete the sale
 - the asset is being actively marketed at a reasonable price
 - the sale is expected to be completed within 12 months of the date of classification as 'held for sale' and
 - the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

1.7.4 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.

1.7.5 Useful economic lives of property, plant and equipment

Useful economic lives reflect the total life of an asset and not the remaining life of an asset. The range of useful economic lives are shown in the table below:

	Min life Years	Max life Years
Land	NA	NA
Buildings, excluding dwellings	5	87
Dwellings	15	71
Plant & machinery	1	15
Information technology	1	9
Furniture & fittings *	1	15

* Where a fitting attached to a building, this component form part of the modern equivalent asset (MEA) building values within the elemental Depreciated Replacement Cost (DRC) approach under Royal Institute of Chartered Surveyors (RICS) mandatory rules on valuations.

Finance-leased assets (including land) are depreciated over the shorter of the useful economic life or the lease term, unless the Trust expects to acquire the asset at the end of the lease term in which case the assets are depreciated in the same manner as owned assets above.

1.8 Intangible assets

1.8.1 Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the trust and where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Internally generated intangible assets

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use
- the trust intends to complete the asset and sell or use it

- the trust has the ability to sell or use the asset
- how the intangible asset will generate probable future economic or service delivery benefits, e.g., the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the trust to complete the development and sell or use the asset and
- the trust can measure reliably the expenses attributable to the asset during development.

Software

Software which is integral to the operation of hardware, eg an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, e.g. application software, is capitalised as an intangible asset.

1.8.2 Measurement

"Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 or IFRS 5.

Intangible assets held for sale are measured at the lower of their carrying amount or "fair value less costs to sell".

Following initial recognition, intangible assets are carried at current value in existing use by reference to an active market, or, where no active market exists, at the lower of amortised replacement cost (modern equivalent assets basis) and value in use where the asset is income generating. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances.

Amortisation

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits."

1.8.3 Useful economic lives of intangible assets

Useful economic lives reflect the total life of an asset and not the remaining life of an asset. The range of useful economic lives are shown in the table below:

	Min life Years	Max life Years
Information technology	0	8
Software licences	5	7
Licences & trademarks	0	0

1.9 Inventories

Inventories are valued at the lower of cost and net realisable value using the first-in first-out cost formula. This is considered to be a reasonable approximation to fair value due to the high turnover of stocks.

1.10 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.

1.11 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.

1.12 Financial instruments and financial liabilities

Recognition

Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the trust's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs, i.e., when receipt or delivery of the goods or services is made. All other financial assets and financial liabilities are recognised when the trust becomes a party to the contractual provisions of the instrument."

De-recognition

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

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

Classification and measurement

Financial assets are categorised as fair value through income and expenditure, loans and receivables or available-for-sale financial assets. Financial liabilities are classified as fair value through income and expenditure or as other financial liabilities."

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

Financial assets and financial liabilities at “fair value through income and expenditure” are financial assets or financial liabilities held for trading. A financial asset or financial liability is classified in this category if acquired principally for the purpose of selling in the short-term. "

The Trust does not hold any financial assets at fair value through income and expenditure or financial liabilities held for trading.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market.

The trust's loans and receivables comprise: cash and cash equivalents, NHS receivables, accrued income and other receivables.

Loans and receivables are recognised initially at fair value, net of transactions costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income.

Financial liabilities

Loans from the DHSC are recognised at historical cost. Otherwise all other financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as long-term liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to finance costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

Financial liabilities are derecognised when the liability has been discharged, that is, the liability has been paid or has expired.

Determination of fair value

For financial assets and financial liabilities carried at fair value, the carrying amounts are determined from quoted market prices/independent appraisals/discounted cash flow analysis/other valuation techniques."

Impairment of financial assets

At the Statement of Financial Position date, the trust assesses whether any financial assets, other than those held at "fair value through income and expenditure" are impaired. Financial assets are impaired and impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the Statement of Comprehensive Income and the carrying amount of the asset is reduced as appropriate directly or through the use of bad debt provision.

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.

1.13.1 The trust as lessee

Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease.

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for as an item of property plant and equipment.

The annual rental is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income. The lease liability is de-recognised when the liability is discharged, cancelled or expires.

Operating leases

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.

Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

1.13.2 The trust as lessor

Finance leases

Amounts due from lessees under finance leases are recorded as receivables at the amount of the trust net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the trust's net investment outstanding in respect of the leases.

Operating leases

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

1.14 Provisions

The trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the discount rates published and mandated by HM Treasury.

Early retirement provisions are discounted using HM Treasury's pension discount rate of positive 0.1% (2016/17: positive 0.24%) in real terms. All other provisions are subject to three separate discount rates according to the expected timing of cashflows from the Statement of Financial Position date:

- A short term rate of negative 2.42% (2016/17: negative 2.7%) for expected cash flows up to and including 5 years
- A medium term rate of negative 1.85% (2016/17: negative 1.95%) for expected cash flows over 5 years up to and including 10 years
- A long term rate of negative 1.56% (2016/17: negative 0.8%) for expected cash flows over 10 years.

All percentages are in real terms.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

A restructuring provision is recognised when the NHS 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.

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the trust. The total value of clinical

negligence provisions carried by NHS Resolution on behalf of the trust is disclosed at note 24.1 but is not recognised in the trust's accounts.

Non-clinical risk pooling

The trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any "excesses" payable in respect of particular claims are charged to operating expenses when the liability arises. "

1.15 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in note 25 where an inflow of economic benefits is probable. Contingent liabilities are not recognised, but are disclosed in note 25, unless the probability of a transfer of economic benefits is remote.

Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

1.16 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

At any time, the Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for:

- (i) donated assets (including lottery funded assets),
- (ii) average daily cash balances held with the Government Banking Services (GBS) deposit, 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 DHSC (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 the audit of the annual accounts.

1.17 Value added tax

Most of the activities of the trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.18 Foreign exchange

The NHS trust's functional and presentational currency is sterling. Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the spot exchange rate on 31 March. Resulting exchange gains and losses for either of these are recognised in the trust's surplus/deficit in the period in which they arise.

1.19 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the trust has no beneficial interest in them. However, they are disclosed in note 19.1 to the accounts in accordance with the requirements of HM Treasury's FReM.

1.20 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are

divided into different categories, which govern the way 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 trust not been bearing their 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.

1.21 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

1.22 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2017/18.

1.23 Standards, amendments and interpretations in issue but not yet effective or adopted

The HM Treasury FReM does not require the following Standards and Interpretations to be applied in 2017-18. These standards are still subject to HM Treasury FReM interpretation, with IFRS 9 and IFRS 15 being for implementation in 2018-19, and the government implementation date for IFRS 16 still subject to HM Treasury consideration.

- IFRS 9 Financial Instruments – Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted.
- IFRS 15 Revenue from contracts with customers– Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted.
- IFRS 16 Leases – Application required for accounting periods beginning on or after 1 January 2019, but not yet adopted by the FReM: early adoption is not therefore permitted.

2. Operating Segments

The Trust operates as a single operating segment. The Board of Directors, led by the Chief Executive is the chief operating decision maker within the Trust. It is only at this level that revenues are reported and the overall financial and operational performance of the Trust is assessed.

The Trust's income is predominantly from contracts for the provision of healthcare with Clinical Commissioning Groups (CCGs) and NHS England. This accounts for 93% of the Trust's total income.

3. Operating income from patient care activities

The Trust undertakes income generation activities with an aim of achieving surplus, which is then used in patient care. The following provides details of income generation activities whose full cost exceeded £1m or was otherwise material.

