

**North Cumbria University Hospitals
NHS Trust**

**Annual Report and Accounts
2017/18**

Contents

Foreword	3
1. PERFORMANCE REPORT	5
1a Overview.....	5
Our Year at a Glance	7
Vision and Values	9
Our Priorities 2017/18	10
Principal Activities of the Trust	11
Our Services	11
Our Key Issues and Risks.....	12
1b Performance Analysis.....	13
Care Quality Commission (CQC) Registration and Inspections	24
Our Achievements 2017/18.....	33
2. Healthcare for the Future	39
3. Accountability Report	41
3a Corporate Governance Report.....	41
Register of Directors' Declared Interests.....	46
Charitable Funds.....	48
Annual Governance Statement 2017/18	52
3b Remuneration and Staff Report.....	65
Staff Numbers and composition	65
Remuneration.....	78
3c Parliamentary Accountability and Audit Report	86
Statement of the Chief Executive's Responsibilities as the Accountable Officer of the Trust	86
Statement of Directors' Responsibilities in Respect of the Accounts	87
Head of Internal Audit Opinion.....	88
External Audit Opinion:	104
4. FINANCIAL STATEMENTS 2017/18.....	108
5. QUALITY ACCOUNTS 2017/18.....	138

Foreword

Over the past year we have been working more collaboratively than ever before with our health and care partners in order to improve the way services are provided.

In September 2017, Stephen Eames became Interim Chief Executive of Cumbria Partnership NHS Foundation Trust which runs community and mental health services in addition to his current role at North Cumbria University Hospitals NHS Trust. During the first 100 days in his new role, a period of intense engagement was carried out with staff across both organisations as well as stakeholders. During that time, early priorities were shared as we continue to work more closely together and we listened to the views of over 1000 staff members and key partners which have helped to shape further work.

As we work towards becoming an Integrated Health and Care System, we have already seen a lot of successful joint projects such as the campaign to 'end PJ paralysis' involving more patients getting up out of hospital beds and getting dressed in order to support them to be more independent and aid a faster recovery. We have also already started to implement joint executive director arrangements to provide consistent and streamlined leadership as well as joining our support services together, starting with IT and Estates and Facilities.

In line with trusts across the country, recruitment remains one of our biggest challenges. This year we launched a joint programme in order to attract staff to live and work in Cumbria, called '*is this you*'. Our joint efforts have included local jobs fairs here in Cumbria as well as national and international fairs which are already bringing us success.

Due to national confidence in our joint working, we have secured funding to improve our services locally with a new and exciting plan for the next phase of the redevelopment of West Cumberland Hospital as well as for the delivery of cancer services.

The first major improvement in cancer services has already taken place in November 2017 when our new LINAC radiotherapy machine went live at the Cumberland Infirmary. We were one of 15 trusts to benefit from the major national investment in the machine and we have been working collaboratively for some time with our colleagues at Newcastle Hospitals NHS Foundation Trust as part of a Cancer Alliance in order to ensure that cancer services can be delivered locally. The installation of the new machine is the first step to achieving long term sustainability for the service and we will be continuing to work with our colleagues in Newcastle to further develop our plans.

We also want to involve our staff and members of the public as we plan big projects such as the redevelopment of West Cumberland Hospital and improvements to

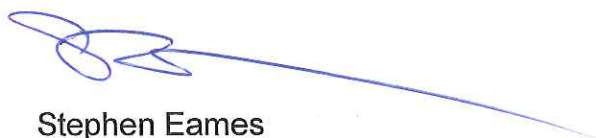
cancer services. We are currently working closely as part of our work in maternity and paediatrics services and I am committed to continuing to develop 'co-production' as a way of working productively together.

Although meeting national clinical standards has been challenging this year, our teams have done a fantastic job despite the pressures they are working under. In emergency care, the Trust has consistently performed above the national average against the 95% four hour standard in 17/18. Although we have more work to do to meet the 95%, when reflecting on the national context we have done very well and it is important to recognise this positive progress. Cancer standards were exceeded this year with the Trust performing above all three national standards in December 2017 which is excellent news for patients.

In addition, the Trust's mortality rates were the lowest in the North East and north Cumbria region this year and almost 80% of our staff received their flu vaccination which was above our target and one of the highest in the region.

We would like to pay tribute to our staff for the continued hard work and commitment they have shown throughout this year, providing safe and high quality care to our patients despite the challenges that we have faced including a period of heavy snow in early 2018 and the cyber-attack back in May 2017. Thank you to staff across all of our services.

Looking ahead to 2018/19, it is clear that our future is stronger together in health and care services in north Cumbria. We will continue to integrate further in the months ahead and I look forward to an exciting year.



Stephen Eames
Chief Executive for NCUHT & CPFT



Malcolm Cook
Vice Chair

1. PERFORMANCE REPORT

1a Overview

Chief Executive's Statement

North Cumbria University Hospitals NHS Trust received authorisation in 2001 when Carlisle Hospitals NHS Trust merged with West Cumbria Healthcare NHS Trust. The Trust became a University Hospital Trust in August 2008.

North Cumbria University Hospitals NHS Trust provides acute hospital care serving a resident population of around 340,000 people in the north of the county of Cumbria living in the districts of Allerdale, Carlisle, Copeland and Eden. It also provides services to parts of Northumberland and Dumfries and Galloway.

Acute hospital services are provided from the Cumberland Infirmary in Carlisle and West Cumberland Hospital in Whitehaven. The Trust also provides a maternity-led service at Penrith Hospital.

The Trust delivers services including emergency care, maternity care, children's services, surgery, critical care, cancer services and medical care. The Trust also provides a range of outpatient and diagnostic clinics at a number of the community hospitals across North Cumbria.

West Cumberland Hospital opened a new £90m capital-funded hospital facility in October 2015 to the people of west Cumbria and beyond. Funding for further phases of the redevelopment at West Cumberland Hospital was announced by NHS England in July 2017 and work is underway.

The Trust employs over 4,500 members of staff and is one of the largest employers in Cumbria.

The Trust is currently rated as 'requires improvement' by the Care Quality Commission with many services rated 'good'.

Following decisions made by NHS North Cumbria Clinical Commissioning Group in March 2017 after the 'Healthcare for the Future' consultation, the Trust is continuing to work to implement the decisions made, working closely with community groups, and stakeholders through 'co-production'.

The Trust is now working very closely with Cumbria Partnership NHS Foundation Trust and other health and care partners towards becoming amongst the first 'Integrated Health & Care System' in the country.

The Cumbria Health and Wellbeing Strategy provides the framework within which our plans will deliver local partners' ambition to create a health and care system which will deliver the right care, at the right time, in the right place in a sustainable manner. We have four priority areas where action is required to address the three gaps identified in the NHS Five Year Forward Plan:

- Tackling population health issues where Cumbria is performing poorly
- Tackling health inequalities
- Improving the quality of health and care provision
- Creating a health and wellbeing system fit for the future

In North Cumbria, our ambition is to build a population health system which consists of integrated health and care provision; communities mobilised at scale for health and wellbeing, operating within a new set of system incentives and behaviours. Realising our vision requires a whole system health and social care effort, combined with the buy in of our population. This is not something that individual organisations can deliver alone, particularly on the scale of North Cumbria.

A single Chief Executive for the NHS provider organisations of healthcare has been established along with a single joint executive team. Demonstrable progress has also been made in establishing single corporate/support services to share knowledge and skills as well as economies of scale across the system. Relationships with local authority and general practice have been enhanced in order to agree a general direction of travel for improving health locally and closing the quality and efficiency gaps.



Stephen Eames
Chief Executive for NCUHT & CPFT

Our Year at a Glance

Our Vision

'To provide innovative high quality care to our patients'

Our Patients

- 92,797 A&E attendances -
- 292,085 outpatient appointments
- 5,329 elective inpatients
- 37,618 non-elective admissions
- 30,812 elective day case procedures

Our Staff

- Recruitment and retention has gone from strength to strength with key appointments made in across a number of specialities and a nursing drive launched with other local NHS organisations
- Employee Assistance Programme launched for staff trust-wide
- 78.8% of staff received their flu vaccination
- 'You Did It' staff recognition awards launched
- Joint staff sessions have taken place in collaboration with Cumbria Partnership NHS Foundation Trust staff, bringing the two workforces together

Our Performance

- The Trust's three maternity units were found to have performed 'better than expected' and have made significant improvements since 2015 according to the Care Quality Commission's national survey
- Improvement plans are in place with set trajectories to monitor performance
- The Trust has consistently remained above the national average for the 95% emergency care standard
- In Quarter 3, the Trust met and exceed all three national cancer standards
- The Trust's three maternity units were found to have performed 'better than expected' and have made significant improvements since 2015 according to the Care Quality Commission's national survey
- The Trust has not met the 95% emergency care standard in 2017/18 but has consistently remained above the national average
- In Quarter 3 and 4, the Trust met and exceed all three national cancer standards
- There were two Never Events in 2017/18 compared to one in 2016/17 and seven in 2015/16
- The Trust has not meet Referral to Treatment standards but plans are in place for recovery of this including demand and capacity work and a theatre utilisation

Our Finances

- A Cost Improvement Target of £16.26m was set, with £13m savings achieved
- The Trust delivered a deficit of £40.3m which is £3.9m better than the original plan for the year
- This is an improvement of £7.0m over the deficit in 2016/17 of £47.3m

Our Improvements

- A new LINAC (linear accelerator) radiotherapy machine at the Cumberland Infirmary marked the first milestone in a large investment programme into modernising and improving access to cancer services across North Cumbria
- A new bereavement service was created with three dedicated staff to help families of patients who are dealing with a bereavement
- Recent data up until March 2017 placed the Trust's mortality rates to be now lower than the national average
- Targeted improvement work has led to a significant reduction in pressure ulcers
- The Trust achieved its highest ranking in the UK GMC National Training Survey. Particular areas performing well include Anaesthetics, Paediatrics and Respiratory Medicine

Vision and Values



North Cumbria University Hospitals **NHS**
NHS Trust

OUR VALUES



1. PATIENTS FIRST

- Patient care will be the best we can deliver
- We show compassion, empathy and respect
- We respond to the needs of all patients
- We provide excellent services
- We ensure physical comfort and emotional support
- We provide the right information at the right time for patients and their families

2. SAFE AND HIGH QUALITY CARE

- Quality and safety is at the heart of everything we do
- We set clear standards and report against them
- We will encourage new ideas and innovation
- We will continuously improve to ensure our standard is the highest it possibly can be

3. RESPONSIBILITY AND ACCOUNTABILITY

- We take personal responsibility for our actions
- We actively build relationships within and across teams
- We measure performance and act on facts

4. EVERYONE'S CONTRIBUTION COUNTS

- We all have a part to play in delivering excellence
- We encourage education and personal development
- We all take responsibility for developing others

5. RESPECT

- We lead by example
- We aim to be good role models
- We respect everyone's contribution
- We support individuals to succeed

OUR VISION

“We provide
person centred
world class quality
healthcare
services”

Our Priorities 2017/18



Our Priorities 2017/18



Our vision is: "To provide innovative high quality care to our patients"



Principal Activities of the Trust

The Trust's function is to provide health care services. Our principal activities are to:

- Provide elective (planned) operations and care to the local population in hospital and community setting
- Provide non-elective (unplanned emergency or urgent) operations and care to the local population in hospital settings
- Provide diagnostic and therapy services on an outpatient and inpatient basis to the local population in hospital and community settings
- Provide specialist level services within a network of regional and national organisations
- Provide learning and development opportunities for staff and students
- Provide additional services commissioned where agreement has been reached on service delivery models and price
- Provide support services to deliver the above activity and support the activity of other local health providers where these have been commissioned and agreement has been reached on service delivery models and price

Delivery of the principal activities is underpinned by our key clinical, performance and financial priorities. The Board Assurance Framework is the main tool by which the Trust Board monitors the risks to the organisation in relation to achieving these strategic objectives. The framework maps the organisation's objectives to principal and subordinate risks, controls and assurances.

The complete Board Assurance Framework is reviewed against the CQC and Monitor compliance and regulatory requirements on an ongoing basis. The Board Assurance Framework changes as a result of risk mitigation plans and is reviewed by the Trust Board on a monthly basis.

Our Services

Our services are organised across two hospital sites and through Divisions which place clinical leaders at the forefront of our decision-making. There are two Divisions – Surgery & Critical Care and Emergency Care & Medicine. Each Division has an Associate Medical Director, who is clinician, and are supported by an Associate Chief Operating Officer; General Managers and Business Managers.

Hospital sites:

Cumberland Infirmary Carlisle - 402 beds

West Cumberland Hospital - 207 beds

The divisions are:

- Emergency care and medicine – which includes elderly care; allied health professionals; gastro and renal; cardiology and respiratory; clinical oncology; dermatology; and pathology.

- Surgery and critical care – which includes women and children’s services; radiology; vascular; outpatients; head and neck service; general surgery; theatres; anaesthetics; ITU; trauma and orthopaedics; and rheumatology.

Our services provide a full range of acute hospital and adult community services:

A&E	Ophthalmology
Cardiology	Oral and maxillofacial surgery
Children and adolescent Services	Orthopaedics
Cancer services	Maternity services
Dermatology	Pain management
Ear, nose and throat	Respiratory medicine
General medicine	Rheumatology
General surgery	Stroke services
Gynaecology	Urology
Maternity services	Vascular

Our Key Issues and Risks

The Trust’s key risks and how they are managed can be found in full in the Annual Governance Statement found later in this report. The current highest scoring strategic risks affected the Trust are as follows:

Strategic Doman – Strategy and System

- Lack of capacity and capability to deliver the Trust objectives alongside the STP and Integrated Health and Care System (IHCS) requirements

Strategic Domain – Operational Delivery and Flow

- The urgent care system is unable to sustain the improvement trajectory
- The Trust does not have the required capacity in place to deliver 18 weeks resulting in patients not receiving timely care and loss in income
- The Trust does not have robust governance and monitoring processes in place to manage the PFI contract at CIC, thus impacting on the Trusts ability to meet key standards, including cleaning.
- WCH delays to Phase 2 site redevelopment resulting in continued use of retained estate that requires major upgrade. This potentially has multiple failures of mechanical, general estates and fire safety standards.

Strategic Domain – Workforce & Leadership

- The Trust is unable to recruit and retain sufficient permanent and trainee medical staff thus impacting on the Trusts ability to maintain service provision and provide quality patient care

- The Trust is unable to recruit and retain nursing staff in order to ensure safe staffing levels are consistently achieved across all wards and departments
- The Trust fails to develop and embed the well led principles from ward to board resulting in poor governance and risk management.

Strategic Domain – Patient Safety & Quality

- The Trust fails to learn lessons from serious incidents and harm

1b Performance Analysis

All healthcare providers across the country are set a range of quality and performance targets by the Government, commissioners and regulators. 2017/18 has been a challenging year for all providers due to increasing demand and pressures on the health and social care system and the financial challenges trusts have faced. Despite this, the Trust has made some significant improvements in performance.

The Trust is better than the national average and has improved overall performance in the following national constitutional standards; A&E waits and cancer waiting.

Compliance with the A&E four hour standard has improved, but has not met the national standard despite being better than the national average. The peaks and troughs in performance have reflected the national challenge faced in this area.

Trust Performance of key National Measures in 2017/18

Measure	National Standard	Latest National YTD average	Trust actuals (cancer data provisional for 17-18)			RAG comparisons			
			15/16	16/17	17/18	Compared to National standard	Compared to National average	Compared to 15/16	Compared to 16/17
A&E	% of patients who waits 4 hours in A&E (17/18 inc type 3)	95%	88.0%	85.5%	87.4%	90.3%			
Cancer	% of Cancer patients seen within 2 weeks from a GP referral	93%	94.1%	92.1%	96.8%	94.6%			
	% of Cancer patients treated within 31 days from decision to treat.	96%	97.6%	96.5%	96.5%	97.6%			
	% of Cancer patients treated within 62 days from GP referral	85%	82.3%	75.4%	82.9%	85.4%			
Waiting times	% of patients treated within 18 weeks from Referral to Treatment	92%	88.2%	89.9%	92.1%	84.2%			
	% of patients receiving a diagnostic test within 6 weeks of referral	99%	97.8%	97.8%	99.5%	98.6%			

Comparisons key:

Significantly worse than	
Slightly worse than	
Same as or better than	

The above performance summary table for 2017/18 highlights that the Trust's performance against most of the core national standards has both improved

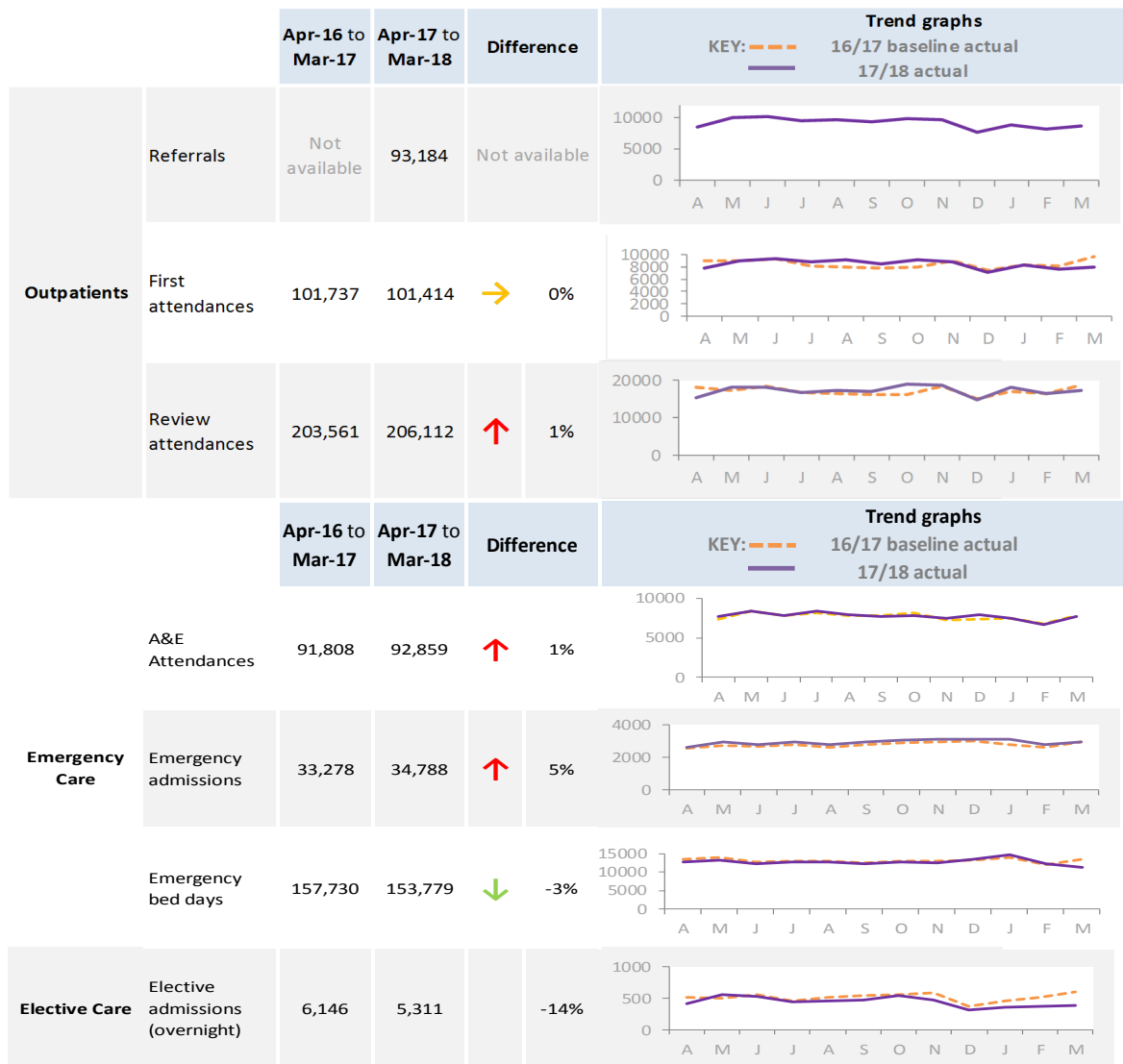
compared to previous years 2015/16 and 2016/17, and is better than the national average for all excepting Referral to Treatment times. The Trust did not meet the national standards for both A&E four hour waits despite significant improvements compared to the previous year. Diagnostics and Referral to Treatment waits fell short of the national standard due to nationally experienced pressure on A&E departments over the winter period which meant that urgent care for patients was prioritised over planned and non-urgent care.

Trust Performance Improvement Plans 2017/18

Our clinical and managerial teams have refreshed the continuous improvement plans that allow us to continue to improve performance across all of these standards in 2017/18. Outlined below are some of the actions within these plans:

- Operational weekly meetings will continue ensuring robust performance management of each of the core national standards.
- The Trust Board will continue to receive an update on the performance measures on a monthly basis. This will enable check and challenge supporting the Ward to Board ethos.
- Cancer Patients will continue to be individually tracked by the multi-disciplinary team throughout each of the stages of their pathway to ensure they are seen within the timeframes.
- In order to improve the timeliness of patients on a Referral to Treatment pathway, demand and capacity work and a theatre utilisation programme will be undertaken to ensure the Trust uses its available resources in a timely and efficient manner.
- Within A&E there are multiple plans to improve the four hour wait target. These include:
 - Rapid Response Integrated Care Communities implementation to reduce the demand on the Acute hospitals.
 - Targeted Delayed Transfers of Care programme to improve the flow of patients out into the community and release pressure on the emergency care front end of services.
 - Weekly task and finish group set up with core team members to improve patient flow within the Trust.
 - Comprehensive Winter Plan to learn the lessons from 2017/18 and implement the changes required as early as possible in the year.
 - Capital Development of our Emergency Department to support Streaming of patients for rapid review by senior clinician.
 - Expansion of ambulatory care function.
 - Expansion of Hospital to Home services.