3.1 Income from patient care activities (by nature)

Note 3.1 Income from patient care activities (by nature)	2017/18 £000	2016/17 £000
Acute services		
Elective income	23,184	23,375
Non elective income	76,407	70,065
First outpatient income	16,543	16,243
Follow up outpatient income	17,650	19,187
A & E income	21,868	12,785
High cost drugs income from commissioners (excluding pass-through costs)	7,112	7,253
Other NHS clinical income	66,374	57,733
Community services		
Community services income from CCGs and NHS England	29,756	29,872
Income from other sources (e.g. local authorities)	10,124	9,226
All services		
Other clinical income	2,246	2,933
Total income from activities	271,264	248,672

3.2 Income from patient care activities (by source)

Income from patient care activities received from:	2017/18 £000	2016/17 £000
NHS England	21,936	20,015
Clinical commissioning groups	235,497	212,393

Department of Health and Social Care	0	0
Other NHS providers	2,246	2,933
NHS other	11	60
Local authorities	10,124	10,119
Non-NHS: private patients	292	275
Non-NHS: overseas patients (chargeable to patient)	447	1,175
NHS injury scheme	613	964
Non NHS: other	98	738
Total income from activities	271,264	248,672
Of which:		
Related to continuing operations	271,264	248,672
Related to discontinued operations	0	0

3.3 Overseas visitors (relating to patients charged directly by the provider)

	2017/18 £000	2016/17 £000
Income recognised this year	447	1,175
Cash payments received in-year	163	382
Amounts added to provision for impairment of receivables	770	604
Amounts written off in-year	27	11

4. Other operating income

	2017/18 £000	2016/17 £000
Research and development	593	331
Education and training	10,917	8,986
Receipt of capital grants and donations	82	1,064
Charitable and other contributions to expenditure	161	160
Non-patient care services to other bodies	2,965	3,512
Sustainability and transformation fund income	3,750	8,546
Rental revenue from operating leases	1,441	1,753
Income in respect of staff costs where accounted on gross basis	96	118
Other income	1,847	1,529
Total other operating income	21,852	25,999
Of which:		
Related to continuing operations	21,852	25,999
Related to discontinued operations	0	0

**Note: The 2016/17 research and development and education and training have been restated for comparative purposes*

5. Operating expenses

	2017/18 £000	2016/17 £000
Staff and executive directors costs	192,179	187,263
Remuneration of non-executive directors	99	106
Supplies and services - clinical (excluding drugs costs)	37,383	30,314
Supplies and services - general	11,347	10,240
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	17,955	18,082
Inventories written down	28	1
Consultancy costs	948	421
Establishment	6,473	4,982
Premises	15,007	12,751
Transport (including patient travel)	1,772	1,142
Depreciation on property, plant and equipment	8,251	7,838
Amortisation on intangible assets	378	477
Net impairments	(911)	131
Increase/(decrease) in provision for impairment of receivables	909	272
Increase/(decrease) in other provisions	(869)	0
Audit fees payable to the external auditor		
audit services- statutory audit	61	83
audit services- quality accounts	9	12
Internal audit costs	176	175
Clinical negligence	14,583	13,415
Legal fees	395	845
Insurance	191	14
Education and training	476	643
Rentals under operating leases	1,710	2,333
Hospitality	177	106
Total	308,727	291,646
Of which:		
Related to continuing operations	308,727	291,646
Related to discontinued operations	0	0

5.1 Other auditor remuneration

	2017/18 £000	2016/17 £000
Other auditor remuneration paid to the external auditor:		
1. Audit of accounts of any associate of the trust	0	0
2. Audit-related assurance services	9	12
3. Taxation compliance services	0	0
4. All taxation advisory services not falling within item 3 above	0	0
5. Internal audit services	0	0
6. All assurance services not falling within items 1 to 5	0	0

7. Corporate finance transaction services not falling within items 1 to 6 above	0	0
8. Other non-audit services not falling within items 2 to 7 above	0	0
Total	9	12

5.2 Limitation on auditor's liability

The limitation on auditor's liability for external audit work is £2m (2016/17: £0m).

6. Impairment of assets

	2017/18 £000	2016/17 £000
Net impairments charged to operating deficit resulting from:		
Unforeseen obsolescence	344	0
Changes in market price	(1,255)	131
Total net impairments charged to operating deficit	(911)	131
Impairments charged to the revaluation reserve	(6,085)	683
Total net impairments	(6,996)	814

The CT Scanner Tube and Digipens were impaired as a result of loss or damage. The CT Scanner Tube broke down a year after it was purchased and was no longer operational and the CT scanner cannot work without it. The Digipens went missing from the IT Department and could not be located. The net book value of the CT Scanner Tube was £0.140m and the Digipens £0.204m.

Buildings and Land have been revalued upwards due significant build cost inflation, the weaker pound and labour and skills shortages. Tender Price Index factor (TPI) applies location factor which adjusts the TPI to the property's location down to the borough. The TPI last year was 288 and this year is 318.

7. Employee benefits

	2017/18 Total £000	2016/17 Total £000
Salaries and wages	127,495	123,952
Social security costs	14,237	13,662
Apprenticeship levy	654	0
Employer's contributions to NHS pensions	16,097	15,562
Temporary staff (including agency)	34,580	34,634
Total gross staff costs	193,063	187,810
Recoveries in respect of seconded staff	0	0
Total staff costs	193,063	187,810
Of which		
Costs capitalised as part of assets	884	547

7.1 Retirements due to ill-health

During 2017/18 there was 1 early retirement from the trust agreed on the grounds of ill-health (2 in the year ended 31 March 2017). The estimated additional pension liabilities of these ill-health retirements is £7k (£158k in 2016/17).

The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

8. Pension costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

The scheme is a “final salary” scheme. Annual pensions are normally based on 1/80th for the 1995 section and of the best of the last three years pensionable pay for each year of service, and 1/60th for the 2008 section of reckonable pay per year of membership. Members who are practitioners as defined by the Scheme Regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service.

With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This new provision is known as “pension commutation”.

Early payment of a pension, with enhancement, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year’s pensionable pay for death in service, and five times their annual pension for death after retirement is payable.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the employer.

Members can purchase additional service in the NHS Scheme and contribute to money purchase Additional Voluntary Contributions (AVSs) run by the Scheme’s approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2018, is based on valuation data as 31 March 2017, updated to 31 March 2018 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and employee and employer representatives as deemed appropriate.

In addition the Trust also operates a Local government pension scheme (LGPS) for staff not eligible for the NHS pension scheme. This is a defined contribution, off Statement of Financial Position scheme and the number of employees opting in and the value of the contributions has been negligible.

9. Operating leases

9.1 Croydon Health Services NHS Trust as a lessor

The Trust is the lessor of parts of its premises (front entrance) to external organisations, and for staff accommodation, for which it charges rental revenue.

	2017/18 £000	2016/17 £000
Operating lease revenue		
Minimum lease receipts	1,441*	1,753
Total	1,441	1,753
	2017/18 £000	2016/17 £000
Future minimum lease receipts due:		
- not later than one year;	532	489
- later than one year and not later than five years;	1,916	1,841
- later than five years.	3,886	3,872
Total	6,334	6,202

Included in the future lease receipts, for which it charges rental revenue:

1. Front entrance (retail shops)
2. Premises leased to other NHS Foundation Trusts
3. GP Practice
4. Croydon Urgent Care Alliance lease.

*Termination of Richmond Pharmacology lease

9.2 Croydon Health Services NHS Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements for the use of accommodation to operate clinical facilities at a number of properties managed by NHS Property Services Ltd. The leases are subject to annual review and renewal.

	2017/18 £000	2016/17 £000
Operating lease expense		
Minimum lease payments	*1,710	2,333
Contingent rents	0	0
Less sublease payments received	0	0
Total	1,710	2,333

*NHS Property was down by £0.2m, Roche diagnostic reduced by £0.4m (transferred of service to SWLP).

	31 March 2018 £000	31 March 2017 £000
Future minimum lease payments due:		
- not later than one year;	1,521	1,489
- later than one year and not later than five years;	1,020	2,330
- later than five years.	315	392
Total	2,856	4,211
Future minimum sublease payments to be received	0	0

10. Finance income

Finance income represents interest received on assets and investments in the period.

	2017/18 £000	2016/17 £000
Interest on bank accounts	36	23
Total	36	23

11. Finance expenditure

Finance expenditure represents interest and other charges involved in the borrowing of money.

	2017/18 £000	2016/17 £000
Interest expense:		
Loans from the Department of Health and Social Care	1,699	1,354
Finance leases	5	6
Total interest expense	1,704	1,360
Unwinding of discount on provisions	1	2
Other finance costs	0	0
Total finance costs	1,705	1,362

* Revenue support loan £26.4m @1.5%, IRWCF(Interim Revolving Working Capital Facility) £21.3m @1.5%, IUSCL(Interim Uncommitted Single Currency Loan) £7.411m and £14.256m @ 3.5% and 1.5% respectively. Capital loan of £18.76m @ 2.48%

11.1 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015

	2017/18 £000	2016/17 £000
Total liability accruing in year under this legislation as a result of late payments	0	0
Amounts included within interest payable arising from claims made under this legislation	0	0
Compensation paid to cover debt recovery costs under this legislation	0	0

12. Intangible assets

	Software licences	Internally generated information technology	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2017 - brought forward	5,142	14	5,156
Additions	35	0	35
Gross cost at 31 March 2018	5,177	14	5,191
Amortisation at 1 April 2017 - brought forward	4,089	14	4,103
Provided during the year	378	0	378
Amortisation at 31 March 2018	4,467	14	4,481
Net book value at 31 March 2018	710	0	710
Net book value at 1 April 2017	1,053	0	1,053

12.1 Intangible assets - 2016/17

	Software licences	Internally generated information technology	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2016 - as previously stated	5,142	14	5,156
Additions	0	0	0
Valuation / gross cost at 31 March 2017	5,142	14	5,156
Amortisation at 1 April 2016 - as previously stated	3,612	14	3,626
Provided during the year	477	0	477
Amortisation at 31 March 2017	4,089	14	4,103
Net book value at 31 March 2017	1,053	0	1,053
Net book value at 1 April 2016	1,530	0	1,530

13. Property, plant and equipment

Property, plant and equipment - 2017/18

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2017 - brought forward	49,422	134,964	4,104	18,260	27,108	6	17,891	1,258	253,013
Additions	0	1,992	0	5,776	1,876	0	1,700	30	11,374
Impairments	0	0	0	0	0	0	0	0	0
Reversals of impairments	0	6,085	0	0	0	0	0	0	6,085
Revaluations	22	1,575	113	57	(160)	0	(255)	0	1,352
Reclassifications	0	2,888	0	(3,067)	179	0	0	0	0
Disposals / derecognition	0	0	0	0	0	(6)	0	0	(6)
Valuation/gross cost at 31 March 2018	49,444	147,504	4,217	21,026	29,003	0	19,336	1,288	271,818
Accumulated depreciation at 1 April 2017 - brought forward	0	45	0	0	14,435	6	8,568	884	23,938
Provided during the year	0	4,188	70	0	2,025	0	1,894	74	8,251
Impairments	0	0	0	0	140	0	204	0	344
Reversals of impairments	0	(1,255)	0	0	0	0	0	0	(1,255)
Revaluations	0	(2,938)	(70)	(2)	(160)	0	(255)	0	(3,425)
Reclassifications	0	(3)	0	3	0	0	0	0	0
Disposals / derecognition	0	0	0	0	0	(6)	0	0	(6)
Accumulated depreciation at 31 March 2018	0	37	0	1	16,440	0	10,411	958	27,847
Net book value at 31 March 2018	49,444	147,467	4,217	21,025	12,563	0	8,925	330	243,971

Net book value at 1 April 2017	49,422	134,919	4,104	18,260	12,673	0	9,323	374	229,075
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13.1 Property, plant and equipment - 2016/17

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2016 - as previously stated	49,341	135,464	3,977	8,025	25,674	6	16,408	1,227	240,122
Additions	0	9	0	14,545	1,465	0	1,179	0	17,198
Impairments	0	(668)	(15)	0	0	0	0	0	(683)
Reversals of impairments	0	0	0	0	0	0	0	0	0
Revaluations	81	(3,847)	142	0	0	0	0	0	(3,624)
Reclassifications	0	4,006	0	(4,310)	(31)	0	304	31	0
Valuation/gross cost at 31 March 2017	49,422	134,964	4,104	18,260	27,108	6	17,891	1,258	253,013
Accumulated depreciation at 1 April 2016 - as previously stated	0	37	0	0	12,508	6	6,888	803	20,242
Provided during the year	0	4,082	68	0	1,928	0	1,680	80	7,838
Impairments	0	131	0	0	0	0	0	0	131
Reversals of impairments	0	0	0	0	0	0	0	0	0
Revaluations	0	(4,205)	(68)	0	0	0	0	0	(4,273)
Reclassifications	0	0	0	0	(1)	0	0	1	0
Accumulated depreciation at 31 March 2017	0	45	0	0	14,435	6	8,568	884	23,938
Net book value at 31 March 2017	49,422	134,919	4,104	18,260	12,673	0	9,323	374	229,075
Net book value at 1 April 2016	49,341	135,427	3,977	8,025	13,166	0	9,520	424	219,880

13.2 Property, plant and equipment financing - 2017/18

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2018									
Owned - purchased	49,444	144,586	4,217	21,025	11,651	0	8,412	234	239,569
Finance leased	0	0	0	0	60	0	0	0	60
Owned - government granted	0	0	0	0	94	0	389	0	483
Owned - donated	0	2,881	0	0	758	0	124	96	3,859
NBV total at 31 March 2018	49,444	147,467	4,217	21,025	12,563	0	8,925	330	243,971

13.3 Property, plant and equipment financing - 2016/17

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2017									
Owned - purchased	49,422	132,139	4,104	18,081	11,785	0	9,323	298	225,152
Finance leased	0	0	0	0	76	0	0	0	76
Owned - government granted	0	0	0	0	118	0	0	0	118
Owned - donated	0	2,780	0	179	694	0	0	76	3,729
NBV total at 31 March 2017	49,422	134,919	4,104	18,260	12,673	0	9,323	374	229,075

14. Donations of property, plant and equipment

Donated Assets were received from the Croydon Health Services Charitable Fund. Income for the purchase of donated assets is shown in the statement of comprehensive income in the year of purchase.

£0.052m was received for the purchase of medical equipment in agreement with the donor's wishes. In addition, £0.030m was provided from general charitable funds for the purchase of maternity chairs, these chairs are to enable the partners of women in the maternity unit to stay overnight if they so wish.