Activity



The hospitals activity data shows some of the following key themes when comparing 2016/17 to 2017/18:

- Referral levels have reduced in the last 4 months of 2017/18 following the implementation of a range of transformation work specifically aimed at reducing activity into the Trust. These schemes focus on caring for patients where it is most appropriate. For example the Advice and Guidance service for GPs or the MSK service for patients in North West and East Cumbria.
- A&E attendances have increased slightly by 1% but the numbers admitted have increased by 5% due to the change in acuity of patients attending A&E. The number of beds days has reduced by 3% which is as a result of the concerted effort to improve flow and discharge of patients in an appropriate and timely manner.
- Finally, there has been a huge drop of 14% in the elective admissions which is due to national recommendations to stop all non-urgent planned hospital patient overnight stays for treatment. This was to ensure a focus on the emergency and non-elective care during the challenging winter period.

Operating and Financial Review

The Trust has delivered a deficit of £40.3m against a planned deficit of £44.2m. This is a further improvement on the deficit of £47.3m delivered in 2016/17 and the £63.0m delivered in 2015/16. However, it has been an extremely challenging year financially and has required the commitment of our partners at Cumbria Partnership NHS Foundation Trust and NHS North Cumbria Clinical Commissioning Group (NC CCG) to support us in achieving the financial plan. The Trust achieved £12.9m of its cost savings target of £16.3m in 2017/18 through improved financial planning and control, and the delivery of a significant efficiency programme. The shortfall against the savings target was offset by increased income to the Trust.

The Sustainability & Transformation Funding (STF) programme was established in 2016/17 to support recovery across the NHS. The Trust was allocated a share of £8.2m in 2017/18 which its ability to access was dependent on achieving a deficit reduction and access standards in Accident & Emergency. Following a challenging winter period the Trust achieved 89.6% against the 95% target for A&E four hour waits which resulted in the Trust being only able to access £7.4m of the £8.2m allocation. However, the Trust was able to access bonus STF monies totalling £4.3m for achieving its financial target.

During 2017/18, the Trust also delivered capital expenditure of £10.5m including investment in new medical equipment, IM&T, the WCH Redevelopment and A&E Primary Care Streaming project. Further details are included in the Capital Expenditure section below.

Pay costs increased by £5.0m from £172.6m in 2016/17 to £177.6m in 2017/18. Agency staff costs were £13.8m which is a reduction of £1.3m from 2016/17 and further improvement on the £20.6m of agency costs incurred in 2015/16. The Trust's in-house Agency Team, supported by the medical staffing and nursing teams, continues to focus on the recruitment of medical and nursing staff and identifying new and innovative ways of working.

The Trust continues to work very hard with its agency suppliers to bring rates payable to agency staff in line with the capped rates in place from 1 April 2016. It is not always possible to do so in the interests of patient safety, but the Trust has a clear escalation process which requires Medical Director and Finance Director approval for any payments above the capped rates. Trusts are allocated an agency cost 'ceilings' which they are not expected to exceed. The Trust's ceiling has been £13.8m in both 2016/17 and 2017/18 and the Trust has met that target in 2017/18. The Trust will continue to work throughout 2018/19 and beyond to reduce both the cost and reliance on agency staff.

Non-pay costs (excluding reversal of impairments) have decreased by £4.5m from £116.6m to £112.1m. The Trust's contribution to the NHS CNST (Clinical Negligence

Scheme for Trusts) increased by £1.0m although there were a number of areas where costs reduced in 2017/18 with the main areas to note being drugs (£3.1m reduction) and consultancy (£1.8m reduction). The Trust continued to receive national funding of £6.0m in 2017/18 in respect of the Cumberland Infirmary PFI Scheme. This funding recognises the impact of the PFI funding regime and supports the Trust to deliver our financial position.

The Trust's cash position remains very challenging. In order to support its deficit the Trust continues to require financing support in the form of loans from the Department of Health in order to meet its outgoings. During 2017/18 the Trust accessed new loans totalling £47.3m and repaid loans totalling £1.4m giving net additional loans of £45.9m.

The Trust's financial performance and reporting is appraised through a number of independent sources. Its Internal Auditors, AuditOne, provide the Trust with assurance around internal processes and controls as summarised in the Head of Internal Audit opinion which gave 'significant assurance' in relation to key financial systems. The Trust appointed Grant Thornton UK LLP as its external auditors for 3 years from 2017/18.

Statutory break-even duty

The Trust is required to break-even taking one year with another. The Trust continues to fail its break-even duty. On an income of £258.9m the Trust was in deficit by £40.3m in 2017/18. The cumulative deficit now stands at £196.4m as at 31 March 2018 which equates to a cumulative breakeven position of 75.9% of annual turnover.

Capital cost absorption duty

The Trust is required to achieve a rate of return on capital of 3.5% each year. This is a measurement of the dividend it pays to the Department of Health compared to the assets it has at its disposal to achieve this. The dividend payable on public dividend capital is based on the actual (rather than forecast) average relevant net assets based on the pre audited accounts and therefore the actual capital cost absorption rate is automatically 3.5%. However, since the Trust had negative average relevant net assets in 2017/18 it was not required to pay any dividends.

External financing/capital resource limit

The amount that the Trust can spend on capital investment is controlled by the Department of Health via resource and cash limits. The Capital Resource Limit (CRL) controls the amount available to spend on capital. The External Financing Limit (EFL) determines whether external cash can be drawn down or whether a repayment of cash is due to the Department of Health. For 2017/18 the Trust was set a CRL of £10.2m and a positive EFL of £50.5m. The Trust achieved both targets.

Better Payment Practice Code

The Trust is required to achieve a target of 95% for the number and value of creditors paid promptly in year. The Trust has failed to achieve this target and ongoing liquidity pressures coupled with delays experienced following the move to a new finance system in November 2017 has resulted in deterioration in performance against all 4 BPPC targets.

	Current Year to Date	
	Number	Value (£000s)
Non NHS		
Total bills paid in year	70,752	124,593
Total bills paid within target	22,681	69,553
Percentage of bills paid within target	32.1%	55.8%
NHS		
Total bills paid in year	2,482	34,891
Total bills paid within target	516	22,512
Percentage of bills paid within target	20.8%	64.5%
Total		
Total bills paid in year	73,234	159,485
Total bills paid within target	23,197	92,066
Percentage of bills paid within target	31.7%	57.7%

Despite the Trust's ongoing liquidity issues it remains committed to paying key local suppliers as promptly as possible to ensure cash flow supporting the local economy moved smoothly between the Trust and suppliers.

The Trust signed up to the Prompt Payment Code in 2009/10 although due to the Trust's on-going liquidity issues it has been unable to comply with the code. Whilst the Code has no specific targets it encourages users to pay suppliers on time and gives suppliers clear guidance and promotes good practice.

Accounting Policies & Issues

The Annual Accounts have been produced following the requirements of International Financial Reporting Standards (IFRS). The policies are approved by the Audit & Risk Committee for use in preparing the accounts and are amended annually to reflect changing circumstances and changes to accounting guidance and regulation. There were no significant changes to the accounting policies in 2017/18.

The Trust is a member of the NHS Pensions Scheme. Full details of the scheme and how pension liabilities are treated within the accounts is contained within the accounting policies and the remuneration report.

The Trust is required to carry out a formal review of its assets every 5 years. The Trust's valuers, Cushman & Wakefield (formerly DTZ), carried out internal and external inspections of all the Trust's properties in October 2014. In addition,

Cushman & Wakefield carried out an inspection and valuation of the new West Cumberland Hospital in November 2015. Cushman & Wakefield have provided up to date existing use values as at 31 March 2018. The Trust's Cumberland Infirmary PFI scheme has been valued on a Modern Equivalent Asset basis, using the assumption that, if the asset were to be replaced, it would be financed using a PFI arrangement. This reflects the current reduced level of available capital resource in the NHS nationally, such that PFI financing would be the most likely available source of funding.

An element of the amount the Trust pays to Health Management Carlisle (HMC) annually over the 30 year period of the PFI contract is for capital works to the Cumberland Infirmary. To date less work has been carried out than originally forecast. The Trust continues to work with the PFI provider to develop a plan to ensure the timely completion of all backlog maintenance.

The Trust is the corporate trustee for North Cumbria University Hospitals NHS Trust Charitable Fund. The charitable funds of the Trust remain relatively small and therefore the Audit Committee approved that the charitable funds should continue not to be consolidated with the Trust accounts under IFRS 10 *Consolidated Financial Statements*.

The Charity is required to publish its own set of accounts and an annual report, however, a summary of the Charity's key activities and its unaudited income and expenditure figures for 2017/18 are included within the Trust's annual report.

Going Concern

In preparing the financial statements the Directors have considered the Trust's overall financial position and expectation of future financial support. During 2017/18 the Trust delivered a deficit of £40.3m and increased borrowing from the Department of Health & Social Care by £45.9m to £185.6m. The Trust has submitted a financial plan to NHS Improvement (NHSI) for 2018/19. The plan is for a deficit of £37.6m after delivery of a £10.4m savings programme and contractual income reduction of £5.3m due to the development of out of hospital services being commissioned by North Cumbria CCG. During 2017/18 the Trust was able to access all of the financing support included in its financial plan. The Directors are seeking additional cash support from the Department of Health for 2018/19 of £38.5 million.

The Trust does not have a formal letter guaranteeing this cash support. These factors represent a material uncertainty that may cast significant doubt about the Trust's ability to continue as a going concern. However, the Directors, having made appropriate enquiries, have a reasonable expectation that the required cash support will be received allowing it to continue in operational existence for the foreseeable future. For public sector organisations it is the continuation of services that drives the basis for the accounting treatment and therefore, in accordance with the Department

of Health Group Accounting Manual, the Trust's accounts have been prepared by the directors on a going concern basis. The Trust has not included the adjustments that would result if it was unable to continue as a going concern.

Capital Expenditure

During 2017/18, the Trust also delivered capital expenditure of £10.5m. There was investment in new medical equipment which accounted for £2.7m whilst expenditure on IM&T was £1.4m and included £0.7m of NHS funding for installing guest WiFi services and improving the Trust's cyber security. Expenditure on the WCH Redevelopment was £3.0m and £2.3m of this was paid for by NHS funding carried forward to 2017/18. The Trust also received £1.0m of NHS funding to support an A&E Primary Care Streaming project with a total cost of circa £2.0m. Finally, the Trust's PFI partner spent £1.9m on capital expenditure at the Carlisle site.

	£000
WCH Redevelopment	3,049
PFI Lifecycle	1,876
A&E Primary Care Streaming	704
Cyber Security	509
Fluroscopy System	476
Digital X ray system (Blue Room)	252
Lifts at West Cumberland Hospital	244
Guest Wifi Equipment & Installation	212
CIC Car Park Extension	168
Enabling works for the new linear accelerator	132
Northern Cancer Centre Development	124
Compound microscopes for Pathology	112

Economic Outlook and the Operating Environment

The overall financial position of the NHS continued to be challenging in 2017/18 with demand rising, particularly in urgent and emergency care, and agency staffing costs being a significant cost pressure to many organisations in the acute hospital sector. Many NHS organisations' reported financial deficits.

Whilst there will be an overall increase in funding for the NHS 2017/18, it will remain a very tough financial year with the funding predicated on the NHS delivering efficiency improvements of between 2% and 4% each year until 2020, a real challenge for all organisations.

The economic position means that resources are going to remain limited for some time. This brings additional challenges at a time when an ageing population is leading to greater demands on services. New ways of delivering services are being explored across the country with the aim of service modernisation and reconfiguration in order to live within the financial resources available. The Trust is

working with local partners through the Sustainable Transformation Partnership (STP) to deliver sustainable services, and is committed to joint working to deliver individual organisational and shared financial targets. The Trust, North Cumbria CCG and Cumbria Partnership Foundation Trust have committed to a joint financial risk share for a second year in order to facilitate this.

The Year Ahead

The Trust's financial plan for 2018/19 is to deliver a deficit of £37.6m which is an improvement of £2.7m on the 2017/18 outturn. However, as the financial outturn position for 2017/18 included a number of non-recurrent benefits, such as bonus STF monies, the scale of the improvement is much higher than £2.7m.

The Trust's efficiency target for 2018/19 is £10.4m and further system transformation savings of £12.4m, to support the development of out of hospital services, including the new Integrated Care Centres. The CCG and the two Trusts in North Cumbria are formally committed to the delivery of the joint control totals for the health economy. We have committed to a three way financial risk share. This risk share arrangement supported the delivery of control totals in 2017/18.

The Trust will continue to address the efficiency savings through cost improvement steps of smarter purchasing of goods and services, productivity improvements and continuing to reduce the cost of, and reliance on, agency staff; it requires service change. However the overall level of savings required will require more transformational changes. North Cumbria has established leadership processes and frameworks that will support this change, in year and going forward. However, all changes enacted to achieve financial targets are set against the backdrop of making sure that patient safety and the quality of service provided is not compromised.

As the Trust is planning to achieve a deficit of £37.6m in 2018/19 additional financing support in the form of new loans will be required. The Trust's liquidity will remain fragile and its cash position will require close management throughout the year. The Trust liaises on a regular basis with NHSI with regards to its cash position.

The Trust's capital programme for 2018/19 is likely to be in the region of £22.2m which includes £5.0m of Treasury funded capital towards Phase 2 of the WCH Redevelopment and £10.0m of Treasury funding towards the Northern Cancer Centre. £2.6m will be spent on replacing medical equipment, and a further £0.7m will be invested in IM&T.

Infection Prevention and Control

Clostridium difficile infection (C-difficile) is an infection which is spread by bacterial spores and can be linked to patients on certain types of antibiotics or antibiotics taken for a period of time. Good practice in relation to antibiotic prescribing as well as infection control practice such as good hand hygiene and deep terminal cleans of

wards are key to reducing the spread of C-difficile infection. Monitoring C-difficile infections is a key infection control and patient safety indicator across all hospitals.

In terms of C-difficile we have seen a slight decrease from last year's outturn with 25 cases and therefore we did achieve our external trajectory. As detailed below most cases were at Cumberland Infirmary, Carlisle (CIC) and during the year we continue to work with our PFI partners to improve cleaning. Further detail can be found in the Quality Accounts.

Mortality

The Trust continues to monitor mortality rates by using the Summary Hospital Mortality Indicator (SHMI) and the Hospital Standardised Mortality Ratio (HSMR). The SHMI is an indicator which reports on mortality at Trust level across the NHS in England using a standard and transparent methodology. It has been produced and published quarterly since October 2011. The Trust's current published performance is a ratio of 0.97 which falls within control limits.

The HSMR is reported as a standardised ratio with a baseline of 100. It looks at only certain clinical codes which account for around eighty percent of deaths, and only those patients who die in hospital. It includes an adjustment for palliative care coding and area-level deprivation. The most recent data up to September 2017 shows a HSMR of 97.

We continue to work with colleagues at the North East Quality Observatory to review mortality data as it is published on a quarterly basis. Further details can be found in the Quality Accounts.

Mortality Reviews

The Trust continues to analyse deaths each week identifying those which have a high Hogan Score (an assessment of preventability with deaths judged as more than 50% preventable, Hogan Score 4-6) and depending on clinical context referring them to clinical teams for review as part of the teams morbidity and mortality review process of when more serious concerns occur for declaration as a Serious Untoward Incident. In line with national recommendations, we will publish data on a quarterly basis regarding avoidable deaths and we will work more closely with families when reviewing such cases. Further detail can be found in the Quality Accounts 2017/18.

Patient Led Assessment of the Care Environment (PLACE)

The Patient Led Assessment of the Care Environment covers all items found in all health care premises, covering all clinical and patient access areas.

This assessment consists of 4 main assessments per area being assessed on the day; all covering a multitude of items, including patient equipment, baths, toilets and showers, furniture, floors and other fixtures and fittings.

The four criteria are as follows:

1. The assessment of Food and Nutrition
2. The assessment of Privacy, Dignity and Wellbeing
3. The assessment of Condition, Appearance and Maintenance including aspects of the general environment
4. The assessment for Dementia

The assessment for Food and Nutrition includes a range questions around the catering service covering both sites. The criteria covers the choice of food, 24 hours availability, meal times and preparation of patients prior to meal service and access to menus; these also need to cover menus for patients with special nutritional needs. The assessment for Food and Nutrition is carried out at ward level where there is also a tasting and temperature check completed and scores agreed for recording by the PLACE panel for validation.

The assessment of Privacy, Dignity and Wellbeing includes a very wide range of criteria to be assessed and scored including infrastructure, outdoor and recreational areas, changing and waiting facilities access to television and radio. This criteria also covers both male and female sleeping services, bathrooms, toilets, curtains for privacy and ability to create a private space around beds once closed.

The assessment of Condition, Appearance and Maintenance includes certain aspects of the environment, including décor, fixtures and fittings, tidiness, signage, lighting and linen and car parking. This part of the assessment also covers the outside appearance of external buildings.

The Dementia assessment focusses on flooring, décor and signage; under this category the availability of handrails and appropriate seating and finally food. Both sites have seen a small drop in most criteria however the national average was also down year on year. Action plans have now been put in place and actioned to improve the score and this will reflect in next year's PLACE assessment. These results have been shared with the relevant wards and departments, including estates and facilities. The Trust will continue to improve these scores going forward.

Patient Led Assessment Scores

Hospital Site	Cleanliness	Food	Privacy, Dignity & Wellbeing	Condition, Appearance, Maintenance	Dementia	Disability
WCH Site Scores 17	96%	85%	82%	92%	84%	80%
WCH Site Scores 16	99%	89%	90%	95%	97%	N/A
CIC Site Scores 17	96%	82%	77%	87%	72%	79%
CIC Site	93%	83%	90%	77%	82%	N/A

Scores 16						
Trust Average 17	96%	84%	80%	90%	78%	80%
Trust Average 16	99%	88%	90%	96%	84%	N/A
National Average 17	98%	88%	84%	94%	76%	82%
National Average 16	99%	88%	86%	90%	84%	N/A

Staff Engagement

A considerable amount of work has taken place to focus on staff engagement, listening and learning from staff experience. Further details can be found in the Staff Report.

Patient Experience

As an organisation we remain committed to understanding the kind of experience that patients and relatives using our services have received. We continue to gather feedback from all areas across the Trust and to make changes to the way services are delivered following feedback.

Feedback is received by different methods including the friends and family tests, 2 minutes of your time card, face to face surveys, postal surveys and the national surveys. The friends and family data and national survey data is shown in other sections of this report. Further details can be found in the Quality Accounts.

Care Quality Commission (CQC) Registration and Inspections



The North Cumbria University Hospitals NHS Trust is required to register with the Care Quality Commission (CQC) as a provider of acute healthcare services in accordance with Section 10 of the Health and Social Care Act 2008. The CQC has not taken enforcement action against the North Cumbria University Hospitals NHS Trust (the Trust) during 2017/18.

CQC Inspections

Our last CQC inspection took place in December 2016 and the final report from the inspection was published on 29 March 2017. The CQC recommended the Trust should exit special measures.

Overall the Trust maintained a rating of 'requires improvement.' However, this inspection saw the majority of our services being rated as 'good' as well as a rating of 'good' overall for the 'caring' and 'effective' domains.

The CQC identified a number of areas of improvement and actions the Trust 'Must' take and actions that the Trust 'Should' take. As part of NHSI requirements, the Trust has a Quality Improvement Plan (QIP) which details specific objectives from the Trust's Quality Priorities and also encompasses our 'Must' response to the CQC inspection in December 2017. Further details can be found in the Quality Accounts.

Complaints

The Trust recognises the need for improvement and values the receipt of complaints as they are an important and valuable source of information providing insight and feedback on the services we provide. We remain committed to improving the experience of our patients. 2016/17 saw a number of significant changes and refinements to the complaints and data processes and we have continued to build on these during 2017/18.

Performance

During 2016/17 the Trust set a standardised 30 working days response timeframe with a compliance requirement of 95% for complaints investigated under due process (NHS 2009 Complaints Procedure). Compliance has been achieved throughout the whole of 2017/18 with 100% being achieved for 11 of the 12 month reporting period. The overall performance of complaints is in the table below.

The Chief Executive or nominated deputy continues to review final responses and signs off complaints investigated.

Complaints Performance Indicators	2016/17	2017/18
New complaints received	285	256
New complaints acknowledged within 3 working days	285 (100%)	256 (100%)
*All complaints closed	329	296
*All complaints closed in 30 working days	303 (92%)	295 (99.6%)
**Number of founded complaints	225 (73%)	191 (64.5%)

*All complaints, refers to the total of both New complaints and Further Local Resolution cases received. Further Local Resolution cases are complaints which have been reopened for further investigation.

A total of 296 complaints were closed during 2017/18 with 295 (99.6%) being closed within 30 day timeframe.

**The number of founded complaints indicates the overall percentage of complaints which the Trust has either fully or partially upheld; these include cases where learning has been identified as a result of the findings and outcomes.

Of the 296 cases closed, a total of 9 cases initially received as complaints were reviewed by clinical staff and deemed as requiring early transfer to full clinical investigation following either the Trust's Serious Incident or Root Cause Analysis investigation processes. The complaints process was therefore closed to allow these to follow the appropriate processes.

The number of formal complaints received in 2017/18 has again decreased from the number received in the previous financial year. However both the complexity and the number of complaints received categorised as “shared” complaints (requiring investigation by two or more organisations) is increasing. The front line Patient Advice and Liaison Service (PALS) and the general complaints education and customer service training within the Trust, together with raising the profile of the Trust’s complaints requirements is believed to have been a contributory factor. The expectation of the Trust is that issues are addressed as close to the source as possible, helping to prevent further escalation.

Complaints and learning are reported monthly and quarterly to both the Safety & Quality Committee and the Trust Board. A quarterly Patient Experience report is also provided to the Safety & Quality Committee. The reports provide the Committee and Board with an overview of the complaints, Further Local Resolution (reopened) cases and Parliamentary Health Service Ombudsman (PHSO) investigations received, any overall themes identified and the learning identified as a result. Statistical information is reported quarterly to the Health & Social Care Information Centre which monitors the formal complaints Hospital & Community Health Complaints received in NHS Trusts, known as KO41.

Trends/ Themes

The Trust continues to analyse themes from complaints and the main top categories are detailed below for both inpatient and outpatients:

Inpatients:

- 1 Outcome of Treatment and Care
- 2 Discharge Concerns/Issues
- Joint 3 Treatment & Care, Nurse
Delay in Treatment/Care

Outpatients:

- 1 Diagnostic Test Issues
- 2 Treatment – Clinician
- 3 Misdiagnosis

Trends and themes, identified from complaints continue to be collated centrally. In addition, work will commence with the Divisions to provide initial support for formal identification and review of any specific trends and themes associated within any specialist areas and the monitoring of these to ensure any remedial action identified is taken.

Learning

During 2017/18 further progression has been made in capturing the learning identified from complaints investigated within the organisation by utilising a complaints database. This has enabled the Trust to monitor and review the learning.

The Care Quality Commission's report from the 2016/17 visit acknowledged the Trust did identify learning from complaints and the complaints received were shared with staff, identifying evidence that complaints involving the wards were discussed at ward meetings as standing agenda items. This practice has continued throughout the year.

The Trust recognises the requirement to continually review governance processes and implement any improvements or refinements identified. Over the course of the year there have been further improvements to the complaints process with action plans being developed for each complaint investigated where appropriate. Work is ongoing to ensure action plans are SMART (Specific, Measurable Attainable Realistic Timebound) and compliance with the identified actions is monitored centrally.

Work is also underway to identify how the learning from complaints can be shared across the organisation to prevent similar issues occurring in different areas and specialisms across the Trust. One of the current options being explored and considered to enable Trust-wide learning is the production of a complaints newsletter which would be circulated quarterly to all areas across the Trust for staff review and discussion.

Patient stories have been used previously to provide feedback to the Trust Board following complaints from patients and families. In 2018/19 the Trust plans to record patient stories so the powerful spoken words can be used in different places for learning – team meetings, away days, training sessions, Board meetings etc.

Work will continue with triangulated information for ward areas pulling together complaints and patient experience information providing an overview of how the ward feels to the patients. The reports are distributed quarterly and action plans completed by the ward managers for any areas of concern and monitored by the Head of Patient Experience.

Training and Development

An overview of complaints handling and Trust complaint requirements continued to be delivered as part of the Trust's induction training programme; all new staff commencing employment are required to attend regardless of job role. Complaint Handling workbooks, at two levels have been finalised and will be offered as additional online training through the Trust's online learning system for any member of staff to access within the Trust. Level 1 is aimed at all members of staff across the organisation and Level 2 is aimed at those staff expected to have direct involvement in the complaints investigation process. As well as the online training, further complaint training is being planned and it is anticipated this will take place as direct training sessions which will be offered to key staff directly involved in the investigation of formal complaints. The customer service training implemented last

year by the Learning and Development team as an experiment aimed at all administrative staff proved popular and has become an established course with sessions running throughout the year.

Duty of Candour

Promoting a culture of openness is essential in improving patient safety and the governance processes. The Being Open guidance called the Duty of Candour was a contractual requirement introduced in April 2013 with a statutory requirement to implement Duty of Candour introduced in 2014 as part of CQC registration requirements.

Duty of Candour involves explaining and apologising for what happened to patients who have been harmed or involved in an incident as a result of their healthcare treatment. Duty of Candour ensures communication is open, honest and occurs as soon as possible following an incident. It encompasses communication between healthcare organisations, healthcare teams and patients and/or their carers. Progress continues to be made within the Trust with regard to consistent implementation of Duty of Candour, particularly following Serious Incident and Root Cause Analysis investigations. Key staff have received training and during 2018/19 further training will take place on a rolling programme for all staff who manage incidents or who are expected to apply verbal and/or written Duty of Candour.

Duty of Candour monitoring is managed centrally for which compliance is reviewed monthly. Any gaps, if identified, are taken up with the appropriate teams to ensure completion and compliance against the requirements. Further compliance monitoring during the year included quarterly Challenge and Check meetings, which included senior clinical staff and Executive presence. Compliance with Duty of Candour is monitored weekly at the Patient Safety Panel meetings when reviewing individual Serious Incidents.

Patient Advice and Liaison Service (PALS)

Throughout 2017/18, the Trust continued to offer PALS as a dedicated service across both hospital sites, although there have been some gaps within the service due to staff changes.

The senior executive team has always supported this valuable resource which is a front line service, designed for the speedy resolution of issues with a dedicated PALS Officer based at both hospital sites providing the opportunity for users of the hospital services to walk in and have face to face contact.

PALS Enquiries & Interpreters	2015/2016	2016/17	2017/18
Total number of Enquiries across both hospital sites	1882	2071	1665
Interpreter requests	521 (of 1882)	385 (of 2071)	568 (of 1665)

The number of enquiries received to the service over the course of the year has decreased. Both the West and East sites have had a change of PALS staff resulting in gaps to the service during the recruitment phase. Requests for face to face interpreters during 2017/18 saw a 67.78% rise in requests, from 385 last year to 568 in 2017/18. 2017/18 figures are closer to 2015/16 requests. It is not possible to provide a definitive answer to explain the drop during 2016/17 but the decrease occurred during the year of the Brexit referendum.

The top five languages requested for face to face interpreters were; Polish, Arabic Romanian, Mandarin and Portuguese, totalling 66.54% of the total requests. The predominant key area for requests for face to face interpreters within the hospital was requested by Women's Outpatients, totalling 186 of the 568 equating to 32.74%. Statistical information and patient feedback related to PALS is reported through the quarterly Patient Experience report to the Safety & Quality Committee.

PALS has continued to prove its worth particularly with the number of enquiries it addresses and resolves compared to the small number requiring escalation for investigation under the formal complaint process – 33 (12.89% of total number of formal complaints received). PALS and the complaints service works well together with both services speaking with enquirers to discuss the most appropriate process for investigation in order to obtain the resolution required for the individual. 77 cases (4.62%) were passed from the complaints department to PALS to address for quicker resolution. All cases were reviewed appropriately, discussed with the enquirer as necessary and transferred to the most appropriate process for investigation and resolution.

The largest number of enquiries received related to concerns about Treatment and Care; this type of concern is also reflected as the top reason for a formal complaint. This category covers the content of the majority of complaints and enquiries involving clinical care and treatment. This was followed by enquiries relating to Information and Communication and thirdly by enquiries relating to Appointment Issues.

Parliamentary Health Service Ombudsman (PHSO)

During 2017/18 the Trust received notification of 3 new PHSO investigations.

PHSO Investigations	2016/17	2017/18
New Investigations received	14	3
Upheld	0	0
Partially Upheld	8	0
Not Upheld	4	1
Outstanding – awaiting PHSO outcome	2	2

From the three cases received during 2017/18, one case has been closed, which was not upheld by the PHSO. The two remaining cases from 2017/18 await PHSO outcomes. Cases not upheld are where no element(s) of the complaint allegation(s) have been founded by the PHSO.

One case received in the previous financial year was concluded during 2017/18. This case was Partly Upheld and required financial remedy. Partially Upheld cases are where only one element or more, but not all elements are upheld. Upheld cases are where all elements of the complaint investigated by the PHSO are upheld. At the end of the 2017/18, a total of four cases await outcomes from the Ombudsman; two from 2016/17 and two from 2017/18.

Where the Ombudsman identified aspects of learning for the Trust, Action Plans were formulated and the timescales set by the Ombudsman were all achieved.

Sustainability

Achievements over a range of disciplines and departments have yielded significant carbon reduction in the past few years. There is still much work to achieve in this area and the next big challenge will be faced as the Trust plans Phase 2 of the Carbon Reduction Strategy. Sustainability and Carbon Reduction is a corporate and workforce responsibility. It continues to be demonstrated that with good management and the adoption of sustainable driven goals carbon reductions can be achieved, which leads to financial savings and importantly, improved environmental impact and reputational benefit.

The Trust has a draft Sustainable Development Management Plan and is actively developing this to focus activity on the projects that will provide the most benefit. A summary of some the highlights are provided below under the key themes of sustainability.

Energy

The Trust has spent £2.82m on energy in 2017-18 with an increase of £0.15m which is largely due to increasing network distribution overheads. Compared to the previous year Electricity usage was c.2% less but Gas was c.4% more which is marginal and likely to be weather related.

Consumption and costs are summarized in the table below:

	2014/15	2015/16	2016/17	2017/18
Electricity consumed (MWh)	14,951	17,022	17,684	16,989
Gas consumed (MWh)	20,806	20,863	28,506	29,062
Energy costs (£m)	2.14	2.74	2.67	2.82

The Trust continues to use energy across both old and new hospital buildings at WCH with about 30% (18,300m²) of that space unoccupied. It is estimated that this

unoccupied space is costing about £0.2M in utilities each year. The planned redevelopment will address this; starting with demolition of 13,400m² in Blocks A, C and D, planned for 2019. Further demolition will follow once Phases 2 and 3 are constructed.

Waste

The Trust continues to make progress in segregating waste streams as indicated by the current legislation in particular to minimise domestic waste entering the clinical waste stream. By careful management of Trust resources, the Trust will work towards reducing and re-using waste where possible in the future. Currently at WCH domestic waste is used to fuel energy production however the Trust is also exploring recycling options.

Water

Due to the old building at WCH being partially unoccupied it is necessary to flush the system more frequently, this will continue until the completion of phase 2 of the new West Cumberland Hospital and demolition of the old hospital blocks.

Green Projects

The Trust's Estates Return Information Collection (ERIC) return will be submitted in June 2018 and is due to be published in the autumn 2018. The ERIC return will outline more detail and figures relating to waste, recycling, water usage, CO₂ impact etc.

The Trust continues to run the Bike to Work scheme: with 22 orders being accepted onto the schemes in 2017/18, helping the fitness and wellbeing of staff over both sites.

Tele and video conferencing facilities have been further rolled out across our buildings and are now heavily used which has resulted in significantly less travelling between sites.

Although not a green project, the installation of smart meters throughout the hospitals have enabled the Trust to monitor Half-Hourly electrical data, this has highlighted peaks in the energy usage and at WCH sub metering is also undertaken. This will enable the Trust to monitor improvements and the ability to save energy consumption and money.

At CIC, working in partnership with the PFI provider, a group was set up to look at some Energy and Carbon Reduction projects for 2017-18-19. Projects being considered include:

LED lighting installed in all external floodlighting at CIC: Electrical demand during a typical week of operational hours was seen to reduce from 40.2 to 19.6 kW over the

period in question, representing a 51% reduction. Taking account of seasonally adjusted operational hours, the annual reduction in electricity consumption is seen to be 79,000 kWh, equating to an annual cost reduction of £9,100 based on current electricity prices. The project will result in an annual carbon reduction of 43 tonnes of CO₂.

Building Management System (BMS):

The core BMS system has been approved for replacement under Lifecycle to give the backbone for monitoring. This should help reduce gas utility by 8-10% per annum and to reduce our CRC bill (Carbon Reduction Commitment).

LED Lighting: Replacement lighting for the internal common areas has been designed. The Trust awaits the findings from Interserve's specialist team to develop plans to upgrade.

Domestic Hot Water: The energy team have drawn up plans to reduce the energy consumption by re-designing the Calorifier primary heating arrangement. The project has been split to allow early implementation of the pathology changes to overcome the increased water demand issue in that area.

Water Bore Hole: Interserve are now finalising the re-commissioning plans for this, the Trust will need to seek the necessary approvals to underwrite the utilisation of water, the scheme is now looking to have a much longer payback than initially thought due to mixture limit of 35% bore hole to 65% main water lengthening the payback.

Solar Farm: The Trust is working with a partner to assess the feasibility for solar farms at both CIC and WCH. So far WCH looks most favourable and could provide about 25% of the sites electricity at a similar price to current costs but with the added benefits of cost certainty into the future and the carbon reduction benefits. A solar farm for CIC is unlikely to be feasible due to the distance from CIC to the nearest land that could accommodate the solar array and associated connection costs.

Procurement

The Trust is part of the shared procurement service providing increased availability and opportunity within Cumbria and Morecambe Bay. This will utilise the use of local companies to compete for Trust contracts and reduce carbon mileage. This will help sustain local economies across the regions.

The Trust is committed to reducing packaging where possible in the contractual conditions of procurement.

Our Achievements 2017/18

Senior nurse completes prestigious Nurse Fellowship: A senior nurse at the Trust is one of the first 50 in the United Kingdom to have completed and passed a prestigious Older Person Nurse Fellowship at King's College London. Louise Fitzpatrick, Ward Manager of the Frailty Unit at the Cumberland Infirmary passed the course in January. The Fellowship programme is aimed at leading innovation and quality improvement in care for older people. The Fellowship delivers confident, competent and compassionate leaders to act as agents of change to transform person-centred services.

Cumbria's NHS joining forces to get patients up, dressed and moving: NHS Trusts in Cumbria joined forces to raise awareness and help patients across acute and community hospitals to get up, get dressed and get moving. The campaign, which is popular on social media, is aimed at enabling hospitalised patients to get up, dressed and moving in order to avoid the potential negative impact of being bed-bound while in hospital. Together with Cumbria Partnership NHS Foundation Trust (CPFT) we launched the #endPJparalysis campaign for Cumbria. The campaign is not a target-driven project but is focused on providing high quality patient care and empowering patients.

National NHS awards win highlights recruitment and training efforts in Cumbria: The NHS in Cumbria was recognised nationally for innovation and collaboration after winning two awards at the Healthcare People Management Association (HPMA) Excellence awards which took place on Thursday 22 June 2017. The HPMA awards recognise and reward outstanding work in healthcare human resource management. The Trust won the 'Innovation in HR' award for the Composite Workforce Model which has been developed at WCH. The Trust also made the top three for the 'Working Smarter' award for reducing and tackling agency spend. In addition, CLIC (Cumbria Learning & Improvement Collaborative) won the award for 'Cross-sector Working'.

The Trust is rated best for kidney care: The Trust's Renal Units were rated as the best in the country in a pioneering new patient experience report. The Trust's units came top in eight of the 13 themes and were ranked best for overall patient experience. The UK Renal Registry (UKRR) and the British Kidney Patient Association (BKPA) patient experience report looked at 39 Renal Units from across the country in its first Patient Reported Experience Measure (PREM) report.

Trust launched #youdidit awards: Staff were recognised for their exceptional efforts as part of a new staff reward scheme which launched in August. The #YouDidIt awards take place on a quarterly basis, awarding both an individual award and a team award. Staff nominated a colleague or team who have gone the extra

mile, demonstrating the Trust's values and behaviours over a prolonged period of time for the benefit of patients and staff.

The winner of the first individual award was Barbara Pinguey, Specialist Physiotherapist, for leading the way in introducing initiatives across the Trust to get patients up, dressed and moving. The team award went to the Medical Staff Attraction & Agency Team for their efforts in reducing the Trust's overall spend on locum staff by £5m which has been closely linked to improvements in patient safety and quality.

Secretary of State visit: Staff welcomed Jeremy Hunt, Secretary of State for Health and Jane Cummings, Chief Nursing Officer for NHS England for a discussion about patient safety. Over 50 members of staff from a variety of roles met at the Cumberland Infirmary to hear from the Secretary of State and Chief Nursing Officer about their personal reflections on patient safety and key priorities for the coming months. The Trust's Nursing and Medical Directors, Maurya Cushlow and Dr Rod Harpin, presented the Trust's patient safety improvements as well as areas of work the Trust continues to focus on. Staff were also given the opportunity to ask questions which included topics such as workforce and recruitment.

Cumbria hailed as at the 'cutting edge' of quality improvements: Professor Brian Dolan visited the Cumberland Infirmary to talk about the importance of patients' time in healthcare and hear about exciting work that's happening across the county. Professor Dolan has started a number of campaigns that focus on making sure patients are not in hospital any longer than they need to be and their time is not wasted. The first of these, #endPjparalysis, was launched by specialist physiotherapist Barbara Pinguey and aims to get patients up, dressed and moving to speed up their recovery and maintain their normal routines.

Heart centre reached milestone: The Heart Centre at the Cumberland Infirmary reached the milestone of the 100th patient taking part in a five-year national clinical study looking at if 'conditioning' the heart improves the outlook for people following a heart attack. The Heart Centre is one of only 30 UK hospitals taking part in the five year study.

Infection Prevention team shortlisted for prestigious national award: The Trust's Infection Prevention team was shortlisted for a prestigious national Nursing Times award. The team was recognised in the 'Infection Prevention' category for their work in developing a Cumbria-wide health and social care Norovirus strategy. While they didn't walk away with the award it was a huge achievement to be a finalist.

Next phase of WCH redevelopment underway: Following a £90m investment by NCUH in Phase 1 of WCH's redevelopment, which saw the new hospital building

open in October 2015, the next phase is underway to place services more efficiently around the hospital.

The new Diagnostics Suite will be in a fully refurbished part of the old hospital building, providing patients and staff with the same quality of care environment that patients in the new hospital are already experiencing. A new multi faith/secular area and Bereavement Suite has already opened in a more central location as a space where people can come for peaceful, reflective time.

The Henderson Chemotherapy Suite is also set to move to an interim location within the hospital where there will be a lot more space and a better environment including a therapies room, additional accessible toilet facilities and improved privacy and dignity for patients and their relatives.

As well as work on clinical services, new support services accommodation and offices are being created in order to start preparing some areas of the old hospital building for demolition in 2018.

Trust brings together nursing staff for day of learning: The Trust's second nursing conference took place in October. The event, 'Delivering Improvement – Striving for Excellence' saw over 100 nurses, midwives and allied health professionals join together to learn how they can continue to make the difference to our patients' lives. The day hosted talks from external speakers as well as from the Trust's staff who shared their knowledge and experience with the room and the excellent work they are doing. There were also workshops where staff learnt about improving patient experience, reducing waste, and process mapping.

NHS staff in Cumbria helping to stop the pressure: The Trust's tissue viability nurses came together on World Pressure Ulcer day to raise awareness on pressure ulcers and to provide advice on how to prevent them occurring in the first place. The Tissue Viability team have introduced special clocks to remind staff to reposition patients, as well as educating them on the best practice to prevent pressure ulcers developing. This has led to a fall in pressure ulcer damage of 70 percent in the ward it was trialled on and will be rolled out across the Trust.

First in region to reach staff flu target: The Trust was the first in the North East and Cumbria to reach its target of vaccinating 75 percent of frontline healthcare workers to protect patients, staff and visitors from the flu virus. The Trust's Occupational Health staff worked day and night, holding drop-in clinics and visiting wards to vaccinate staff to reach the target. Reaching the 75 percent target means it has achieved a Commissioning for Quality and Innovation (CQUIN) target and will receive £127,000 in funding.

New system offers direct line to consultants: The Trust and NHS North Cumbria Clinical Commissioning Group successfully launched a new system to allow easier contact between GPs and specialist doctors in November. The Advice and Guidance system was developed by the University Hospitals of Morecambe Bay Trust and

allows GPs to seek advice via 'virtual conversations' from hospital specialists to help improve patient management. The system means patients will have more joined up care from GPs and hospital specialists, potentially avoiding unnecessary appointments or investigations, freeing up patient, GP and the specialists' time while still maintaining the same excellent level of care.

Consistently 'above national average' A&E performance: The Trust's A&E performance has been above the national average for the entirety of the 2017/2018 financial year. The performance reached as high as 31st out of 138 trusts in England against the 95% emergency care standard and has remained in the top 50 trusts across the country. Stephen Eames, Chief Executive said: "I am very pleased that we are consistently performing above the national average against the emergency care standard which is a real testament to the hard work of our staff who are committed to providing patients with timely access to quality care."

Rapid Process Improvement Workshops (RPIW) have taken place across the Trust and have helped release staff time and improve patient care. The workshops provide a very intensive five-day improvement plan and an opportunity for staff working on the wards to take time out to discuss the main obstacles they face within their day-to-day roles. They looked at how the obstacles could be reduced to provide staff with more time for face-to-face patient care. The RPIW which took place at the Accident & Emergency department at the Cumberland Infirmary saved up to 600 hours of time a year to dedicate to patient care. Other work shops have taken place and saved thousands of hours of staff time by making efficiency and streamlining improvements.

Free public Wi-Fi launched at hospital sites: Free public Wi-Fi available to all patients and visitors is now available in both our sites. NCUH is one of only 16 Trusts in the country to take part in the initial phase of NHS Digital's plans for free Wi-Fi in all NHS healthcare settings. This will allow patients to stay up to date with news, access social media, keep in touch with family and friends and browse the web, reducing their risk of loneliness and isolation.

Cumbria leading the way for medical training: Doctors looking for innovative ways to progress their career can access a new programme featuring health services in Cumbria. The programme, 21st century healthcare, produced by ITN Productions in partnership with The Royal Society of Medicine, looks at training posts for medical staff that are unique to Cumbria. Trainee GPs have the opportunity to specialise in a particular area alongside their GP placements. At WCH in Whitehaven, the award winning Composite Workforce Model in emergency care was developed to fill gaps in medical rotas and ensure safe patient care. This means that the traditional junior and middle grade medical roles in acute medicine can be replaced by suitably trained clinicians from a variety of background.

New medicine course in West Cumbria ‘first of its kind’: A new medicine programme which is the first of its kind in the UK has started at the University of Central Lancashire (UCLan) in partnership with the Trust. The two-year Hospitalist Medicine programme follows the Royal College of Physicians curriculum to equip clinical professionals from a non-medical background with the competencies to work at ‘registrar’ level in acute medicine. Five advanced clinical practitioners from the Trust, who are all nurses by background, have joined the pilot programme of the course.

Latest technology in Radiotherapy treatment arrives in North Cumbria: A new LINAC (linear accelerator) machine has brought the latest technology in radiotherapy treatment to the Cumberland Infirmary. The Trust is one of 15 across the UK to benefit from this investment which is part of a national modernisation programme for cancer, with NHS England funding over 100 replacements or upgrades of radiotherapy machines in hospitals around England. The LINAC went live to patients in November 2017.