15. Revaluations of property, plant and equipment

The Trust's land and buildings were valued independently by the DVS Property Specialists for the Public Sector (an executive agency of HM Revenue and Customs) as at 31 March 2018 in accordance with International Financial Reporting Standards (IFRS) as interpreted and applied by the HMT Treasury FReM compliant DHSC Group Manual for Accounts (DoH GAM). The valuation report was signed by Lucy Townend, MRICS an external RICS Registered Valuer who has the appropriate knowledge, skills and understanding to undertake the valuation completely, as required by the RICS Valuation - Professional Standards, 8th edition. A desk top valuation of the estate was conducted for 2017/18.

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 are measured subsequently at fair value as defined by IFRS 13.

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

16. Disclosure of interests in other entities

The Croydon Health Services Charitable Fund (Registered Charity No. 1054824) is the only subsidiary of the Trust. The Trust Board is the Corporate Trustee, and the board members of the Trust are jointly responsible for the management of these charitable funds.

During 2017/18 the interests in Croydon Health Services Charitable Fund accounted for the using the equity method is

	Surplus/ (Deficit)	Fund Balance
	£000	£000
Croydon Health Services Charitable Fund	109	976

The surplus of £109k has not reflected any entries in the statement of comprehensive income for 2017/18.

17. Inventories

	31 March 2018	31 March 2017
	£000	£000
Drugs	937	976
Consumables	1,753	1,575
Energy	60	56
Total inventories	2,750	2,607
of which:		
Held at fair value less costs to sell	0	0

Inventories recognised in expenses for the year were £34,663k (2016/17: £29,248k). Write-down of inventories recognised as expenses for the year were £28k (2016/17: £1k).

18. Trade receivables and other receivables

	31 March 2018	31 March 2017
	£000	£000
Current		
Trade receivables	14,336	11,456
Capital receivables (including accrued capital related income)	0	0
Accrued income	3,803	13,544
Provision for impaired receivables	(2,497)	(1,622)
Prepayments	2,079	435
PDC dividend receivable	75	15
VAT receivable	1,165	1,747
Other receivables	1,700	1,247

Total current trade and other receivables	20,661	26,822
Non-current		
Trade receivables	727	1,089
Total non-current trade and other receivables	727	1,089
Of which receivables from NHS and DHSC group bodies:		
Current	15,302	22,569
Non-current	0	0

18.1 Provision for impairment of receivables

	2017/18	2016/17
	£000	£000
At 1 April as previously stated	1,622	1,482
Transfers by absorption	0	0
Increase in provision	909	272
Amounts utilised	(34)	(132)
At 31 March	2,497	1,622

Provisions are based on the average percentage recovery rate of income received for current and prior financial years, according to each category of receivable. The Trust follows the guidance issued in the 2017/18 DHSC Group Accounting Manual in relation to the recommended rate for Injury Cost Recovery receivables.

18.2 Credit quality of financial assets

	31 March 2018		31 March 2017	
	Trade and other receivables	Investments & Other financial assets	Trade and other receivables	Investments & Other financial assets
	£000	£000	£000	£000
Ageing of impaired financial assets				
0 - 30 days	0	0	0	0
30-60 Days	0	0	0	0
60-90 days	0	0	0	0
90- 180 days	0	0	0	0
Over 180 days	2,008	0	1,111	0
Total	2,008	0	1,111	0
Ageing of non-impaired financial assets past their due date				
0 - 30 days	0	0	0	0
30-60 Days	0	0	0	0
60-90 days	1,964	0	3,018	0
90- 180 days	1,352	0	672	0
Over 180 days	1,863	0	1,574	0

Total	5,179	0	5,264	0
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19. Cash and cash equivalents movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	2017/18	2016/17
	£000	£000
At 1 April	3,494	1,959
Net change in year	939	1,535
At 31 March	4,433	3,494
Broken down into:		
Cash at commercial banks and in hand	13	13
Cash with the Government Banking Service	4,420	3,481
Total cash and cash equivalents as in SoFP	4,433	3,494
Bank overdrafts (GBS and commercial banks)	0	0
Total cash and cash equivalents as in SoCF	4,433	3,494

19.1 Third party assets held by the trust

The trust held cash and cash equivalents which relate to monies held by the trust on behalf of third parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	31 March	31 March
	2018	2017
	£000	£000
Monies on deposit	1	1
Total third party assets	1	1

No patient monies are included as these are kept at ward level.
The above relates to student key deposits.

20. Trade and other payables

	31 March	31 March
	2018	2017
	£000	£000
Current		
Trade payables	14,002	18,541
Capital payables	3,792	4,346

Accruals	14,146	14,878
Social security costs	2,048	1,878
Other taxes payable	1,750	1,636
Accrued interest on loans	259	276
Other payables	2,585	854
Total current trade and other payables	38,582	42,409
Non-current		
Total non-current trade and other payables	0	0
Of which payables from NHS and DHSC group bodies:		
Current	7,161	5,828
Non-current	0	0

20.1 Early retirements in NHS payables above

The payables note above includes amounts in relation to early retirements as set out below:

	31 March 2018 £000	31 March 2018 Number	31 March 2017 £000	31 March 2017 Number
- to buy out the liability for early retirements over 5 years	0		0	
- number of cases involved		0		0
- outstanding pension contributions	2,262		2,171	

21. Other liabilities

	31 March 2018 £000	31 March 2017 £000
Current		
Deferred income	939	3,343
Deferred grants	0	0
Total other current liabilities	939	3,343
Total other (current and non-current) liabilities	939	3,343

22. Borrowings

	31 March 2018 £000	31 March 2017 £000
Current		
Loans from the Department of Health and Social Care	27,199*	586

Obligations under finance leases	19	18
Total current borrowings	27,218	604
Non-current		
Loans from the Department of Health and Social Care	**70,860	71,089
Obligations under finance leases	41	59
Total non-current borrowings	70,901	71,148

*£26.4m revenue support loan and £0.8m capital loan due for repayment in 18/19.

** YTD - £53.706m of revenue support loans and £17.154m capital loan.

1. The Trust borrowed £5m capital loans in 2017/18 from the Department of Health and Social Care (DHSC) to finance Emergency Department project, bringing total DHSC capital loans borrowed to £18.752m. These capital loans are repayable over 24 years at a fixed interest rate of 2.48%. The Trust repaid £0.8m of these loans in 2017/18.

2. The Trust have the following revenue support loans from the DHSC:

	£000	Maturity
i. Revenue support loan	26,400	18/02/2019
ii. Working Capital loan	21,300	18/02/2020
iii. IUSCL (Interim Uncommitted Single Currency Loan) during FSM	7,411	18/02/2020
iv. IUSCL (Interim Uncommitted Single Currency Loan) in 2017/18	10,738	18/09/2020
iv. IUSCL (Interim Uncommitted Single Currency Loan) in 2017/18	14,257	18/03/2021

23. Finance leases

Obligations under finance leases where Croydon Health Services NHS Trust is the lessee.

	31 March 2018 £000	31 March 2017 £000
Gross lease liabilities	60	77
of which liabilities are due:		
- not later than one year;	19	18
- later than one year and not later than five years;	41	59
- later than five years.	0	0
Finance charges allocated to future periods	0	0
Net lease liabilities	60*	77
of which payable:		
- not later than one year;	19	18
- later than one year and not later than five years;	41	59
- later than five years.	0	0
Total of future minimum sublease payments to be received at the reporting date	0	0
Contingent rent recognised as an expense in the period	0	0

*OSNA(cancer) equipment leased in 2015/16

The Trust uses leasing to supplement capital investment in medical equipment where appropriate taking into account implicit rates of interest, the expected useful economic life of the equipment, the residual value of the equipment at the end of the lease term and the expected rate of technological change to ensure value for money. The Trust took a finance leases for equipment with a capital value of £0.093m. The total borrowings under finance leases were £0.059m at 31st March 2018. The Trust made repayments of principal under finance leases of £0.022m in 2017/18.

24. Provisions for liabilities and charges analysis

	Pensions - early departure costs	Legal claims	Redundancy	Other	Total
	£000	£000	£000	£000	£000
At 1 April 2017	663	1,268	184	1,500	3,615
Arising during the year	3	58	144	*500	705
Utilised during the year	(81)	(15)	0	(30)	(126)
Reversed unused	(9)	** (539)	0	*** (1,026)	(1,574)
Unwinding of discount	1	0	0	0	1
At 31 March 2018	577	772	328	944	2,621
Expected timing of cash flows:					
- not later than one year;	81	663	328	944	2,016
- later than one year and not later than five years;	326	42	0	0	368
- later than five years.	170	67	0	0	237
Total	577	772	328	944	2,621

*staff equal pay

**patient deceased case withdrawn £0.45m, tribunal cases withdrawn £0.09k

***F1 banding £0.86m, HR £0.13m, CRC £0.04m

The provision for Early Departure Costs relating to pre-1995 early retirement is calculated using information provided by the NHS Pensions Agency. The Trust pays NHS Pensions an amount each quarter for these former employees, and the provision balance represents the estimated costs of the continuing liabilities. Legal claims are liabilities relating to Third Parties Scheme(LTPS) cases which are dealt with by the NHS Resolution on behalf of the Trust.

Included in "other liabilities" are amounts relating to injury benefits; pay provisions for withheld consultant increments; junior doctors pay increments, staff equal pay and the Carbon Reduction Commitment (CRC) Energy Efficiency Scheme.

24.1 Clinical negligence liabilities

At 31 March 2018, £225,808k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Croydon Health Services NHS Trust (31 March 2017: £174,435k).

25. Contingent assets and liabilities

	31 March 2018 £000	31 March 2017 £000
Value of contingent liabilities		
NHS Resolution legal claims	(30)	(82)
Employment tribunal and other employee related litigation	0	0
Gross value of contingent liabilities	(30)	(82)
Amounts recoverable against liabilities	0	0
Net value of contingent liabilities	(30)	(82)
Net value of contingent assets	0	0

The Trust considers that the fair value of financial assets and financial liabilities are the same as book value.

26. Contractual capital commitments

	31 March 2018 £000	31 March 2017 £000
Property, plant and equipment	2,880	5,955
Total	2,880	5,955

The Trust has contracted with Galliford Try to build the Emergency Department refurbishment at a GMP of £19.3m (including VAT) of which £2.88m remains to be spent over the course of financial year 2018/19. (2016/17: £5.955m).

27. Other financial commitments

The trust is committed to making payments under non-cancellable contracts (which are not leases), analysed by the period during which the payment is made:

	31 March 2018 £000	31 March 2017 £000
not later than 1 year	15,566	11,801
after 1 year and not later than 5 years	33,619	25,707
paid thereafter	5,112	8,409
Total	54,297	45,917

28. Financial instruments

The applicable standards for financial instruments are IAS32/IAS39/IFRS7 and IFRS9. IAS 32 defines financial instrument as a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Examples of financial assets are cash or a contractual right to receive cash.

28.1 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 NHS Trust has with Clinical Commissioning Groups (CCG) and the way those CCGs are financed, the NHS Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The NHS 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 NHS 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. The Trust's 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 borrows from government for capital expenditure, subject to affordability as confirmed by the NHS Improvement. 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. The Trust therefore has low exposure to interest rate fluctuations.

The Trust may also borrow from government for revenue financing subject to approval by NHS Improvement. Interest rates are confirmed by the DHSC (the lender) at the point borrowing is undertaken.

The Trust therefore has low exposure to interest rate fluctuations.

Credit risk

Because the majority of the Trust's revenue comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2018 are in receivables from customers, as disclosed in the trade and other receivables note.

Liquidity risk

The Trust's operating costs are incurred under contracts with primary care Clinical Commissioning Groups, which are financed from resources voted annually by Parliament. The Trust funds its capital expenditure from funds obtained within its prudential borrowing limit. The Trust is not, therefore, exposed to significant liquidity risks.

28.2 Carrying values of financial assets

	Loans and receivable s	Assets at fair value through the I&E	Held to maturity at	Available -for-sale	Total book value
	£000	£000	£000	£000	£000
Assets as per SoFP as at 31 March 2018					
Trade and other receivables excluding non financial assets	14,336	0	0	0	14,336
Cash and cash equivalents at bank and in hand	4,433	0	0	0	4,433
Total at 31 March 2018	18,769	0	0	0	18,769

	Loans and receivable s	Assets at fair value through the I&E	Held to maturity	Available -for-sale	Total book value
	£000	£000	£000	£000	£000
Assets as per SoFP as at 31 March 2017					
Trade and other receivables excluding non financial assets	11,456	0	0	0	11,456
Cash and cash equivalents at bank and in hand	3,494	0	0	0	3,494
Total at 31 March 2017	14,950	0	0	0	14,950

28.3 Carrying value of financial liabilities

	Other financial liabilities	Liabilities at fair value through the I&E	Total book value
	£000	£000	£000
Liabilities as per SoFP as at 31 March 2018			
Borrowings excluding finance lease	98,059	0	98,059
Obligations under finance leases	60	0	60
Trade and other payables excluding non financial liabilities	14,002	0	14,002
	<u>112,12</u>	<u>0</u>	<u>112,12</u>
Total at 31 March 2018	<u>1</u>	<u>0</u>	<u>1</u>

	Other financial liabilities	Liabilities at fair value through the I&E	Total book value
	£000	£000	£000
Liabilities as per SoFP as at 31 March 2017			
Borrowings excluding finance lease	71,675	0	71,675
Obligations under finance leases	77	0	77
Trade and other payables excluding non financial liabilities	18,541	0	18,541
	<u>90,293</u>	<u>0</u>	<u>90,293</u>
Total at 31 March 2017	<u>90,293</u>	<u>0</u>	<u>90,293</u>

28.4 Maturity of financial liabilities

	31 March 2018 £000	31 March 2017 £000
In one year or less	41,220	19,145
In more than one year but not more than two years	55,346	57,982
In more than two years but not more than five years	15,555	13,166
In more than five years	0	0
Total	<u>112,121</u>	<u>90,293</u>

29. Losses and special payments

	2017/18		2016/17	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
Losses				
Bad debts and claims abandoned	17	33	33	132
Stores losses and damage to property	15	238	12	2
Total losses	32	271	45	134
Special payments				
Compensation under court order or legally binding arbitration award	1	1	11	31
Ex-gratia payments	10	2	16	6
Total special payments	11	3	27	37
Total losses and special payments	43	274	72	171
Compensation payments received		0		0

30. Gifts

	2017/18		2016/17	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
	0	0	0	0
Total gifts	0	0	0	0

31. Related parties

Under the Requirements of IAS 24 (Related Party Disclosures), the Trust has disclosed as a related party where key management services have been provided by another entity such as personal service companies. The total transactions for these companies where key management services were provided are detailed below:

During the year none of the DHSC Ministers, Trust board members or members of the key management staff, or parties related to any of them, has undertaken any material transactions with Croydon Health Services NHS Trust.

The DHSC, as the parent of Croydon Health Services NHS Trust, is regarded as a related party. During the year the Trust has had a significant number of material transactions with the other entities listed below for which the DHSC is regarded as the parent. Also included are local government bodies where material transactions have taken place.