Cumbria leads the way in the prevention and management of delirium: An innovative new service is helping patients in Cumbria at risk of becoming confused during their stay in hospital. The Memory and Later Life services are launching ‘Reach-Out’ (Reduce, Educate, Assess & Care with Hope) to do support the management of delirium, and even avoid it altogether. This service is the first of its kind in the UK and has been co-produced by mental health specialists and clinicians from across the North Cumbria Health and Care System with input from patients and their carers.

National survey showed North Cumbria maternity units performing ‘better than expected’: Patient survey results published by the CQC showed the Trust’s maternity services have improved significantly since 2015. The survey asked women about their experiences of care during labour and birth, as well as the quality of antenatal and postnatal support received. The results have demonstrated significant improvements in asking about the emotional wellbeing of pregnant women; ensuring that, during labour, staff stayed with women and their birthing partners as much as possible; and ensuring new mothers are given the information and explanations they need following their birth. The survey also looked at how the Trust is performing against the national average. It found that the Trust is performing above the national average in 12 areas and is not performing below the national average in any areas.

Renal Dialysis expansion at West Cumberland Hospital: Work is underway to expand the Renal Dialysis Unit at West Cumberland Hospital. The unit will be expanded from seven treatment spaces to 11, with minimum disruption. The extra four spaces will allow a further sixteen people to receive their dialysis treatment in Whitehaven. The expansion will also provide a training room for home haemodialysis

to build on the work on self-care dialysis which is ongoing within the unit. The Home Therapies team plan to expand the service to allow patients the additional option of home haemodialysis, avoiding regular trips to the hospital for treatment, and freeing up capacity for those who require their dialysis in a hospital setting.

Dream placements for NHS future workforce: Locals experience dream placement behind the scenes of the NHS to prepare them for careers in healthcare. Ten sixth form students from Cumbria were selected, following a rigorous interview process, to undertake a one week placement at CPFT, NCUHT or UHMBFT. Students spent the week with a range of clinical services as well as with different managers to find out more about what it takes to make it in their chosen career. They have the opportunity to meet staff from all levels of the organisations and also learn about the wide range of behind the scenes services needed to provide patient care.

Archbishop opens unit in memory of beloved stroke consultant: The Archbishop of York opened the Orugun Unit at West Cumberland Hospital in memory of Professor Olu Orugun who worked tirelessly to improve the health of the people of Cumbria. He spoke to staff, patients and visitors, and opened the stroke unit in the name of Professor Olu Orugun, stroke consultant, who sadly passed away last year. Professor Olu Orugun was a much revered consultant at the Trust and is sadly missed by all who knew him. The staff who worked with him wanted a lasting legacy to remember his hard work and dedication.

Trust team awarded for commitment to patient safety: The Trust has been named as a National Joint Registry (NJR) Quality Data Provider in 2017/18. The NJR monitors the performance of hip, knee, ankle, elbow and shoulder joint replacement operations to improve clinical outcomes for the benefit of patients. The 'NJR Quality Data Provider' certificate scheme is designed to offer hospitals a blueprint for reaching standards relating to patient safety and reward those who have met registry targets in this area. To achieve the award, hospitals were required to meet a series of six targets during the 2016/17 financial year. One of the targets is compliance with the NJR's mandatory national audit aimed at assessing data completeness and quality within the registry.

New physician associates start work at the Cumberland Infirmary: Physician associates have been a welcome addition to the clinical workforce at the Cumberland Infirmary after successfully completing their training with University of Central Lancashire (UCLan). The three physician associates, all of whom have relocated from across the country, completed their training through UCLan and chose to work at the Cumberland Infirmary as they were impressed by the facilities and training the hospital has to offer. The physician associate is an innovative new health professional role which, while not a doctor, works to the medical model and delivers care and treatment within a hospital setting.

2. Healthcare for the Future

Decisions were made following the Healthcare for the Future public consultation on 8 March 2017. Since then, health and care services across North Cumbria are working more collaboratively than ever before which is better for patients and staff.

Members of the public and frontline staff clearly fed back that as services develop for the future, they would like to ensure that the community, patients and staff are shaping solutions. A lot of work has been underway over the past year on developing 'co-production' as a way of working productively together.

Here is an update on the Trust's services that were part of the consultation:

Emergency care

Despite serious challenges to staffing, the decision was made to retain A&E services at both the Cumberland Infirmary Carlisle (CIC) and West Cumberland Hospital (WCH).

The most challenging staffing issues were at WCH therefore an innovative new staffing model in acute medicine, the 'composite workforce model' has been introduced which means traditional non-training junior and middle grade medical roles can be replaced by suitably trained and experienced clinicians from a variety of clinical backgrounds. The roles include advanced clinical practitioners, academic fellows, GP trainees and physician associates. This strengthens the acute medicine service which supports emergency care.

The model won the 'Innovation in HR' award at the 2017 HPMA awards and the Royal College of Physicians also paid tribute to the innovation when the President, Jane Dacre visited the Trust in 2017. Her feedback included: "I think the work done at Whitehaven in the creation of the Composite Workforce is really innovative, and should be shared nationally as an example of good practice. I left feeling quite inspired by what you have all achieved. So keep going!"

Emergency Surgery, Trauma and Orthopaedics

The consultation considered changes made on safety grounds in 2013 regarding moving emergency complex surgical services from WCH to the CIC. The service changes have proved to be beneficial for patients across North Cumbria with mortality rates and outcomes improving, therefore the consultation decision was to make the changes permanent. The consultation also focused attention on the journeys made by some people with lower level trauma which could be done safely at WCH.

In Orthopaedics, an additional theatre has opened to allow for a further increase in surgery of up to 25 percent. Approximately 70 percent of the Trust's planned

orthopaedic operations are already now carried out in the new theatre facilities in Whitehaven. The team also now runs a theatre list at WCH every week for minor trauma surgery and trauma cases are also added to existing orthopaedic theatre lists as demand dictates. This arrangement efficiently matches current levels of demand for non-major trauma surgery in West Cumbria. In addition to Orthopaedics, work has been ongoing on a range of further developments in surgery at WCH.

Hyper Acute Stroke Unit

There are national shortages of stroke consultants and stroke nurses and the need to make the best use of those precious resources has never been greater. There have been significant challenges in designing a service that will work for North Cumbria with requirements to increase beds at the CIC and invest in equipment. The opportunity has been taken to redesign an early stroke service discharge pathway – which means getting people home or closer to home more quickly – to ensure that patients from West Cumbria who may travel further for treatment immediately after stroke can return to WCH for rehabilitation after that initial acute phase. The changes require investment, and while those plans are formalised clinicians will take part in public workshops to ensure the patient, family, carer and community voice shapes future plans.

Maternity

The decision was to support consultant-led maternity services at both Whitehaven and Carlisle and to test the viability of delivering a sustainable service over a 12 month period which started on 1 April 2018. This decision was referred to the Secretary of State for Health by Cumbria County Council's Health Scrutiny Committee. A decision was received at the end of November 2017 and some work couldn't be started before that clarity was given. Alongside midwifery-led care has been established at both hospital sites. Co-production - working together with the community - is becoming established and an Independent Review Group of clinical experts has been convened to review progress. Work to establish Option one is underway – identifying the 100-200 women a year who will be booked to give birth in Carlisle because of the stronger paediatric service to support babies who may need more care.

Paediatrics

Work to establish Short Stay Paediatric Assessment Units (SSPAU) at both hospital sites is currently progressing. This model is used extensively across the UK and reflects the changing nature of childhood illness – most children admitted to hospital are discharged within 24 hours. The remote and rural nature of North Cumbria's geography means the model has to be designed specifically for the area and will be phased in with no change to overnight beds at WCH in the first phase.

3. Accountability Report

3a Corporate Governance Report

The Trust Board sets the strategic direction for North Cumbria University Hospitals NHS Trust, governs and monitors its progress in achieving plans and targets. The Trust Board is made up of Executive and Non-Executive Directors (NEDs) and is led by a Chair.

Membership of the Trust Board includes lay people (NEDs) with a lay person as the Chair, to ensure the Trust is accountable to the local population. NHS Improvement appoints the Chair and NEDs for a period of up to four years to ensure suitable candidates are in place and have appropriate experience.

The Chief Executive and Executive Directors are on permanent NHS contracts, apart from the Chief Executive, who is on secondment from Mid Yorkshire NHS Trust, and the Interim Director of Finance who has an interim contract.




The Trust Board met bi-monthly (with the exception of August) with the meeting alternating between the two hospitals, these meetings are held in public. Details of Board meetings held in public are available, including minutes and papers from previous meetings, on the Trust Board section of our website. The Trust Board considers the reports and recommendations made by the Trust's assurance committees including the Audit & Risk Committee and the Safety & Quality Committee. The Trust complies with the principles of corporate governance as recommended by the Cadbury Committee and with guidance specific to the NHS.





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



The accounting policies for pensions and other retirement benefits are set out in the notes to the accounts and details of senior employees' remuneration can be found in the remuneration report.




There are no company directorships or other significant interests held by directors which may conflict with their management responsibilities in relation to the Trust.

Trust Board Composition

Board Members	
	<p>Gina Tiller, Chair Gina was appointed as the Trust's Chair in April 2014 and has since had her appointment extended to April 2019. A former qualified nurse, research officer and visiting lecturer at Northumbria University. A former Chair of North of Tyne PCT Cluster Board and Newcastle PCT. Has 16 years' experience of working at Board level. An authentic leader with extensive knowledge of the NHS and excellent interpersonal and communication skills. Extensive change management experience with Newcastle PCT and NHS North Tyne. Served 10 years as a lay representative on the IRP, a national panel dealing with complex service reconfigurations. Past experience as a Newcastle City Councillor for 12 years. Member of Age UK Newcastle.</p> <p>Gina also chairs the Remuneration Committee and is a member of the Finance, Investment and Performance Committee.</p>
	<p>Malcolm Cook, Vice Chair Malcolm was appointed as a Non-Executive Director in December 2013 and has since had his appointment extended to December 2019. A former senior manager in British Telecom and redesigned and set up much of BT's customer research. Focus on productivity through effective management and people development. Vice Chair and Non-Executive Director of NHS County Durham 2007 to 2013. Law Degree from Northumbria University.</p> <p>Malcolm chairs the Finance, Investment and Performance Committee and the Charitable Funds Committee, and is a member of the Remuneration and Audit & Risk Committees. Malcolm is also the Trust's NED Pressure Ulcers Lead.</p>
	<p>Laura Robson, Non-Executive Director Laura was appointed as a Non-Executive Director in May 2015 and left the Trust in August 2017. Worked within the NHS for 30 years. Trained as a nurse in Sunderland, nurse and midwife in Sunderland, Newcastle and Darlington, midwifery teacher, head of midwifery. Director of nursing and midwifery at County Durham and Darlington NHS Foundation Trust from 1996-2012. MA+MBA Nursing, University of Sunderland, MTD. Laura chaired the Safety & Quality Committee and was a member of the Remuneration, Finance, Investment & Performance and Audit & Risk Committees. Laura was also the Trust's NED End of Life and Maternity Lead.</p>

	<p>George Liston, Non-Executive Director George was appointed as a Non-Executive Director in July 2015. Served in the Royal Air Force for over 30 years and travelled all over the world as an engineer officer. Originally from Edinburgh, and now living near Penrith, George retired from the Royal Air Force in January 2015. Recently assumed a voluntary role as President of Scottish Fencing. George chaired the Safety & Quality Committee from September 2017; is a member of the Remuneration, Charitable Funds and Finance, Investment and Performance Committees. George is also the Trust's NED Whistleblowing Lead.</p>
	<p>David Rawsthorn, Non-Executive Director David was appointed as a Non-Executive Director in April 2016 and has since had his appointment extended to March 2020. A qualified accountant. Recently retired from Eden District Council as Director of Finance and statutory Chief Finance Officer, posts he held since 1995.</p> <p>David chairs the Audit & Risk Committee and is a member of the Remuneration and Safety & Quality Committees. David is also the Trust's NED Emergency Preparedness and Resilience Lead.</p>
	<p>Dr David Kennedy, Non-Executive Director David was appointed as Non-Executive Director in January 2017 to December 2018. MBBS Degree Programme Director & Deputy Head of School of Medical Education at Newcastle University.</p> <p>David is also a member of the Trust's Remuneration, Finance, Investment & Performance and Safety & Quality Committees. David is also the Trust's NED Lead for Mortality.</p>
	<p>Dr Louise Nelson, PhD, Non-Executive Director Louise was appointed as Non-Executive Director for the Trust and Cumbria Partnership NHS Foundation Trust in March 2018 to February 2020.</p> <p>Louise trained as a mental health nurse 33 years ago and over the past 13 years has worked in higher education as a senior lecturer/programme leader for mental health nursing, a principal lecturer and, for the past two years, as head of nursing with the University of Cumbria. Louise is involved in education-focused meetings with all local provider trusts in Cumbria.</p> <p>Louise is the Chair of the Quality & Safety Committee for both Trusts.</p>

	<p>Stephen Eames, Joint Chief Executive of NCUH & CPFT</p> <p>Stephen was appointed as Chief Executive in January 2016, on a secondment basis from Mid Yorkshire NHS Trust.</p> <p>STP Lead for West, North and East Cumbria. Public service leader with 25 years' experience as a Chief Executive.</p> <p>STP Lead for West, North and East Cumbria.</p> <p>In 2012, Stephen was drafted in to Mid Yorkshire Hospitals where he spent 3 years overseeing major changes and improvements to services.</p> <p>Before this, Stephen was CEO of County Durham and Darlington NHS Foundation Trust where he successfully led a substantial multi-site hospital reconfiguration, secured a major acquisition of community services and ensured sound clinical and financial performance.</p> <p>In 2007 Stephen was awarded public service turnaround leader of the year by the Society of Turnaround professionals.</p> <p>In 2013 Stephen was awarded 'Turnaround performance of the year' by the Management Consultants Association for his work in Mid Yorkshire.</p> <p>Stephen has a wealth of experience in top level leadership activities and in partnership working with NHS Institutions, Local Authorities, the private sector and a variety of other agencies.</p> <p>Stephen has worked in a coaching capacity as a consultant for the NHS Performance Support Unit and the Leaders UK programme sponsored by the National School of Government.</p> <p>Advanced Diploma in Senior Executive Coaching for the Oxford School of Coaching and Mentoring Degree in Professional Coaching Practice from Middlesex University.</p> <p>Degree in Professional Coaching Practice from Middlesex University.</p> <p>Stephen chairs the Clinical Executive Group.</p>
	<p>Dr John Howarth, Deputy Chief Executive</p> <p>John was appointed as Deputy Chief Executive for the Trust and Cumbria Partnership NHS Foundation Trust in September 2017.</p> <p>John was a GP in Cockermouth for 24 years. He was Clinical Director for community services and elderly care lead for NHS Cumbria. Prior to this he spent 7 years as medical director of Cumbria's GP out of hours cooperative, chaired the primary care research group and was a GP trainer for over 10 years. He was medical adviser to the local hospice at home charity and co-authored a textbook in Palliative Care.</p> <p>During the 1990s he trained in tropical medicine and worked in 11 different wars and natural disasters. He became medical director and head of operations of an international disaster relief charity. In 2010 he was a runner up in the national NHS Leadership Awards from over 1000 entries. In 2011 he received a Fellowship in Public Health through distinction and in 2013 he received a Fellowship to</p>

	<p>the Royal College of General Practitioners.</p> <p>John is a member of the Clinical Executive Group.</p>
	<p>Helen Ray, Executive Managing Director of Operations for NCUH & CPFT</p> <p>Helen was appointed as Chief Operating Officer/Deputy Chief Executive in April 2014 and appointed as Joint Executive Managing Director of Operations for the Trust and Cumbria Partnership NHS Foundation Trust in September 2017. Previous role as Chief Operating Officer at South Tyneside NHS Foundation Trust.</p> <p>Helen has worked for the NHS for 35 years, starting her career as a student nurse in 1983.</p> <p>After qualifying as a registered nurse in 1986, she held a number of nursing posts across the North East region.</p> <p>Her management career started in 2001 when she moved from a senior clinical role in orthopaedics to be an assistant divisional manager.</p> <p>She has held a number of executive positions and has a breadth of experience in operational management that covers clinical and non-clinical services, business development and risk and compliance.</p> <p>Helen has a particular interest in service redesign and continuous improvement and sees operational services management as a key element of support across the organisation.</p> <p>As well as her professional nursing qualifications, Helen has an Executive Masters in Business Administration and is active in pursuing new ideas and knowledge which can be applied to service developments.</p> <p>Helen is a member of the Finance, Investment and Performance Committee and the Clinical Executive Group.</p>
	<p>Robin Andrews, Interim Executive Director of Finance</p> <p>Robin was appointed as the Interim Director of Finance in April 2017.</p> <p>Robin is a member of the Audit & Risk, Charitable Funds and Finance, Investment and Performance Committees and the Clinical Executive Group.</p>
	<p>Maurya Cushlow, Executive Director of Nursing & Midwifery</p> <p>Maurya was appointed as Director of Nursing & Midwifery in April 2016 on an interim basis, then appointed substantively in September 2016 and left the Trust in March 2018.</p> <p>Registered nurse. Worked in the NHS for over 30 years, during which she has held a variety of senior positions, contributing both locally and nationally to policy development.</p> <p>Last worked as Chief Officer for NHS North Tyneside Clinical Commissioning Group.</p> <p>Director of operations at NHS North of Tyne.</p>

	<p>Director of Clinical Engagement at North East Strategic Health Authority.</p> <p>Director of community services at NHS North of Tyne.</p> <p>Post Graduate Certificate Business & Executive Coaching at Leeds Met University.</p> <p>MBA at Durham University.</p> <p>Maurya was a member of the Safety & Quality Committee and the Clinical Executive Group.</p>
	<p>Dr Rod Harpin, Executive Medical Director</p> <p>Rod was appointed as Medical Director in September 2016.</p> <p>Rod is a practising Consultant Anaesthetist and Intensive Care Specialist within the Trust.</p> <p>Rod has spent many years in Medical Management as a Clinical Director and service manager.</p> <p>Rod was previously practicing medicine in Northland, New Zealand, providing Anaesthesia, Intensive Care and multiple roles in Medical Administration leading groups of elective and acute services as well as diagnostics.</p> <p>He has spent many years in Service Management and as a Clinical Director and has gained an Australasian Fellowship in Medical administration.</p> <p>BA, MB BS , MRCP, FRCA FANZCA FRACMA</p> <p>Rod is a member of the Safety & Quality Committee and the Clinical Executive Group.</p>
	<p>Michael Smillie, Director of Finance CPFT and Interim Joint Executive for Strategy, IM&T, Estates, Workforce and Organisational Development</p> <p>Michael is Executive Director of Finance for CPFT and appointed as Interim Joint Executive for strategy, IM&T and Estates from 1 September 2017, and additional, interim responsibility as the Executive lead for Workforce and OD across CPFT and NCUH from February 2018.</p> <p>Michael joined CPFT in January 2007 and has over 23 years' experience working in the NHS. He has held posts as the Director of Finance, Director of Commissioning and Director of Business Development in both commissioning and provider organisations. Michael lives in Cumbria and leads on financial stewardship and forward planning for the Trust and is working with all partners to improve the health and care system overall. Michael also leads on ensuring the Trust's estates, facilities and information management and technology are all fit for purpose and developed to support clinical care effectively.</p> <p>BSc (Hons), FCPFA</p>

Register of Directors' Declared Interests

A copy of the Trust's Register of Declared Interests can be found on our Trust website:

<http://www.ncuh.nhs.uk/about-us/key-people/Declarations-of-interest-register.pdf>

Appointments and Changes to our Board during the Year

Gina Tiller	Chair	Contract extended to April 2019
Laura Robson	Non-Executive Director	Left the Trust in August 2017
David Rawsthorn	Non-Executive Director	Contract extended to March 2020
Malcolm Cook	Non-Executive Director	Contract extended to December 2019
Dr Louise Nelson	Joint Non-Executive Director	Appointed in March 2018
Robin Andrews	Interim Director of Finance	Appointed 1 April 2017
Maurya Cushlow	Director of Nursing & Midwifery	Left the Trust in March 2018
Dr John Howarth	Deputy Chief Executive	Appointed to joint position across CPFT and NCUH in September 2017
Michael Smillie	Director of Finance CPFT and Interim Joint Executive for Strategy, IM&T, Estates, Workforce and Organisational Development	Executive Director of Finance for CPFT and appointed as Interim Joint Executive for strategy, IM&T and Estates on 1 September 2017, and additional, interim responsibility as the Executive lead for Workforce and OD across CPFT and NCUH in February 2018.

Performance Evaluation Arrangements

Each NED is appraised by the Chair formally on an annual basis. The Chair has been appraised by the Chair NHS Improvement. In a similar way the executive directors and members of the wider executive team are appraised by the Chief Executive on a formal basis annually with ongoing one to one meetings taking place on at least a monthly basis for updates to be provided on progress against objectives. The performance of the Chief Executive in leading the organisation and being an effective member of the Trust Board is assessed by the Chair.

Each member of the Board has in place a personal development plan to meet their own learning and development needs and to ensure the continuous development of the Board as a whole. Executive Directors' objectives mirror the strategic objectives of the Trust with an Executive Lead being assigned both to the attainment of strategic objectives and the management of risks to their achievement.

The Trust Board is further supported by the wider Executive team and the Divisional Directors and Clinical Directors for each of the Divisions. The sub committees of the Trust Board undertake an annual review of their effectiveness and the way in which they have met the objectives set by the Trust Board. An annual report is provided to the Trust Board from each of its formal sub committees.

All NEDs are considered to be independent in character and in judgment.

The composition of the Trust Board is set out below which also includes background, committee membership and attendance.