**Note: The 2016/17 statutory audit figure has been restated for comparative purposes*

NHS Body	2017/18		2016/17	
	Income £'000	Expenditure £'000	Income £'000	Expenditure £'000
Croydon CCG	211,807	669	195,042	227
Bromley CCG	4,945	0	4,030	0
East Surrey CCG	2,854	0	2,436	0
Lambeth CCG	4,726	0	3,502	0
Merton CCG	2,508	0	2,077	1
Sutton CCG	2,081	0	1,482	0
NHS Wandsworth CCG	1,283	0	1,120	1
NHS Southwark CCG	610	2	464	1
NHS Lewisham CCG	780	0	623	0
NHS Greenwich CCG	104	0	153	0
Health Education England	8,044	0	9,548	1
NHS Resolution (formerly NHS Litigation Authority)	0	14,746	0	13,435
NHS England	25,942	5	28,858	29
St Georges Healthcare NHS Foundation Trust	486	13,766	1,176	11,769
Moorfields Eye Hospital NHS Foundation Trust	2,764	141	3,218	103
Epsom and St Helier NHS Trust	440	108	580	272
Guy's & St Thomas' NHS Foundation Trust	357	167	254	156
The Royal Marsden NHS Foundation Trust	745	499	25	407
King's College Hospital NHS Foundation Trust	0	146	16	189
Hounslow and Richmond Community Healthcare NHS Trust	0	180	0	180
NHS Property Services	0	1,640	60	1,501
Care Quality Commission (CQC)	0	246	0	166
Department of Health and Social Care	0	9	0	0

In addition, the Trust has a number of balances at year end with NHS bodies (outside DH group), other government departments, other central and local government bodies and external bodies. Most of these transactions have been with HM Revenue & Customs in respect of PAYE, NI contributions and VAT refunds.

Body (Other government and external)	2017/18		2016/17	
	Income £'000	Expenditure £'000	Income £'000	Expenditure £'000
HM Revenue & Customs	0	14,891	0	13,662
National Health Service Pension Scheme	0	16,097		15,562

Croydon London Borough Council	10,058	1,326	10,647	1,292
NHS Blood and Transplant	0	899		883
Nautilus Consulting Ltd	0	185	0	111

Nautilus Ltd provided agency staff for the role of Director of IT.

NHS Body	2017/18		2016/17	
	Receivable £'000	Payable £'000	Receivable £'000	Payable £'000
Croydon CCG	1,824	652	7,993	279
Bromley CCG	735	0	686	0
East Surrey CCG	772	0	553	0
Lambeth CCG	523	0	130	0
Merton CCG	429	0	0	177
Sutton CCG	658	0	29	0
NHS Wandsworth CCG	257	18	0	85
NHS Southwark CCG	70	3	0	138
NHS Lewisham CCG	214	0	132	0
NHS Greenwich CCG	17	0	15	0
Health Education England	72	6	2,090	2,916
NHS Resolution (formerly NHS Litigation Authority)	0	23	0	16
NHS England	3,782	157	5,685	156
St Georges Healthcare NHS Foundation Trust	668	1,764	1,616	2,004
Moorfields Eye Hospital NHS Foundation Trust	1,659	80	1,529	134
Epsom and St Helier NHS Trust	250	367	606	298
Guy's & St Thomas' NHS Foundation Trust	62	190	52	109
The Royal Marsden NHS Foundation Trust	623	792	28	460
King's College Hospital NHS Foundation Trust	42	335	218	191
Hounslow and Richmond Community Healthcare NHS Trust	0	120	0	215
NHs Property Services	0	1,144	0	1,141
Department of Health and Social Care	0	4	0	28

Body (Other government and external)	2017/18		2016/17	
	Receivable £'000	Payable £'000	Receivable £'000	Payable £'000
HM Revenue & Customs	0	3,798	0	3,514
National Health Service Pension Scheme	0	2,282	0	2,171
Croydon London Borough Council	3,066	1,226	131	0
NHS Blood and Transplant	0	219	0	109
Nautilus Consulting Ltd	0	33	0	69

The Trust Board is the Corporate Trustee of the Croydon Health Services Charitable Fund (Registered Charity No. 1054824) , and some of the members of the Trust Board are also members of the Charitable Funds Committee. The total value of the charitable contributions to the Trust was £161k in 2017/18 (£160k in 2016/17).

32. Events after the reporting date

The Trust is expected to dispose the Dairy Car Park and in anticipation to exchange of contracts and completion by 30th June 2018.

33. Better Payment Practice code

2017/18	2017/18	2016/17	2016/17
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	Number	£000	Number	£000
Non-NHS Payables				
Total non-NHS trade invoices paid in the year	52,533	166,948	50,253	165,946
Total non-NHS trade invoices paid within target	15,420	90,842	19,704	81,001
Percentage of non-NHS trade invoices paid within target	29%	54%	39%	49%
NHS Payables				
Total NHS trade invoices paid in the year	1343	31,538	1,504	31,657
Total NHS trade invoices paid within target	458	18,623	136	18,820
Percentage of NHS trade invoices paid within target	34%	59%	9%	59%

The Better Payment Practice code requires the NHS body to aim to pay all valid invoices by the due date or within 30 days of receipt of valid invoice, whichever is later.

34. External financing

The trust is given an external financing limit against which it is permitted to underspend:

	2017/18	2016/17
	£000	£000
Cash flow financing	25,958	34,911
Finance leases taken out in year	0	0
Other capital receipts	0	0
External financing requirement	25,958	34,911
External financing limit (EFL)	26,898	37,005
Under spend against EFL	940	2,094

Note: This is defined as net cash flows before financing, following the derivation set out in the NHS Improvement provider finance in year monitoring return.

35. Capital Resource Limit

	2017/18	2016/17
	£000	£000
Gross capital expenditure	11,409	17,198
Less: Disposals	0	0
Less: Donated and granted capital additions	(82)	(1,064)
Plus: Loss on disposal of donated/granted assets	0	0
Charge against Capital Resource Limit	11,327	16,134
Capital Resource Limit	11,336	16,135
Under spend against CRL	9	1

36. Breakeven duty financial performance

	2017/18 £000
Adjusted financial performance deficit (control total basis)	(22,151)
Remove impairments scoring to Departmental Expenditure Limit	0
Add back income for impact of 2016/17 post-accounts STF reallocation	0
Add back non-cash element of On-SoFP pension scheme charges	0
IFRIC 12 breakeven adjustment	<u>0</u>
Breakeven duty financial performance deficit	<u><u>(22,151)</u></u>

37. Breakeven duty rolling assessment

	2008/09	2009/10 £000	2010/11 £000	2011/12 £000	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000
Breakeven duty in-year financial performance		1,106	4,913	3,967	199	(19,683)	(27,532)	(34,490)	(23,787)	(22,151)
Breakeven duty cumulative position	1,403	2,509	7,422	11,389	11,588	(8,095)	(35,627)	(70,117)	(93,904)	(116,055)
Operating income		198,499	241,804	236,941	243,551	244,595	246,279	255,354	274,671	293,116
Cumulative breakeven position as a percentage of operating income		1.3%	3.1%	4.8%	4.8%	(3.3)%	(14.5)%	(27.5)%	(34.2)%	(39.6)%

Due to the introduction of International Financial Reporting Standards (IFRS) accounting in 2009-10, NHS Trust's financial performance measurement needs to be aligned with the guidance issued by HM Treasury measuring Departmental expenditure. Therefore, the incremental revenue expenditure resulting from the application of IFRS to IFRIC 12 schemes (which would include PFI schemes), which has no cash impact and is not chargeable for overall budgeting purposes, is excluded when measuring Breakeven performance. Other adjustments are made in respect of accounting policy changes (impairments and the removal of the donated asset and government grant reserves) to maintain comparability year to year.

The amounts in the above tables in respect of financial years 2007/08 to 2008/09 inclusive have not been restated to IFRS and remain on a UK GAAP basis.

The Trust targeted £13.5m of Cash Releasing Efficiency Savings (CRES) plans in order to meet its £19.1m deficit control total. The Trust struggled to fully identify these savings and implement them in year and as a result ended the year with £4.6m CRES and cost containment. Income significantly overperformed, particularly non-elective and A&E, which meant that a number of the pay and non-pay savings could not be made as additional temporary staff were required to service the additional activity together with additional clinical supplies and services.

Statutory breakeven duty, overall and recurrent financial position: The Trust delivered a £25.9m deficit (pre STF) for the financial year 2017-18, taking account of £0.165m post technical item adjustments for donated assets and £0.911m reversal of impairment. This is £6.8m adverse to the position originally planned, but £0.4m favourable against forecast agreed with NHSI at Month 9 reporting.

The Trust has been in technical breach of the statutory breakeven duty (NHS Act 2006) for some time, and it will be many years before that duty is met. The Trust has been in regular contact with NHS Improvement to implement financial recovery plan hence the auditor issuing a Section 30 referral specifically relating to a breach of the breakeven duty would not itself cause a material concern for NHS Improvement.

Glossary

Acute Trust	A trust is an NHS organisation responsible for providing a group of healthcare services. An acute trust provides hospital services (but not mental health hospital services, which are provided by a mental health trust).
Audit Commission	The Audit Commission regulates the proper control of public finances by local authorities and the NHS in England and Wales. The Commission audits NHS trusts, primary care trusts and strategic health authorities to review the quality of their financial systems. It also publishes independent reports which highlight risks and good practice to improve the quality of financial management in the health service, and, working with the Care Quality Commission, undertakes national value-for-money studies. Visit: www.audit-commission.gov.uk
Board (of trust)	The Trust Board is accountable for setting the strategic direction of the Trust, monitoring performance against objectives, ensuring high standards of corporate governance and helping to promote links between the Trust and the community.
Care Quality Commission	The Care Quality Commission (CQC) replaced the Healthcare Commission, Mental Health Act Commission for Social Care Inspection in April 2009. The CQC is the independent regulator of health and social care in England. It regulates health and adult social care services, whether provided by the NHS, local authorities, private companies or voluntary organisations. Visit: www.cqc.org.uk
Cerner millennium system (CRS)	Cerner millennium is the newly introduced IT system at Croydon Health Services. This is an electronic system that captures patient data.
Clinical Audit	Clinical audit measures the quality of care and services against agreed standards and suggests or makes improvements where necessary.
Clinical Coding	<p>Clinical Coding Officers are responsible for assigning 'codes' to all inpatient and day case episodes. They use special classifications which are assigned to and reflect the full range of diagnosis (diagnostic coding) and procedures (procedural coding) carried out by providers and enter these codes onto the Patient Administration System.</p> <p>The coding process enables patient information to be easily sorted for statistical analysis. When complete, codes represent an accurate translation of the statements or terminology used by the clinician and provides a complete picture of the patient's care.</p>
Clinical Directorate	During 2015/16 Croydon Health Services clinical services were organised into three directorates: Integrated Adult Care, Integrated Women and Children's, and Sexual Health and Integrated Surgery, Cancer and Clinical Support Services
Clostridium difficile or C. Difficile	Clostridium difficile also known as C.difficile or C. diff, is a gram positive bacteria that causes diarrhea and other intestinal disease when competing bacteria in a patient or persons gut are wiped out by

	antibiotics. C. difficile infection can range in severity from asymptomatic to severe and life-threatening, especially among the elderly. People are most often nosocomially infected in hospitals, nursing homes, or other institutions, although C. difficile infection in the community and outpatient setting is increasing.
Commissioners of services	Organisations that buy services on behalf of the people living in the area that they cover. This may be for a population as a whole, or for individuals who need specific care, treatment and support. For the NHS, this is done by primary care trusts and for social care by local authorities. The host commissioner is Croydon Clinical Commissioning Group (CCG)
Commissioning for Quality and Innovation	High Quality Care for All included a commitment to make a proportion of providers' income conditional on quality and innovation, through the Commissioning for Quality and Innovation (CQUIN) payment framework. Visit: www.dh.gov.uk/en/ Publications and statistics/Publications/ PublicationsPolicyAndGuidance/DH_09 1443
Complaint	An expression of dissatisfaction with something. This can relate to any aspect of a person's care, treatment or support and can be expressed orally, in gesture or in writing.
Croydon Clinical Commissioning Group (CCG)	The CCG became legally responsible for commissioning/buying healthcare services for Croydon residents from 1 st April 2013 as authorized by NHS England
Culture	Learned attitudes, beliefs and values that define a group or groups of people.
Datix	This is the name of the incident reporting system at Croydon Health Services
Department of Health and Social Care	The Department of Health and Social Care is a department of the UK government but with responsibility for government policy for England alone on health, social care and the NHS.
Dignity	Dignity is concerned with how people feel, think and behave in relation to the worth or value that they place on themselves and others. To treat someone with dignity is to treat them as being of worth and respect them as a valued person, taking account of their individual views and beliefs.
Discharge	The point at which a patient leaves hospital to return home or be transferred to another service, or the formal conclusion of a service provided to a person who uses services.
EWS	This is the Early Warning System is based on vital signs such as blood pressure, heart and breathing rates
Family and Friends Test	Introduced in 2013 it is an opportunity for family and friends to give feedback to hospitals regarding their care and experience
Foundation trust	A type of NHS trust in England that has been created to devolve decision-making from central government control to local organisations and communities so they are more responsive to the needs and wishes

	of their local people. NHS foundation trusts provide and develop healthcare according to core NHS principles – free care, based on need and not on ability to pay. NHS foundation trusts have members drawn from patients, the public and staff, and are governed by a board of governors comprising people elected from and by the membership base.
Global Trigger Tool (GTT audit)	The Global Trigger Tool is a recognised and validated audit tool developed by the Institute for Healthcare Improvement (IHI) In Boston USA. It can be used as part of an organisation's safety improvement programme to identify and so learn about harm and safety incidents which occur as part of the patient's treatment. Twenty records are reviewed each month using the GTT and the findings plotted over time on a run chart to establish a harm rate. Barts and The London NHS Trust has been undertaking GTT auditing since 2008.
HealthWatch	HealthWatch is made of individuals and community groups which work together to improve local services. Their role is to find out what the public like and dislike about local health and social care. They will then work with the people who plan and run these services to improve them. This may involve talking directly to healthcare professionals about a service that is not being offered or suggesting ways in which an existing service could be made better. HealthWatch also have powers to help with the tasks and to make sure changes happen.
Healthcare	Healthcare includes all forms of healthcare provided for individuals, whether relating to physical or mental health, and includes procedures that are similar to forms of medical or surgical care but are not provided in connection with a medical condition, for example cosmetic surgery.
Healthcare-associated infection	An avoidable infection that occurs as a result of the healthcare that a person receives.
Hospital Episode Statistics	Hospital Episode Statistics is the national statistical data warehouse for England of the care provided by NHS hospitals and for NHS hospital patients treated elsewhere.
Indicators for Quality Improvement	The Indicators for Quality Improvement (IQI) are a resource for local clinical teams providing a set of robust indicators which could be used for local quality improvement and as a source of indicators for local benchmarking. The IQI can be found on the NHS Information Centre website at: www.ic.nhs.uk/services/measuring-for-quality-improvement
Information Governance	The structures, policies and practice to ensure the confidentiality and security of health and social care service records, especially clinical records which enable the ethical use for the benefit of the individual to whom they relate and for the public good.
Joint Advisory Group (JAG) accreditation	The Joint Advisory Group on Gastrointestinal Endoscopy (JAG) was established in 1994 under the auspices of the Academy of Medical Royal Colleges. It aspires to: set standards for individual endoscopists set standards for training in endoscopy quality assure endoscopy units quality assure endoscopy training courses