Trust Committee Structure

The Trust has in place a committee structure, which supports the effective governance and risk management of the organisation and the monitoring of performance. The key committees of the organisation have agreed terms of reference, which are outlined within the Trust's Standing Orders. Details of the Trust's key committees and the Standing Orders can be found via <http://www.ncuh.nhs.uk/about-us/how-we-govern>

External Audit

The Trust's External Auditors are Grant Thornton UK LLP, 4 Hardman Square, Spinningfields, Manchester, M3 3EB. During the financial year ending 31 March 2018 the Trust paid Grant Thornton fees of £54,500 plus VAT for the audit of the Trust's financial statements and their opinion of whether the Trust has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources (known as the Value for Money conclusion). An additional fee of £10,000 plus VAT was paid to Grant Thornton for their work on the Quality Account.

Internal Audit

The Internal Audit service was provided by AuditOne. The service provides an independent and objective opinion to the Accountable Officer, the Board and the Audit & Risk Committee on the degree to which risk management, control and governance support the achievement of the organisation's agreed objectives and an independent and objective consultancy service to help line management improve the organisation's risk management, control and governance arrangements. The Audit & Risk Committee considered and approved the contents of the Internal Audit Plan which was structured to enable the Head of Internal Audit Opinion to be provided for the year.

Counter Fraud

The Counter Fraud Service was provided by AuditOne. An annual plan for the service was approved and in place for the beginning of the financial year under review and regular progress reports have been received against the plan. Regular updates were also received on cases which AuditOne have been dealing with on the Trust's behalf. The work plan undertaken in the year was risk based to highlight areas at higher risk of potential fraud.

Charitable Funds

North Cumbria University Hospitals NHS Trust Charitable Fund has continued to support a wide range of healthcare services and facilities not normally provided for or in addition to the normal NHS service over the past year at the Trust.

This has been made possible by the generous donations and legacies from staff, local companies, patients and their families to Charitable Funds.

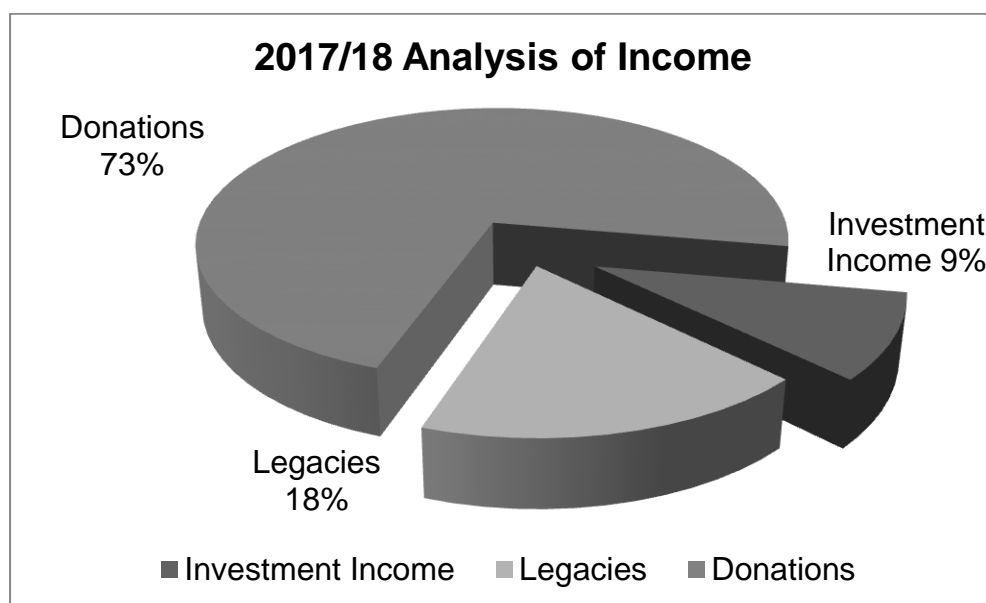
We are very grateful and wish to say a big thank you to everyone who has supported the Charity as it relies on these donations and legacies to fund its activities.

The Charity is registered in England, registration number 1059946 and holds two general funds; one for West Cumberland Hospital and one for Cumberland Infirmary, alongside eight restricted funds which have been specifically registered for Cardiology, Renal, Breast Cancer, Cancer Services, CT Scanner, Radiotherapy, Children's Services and the Healing Arts.

The Charitable Fund has a Corporate Trustee, which is the Trust Board who in turn has devolved management of the Fund to the Charitable Funds Committee.

Income Received

The total value of income received in 2017/18 was £317k (2016/17: £367k). Donations received were £230k (2016/17: £330k), legacies £57k (2016/17: nil) and investment income was £30k (2016/17: £37k).

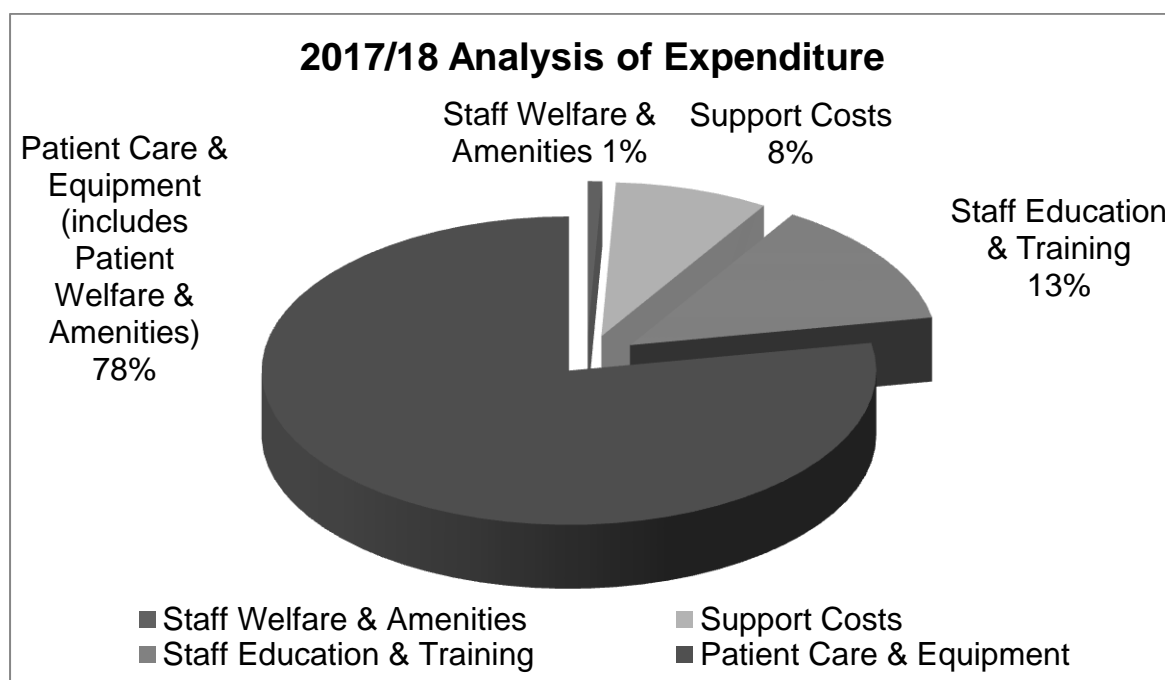


The Charity's £500k investment in CCLA's COIF Charities Ethical Investment Fund was valued at £580k at 31 March 2018 giving rise to a gain on investment of £8k during 2017/18. The Charity has no plans to sell the investment during the next 12 months.

Resources Expended

The total expenditure of the Charity in 2017/18 was £497k (2016/17: £726k). North Cumbria University Hospitals NHS Trust has benefited from revenue and capital payments from the charity amounting to £456k (2016/17: £687k) to enhance patient experience and support staff in the delivery of high quality care within the Trust.

Over the year, the charity has supported a wide range of healthcare services and facilities in respect of patient care and equipment, patients' welfare and amenities, staff education and training, and staff welfare and amenities at the Trust.



Patient Care and Equipment

In 2017/18 around 160 grants were made relating to medical and surgical equipment, furniture, information technology equipment and minor building works, totalling £393k (2016/17: £578k). These grants are used for improvements in the quality of care and comfort of patients.

During the year a grant for up to £250k was approved to support the extension of the Renal Unit at West Cumberland Hospital. This will allow more patients from the west of the county to be treated closer to home and provide greater flexibility for patients at Carlisle.

Grants continued to be awarded to support the new hospital environment at West Cumberland Hospital during 2017/18. As work continues to develop the rest of the site there are plans for further expenditure to enhance the surroundings for patients and staff.

Patient Welfare and Amenities

During 2017/18, over 50 grants totalling £19k were awarded (2016/17: £3k) to help improve the quality of care received by patients, grants were spent during the year on health and wellbeing days for patients, refreshments and activities for patient groups, newspapers and other items for patients including hymn books and prayer books for the new Multi-Faith Prayer Rooms.

Staff Education & Training

In 2017/18 around 160 grants totalling £70k (2016/17: £92k) were made to staff employed by the Trust to further develop their clinical knowledge and skills and update them on the new ideas, best practice and modern techniques in their specialties.

Staff Welfare and Amenities

11 grants were given for staff welfare and amenities in 2017/18 amounting to £4k (2016/17: £15k). The staff welfare and amenities grants helped to fund staff Christmas festivities and other staff functions during the year which help to strengthen staff morale and their capacity to serve their patients well.

Support Costs

In 2017/18 support costs of £34,850 (2016/17: £34,850) have been paid to the Trust for providing administrative and financial services to the Charity. The service includes the day to day management of the funds and the preparation of all statutory reports and returns. Remaining support costs were £7,880 and this includes audit fees and banking charges.

If you would like to make a donation to the charitable fund please visit our website at www.ncuh.nhs.uk/about-us/charity-and-fundraising/make-a-donation.aspx for information on the ways in which you can do this.

Annual Governance Statement 2017/18

Scope of responsibility

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of North Cumbria University Hospitals NHS Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in North Cumbria University Hospitals NHS Trust for the year ended 31 March 2018 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Chief Executive has overall accountability for risk management within the organisation and discharges that duty through the Executive Directors who have collective responsibility for maintaining a system of sound internal control. The Executive Director with responsibility for governance is the Executive Director of Nursing & Midwifery who supported by the Deputy Director of Nursing and the Company Secretary co-ordinates governance and risk management across the organisation.

The Trust has a clear governance framework in place together with supporting policies for risk management. These clearly define the roles and responsibilities for our staff from the wards, departments and clinical divisions through to the Trust Board. The clinical divisions are responsible for driving improvements to quality and safety, and actively support staff in the identification and management of identified risks.

Risk management is part of the Trust's mandatory training programme and staff are supported to additional subject-specific training and core skills training including risk management, which make up the overall training programme.

The Trust Board has line of sight to the management of significant operational and strategic risks through the Board Assurance Framework and Corporate Risk Register together with the functioning of its committee arrangements.

The risk and control framework

Trust Board

The Trust Board consists of a Non-Executive Chair, five Non-Executive Directors and seven Executive Directors (including the Chief Executive). The Deputy Chief Executive is entitled to exercise the voting rights of the Chief Executive during a period of incapacity or absence and the Executive Director of Workforce & Organisational Development is a non-voting member of the Board.

Changes to Board Membership

There were a number of changes to Board membership during the year. Since September 2017, the Trust shares a Chief Executive, and since October 2017, three Executive Directors with Cumbria Partnership NHS Foundation Trust (CPFT). A shared Director of Finance, Digital, Estates and Support Services was appointed by the Trust and CPFT in April 2018. These changes reflect and demonstrate the Trust's commitment in moving toward an Integrated Health and Care System (IHCS), but do not diminish the Trust's responsibilities and accountabilities as a NHS Trust. Further details about Board members and changes to Board membership during the year can be found in the Directors Report and the Remuneration Report.

Board and Board level committees

The Board of Directors is supported by a governance structure as follows, which deals with various components of corporate governance and risk management:

- Audit & Risk Committee – an independent committee and senior Board subcommittee, with all members NEDs. The Audit & Risk Committee has responsibility for overseeing risk management and internal control. The Audit & Risk Committee agreed audit plans with our internal and external auditors and received progress updates and audit opinions throughout the year.
- Safety and Quality Committee – the designated Board subcommittee which oversees safety and quality issues. It is chaired by a NED and has Executive and NED membership. The Safety & Quality Committee monitored clinical risk management performance throughout the year and made recommendations to the Board as appropriate.
- Finance Investment and Performance Committee - the designated Board subcommittee which oversees financial, corporate performance and investment issues. It is chaired by a NED and has Executive and NED membership. The Finance, Investment & Performance Committee monitored risks to operational and financial performance throughout the year and made recommendations to the Board as appropriate.

- Charitable Funds Committee – this designated Board subcommittee which oversees the management of Charitable Funds held by the Trust.
- Remuneration Committee – wholly NED membership which oversees remuneration issues relating to Executive Directors and Senior Managers within the Trust.
- Executive Leadership Group – membership is Executive Directors, led by the Chief Executive. In practice, due to the joint roles held by the Chief Executive and a number of other Executive Directors across both the Trust and CPFT, this meeting takes place as a joint Executive Team meeting. The Joint Company Secretary also attends these meetings.

High level governance meetings that support Board subcommittee effectiveness

- Clinical Executive Group (CEG) - the senior clinical and operational management group led by the Chief Executive and attended by Executive Directors, senior officers within Clinical Business Units and Corporate Functions. The Clinical Executive Group provides a formal mechanism for the Executive functions and decision making associated with delivering the strategic direction, plans and corporate objectives agreed by the Trust Board. It oversees and actively manages the highest scoring risks (through the Corporate Risk Register) across the Clinical Business Units and Corporate Functions. It has authority for the day-to-day management of the Trust's operations with the exception of those matters reserved for decision making by the Board or delegate to other Committees/senior officers.
- Leadership Community Forum (September 2017 – March 2018) – led by the Chief Executive and including Executive Directors and senior managerial and clinical leaders, with a specific focus on the development and implementation of Trust strategy. It has membership from both the Trust and CPFT.

During 2017/18 the effectiveness of the Trust's Board and committees was evaluated through a survey involving Board members and members of each Board committee, and also through consideration of the Committees performance against their work plans. This evaluation indicated each Committee had met and fulfilled their functions in accordance with their Terms of Reference.

During 2018/19 the Trust will be increasingly integrating governance arrangements with CPFT. This includes the establishment of integrated support services and wherever practical and appropriate, holding joint meetings, including Board-level meetings. It is anticipated these arrangements will lead to more efficient working and enable both Trusts to make best use of their resources, whilst also recognising the statutory duties of both Trusts as separate legal entities.

Trust Governance Framework & Priorities

Our Board of Directors agreed the Trust's Governance Framework and Priorities in July 2017 and will be reviewing it again during Quarter 1 of 2018/19 as part of the alignment of governance and risk management processes with CPFT.

The Director of Nursing & Midwifery is accountable for ensuring appropriate systems and processes are in place to enable the implementation of the Trust's Governance Framework and Priorities. Our Governance Framework and Priorities is implemented through the Risk Management Policy which sets out the framework for how risks are identified, evaluated and controlled. Risks can be identified through a variety of means, including investigations into incidents through to changes in the way services are designed or delivered. Risks, once identified, are assessed using the risk assessment methodology set out within our risk management policy and recorded within our Ulysses risk management system. Operational risks are managed on a day-to-day basis by staff throughout the organisation through the Trust's governance structures. Risks which are complex in nature that require senior management attention are escalated through our governance frameworks (ultimately to the Board of Directors) for decisions on how the risk will be managed. Risks which have strategic impacts are recorded in our Board Assurance Framework.

The Risk Management strategy is also delivered through other policies and procedures that support the activities mentioned above, including:

- Policies on specific risk areas, including policies and procedures with respect to countering fraud and corruption.
- Policies for the reporting and investigation of incidents, complaints, concerns, and claims.
- A risk-based training programme based on an annual analysis of skills and competencies required to support the delivery of safe and effective services.
- Induction programmes for our staff.
- Training delivered by a combination of in-house experts and external partners, that gives the flexibility to provide tailored training to meet the needs of individuals with additional risk management responsibilities.
- Reporting to the Board and its committees on quality governance matters, including patient safety, patient experience, performance against key performance indicators and other regulatory and compliance requirements.

Trust Risk Profile

The Trust has one system for the management of risk which can be distilled at three levels across the organisation:

- Strategic risks which directly impact on the delivery of the organisation's principal objectives are updated and reviewed through the Board Assurance Framework.
- The highest scoring (greater than 15) risks from within the Clinical Divisions and the Corporate Functions are reviewed and escalated through the Corporate Risk

Register. This ensures that the risks being identified from within the clinical and corporate teams which are high scoring can be clearly monitored.

- The Trust wide risk register is an amalgamation of all risks across the Trust which are broken down into the specific risk registers for each of the clinical divisions and corporate function.

Strategic Risks – the Board Assurance Framework has 20 strategic risks identified in total across five strategic domains. The highest scoring (>15) key strategic risks affecting the organisation as at April 2018 are summarised below:-

Strategic Domain – Strategy and System

- Lack of capacity and capability to deliver the Trust objectives alongside the STP and IHCS requirements

Strategic Domain – Operational Delivery and Flow

- The urgent care system is unable to sustain the improvement trajectory
- The Trust does not have the required capacity in place to deliver 18 weeks resulting in patients not receiving timely care and loss in income
- The Trust does not have robust governance and monitoring processes in place to manage the Public Finance Initiative (PFI) contract at Cumberland Infirmary, Carlisle, thus impacting on the Trust's ability to meet key standards, including cleaning.
- West Cumberland Hospital delays to Phase 2 site redevelopment results in continued use of retained estate that requires major upgrade. This potentially has multiple failures of mechanical, general estates and fire safety standards.

Strategic Domain – Workforce & Leadership

- The Trust is unable to recruit and retain sufficient permanent and trainee medical staff thus impacting on the Trusts ability to maintain service provision and provide quality patient care.
- The Trust is unable to recruit and retain nursing staff in order to ensure safe staffing levels are consistently achieved across all wards and departments
- The Trust fails to develop and embed the well led principles from ward to board resulting in poor governance and risk management.

Strategic Domain – Patient Safety & Quality

- The Trust fails to learn lessons from serious incidents and harm.

A further review of strategic risks will be undertaken during Quarter 1 of 2018/19 as part of the work to integrate the Board Assurance Framework arrangements across the Trust and CPFT.

Quality governance

Quality governance is a key activity of the Board of Directors to ensure essential levels of quality and safety are met. External sources of assurance include:

- Internal and external auditors
- Care Quality Commission
- NHS Litigation Authority
- Other visits and inspections from regulatory agencies

The role of internal audit is to provide independent, objective assurance on the robustness and effectiveness of the Trust's systems and processes and to add value by identifying opportunities for improvement. The role of external audit is to perform an audit, in accordance with specific laws or rules, of the Trust's financial statements and is independent of the Trust.

Internal sources of assurance include:

- Activities undertaken by Clinical Divisions and the Corporate Governance Department
- Performance metrics
- Non-executive visiting programme
- Incident reporting
- Patient and carer feedback and staff surveys

To comply with the governance conditions of the Provider Licence, the Trust is required to provide a Corporate Governance Statement to NHS Improvement (NHSI). The Corporate Governance Statement relating to 2016/17 was presented to the Board of Directors for formal acceptance in September 2017 with the Statement for 2017/18 expected to be presented in May 2018. The Corporate Governance Statement sets out any risks to our compliance with the governance conditions, along with the actions taken or being taken to maintain future compliance. The statement sets out a number of key questions essential for quality governance, with evidence gathered through self-assessment or review. The Chief Executive has overall responsibility for ensuring compliance with the Trust's Provider Licence conditions, which he discharges through the Executive Team.

During the year the Trust commissioned the Good Governance Institute to undertake Divisional Well Led Reviews of its services. The final report from that review is in the process of being finalised. Opportunities for improvements and learning from that review will be incorporated into our quality governance arrangements during 2018/19. A further self-assessment and a formal review against NHSI Well Led framework will be undertaken from 2018/19.

The Trust expects to comply with all of the Provider Licence conditions in 2018/19. Should there be any indications to the contrary we will ensure NHSI are notified as

soon as they become apparent. NHSI is regularly apprised of the Trust's financial position. Further information on our quality governance arrangements can be found in the Quality Account.

Incident reporting

A positive approach to incident reporting is communicated through Trust policies and procedures. Within the Trust, the reporting of incidents or concerns is encouraged and is used as a tool to learn and improve. The Trust has a clear focus on open and honest reporting of incidents, with investigation into an incident proportional to the level of harm or potential harm, as detailed in the Trust's Being Open/Duty of Candour and Serious Incident policies.

The Trust has a designated Freedom to Speak Up Guardian who provides regular updates to the Trust Board.

Incident Management

Serious incidents which occur within the Trust are reported to the Trust's Commissioners. After reporting the incidents, a root cause analysis (RCA) is undertaken for each incident reports. An investigation report, including an action plan, is produced following the RCA investigation with the report initially reviewed by the Trust Divisional Safety and Quality Meeting and then by the Trust Patient Safety Panel, chaired by the Medical Director. Once approved, the report is submitted to the Commissioners. Actions arising for the investigation are monitored within the Divisions and by the Patient safety Panel until they are completed.

The Trust has declared 74 serious incidents, including two Never Events during this financial year. An annual analysis of themes from serious incidents during the year is undertaken to ensure that the wider contributory factors are informing the themes of learning across the organisation. These have been taken into account in the setting of qualities priorities for the year.

The Trust has continued with the sharing of Trust-wide safety information through specific patient safety alerts, Trust-wide safety newsletter and where appropriate patient safety summits.

Coroner Regulation 28

The Trust was issued with one Regulation 28 notice during the financial year. This was received in January 2018 following the death of an inpatient in November 2016. The action required by the Trust was identified as:-

'To ensure that all relevant staff are provided with training in 'simulation suites' or other facilities to drill, refresh and enhance their skills to enable them to deal clearly and logically in crisis situations.'

The Trust's Serious Incident investigation identified that all relevant staff should undergo emergency scenario training and simulation, including human factors training for difficult airway management in emergency situations. The investigation also recommended that there should be opportunities for multi-disciplinary teams to train together within simulated scenarios to practice technical and non-technical skills. Work was already underway prior to the inquest to implement this recommendation from the action plan.

Last year's Annual Governance Statement for the Trust provided details of a Regulation 28 notice issued in January 2017. This followed the inquests into two patients who died in 2012 and 2015, following misplaced nasogastric tubes. A detailed action plan which addressed the Coroners key items was approved by the Board and submitted to the Coroner in February 2018.

Saline Investigation

In January 2017, Cumbria Police commenced an investigation into Saline bags which had been tampered with. This investigation remains ongoing at the time of signing this statement. The Trust continues to support Cumbria Police with their investigation.

Care Quality Commission

The Trust is fully compliant with the registration requirements of the Care Quality Commission (CQC). The Trust came out of special measures in late March 2017 and was rated as 'Requires Improvement'. Whilst no comprehensive inspection was undertaken by the CQC during 2017/18, the Trust has a Quality Improvement Plan (QIP) in place which details specific objectives from the Trust's Quality Priorities and also encompasses our 'Must do' response to the CQC inspection in December 2016. Details of the outcome of the CQC's inspection and how we are responding to their recommendations can be found in the Quality Account.

NHS Pension Scheme

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

Equality, Diversity and Human Rights

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

Environmental Issues

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

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

The Trust closely monitors budgetary control and expenditure through the Financial Delivery Group and Clinical Executive Group. Our programme managed approach to efficiency focusses on where small changes could make big differences to the Trust's overall financial efficiency efforts.

The Director of Finance presents finance reports to both the Finance Investment & Performance Committee and the Trust Board. The Trust Board has created clarity regarding delegated authority levels across the Trust through Trust's Standing Orders (SOs), Standing Financial Instructions (SFIs) and Scheme of Delegation. Executive Directors and managers have responsibility for the effective management and deployment of their staff and other resources to optimise the efficiency of each area of the Trust's operations.

The Trust Board receives both performance and financial reports at each of its public meetings in addition to reports from the chairs of its committees, to which it has delegated powers and responsibilities. When required, the Trust Board receives further assurance provided by its internal and external auditors.

The 2-year financial plan for 2017/18 and 2018/19 was developed based on a number of assumptions about the degree of financial recovery that could be delivered over the two year period. Risks to the delivery of the 2-year plan were notified to NHSI at the time of submitting the financial plan and through separate correspondence and routine contacts during the year.

Through concerted efforts driving efficiencies during the year and through our collaborative working with system partners, the Trust was able to deliver its financial control total for 2017/18. The financial plan for 2018/19 (year 2 of the 2-year plan) has been developed in conjunction with CPFT and was agreed by both Boards in April 2018. There are significant risks to the delivery of the financial plan and many of the risks and assumptions notified to NHSI for the 2017/18 financial plan remain relevant into 2018/19.

The Trust was rated as being placed in Segment 2 under NHSI's Single Oversight Framework at 31 March 2018. You can find further details about ratings in the Performance Report.

Board-level oversight of expenditure on agency workers is undertaken by the Finance Investment & Performance Committee as part of the Board level performance reports. Information is also readily available to front line managers through quality and safety dashboards.

Information governance

North Cumbria University Hospitals NHS Trust's Information Governance Assessment Report score overall for 2017/18 was 85% and was graded **Green (Satisfactory)**.

The Trust takes its responsibilities for the protection of patient and staff information seriously. Breaches of confidentiality or loss of personal data are reported and investigated through the Trust's Incident Reporting procedure and assurance processes.

The Trust uses the national Incident Reporting Tool to report level 2 Information Governance 'Serious Incidents Requiring Investigation' (IG SIRI) to the Department of Health (DH), Information Commissioner's Office (ICO) and other regulators.

The Trust undertakes an annual information flow mapping exercise which gives assurance that Trust procedures for sending patient and staff information to external bodies provide appropriate security and that risks are managed effectively. In addition, the Trust has joined the Information Sharing Gateway, which was developed within the Lancashire and Cumbria regions to support electronic information sharing across care boundaries. The purpose of Gateway is to provide assurance that the information being shared, managed and processed will be done so in such a way that is Data Protection Act compliant. It also centralises and shares key resources in a way that is accessible and transparent.

The Trust was affected by the international cyber security incident in May 2017 which affected a number of NHS Trusts in the UK. The Trust took swift action to secure its IT systems in response to the cyber-attack and experienced no breaches of its patient records or data loss.

You can find further details about our Information Governance and data security arrangements in the Quality Account.

Annual Quality Account

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year.

The Trust has arrangements in place to assure the Board that the Quality Account presents a balanced view and that there are controls in place to ensure the accuracy

of data. Overseeing the Quality Account preparation and content was the responsibility of the Director of Nursing & Midwifery during 2017/18.

The Trust recognises that good quality data is essential for the delivery of safe and effective care to our patients as well as enabling us to manage services and performance. A governance framework is in place which oversees data quality performance from operational services through to Board level. Data quality performance is overseen by the Information Team. The quality and accuracy of elective waiting time data is monitored by the Patient Tracking Team and reported weekly to Executive Directors. Key performance indicators (KPI) are subject to data quality and data validation processes. Performance is routinely reported and regularly reviewed at all levels within our governance structures and includes monthly review by the Trust Board. A balanced view of our data quality is obtained through comparing and analysing data accuracy from checks undertaken by front line staff and service managers, and through independent audits undertaken by our internal and external auditors. Further details about quality highlights can be found in the Quality Account.

Review of effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the Trust that have responsibility for the development and maintenance of the internal control framework. I have drawn on the information provided in this annual report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the board, the Audit & Risk Committee (A&R), the Finance, Investment & Performance (FIP) Committee and Safety & Quality (S&Q) Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Director of Nursing & Midwifery is responsible for developing and delivering the Trust's clinical audit programme and for ensuring the audit programme supports a process of continual improvement. The S&Q Committee oversees the clinical audit programme and received updates from the Director of Nursing & Midwifery on the management of risks to quality and safety. The role of clinical audit is quality improvement with processes seeking to improve patient care and outcomes through systematic review of how care is delivered and how change is implemented.

The A&R Committee, FIP Committee, S&Q Committee and the Charitable Funds Committee each have activity schedules which are framed around enabling the Trust Board to have line of sight to any significant risks to internal control. An annual evaluation of committee effectiveness is undertaken for each of these Board

committees. This is a self-assessment by committee members and regular attendees, the outcome of which is considered by the A&R Committee.

The Trust also has an active programme of internal and external audit. The audit programme, including recommendations from audits, is overseen by the A&R Committee which is a committee of the Trust Board. The focus of the internal and external audit programme is set to both support and complement the organisation's objectives and provide an assessment for the Board of Directors on areas of specific risk. The internal audit programme is developed having due regard to the risks and risk controls set out in the Board Assurance Framework and corporate risk register. Audit recommendations are framed around improving internal control and also identifying opportunities for creating added value from our current systems and processes. Any significant risks to internal control identified through the internal audit programme are assigned to a nominated Executive Director to resolve, and are monitored through the A&R Committee.

Significant risks identified during 2016/17 regarding fire safety compliance at Cumberland Infirmary have been addressed through structural works to the premises and through staff training. The Fire Service inspected the premises in February 2018 and confirmed satisfaction that the rectification work was in the process of being implemented.

The Trust has delivered improved financial performance for 2017/18, reporting a deficit of £40.3m. This was £3.9m better than the £44.2m deficit included in its financial plan. In meeting its financial plan, this has secured the Trust additional Sustainability & Transformation Funding. In the current financial climate for the NHS, meeting financial targets is a significant achievement. The 2018/19 financial plan is to achieve a deficit of £37.6m supported by £38.5m of financing and includes a Cost Improvement Programme of £10.4m. These are challenging targets to achieve, but the Trust aims to continue to build on its success in 2017/18. Beyond 2018/19, the Trust and its partners in the North Cumbria local health economy will work towards financial balance, implementing the strategies that have been identified to allow it to achieve its key goal of creating sustainable integrated health and social care services by 2020/21.

Our internal auditors awarded substantial, good or reasonable assurance on all but two audits they undertook during the year. The two audits with limited assurance related to Procurement and Theatre Stocks and Stores. Progress on implementing recommendations from all audits is overseen by the A&R Committee.

The Head of Internal Audit has given an overall opinion of good assurance that there is a sound system of internal control, designed to meet the Trust's objectives, and that controls are generally being applied consistently.

Conclusion

As Accounting Officer and based on the review process outlined above, I conclude that no significant internal control issues have been identified during the year.

Signed 

Date: 24 May 2018

Stephen Eames
Chief Executive for NCUHT & CPFT

3b Remuneration and Staff Report

Staff Numbers and composition

Headcount by Gender as at 31 March 2018

Gender	Headcount	% Workforce
Female	4,026	82.92
Male	829	17.08
Grand Total	4,855	100

NB This table includes staff employed directly by the Trust including bank staff and staff on fixed term contracts; agency workers are excluded from this table.

Headcount by Gender as at 31 March 2018 for Trust Board Directors

Gender	Board Directors
Female	4
Male	7
Grand Total	11

NB The table reflects only those directors with a voting right at 31 March 2018

Average FTE by Staff Group 2017/18

Average Staff Numbers	2017/18			2016/17
	Total	Permanently employed	Other	Total
Medical and dental	462	354	108	457
Administration and estates	950	945	5	921
Healthcare assistants and other support staff	505	505	0	495
Nursing, midwifery and health visiting staff	1,154	1,148	6	1,153
Scientific, therapeutic and technical staff	293	293	0	289
Healthcare Science Staff	265	256	9	261
Other	5	5	0	4
Total	3,634	3,506	128	3,580

Gross Staff Costs 2017/18

Staff Costs - Gross	2017/18			2016/17
	Permanently Employed £000s	Other £000s	Total £000s	Total £000s
Salaries and wages	126,118	9,014	135,132	131,013
Social Security costs	11,888	850	12,738	11,677
Apprenticeship Levy	588	50	638	0
Employer's contributions to NHS Pensions	14,630	1,045	15,675	15,372
Pension cost - other	20	0	20	17
Temporary staff	0	13,810	13,810	15,069
Total staff costs	153,244	24,769	178,013	158,079
Of which:				

Costs capitalised as part of assets	479	0	479	596
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Workforce and Organisational Development Strategy

A Workforce and Organisational Development Strategy was developed and signed off by the Board in May 2017. The strategy had four overarching aims:

Recruitment and Retention: To attract, recruit and retain highly skilled and capable medical and professional staff across the Trust.

Recruitment has been a priority objective of the workforce strategy with a focus on both medical and nursing recruitment. We have reduced our medical vacancy rate from 31% in April 2015 to 23% in January 2017. However, the Trust still has some way to go to reduce our reliance on agency locums and to have more permanent medical staff to provide sustainable services to our patients. For nursing recruitment, the Trust guaranteed jobs to all student nurses from the University of Cumbria. We have successfully used recruitment premia in some 'hard to fill' Medical staff specialties, and developed innovative posts for GP trainees, Advanced Clinical Practitioners and joint roles with UCLAN. To support our recruitment we produced a recruitment video made by our medical and nursing staff highlighting why it is great to live and work in North, East and West Cumbria. This has received excellent feedback and has been used at a number of recruitment fairs that the Trust has attended throughout the year.

Staff Engagement: To listen, engage and interact with staff at all levels recognising and rewarding their contribution to the Trust.

When staff understand the purpose of the Trust and are clear about how they fit in and can contribute they are more engaged and motivated. This year, as we work more closely with Cumbria Partnership Foundation Trust (CPFT), the CEO has undertaken extensive staff engagement as part of the 'First 100 days' staff engagement plan. The purpose was to listen to staff and share early priorities for collaborative working. The events were well received reaching over 1000 staff and stakeholders. This has resulted in a number of joint communications including a weekly CEO blog, Trust talk magazine and on-going engagement with staff through the 'This is Us' engagement programme. Additionally this year a business case was approved to take forward an initiative to improve the staff intranet site in conjunction with CPFT.

We recognise the hard work and achievements of all our staff and share the positive work that they do. We continue to promote our 'Glimpse of Brilliance' approach where the achievements of individuals and teams are highlighted each week, an approach that has since been adopted by CPFT. This year we introduced our staff awards scheme #youdidit which was very positively received by staff who were nominated and who won an award.

Staff are often best placed to know where patient care and service improvements can be made. 'Engaging for Improvement' is a new approach that has been introduced to

enable staff and teams to identify and take forward areas for improvement. Two improvement schemes were completed in 2017-18 that led to improvements in effective and timely discharge, reducing waste and releasing time to care. A further 10 schemes have been initiated.

Health and Well-being: To create a positive and healthy working environment for our staff resulting in excellent and high quality patient care.

The health and wellbeing of our staff is important to us and we are pleased to have achieved a bronze award this year in health and well-being at work. Staff have access to an occupational health service and an employee assist programme of support including counselling and advice. The Trust employs a health and wellbeing coordinator and staff are made aware of how to look after their health through posters and social media as well as local campaigns. The Trust has a number of wellbeing champions and events were held this year in promoting physical activity and the importance of sleep. Staff have access to a mindfulness based intervention programme.

Organisational and Staff Development: To create a flexible learning organisation that continually grows and develops its staff in order to respond to the demands and challenges of our services.

To support the delivery of the Workforce and Organisational Development Strategy a detailed implementation plan was produced which outlined specific objectives and deliverables for the HR function and wider Trust for the year.

Recruitment and Retention

Recruitment has been a priority objective of the workforce strategy with a focus on both medical and nursing recruitment. We have reduced our medical vacancy rate from 31% in April 2015 to 23% in January 2017 and 17% in March 2018. However, the Trust still has some way to go to reduce our reliance on agency locums and to have more permanent medical staff to provide sustainable services to our patients. For nursing recruitment the Trust guaranteed jobs to all student nurses from the University of Cumbria. We have successfully used recruitment premia in some 'hard to fill' Medical staff specialties, and developed innovative posts for GP trainees, Advanced Clinical Practitioners and joint roles with UCLAN. To support our recruitment we produced a recruitment video made by our medical and nursing staff highlighting why it is great to live and work in North, East and West Cumbria. This has received excellent feedback and has been used at a number of recruitment fairs that the Trust has attended throughout the year.

Sickness

The Trust implemented a new Attendance Management Policy during 2017/18 to manage sickness absence more effectively and to embed a consistent approach throughout the Trust in the application of the policy taking individual circumstances

into consideration. Managers are actively supported by Human Resources to identify breaches and monitor staff absenteeism.

Target rates for sickness absence for 2017/18 were established at 4% overall and 1.5% for short term absences, i.e. absences of less than 28 days in length.

The annual rate of sickness for the financial year 2017/18 was 4.36%; the estimated cost of sick pay for the year was almost £4.7m. Although the target rate was not achieved the overall sickness rate reduced by 0.73% from the previous year 2016/17 which recorded a sickness rate of 5.09%.

The average short term absence rate for the financial year was 1.38%, below the target rate of 1.5%.

The table below shows the Trust's WTE days lost in 2017/18 with a comparison for the previous financial year:

	2016/17	2017/18
Total WTE days lost to sickness	37,644	35,811
Average WTE	3,362	3,421
Average sick days per WTE	11.2	10.5

NB. The figures above are calculations provided for the calendar year 2017 (2016/17: 2016) and they are considered a reasonable proxy for financial year equivalents by the Department of Health.

Organisational and Staff Development

The Trust is dedicated to the development of the organisation through our systems and processes, and the development of its staff through appropriate training and personal development.

The Learning and Development Department continues to meet the changing demands and diversity associated with learning and development within an acute NHS Trust by providing a range of training modules designed to help our staff be fit for purpose.

The department is a recognised City and Guilds Centre that continues to build on the availability of Quality Care Framework (formerly NVQ Qualifications). Level 3 courses include: Diploma in Clinical Health and Support, /Physiotherapy support /Occupational therapy /Pathology and laboratory support. Additionally Levels 2, 3 and 4 in Business Administration, Levels 2 & 3 in Customer Service, Level 2 in Team leading, IT, Cleaning and Support and professional cookery are delivered by external providers via apprenticeships or QCF pathways. Quality assurance is undertaken by both internal quality assessors and external quality assessors from City and Guilds.

During 2016 the Trust received accreditation as an ILM Centre (Institute of Leadership and Development), and is rolling out leadership qualifications across the management workforce. 56 members of staff have joined either the ILM Level 3 and/or the ILM Level 5 leadership and management courses and 65 staff have attended CLIC leadership courses. Through September and October all staff were given the opportunity access to leadership development and engagement training conducted by Steve Head, an external leadership consultant.

All new starters to health in a permanent position within Band 1-4 undertaken the care certificate. This qualification provides clear evidence to employers, patients and people who receive care and support, that healthcare assistants or care support worker have been trained to a specific set of standards, and have the skills, knowledge and behaviours to ensure that they provide compassionate and high quality care and support. Completion of the care certificate is always expected to be achieved within the first three months of employment and transferable within healthcare.

Statutory and Mandatory training continues to be a priority. The Trust achieved 87% of overall training, which is an improvement on the 2016/17 figure of 83%; we will continue in 2018/2019 to improve this even further, as our target is 95%.

This year the Trust has introduced Schwartz Rounds as a structured forum where all staff, clinical and non-clinical can come together to learn together, for example from incidents, and discuss the emotional and social aspects of working in healthcare. Rounds can help staff feel more supported in their jobs and evidence shows that staff who attend feel less stressed and isolated. The first Schwartz round was completed in December. The first round was a success, and well attended. A plan has been produced for rounds for the next 12 months.

The Trust is actively involved in learning together with partners through the Cumbria Learning and Improvement Collaborative (CLIC) and this year 141 staff attended CLIC events including conferences, training programmes and rapid process improvement workshops (RPIW). Senior Nursing staff were trained in improvement tools and techniques and applied them to delivering small improvement projects. Three RPIW's were undertaken which resulted in improvements to patient flow, triage processes and reduction in falls.

Medical Education

Medical Education in NCUH has continued its trajectory of improvement over the past year. National ranking is at the highest it has ever been. There has been recognition through regional and national visits that the reputation of the Trust as a training centre for junior doctors is advancing.

This is of importance as medical education has a key role in ensuring that the Trust achieves the highest clinical standards. High quality medical education supports patient safety, service delivery and the maintenance of up to date clinical practice. It is central to the successful recruitment and retention of permanent, senior medical staff.

The Trust had been subject to General Medical Council Enhanced Monitoring processes for postgraduate training since 2014. In September 2017 confirmation was received from the GMC that this has been lifted on the recommendation of the HEE-NE Postgraduate Dean as a result of the sustained global improvements in medical education.

The Trust has achieved its highest ranking to date in the UK GMC National Survey for doctors in training, moving up 35 places nationally to 124 out of 207 Trusts. Anaesthetics and Respiratory Medicine performed particularly well both regionally and nationally.

Undergraduate Medical Education for Newcastle University medical students continues performing to high standards, with multiple areas in the top rankings.

Although progress has been made to improve the quality of postgraduate medical education within the Trust, significant challenges remain. In the current climate of intense national competition for junior doctors the consistent provision of high quality training is vital. The Trust is at risk of losing trainees if there is failure to evidence compliance with stipulated standards. Departments receiving poor feedback are at highest risk of having trainees withdrawn. Any loss of training status will impact on service delivery and on recruitment and retention of senior medical staff. The provision of educational and clinical supervision in line with national standards remains a challenge due to both the reliance on locums and the clinical workloads of senior medical staff. The need to provide fit for purpose educational space and facilities within the James George Education Centre is an ongoing challenge, in particular the lack of up to date simulation facilities impacts on the Trust's ability to provide a high quality educational experience for doctors in training.

Research and Development (R&D)

The Trust continues to embrace clinical research as a means to contribute to progression of evidence-based healthcare.

North Cumbria University Hospitals NHS Trust (the Trust) is a Partner Organisation (PO) of the National Institute for Health Research (NIHR) North East & North Cumbria Clinical Research Network (NENC CRN), one of 15 CRNs in England. The NIHR is the clinical research delivery arm of the NHS. Further information on the remit of the NENC CRN can be found on their website, <http://www.nihr.ac.uk/nihr-in-your-area/north-east-and-north-cumbria>. As a Partner Organisation, the Trust

receives funding for the delivery of research. This includes funding for the majority of the research delivery team of 18 nurses, practitioners and administrators, as well as pharmacy and pathology staff. Additional income is derived from recruiting to commercially sponsored research.

The R&D team supports delivery of a range of different types of research study ranging from large national and international clinical trials to small, single-centre studies. These include research into new drugs, surgical techniques and other therapies, and the collection of samples for genetic analysis.

During the financial year 2017/18 the R&D team have started preparations to integrate the R&D functions of the Trust and Cumbria Partnership NHS Foundation Trust (CPFT). This process was started with the appointment of a Joint Director for R&D, Professor Dave Dagnan in April 2017. It is envisaged that integration of Research & Development will ultimately provide a number of benefits, including increasing opportunities for patients to participate in research by delivering studies in more locations, and removing duplication of effort by operating a central support team. Further detail on research activity and performance can be found in the Quality Account.

Equal Opportunities, Equality & Diversity and Disability

The Trust is committed to ensuring that equality, diversity and human rights are taken into account in service and employment policies and practices in order to meet the diverse needs of our service users and workforce, and to eliminate discrimination.

Our Equality Objectives and action plan assist us in improving equality, diversity and inclusion within the Trust. Equality Impact Assessments (EIAs) are also undertaken on policies and service developments.

The Equality and Diversity Steering Group (EDSG) meets regularly to facilitate and oversee the development, implementation and review of the Equality Scheme and other key equality related actions on behalf of the Trust. Its membership includes Trust representatives and also recognised leads from groups and networks in the local community. From April 2018 the Trust and CPFT will hold a joint EDSG Meeting and will form shared Equality Objectives.