Listening into Action (LiA)	<p>LiA is about re-engaging with employees and unlocking their potential so they can get on and contribute to the success of your organisation, in a way that makes them feel proud.</p> <p>LiA has been trialed and proven over the past seven years in one of the most challenging contexts in the world – our National Health Service – and the impact speaks for itself. It is transferable to any industry sector where employee engagement is a top priority.</p>
MRSA	Methicillin-Resistant Staphylococcus Aureus (MRSA) is a bacterium responsible for several difficult-to-treat infections in humans. MRSA is, by definition, any strain of Staphylococcus aureus bacteria that has developed resistance to antibiotics including the penicillin's and the cephalosporins. MRSA is especially troublesome in hospitals, where patients with open wounds, invasive devices and weakened immune systems are at greater risk of infection than the general public.
Malnutrition Universal Screening Tool (MUST)	'MUST' is a five-step screening tool to identify adults, who are malnourished, at risk of malnutrition (under nutrition), or obese. It also includes management guidelines which can be used to develop a care plan.
National Confidential Enquiry into Patient Outcome and Death - NCEPOD	The National Confidential Enquiry into Patient Outcome and Death (NCEPOD) reviews clinical practice and identifies potentially remediable factors in the practice of anaesthesia and surgical and medical treatment. Its purpose is to assist in maintaining and improving standards of medical and surgical care for the benefit of the public. It does this by reviewing the management of patients and undertaking confidential surveys and research, the results of which are then published. Clinicians at Croydon Health Services NHS Trust participate in national enquiries and review the published reports to make sure any recommendations are put in place.
National Institute for Health and Clinical excellence	The National Institute for Health and Clinical Excellence is an independent organisation responsible for providing national guidance on promoting good health and preventing and treating ill health. Visit: www.nice.org.uk
National Patient Safety Agency	The National Patient Safety Agency is an arms-length body of the Department of Health and Social Care, responsible for promoting patient safety wherever the NHS provides care. Visit: www.npsa.nhs.uk
NHS Number	This is the national unique patient identifier that makes it possible to share patient information across the whole of the NHS safely, efficiently and accurately. The NHS Number is fundamental to the development of the National Programme for IT.
NHS Litigation Authority (NHSLA)	The NHSLA is a special health authority in the NHS responsible for handling negligence claims made against NHS bodies in England. In addition it has developed an active risk management programme to raise NHS safety standards and reduce the incidence of negligence. It also monitors human rights case law on behalf of the NHS, co-ordinates claims for equal pay in the NHS and handles Family Health Service appeals (i.e. disputes between doctors, dentists, opticians and pharmacists and NHS Primary Care Trusts).

Overview and scrutiny committees	Since January 2003, every local authority with responsibilities for social services (150 in all) have had the power to scrutinise local health services. Overview and scrutiny committees take on the role of scrutiny of the NHS – not just major changes but the ongoing operation and planning of services. They bring democratic accountability into healthcare decisions and make the NHS more publicly accountable and responsive to local communities.
Patient	A person who receives services provided in the carrying on of a regulated activity. This is the definition of “service user” provided in the Health and Social Care Act 2008 (Regulated Activities) Regulations 2010.
Patient and Public Voice	This used to be called Patient and Public Involvement (PPI) but has recently been renamed. It highlights ways in which the public and patients are involved in a trusts patient care
Periodic reviews	Periodic reviews are reviews of health services carried out by the Care Quality Commission (CQC). The term ‘review’ refers to an assessment of the quality of a service or the impact of a range of commissioned services, using the information that the CQC holds about them, including the views of people who use those services. Visit: www.cqc.org.uk/guidanceforprofessionals/healthcare/nhsstaff/periodicreview2009/10.cfm
Pickier Institute UK	The Pickier Institute Europe is a not-for-profit organisation that supports the healthcare sector to help make patients’ views count in healthcare. It works to build and use evidence to champion the best possible patient-centered care working with patients, professionals and policy makers to achieve the highest standards of patient experience. In Europe and the UK, Pickier research and gather patient’s views of healthcare using surveys, focus groups and other methods as for example by supporting the national survey programme in the NHS for the Care Quality Commission.
Privacy and dignity	To respect a person’s privacy is to recognise when they wish and need to be alone (or with family or friends), and protected from others looking at them or overhearing conversations that they might be having. It also means respecting their confidentiality and personal information. To treat someone with dignity is to treat them as being of worth and respect them as a valued person, taking account of their individual beliefs
Providers	Providers are the organisations that provide NHS services, for example NHS trusts and their private or voluntary sector equivalents.
Quality monitoring	A continuous system of monitoring to ensure that local quality measures are effective. Quality monitoring is part of quality assurance.
Quality and Clinical Governance Committee	This committee monitors, reviews and reports on the quality of services provided by the Trust. This includes the review of: Governance, risk management and internal control systems to ensure that the Trust’s services deliver safe, high quality, patient-centered care. Performance against internal and external quality improvement targets and follow-up whenever required. Progress in implementing action plans to address shortcomings in the quality of services – if any have been identified.
Registration	From April 2009, every NHS trust that provides healthcare directly to patients must be registered with the Care Quality Commission (CQC).

Research	Clinical research and clinical trials are an everyday part of the NHS. The people who do research are mostly the same doctors and other health professionals who treat people. A clinical trial is a particular type of research that tests one treatment against another. It may involve either patients or people in good health, or both.
Safeguarding	Ensuring that people live free from harm, abuse and neglect and, in doing so, protecting their health, wellbeing and human rights. Children, and adults in vulnerable situations, need to be safeguarded. For children, safeguarding work focuses more on care and development; for adults, on independence and choice.
Secondary Uses Service (SUS)	A single repository of person and care event level data relating to the NHS care of patients, which is used for management and clinical purposes other than direct patient care. These secondary uses include healthcare planning, commissioning, public health, clinical audit, benchmarking, performance improvement, research and clinical governance. Visit: www.ic.nhs.uk/services/the-secondary-uses-service-sus/using-this-service/ data-quality-dashboards
Adult social care	Social care includes all forms of personal care and other practical assistance provided for people who by reason of age, illness, disability, pregnancy, childbirth, dependence on alcohol or drugs or any other similar circumstances, are in need of such care or other assistance. For the purposes of the Care Quality Commission, it only includes care provided for, or mainly for, people over 18 years old in England. This is sometimes referred to as adult social care.
ViEWS	VitalPAC Early Warning System is a tool for bedside evaluation incorporated into VitalPAC. It is based on seven physiological parameters: pulse; temperature; systolic blood pressure; respiratory rate; AVPU (the level to which the patient responds), oxygen saturation, plus the patient's inspired oxygen requirements.
VitalPAC	An electronic track and trigger system that provides a recording mechanism for patient's vital signs and essential screening tools. The data entered generates an Early Warning Score (EWS) and when appropriate prompts the clinical practitioner to escalate the patient's condition appropriately.

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