The Trust's recruitment procedures comply with the legislative requirements of the Equality Act 2010, NHS requirements and good practice to ensure that we can attract and appoint suitably skilled employees. The Trust has the nationally recognised 'Disability Confident' status standard which acknowledges our commitment to the employment, development and retention of staff with disabilities.

Our employees undertake mandatory equality and diversity training which focuses on the action required in the workplace to embed fairness into everyday practice and

also covers the requirements of the Equality Act 2010. We have services in place to support patients, carers, the public and employees which also support the Trust in its promotion of equality and diversity.

Appraisals

Every member of staff should have an appraisal at least once a year and the Trust has been working on increasing its appraisal compliance rate and the quality of appraisals. Corporate objectives are issued to all employees in April each year. The Trust's target rate (95%) was exceeded in the year. Incremental pay progression for staff paid under Agenda for Change pay scales is now linked to completion of appraisals and training compliance.

The appraisal rates for the period 01/04/2017 – 31/03/2018 are detailed in the table below:

	Appraisal Rate 2017/18
Non-Medical Staff	96.81%
Medical Staff	99.00%

Guardian of Safe Working

Over the last year the role of the Guardian of Safe Working has expanded, now that most trainees are employed under the terms and conditions of the new Junior Doctors' contract. There are still some trainees who are not on the new contract, however, their views and concerns are taken into account and represented through various channels organised by the Guardian of Safe Working and his colleagues.

There are now 108 trainees on the new Junior Doctors' contract. All trainees receive log in details in order that they can report exceptions to their work schedule through a structured system. Similarly supervisors have access to this system. Training has occurred in different ways and on a number of occasions for supervisors and trainees.

The Guardian of Safe Working is now supported by members of the medical workforce team, who provide administrative and logistical support, including expert advice on rota management and he is most grateful to the Trust for providing this support. The Guardian of Safe Working is given 0.5 of a Programme Activity for his work.

As required by the terms and conditions of the Junior Doctors' contract a Junior Doctors' forum has been established with support from the medical workforce team. Two meetings have been held with information and invitations widely circulated to all Junior Doctors in the Trust. We have Junior Doctor representatives at these meetings; minutes have been taken and recorded. Meetings occur on a quarterly basis and senior members of the Executive team are invited to hear the concerns of the trainee doctors.

The Guardian of Safe Working produces a quarterly report for the Trust Board and attends Trust Board meetings to discuss issues regarding the report. In the period covering the annual report there have been 117 exception reports; the vast majority of which have been closed and resolved, either with time off in lieu or payment for extra time worked.

Current Status

All trainees have work schedules as per the terms and conditions of the contract. The Junior Doctors Forum is working well, with useful informal information coming through to the forum, which has been helpful to understand issues concerning Junior Doctors. There are some concrete examples of changes which have benefited doctors.

Whilst there have been no patient safety issues reported directly through the exception reporting process, there have been some concerns about unfilled gaps on rotas which had the potential for patient safety issues. When raised with senior management, these have been largely rectified.

Supervisor Engagement

Supervisor engagement in the reporting process is patchy, with varying levels of enthusiasm and engagement in the mechanics of the process. Largely supervisors are very supportive of Junior Doctors in the Trust, which is to be commended. However, the extra burden of electronic reporting is something to note and aim to rectify. The General Medical Council have been involved in some training and have highlighted to supervisors and trainees the importance of exception reporting process in identifying patient safety issues and developing a culture of high quality patient care. A Junior Doctor representative is attending the April Trust Board to give a presentation on the issues affecting junior doctors which is welcome.

Outstanding Issues

The exception reporting system is a self-reporting system and it is difficult to get a true picture of deviations from work schedules when reporting is not complete. This is an issue with the way the Junior Doctors' contract has been agreed and set up, rather than a Trust issue.

All rotas remain fragile and high vacancy rates and sickness rates lead to potential for a serious destabilisation of the rotas, such that Junior Doctors working hours are put at risk and patient safety is potentially compromised. The fact that patient safety is not compromised is generally due to the goodwill and professionalism of the staff that work in the Trust, as well as the improving structures and processes put in place by Trust management.

Freedom to Speak Up (FTSU) Guardian

When Sir Robert Francis conducted his FTSU review throughout the summer of 2014, he sought a wide range of views from across the NHS. This included first hand experiences from staff who had raised a concern (and reported that they had suffered some form of detriment as a result of doing so), employers, professional and system regulators, as well as other professional bodies.

In February 2015, Sir Robert Francis published his final report which made a number of key recommendations under five overarching themes with actions for NHS organisations and professional and system regulators to help foster a culture of safety and learning in which all staff feel safe to raise a concern. Two key elements include the appointment of a local FTSU Guardian in each Trust and a National Guardian for the NHS.

The FTSU Guardian's role involves:

- Promoting an open and transparent culture ensuring all staff feel encouraged and supported to raise any concerns they may have.
- Being highly visible and contactable by all staff groups.
- Encouraging staff to raise concerns and ensure any concerns raised are handled appropriately in an open and transparent way.
- Reviewing patient feedback, complaints, and satisfaction scores and highlighting any potential concerns and learning opportunities arising from these results.
- Representing and championing the Freedom to Speak Up requirements and highlighting any concerns with the Trust Board and, where appropriate, at a range of levels within the organisation's overall governance framework.

Richard Heaton, Chief Matron, was appointed as the Trust's FTSU Guardian.

Commenting on the role, Richard said: "I am delighted to continue working in the FTSU Guardian role as it is so important that staff feel they have somebody to raise concerns with if they don't feel comfortable raising them with their line manager. I feel I am well placed to take on the role given I have worked here for 26 years and know a lot of staff at both WCH and CIC. I also feel comfortable raising any issues with the Trust Board that I feel they should know about."

Partnership working between the FTSU Guardians of the Trust and CPFT is being progressed.

Health & Safety

The focus for 2017/18 as always remains on Patient & Staff safety. In line with Trust strategy, the Health & Safety team have been working closely with colleagues at CPFT and from April 2018 will be co working to maximise the potential for sharing skill and knowledge within a small specialist team.

Working together with Ward and Department staff a new self- assessment and audit tool for health and safety has been piloted and validated and is for full launch across the Trust in 2018.

The implementation of safer Sharps is a key priority for the Trust and we continue to make progress working with clinicians and the Procurement team on substituting clinical sharps for safer alternatives.

Violence and challenging behaviour is a recognised hazard within healthcare. In response to an increase in incidents; a review of the management of violence and aggression has been undertaken. Key recommendations have been supported and the Trust will provide training in restraint and the Physical Management of Violence & Aggression (PMVA) for Porters and Nursing staff in high risk areas. This will be fully rolled out across the Trust in 2018.

In addition Ligature assessments have been undertaken in high risk areas following an incident that occurred nationally that was escalated as a concern by the Care Quality Commission.

Security

A serious incident (Medication Incident 17) occurred in January 2017, which prompted a site security review at CIC and a Trust-wide review to include WCH.

The review of the incident identified significant gaps in control relating to access to clean utility areas and to wards in general at CIC. WCH had minor amendments made to medicines management but as a new build had modern facilities. A Security Task Force group was established to address the findings and recommendations of the review. This included: an update of the Security Policy; the standard operating procedures relating to the management of swipe cards and keys have been reviewed and agreed; the swipe card system is under a process of data “cleansing” and is to be upgraded and following further review additional recommendations may be required. Additional CCTV has been agreed for the loading bay and the Security Policy has been revised, updated and implemented.

A new key management system for monitoring and tracking the use of keys and rooms is currently being trialled at CIC and if successful will be a recommendation for improving the overall site security.

Prepared For Emergencies

The Trust is fully compliant with NHS England’s Emergency Preparedness, Resilience and Response Core Standards for 2017-18, CQC requirements for emergency preparedness and the requirements set out in the Civil Contingencies Act (2004). This demonstrates our readiness to respond to a wide range of incidents which could impact on hospital services and the wider Cumbrian community. This readiness to respond has been tested several times throughout the year, most

notably during the national NHS Cyber Attack, which demonstrated the robustness of our business continuity arrangements ensuring the maintenance of high quality patient care throughout challenging circumstances. Continuous training, exercising and the development of detailed plans ensures the Trust is ready to respond to any incident so that the needs of patients and the residents of North Cumbria are fully met.

Health and Well Being

Supporting the health and wellbeing of our staff remained a priority in 2017/18. The overall objective was to support our staff to be happier, healthier and more active.

The health and wellbeing plan for 2017/18 included a calendar of initiatives that supported the mental, emotional and physical health of our employees. The plan was agreed at the Health and Wellbeing Steering Group which meets bi-monthly.

A brief overview of health and wellbeing activity that has been undertaken at the Cumberland Infirmary and West Cumberland Hospital during 2017/18 included:

- Monthly health and wellbeing newsletter to staff
- Raising health awareness of the workforce, through health campaigns and events based on the outcome of the health needs assessment
- Held a health fair at the Cumberland Infirmary and West Cumberland Hospital, offering discounted gym memberships and advice and information on health
- Promoted positive mental health and wellbeing through stress awareness workshops and mindfulness sessions
- Held a Sleep Week to encourage healthy sleep habits and linked to mental health support services
- Introduction of an Employee Assistance Programme - which is a 24 hour, 7 day a week telephone/face to face/online service designed to help staff with a range of issues such as counselling service, debt or legal advice
- Offered more healthy food choices to staff at our canteens and food outlets
- Committed to becoming smoke free by 14 March 2018 and developed links to the local stop smoking service for any employees wishing to stop
- Offered NHS health checks to staff
- Raised awareness of our cycle to work scheme
- Trained health advocates to champion health and wellbeing
- Launched a successful flu jab campaign and exceeded our target to vaccinate 75% of frontline staff
- Launched PhysioFast – a fast track physiotherapy service for staff at Cumberland Infirmary
- Launched a pop up fruit and veg stall at the Cumberland Infirmary and fruit and veg boxes at the West Cumberland Hospital
- Launched Workplace Therapies – massage and other relaxation treatments for staff.

In December 2017 the Trust was also awarded a Bronze Better Health at Work Award in recognition of the work we have done to support the health and wellbeing of our staff. The Better Health at Work Award lays a firm foundation to build a healthier workplace. In 2018 the Trust will be working towards the Silver award.

Staff Engagement and Staff Survey

Last year the Trust introduced a number of staff engagement sessions with the Chief Executive and members of the Executive team. As the Trust is working more closely with CPFT, in September countywide engagement sessions were incorporated into Stephen Eames' first 100 days as Chief Executive of both Trusts. The sessions continue on a quarterly basis, and are now branded as 'this is us' in line with our new recruitment branding. The Trust will continue to explore other ways in which to directly engage with staff.

In 2017 a total of 3,784 staff were eligible to complete the staff survey and were issued a copy of the survey. Out of those, 1,906 members of staff returned a completed questionnaire, giving a response rate of 50.4%, which is above the national average for Acute Trusts, and above the Trust target of 50%.

Overall, there has been an improvement in the Trust's staff survey results for 2017 in the three areas identified as a priority from the 2016 results; leadership, staff engagement, and health and wellbeing. However, overall the Trust will still be below average compared to other Acute Trusts. Scores are divided by questions for internal historical comparisons, and by Key Findings for national comparisons.

Compared to our scores on the 2016 survey, the Trust is:

- Significantly BETTER on 13 questions
- Significantly WORSE on 3 questions
- The scores show no significant difference on 72 questions

The national data is grouped into 32 Key Findings. Compared to other Trusts, out of 32 Key findings, our Trust is:

- Highest 20% of all Acute Trusts: 3 Key Findings
- Better than average: 1 Key Finding
- Average: 2 Key Finding
- Worse than average: 7 Key Findings
- Lowest 20% of all Acute Trusts: 19 Key Findings

This year we have seen **significant improvements** in the scores for:

- communication between senior management and staff
- questions around reporting errors; that there has been a decline in witnessing errors, near misses or incidents that could hurt staff; that staff involved in errors

are treated fairly; and staff are given feedback about changes in response to errors

- that there are enough staff at the organisation; staff haven't come into work when not feeling well; and staff don't work any additional unpaid hours over and above their contracted hours
- that the organisation takes positive action on health and wellbeing
- staff are supported by their manager to receive training, learning or development identified in their appraisal
- that staff would recommend the trust to friends and family as a place to work, for care and treatment; that care is the organisation's top priority; and the organisation acts on concerns raised by service users

The Trust is in the **top 20% of all Acute Trusts** for: the number of appraisals; percentage of staff working extra hours; and the percentage of staff experiencing harassment, bullying or abuse from patients or service users.

This year there has been **significant decline** in the scores for:

- Satisfaction with level of pay; pressure from managers to come to work when feeling unwell; and training and development needs being identified during the appraisal.

The Trust is in the **lowest 20% of all Acute Trusts** for 19 Key Findings. The bottom five key findings include: quality of appraisals; support from immediate managers; percentage of staff reporting good communications between senior management and staff; recognition and value of staff by managers and organisation; staff satisfaction with level of responsibility and involvement.

As we are working more closely with Cumbria Partnership NHS Foundation Trust the actions to improve the survey results will be incorporated into a joint organisational development plan which will cover both Trusts.

Remuneration

This report covers:

- Our remuneration policy
- The policy under which the Chair, Executive Directors and Non-Executive Directors were remunerated for the year ended 31 March 2018
- Senior managers are defined as Trust Board members

The following information in the Remuneration and Staff Report has been audited by our external auditors:

- the single total figure of remuneration for each director on pages 80/81;
- Cash Equivalent Transfer Value disclosures for each director on page 83;
- narrative notes on exit packages on page 85;
- the analysis of staff numbers and costs on page 65; and
- the table of fair pay (pay multiples) disclosures on pages 81-83.

The Remuneration Committee is a committee of the Trust Board. The Trust believes that a properly constituted and effective committee is key to ensuring Executive Directors' remuneration is aligned with stakeholders' interests and that it motivates the Directors to enhance the performance of the Trust.

Membership

The members of the Committee are the Chair and all Non-Executive Directors. Meetings are considered to be quorate when the Chair and two Non-Executive Directors are present. The Chief Executive may also attend in an advisory capacity, except with his or her own remuneration or other items of service are under discussion.

Service Contracts

All Executive Directors have service contracts. Executive Directors' contracts are usually awarded on a permanent basis, unless the post is for a fixed period of time and have a six month notice period. Termination payments are made in accordance with contractual agreements. Non-Executive Directors are appointed by NHS Improvement on behalf of the Secretary of State. The length of appointments is normally four years. An appointment does not create any contract of service or contract for services between the Director and the Secretary of State or between the Director and the NHS Trust.

Appointments are not within the jurisdiction of Employment Tribunals. Neither is there any entitlement for compensation for loss of office through employment law.

Remuneration Policy for Executive Directors

Directors' posts are currently evaluated using the NHS Improvement Job Evaluation Panel and are subject to approval by the Remuneration Committee. Any pay awards are agreed by the Committee. Directors participate in an annual personal development plan process, which identifies and agrees objectives to be met. This is supported by a development plan, where appropriate.

Performance related pay is not used within the Trust.

Remuneration Policy for the Chair and Non-Executive Directors

Increases in the remuneration of the Chair and Non-Executive Directors are agreed nationally by the Department of Health and implemented locally by the Trust.

Remuneration – Single Total Figure	2017/18				2016/17			
	Salary (bands of £5,000)	Expense payments (taxable) total (to nearest £100)	All pension related benefits (bands of £2,500)	TOTAL (bands of £5,000)	Salary (bands of £5,000)	Expense payments (taxable) total (to nearest £100)	All pension related benefits (bands of £2,500)	TOTAL (bands of £5,000)
Name and Title	£000	£	£000	£000	£000	£	£000	£000
Mr Robin Andrews, Interim Executive Director of Finance wef 3 April 2017	120-125		25-27.5	145-150				
Professor Roger Barton, NED until 30 June 2016					0-5	200		0-5
Mr Mark Brearley, Interim Executive Director of Finance until 31 March 2017					195-200			195-200
Mrs Christine Brereton, Director Human Resources & Organisational Development until 31 October 2017	55-60	300	25-27.5	85-90	90-95	400	20-22.5	110-115
Mr Malcolm Cook, NED	5-10	200		5-10	5-10	400		5-10
Mrs Maurya Cushlow, Executive Director of Nursing & Midwifery	130-135	200	17.5-20	150-155	125-130	300	170-172.5	300-305
Mr Stephen Eames, Chief Executive	185-190	15,400		200-205	260-265	23,700		280-285
Dr Debbie Freake, Executive Director of Strategy until 31 January 2017					80-85		205-207.5	285-290
Dr Rod Harpin, Executive Medical Director	175-180	500	40-42.5	220-225	100-105	200	12.5-15	115-120
Dr John Howarth, Joint Deputy Chief Executive wef 1 September 2017	n/a	n/a	n/a	n/a				
Miss Julie Hull, Interim Executive Human Resources Adviser wef 1 November 2017 until 31 January 2018	25-30	200		25-30				
Dr David Kennedy, NED wef 1 January 2017	5-10	400		5-10	0-5			0-5
Mr George Liston, NED	5-10	300		5-10	5-10	400		5-10

Remuneration – Single Total Figure	2017/18				2016/17			
	Salary (bands of £5,000)	Expense payments (taxable) total (to nearest £100)	All pension related benefits (bands of £2,500)	TOTAL (bands of £5,000)	Salary (bands of £5,000)	Expense payments (taxable) total (to nearest £100)	All pension related benefits (bands of £2,500)	TOTAL (bands of £5,000)
Name and Title	£000	£	£000	£000	£000	£	£000	£000
Mrs Gail Naylor, Executive Director of Nursing & Midwifery until 3 April 2016					0-5	100		0-5
Dr Louise Nelson, Joint NED wef 5 March 2018	0-5			0-5				
Mr David Rawsthorn, NED	5-10	200		5-10	5-10	100		5-10
Mrs Helen Ray, Executive Managing Director of Operations (previously Executive Chief Operating Officer)	135-140	5,900	62.5-65	205-210	125-130	6,100	27.5-30	160-165
Ms Laura Robson, NED until 31 August 2017	0-5	200		0-5	5-10	400		5-10
Mr Michael Smillie, Director of Strategy & Support Services and Executive Lead for Workforce and Organisational Development wef 1 February 2018	n/a	n/a	n/a	n/a				
Dr Derek Thomson, Executive Medical Director until 7 September 2016					60-65	3,400	367.5-370	435-440
Mrs Gina Tiller, Chair	35-40	400		35-40	35-40	500		35-40
Band of Highest Paid Director's Total Remuneration (£000)	200-205				260-265			
Median Total Remuneration	28,746				27,390			
Ratio	7.0				9.6			

Notes to the Remuneration Table

With the exception of Mrs Brereton, Miss Hull, Dr Howarth and Mr Smillie this note relates only to those senior managers with a voting right on the Trust Board at 31 March 2018. The salary range quoted is pro rata to the annual salary and relates to the period that the individual was employed by the Trust in the stated post.

- Mr Brearley is a Director and 10% shareholder of Unique Healthcare Solutions Ltd who invoiced the Trust for his services.
- Mr Eames is on secondment from The Mid Yorkshire Hospitals NHS Trust and the Trust is invoiced for his salary costs. Since 1 September 2017 Mr Eames has worked as Joint Chief Executive for both North Cumbria University Hospitals NHS Trust and Cumbria Partnership NHS Foundation Trust (CPFT) and the Trust has only been invoiced for 50% of his costs since that date.
- Dr Freake and Dr Thomson were on secondment from Northumbria Healthcare NHS Foundation Trust and the Trust was invoiced for their salary costs. Dr Harpin was seconded from Northumbria Healthcare NHS Foundation Trust between 8 September 2016 and 31 October 2016. During this time the Trust was invoiced for his costs.
- Dr Harpin's salary is split between his role as a director for the Trust (£105k-£110k) and his clinical duties as a Consultant Anaesthetist (£70k - £75k).
- Dr Howarth is Joint Deputy Chief Executive for the Trust and CPFT. He is employed by CPFT who met his full salary costs under the Joint Trust Board arrangements in place during 2017/18.
- Dr Nelson was appointed as a Joint Non-Executive Director for North Cumbria University Hospitals NHS Trust and Cumbria Partnership NHS Foundation Trust. She is employed by Cumbria Partnership NHS Foundation Trust but her salary costs are shared equally between the two organisations.
- Mrs Ray is Executive Managing Director of Operations for both North Cumbria University Hospitals NHS Trust and Cumbria Partnership NHS Foundation Trust. She is employed by North Cumbria University Hospitals NHS Trust who met her full salary costs under the Joint Trust Board arrangements in place during 2017/18.
- Mr Smillie is Director of Strategy & Support Services and Executive Lead for Workforce & Organisational Development for both North Cumbria University Hospitals NHS Trust and Cumbria Partnership NHS Foundation Trust. He is employed by Cumbria Partnership who met his full salary costs under the Joint Trust Board arrangements in place during 2017/18.
- Taxable expenses include lease cars.
- 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 banded remuneration of the highest paid director in NCUHT in the financial year 2017/18 was £200,000 - £205,000 (2016/17: £260,000 - £265,000). This was 7.0 times (2016/17: 9.6) the median remuneration of the workforce which was £28,746 (2016/17: £27,390). The ratio has increased as a result of the decrease in the band of the highest paid director's remuneration whilst there was a small increase in the median remuneration.
- In 2017/18 9 Trust-employed members of staff (2016/17: 0) received remuneration in excess of the highest paid director. The equivalent of 33 agency medical staff earned more than the highest paid director (2016/17: 37). Remuneration ranged from £15,404 to £277,928 (2016/17: £15,251 to £280,139).
- Total remuneration includes salary and benefits in kind. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

Pension Benefits

	Real increase in pension at pension age	Real increase in pension lump sum at pension age	Total accrued pension at pension age at 31 March 2018	Lump sum at pension age related to accrued pension at 31 March 2018	Cash Equivalent Transfer Value at 1 April 2017	Real Increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2018
Name and Title	(bands of £2,500)	(bands of £2,500)	(bands of £5,000)	(bands of £5,000)			
	£000	£000	£000	£000	£000	£000	£000
Mr Robin Andrews, Interim Executive Director of Finance wef 3 April 2017	0-2.5	0	0-5	0	0	25	26
Mrs Christine Brereton, Director of Human Resources & Organisational Development until 31 October 2017	0-2.5	0	5-10	0	26	18	56
Mrs Maurya Cushlow, Interim Executive Director of Nursing & Midwifery	0-2.5	(2.5-0)	55-60	155-160	991	76	1,078
Dr Rod Harpin, Executive Medical Director	2.5-5	0	5-10	0	63	62	125
Mrs Helen Ray, Executive Chief Operating Officer	2.5-5	2.5-5	50-55	135-140	848	106	963

Notes to the Pension Benefits table

- As Non-Executive members do not receive pensionable remuneration, there will be no entries in respect of pensions for NEDs. Only those Executive Directors who are members of the NHS Pension Scheme are included in the table above.
- The real increases noted above only reflect the increase for the proportion of the year that the member of staff has been in the stated post.
- A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. CETVs are calculated in accordance with SI 2008 No.1050 Occupational Pension Schemes (Transfer Values) Regulations 2008.
- Real Increase in CETV - This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.
- Cash Equivalent Transfer Factors ("CETVs") are calculated by the Government Actuary Department ("GAD") based on the assumption that benefits are indexed in line with CPI.

Off-Payroll Engagements longer than 6 months

The Trust is required to publish information about any off-payroll engagements that cost more than £245 per day and that last longer than six months.

	Number
Number of existing arrangements as of 31 March 2018	5
<i>Of which, the number that have existed:</i>	
For less than one year at the time of reporting	2
For between one year and two years at the time of reporting	0
For between 2 years and 3 years at the time of reporting	0
For between 3 years and 4 years at the time of reporting	0
For 4 or more years at the time of reporting	3

New Off-Payroll Engagements

The Government recently reformed the Intermediaries legislation, often known as IR35. This updated legislation for the off-payroll working rules within the public sector applied to payments made on or after 6 April 2017. Under the reformed rules the Trust must determine whether the rules apply when engaging a worker through a Personal Service Company (PSC). The Trust is required to provide information on how new engagements have been assessed for tax purposes.

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

	Number
Number of new engagements, or those that reached six months duration, between 1 April 2017 and 31 March 2018	
<i>Of which:</i>	
Number assessed as caught by IR35	2
Number assessed as not caught by IR35	0
Number engaged directly (via PSC contracted to the entity) and are on the departmental payroll	2

Board Member/Senior Management engagements

The Trust had no Board Members or senior managers with significant financial responsibility who were off-payroll engagements between 1 April 2017 and 31 March 2018.

Exit Packages

There was one exit package falling under the heading of “Other Departures” and with a value of £5,000 agreed during 2017/18 (2016/17: 1 package with a value of £27,393). This was a non-contractual package in lieu of notice which required HM Treasury approval. This exit cost is the full cost of departures agreed in the year. This disclosure reports the number and value of exit packages agreed in the year. Note: the expense associated with these departures may have been recognised in part or in full in a previous period. Ill-health retirement costs are met by the NHS Pension Scheme and are not included above.

Consultancy

Consultancy costs during 2017/18 were £11k.

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

The Chief Executive of NHS Improvement, in exercise of powers conferred on the NHS Trust Development Authority, has designated that the Chief Executive should be the Accountable Officer of the Trust. The relevant responsibilities of Accountable Officers are set out in the *NHS Trust Accountable Officer Memorandum*. 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 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.

Signed..........Chief Executive

Date..........

Statement of 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 HM 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, the Directors are required to:

- apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury;
- make judgements and estimates which are reasonable and prudent;
- 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

24/5/18 Date Chief Executive

24/5/18 Date Finance Director

Head of Internal Audit Opinion

North Cumbria University Hospitals NHS Trust

15 May 2018

Final Head of Internal Audit Opinion for the year ended 31st March 2018



Contents

Section	Page No
1. Introduction	5
2. Final Head of Internal Audit Opinion	7
Appendix	
A - Summary of work undertaken	11
B - Definitions of assurance levels	13
C - Limited assurance reports and high impact findings	14

Freedom of Information Notice

In the event that, pursuant to a request which North Cumbria University Hospitals has received under the Freedom of Information Act 2000, it is required to disclose any information contained in this report, it will notify AuditOne promptly and consult with AuditOne prior to disclosing such report. North Cumbria University Hospitals agrees to consider any representations which AuditOne may make in connection with such disclosure and North Cumbria University Hospitals shall apply any relevant exemptions which may exist under the Act to such report where it concurs that they are appropriate. If, following consultation with AuditOne, North Cumbria University Hospitals discloses this report or any part thereof, it shall ensure that any disclaimer which Audit One has included or may subsequently wish to include in the information is reproduced in full in any copies disclosed.

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1. Introduction

In accordance with Public Sector Internal Audit Standards, the Head of Internal Audit is required to provide an annual opinion on the overall adequacy and effectiveness of the organisation's system of internal control.

The purpose of this report is to provide the Audit Committee with the draft Head of Internal Audit Opinion for the year ended 31 March 2018, which should be used to inform the Annual Governance Statement.

2. Draft Head of Internal Audit Opinion on the Effectiveness of the System of Internal Control at North Cumbria University Hospitals NHS Trust for the year ended 31 March 2018

2.1 Roles and responsibilities

The Accountable Officer is responsible for maintaining a sound system of internal control and is responsible for putting in place arrangements for gaining assurance about the effectiveness of that overall system.

The Annual Governance Statement is an annual statement by the Accountable Officer, on behalf of the Board of Directors, setting out:

- how the individual responsibilities of the Accountable Officer are discharged with regard to maintaining a sound system of internal control that supports the achievement of policies, aims and objectives;
- the purpose of the system of internal control as evidenced by a description of the risk management and review processes, including the Assurance Framework process;

- the conduct and results of the review of the effectiveness of the system of internal control, including any disclosures of significant control failures together with assurances that actions are or will be taken where appropriate to address issues arising.

The organisation's Assurance Framework should bring together all of the evidence required to support the Annual Governance Statement requirements.

In accordance with Public Sector Internal Audit Standards, the Head of Internal Audit is required to provide an annual opinion, based upon, and limited to, the work performed, on the overall adequacy and effectiveness of the organisation's risk management, control and governance processes (i.e. the organisation's system of internal control). This is achieved through a risk-based plan of work, approved by the Audit Committee, which should provide a reasonable level of assurance, subject to the inherent limitations described below.

The opinion does not imply that Internal Audit have reviewed all risks and assurances relating to the organisation. The opinion is substantially derived from the conduct of risk-based plans, generated from a robust and organisation-led Assurance Framework. As such, it is one component that the Accountable Officer takes into account in making the Annual Governance Statement. The Accountable Officer will need to integrate these results with other sources of assurance when making a rounded assessment of control for the purposes of the Annual Governance Statement.

2.2 The Head of Internal Audit Opinion

The purpose of my annual Head of Internal Audit Opinion is to contribute to the assurances available to the Accountable Officer and the Board of Directors which underpins the organisation's own assessment of the effectiveness of the system of internal control. This Opinion will in turn assist in the completion of the Annual Governance Statement.

My opinion is set out as follows:

- 2.2.1 Overall opinion;
- 2.2.2 Basis for the opinion;
- 2.2.3 Commentary.

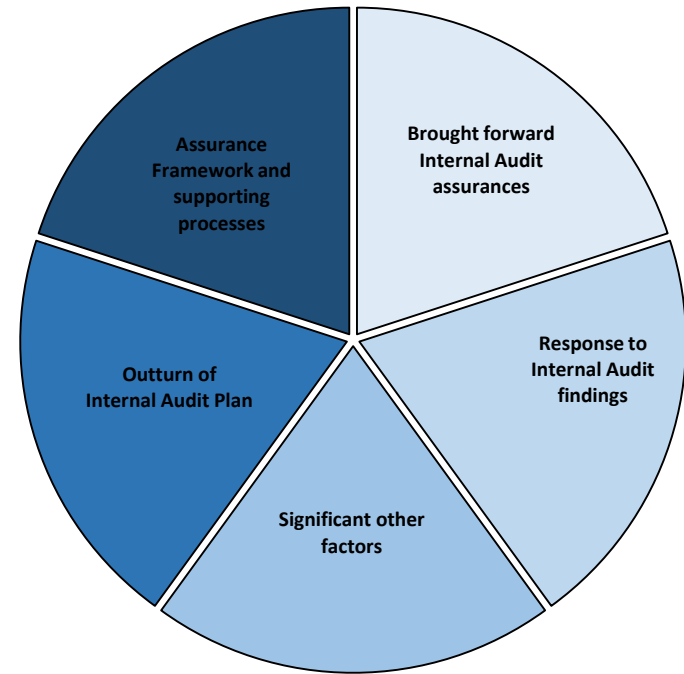
2.2.1 Overall Opinion

From my review of your systems of internal control, I am providing good assurance that there is a sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently.

2.2.2 Basis of the Opinion

The basis for forming my opinion is as follows:

1. An assessment of the design and operation of the underpinning Assurance Framework and supporting processes for governance and the management of risk;
2. An assessment of the range of individual opinions arising from audit assignments, contained within risk-based plans that have been reported throughout the year. This assessment has taken account of the relative materiality of these areas and management's progress in respect of addressing control weaknesses;
3. Brought forward Internal Audit assurances;
4. An assessment of the organisation's response to Internal Audit recommendations, and
5. Consideration of significant factors outside the work of Internal Audit



2.2.3 Commentary

The commentary below provides the context for my opinion and together with the opinion should be read in its entirety.

Opinion Area	Commentary
Design and operation of the Assurance Framework and supporting processes	The Board Assurance Framework was provided with an opinion of Good Assurance, Risk Management received Reasonable Assurance. Action plans have been agreed.
Outturn of Internal Audit Plan	<p>A table of individual opinions arising from audit assignments reported throughout the year is contained at Appendix A. Definitions of individual opinions are given at Appendix B.</p> <p>The summary outcomes for the workplan is Substantial (9), Good (9), Reasonable (13), Limited (2). For those individual audit reports with an assurance rating of 'limited' / or findings prioritised as 'high', the issues leading to conclusion, the action plans agreed, and the progress made in implementing those actions are shown in Appendix C.</p>
Brought forward Internal Audit assurances	The Head of Internal Audit Opinion given for the year ended 31 March 2017 was a good opinion: There are no material issues to be brought forward for consideration in this opinion statement.
Response to Internal Audit findings	We have had good engagement with management when clearing internal audit reports and receiving agreed actions to the points raised. Three actions, two high and one medium have revised target dates.
Significant factors outside the work of internal audit	<p>A summary of the key assurances that are potentially available in relation to these outsourced services is provided below:</p> <ul style="list-style-type: none">• Oracle Shared Services is provided by NEP. An ISAE 3402 Type II report covering the operation of the system is issued on an annual basis. An ISAE 3402 Type II report covering the operation of the system for 2017/18 is expected to be available in May 2018.• The Electronic Staff Record (ESR) service is provided by IBM. An ISAE 3402 Type II report covering the operation of the national system is issued on an annual basis. An

Opinion Area	Commentary
	<p>ISAE 3402 Type II report covering the operation of the national system for 2017/18 is expected to be available in May 2018.</p> <ul style="list-style-type: none"> • Payroll services are provided by NHS Payroll Services hosted by Northumbria Healthcare NHS Foundation Trust. The Trust, through its membership of the Payroll Consortium, receives an annual assurance letter setting out the results of the internal audit work carried out during the year. The assurance letter will be available May 2018. • Your Local Counter Fraud Specialist has supported the completion of a Self-Review Toolkit (SRT) for the year ended March 2018. The overall result of this will provide a source of assurance over the systems and culture to detect and deter fraudulent activities. <p>can advise the Committee that the work on the outsourced payroll functions will have been undertaken in accordance with the Public Sector Internal Audit Standards.</p>

I would like to take this opportunity to thank the staff at the Trust for the co-operation and assistance provided to my team during the year.



Carl Best
Director of Internal Audit
Date: 15 May 2018

Summary of work undertaken

Audit area	Assurance			
	Substantial	Good	Reasonable	Limited
Core Areas				
Key Financials (Budgetary Control, Financial Ledger, Accounts Receivable, Accounts Payable)				
Payroll Controls	P			
Board Assurance Framework				
Risk Management				
Procurement				
Risk based audits				
Business Units – Cardiology and Radiology				
Absence Management				
Incident Management – Serious Incidents				
Performance Management and Reporting				
Business, Strategic and Operational Plans				
Workforce Management and Planning	P			
Medicines Management	P			
Maintenance Contracts				
Central Cashiers				
Income Sources				
Recruitment and Appointment				
Skills and Training				
Time, Attendance & E Rostering Phase 2 Operational				
Server Security and Administration				
General Data Protection Regulations		P		
Wireless Network				
Perimeter Security				

Audit area	Assurance			
	Substantial	Good	Reasonable	Limited
Web Filtering and Monitoring				
Expenditure Areas - Pharmaceutical Procurement				
Do Not Attempt CPR				
Records Management				
Medical Engineering				
Security Management				
Theatre Utilisation				
Internal Assurance Functions – Clinical Audit				
PACS			P	
ICE			P	
Theatre Stocks and Stores				
Totals	9	9	13	2

P - Provisional

Definitions of Assurance Levels assigned to individual audit assignments

Assurance Levels	
Substantial	Governance, risk management and control arrangements provide substantial assurance that the risks identified are managed effectively. Compliance with the control framework was found to be taking place.
Good	Governance, risk management and control arrangements provide a good level of assurance that the risks identified are managed effectively. A high level of compliance with the control framework was found to be taking place. Minor remedial action is required
Reasonable	Governance, risk management and control arrangements provide reasonable assurance that the risks identified are managed effectively. Compliance with the control framework was not found to be taking place in a consistent manner. Some moderate remedial action is required.
Limited	Governance, risk management and control arrangements provide limited assurance that the risks identified are managed effectively. Compliance with the control framework was not found to be taking place. Immediate and fundamental remedial action is required.

Details of the key issues raised in 'Limited Assurance' reports and individual 'High' impact findings are shown below. Some of these issues relate to core systems work and we have considered the relative impact in arriving at the contribution to the overall opinion we have given. Issues highlighted (*) need consideration for inclusion in the Trust's Annual Governance Statement.

Limited assurance reports

Title	Key Issues	Agreed Actions
NCUH 1718 28 Procurement *	<p>There is no specific policy or procedure in place to provide guidance to staff in respect of procurement processes.</p> <p>The Trust's SFI's contain conflicting thresholds in respect of the requirement for quotations.</p> <p>Business cases approving procurements are not reviewed by procurement staff.</p> <p>The Trust does not maintain central contracts</p>	<p>A joint structure between UHMBFT, CPFT and NCUH will be in place. Best practice processes will then be introduced, based upon those used by UHMBFT.</p> <p>As stated in the SFI's three quotes should be obtained for intended purchases over £5k.</p> <p>Capital purchases have business cases but not revenue items. However, it is necessary for procurement to support managers at the point they identify the need for goods and services, prior to orders being placed. At present, Procurement is only present at CIP meetings. It is necessary for Procurement to be represented at meetings where purchasing decisions are made to support managers with procurement decisions and the embedding of integrated procurement management across the Trusts. It is planned to identify appropriate meetings with clinical and business managers for Procurement representatives to attend. This should begin by May 2018.</p>

Title	Key Issues	Agreed Actions
	<p>register to support it with contract monitoring.</p> <p>The Trust does not have guidance on contracts management to support staff with preventing contract drift. Contract documentation relating to quotations is not available to provide an audit trail for goods and services between £15k and £50k and £50k and over.</p> <p>Supporting documentation relating to waivers is not retained and waivers are not fully authorised.</p> <p>There has been no submission to NHSI regarding the Trust's progress towards Carter Level 1. It is necessary for the Trust to comply with Carter recommendations to ensure that procurement is undertaken in the most economic, efficient and effective way.</p>	<p>There is no contract database at NCUH. It is planned to create a contract database whereby contracts and other documentation could be stored to facilitate an audit trail.</p> <p>Going forward, each division will have contract management support in place to analyse the nature or high value or high- risk contracts.</p> <p>A report of waivers is now presented to the Audit Committee quarterly.</p> <p>The Head of Procurement and Supplies, UHMBFT will complete the template to show progress against Carter Level 1, this will be reviewed by Brian Mannington of the North West Procurement Development Network and submitted to NHSI.</p>
NCUH 1718 24 Theatre Stocks and Stores	<p>Access to the Theatre stores is not consistently controlled.</p> <p>The physical stock does not match with the records held on the Atticus system.</p> <p>Whilst consignment agreements are held on file the original consignment contracts were unavailable at the time of the audit.</p>	<p>Robust management actions were presented, and confirmation/evidence presented since to confirm six of the eight actions have been implemented. Two medium recommendations remain outstanding and progress updates for these were provided for the March Audit Committee</p>

Title	Key Issues	Agreed Actions
	<p>Neither the Surgery & Critical Care risk register nor the Theatres, Anaesthetics, ITU risk registers include risks relating to Theatre Stocks.</p> <p>The Business Continuity Plan is out of date.</p> <p>There is limited analysis of theatre stock waste.</p>	

High impact findings

Title	Finding	Agreed Action
NCUH 1718 25 Physical Security of Premises	There is at present no standard audit programme that Health and Safety Officers would use to audit the content of the health and safety files. A standard audit programme is necessary to ensure that all risks are identified and mitigated on the wards and departments.	A standard audit programme will be developed for use by Health and Safety officers when visiting wards and departments to review the information held there. The programme will capture the requirements of the Security Policy v7.4 and best practice. The programme will be developed and in use at the start of the next financial year.
NCUH 1718 0000 Medical Engineering	A new competency checklist has been introduced to record the supervision of trainee staff when they initially undertake maintenance work following training on the manufacturers training courses. Details of the staff member, equipment and whether they have passed or failed in relation to the required level of competency are recorded on the checklist. There is a section for assessor's comments,	The Competency Checklist contains a comments box, however, it recognised that more information for the training process would be

Title	Finding	Agreed Action
	however, there is no section on the form that specifically requires the reason for failure, nor is there a section to record that the trainee is aware of the specific risks to patients for each piece of equipment. Adding these sections would focus the retraining of staff that fail the competency checks and ensure that they are fully aware of the consequences of not completing services correctly.	useful, amendments will be made to the checklist to reflect this.
NCUH 1718 13 Server Security and Administration	We observed that 17 Trust servers were running Windows Server 2003.	Upgrade Windows 2003 Server. A review is ongoing in a separate work stream; however, there are pre-requisite tasks that needs to be undertaken before systems can be migrated to supported operating systems or decommissioned.
NCUH 1718 16 Web Filtering and Monitoring	The version of Bloxx software in use at the Trust was version 5.0.15 and this was implemented over four years ago (May 2013). Bloxx no longer supported version 5 of the web filter software (since December 2016) and no automatic updates to the Trust software had been downloaded since December 2016.	Risk to be mitigated by implementation of the new McAfee Web Filtering Gateway.
NCUH 1718 15 Perimeter Security	The Trusts Internet and DMZ firewalls were legacy models, and as a result the supplier's latest firmware could not be applied to these devices. This exposed the Trust to vulnerabilities identified following the release of the installed operating system versions. Due to the locational deployment of these devices they are at a higher risk of compromise than a device sitting on an inherently secure network, such as N3 for example.	This is also picked up in the NHS Digital CareCERT audits and we are currently finalising specifications for replacement firewall models that are compliant.
	The only alerts currently setup for the Trusts firewalls were infrastructure availability alerts. There was no intrusion, exploit, threat or DDOS type alerts configured and, as no pro-active monitoring was taking place, this left the Trust exposed to a heightened risk of cyber-attack.	The Trust will review alerting capabilities of Trust firewalls and put a robust alerting solution in place, based on available capabilities.

Title	Finding	Agreed Action
	<p>At the time of our audit, the maintenance support contract for the firewalls had lapsed (it was in the process of being renewed and was in the procurement stage). The Trust relied on this contract for several key elements, such as support, upgrades and replacements, and as the contract had expired, the Trust was at a heightened risk of downtime in the event of failure or a vulnerability being discovered and exploited within the installed firmware.</p>	<p>Contract will be renewed - the Trust was provided with assurances by existing suppliers that appropriate assistance would be provided in the event of an issue due to the ongoing procurement process for contract renewal. This is still ongoing at the time of writing but will be concluded shortly.</p>

Independent auditor's report to the Directors of North Cumbria University Hospitals NHS Trust

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of North Cumbria University Hospitals NHS Trust (the 'Trust') for the year ended 31 March 2018 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and Notes to the Accounts, including Accounting policies and other information. 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 Trust incurred a deficit of £40.3 million during the year ended 31 March 2018 and, at that date had borrowings of £185.6 million. The Trust has a planned deficit of £37.6 million for 2018/19 after delivery of a £10.4 million savings programme. The Directors are seeking additional cash support from the Department of Health & Social Care for 2018/19 of £38.5 million. As stated in note 1.1.2, at the date of our report, the Trust does not have a formal letter guaranteeing this cash support. 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 resource 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 that on 25 May 2017 we referred a matter to the Secretary of State under section 30 of the Local Audit and Accountability Act 2014 in relation to North Cumbria University Hospitals NHS Trust's continued breach of its break even duty for the three year period ending 31 March 2019.

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 and Risk 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

Qualified conclusion

On the basis of our work, having regard to the guidance issued by the Comptroller & Auditor General in November 2017, except for the effects of the matters described in the basis for qualified conclusion section of our report, we are satisfied that, in all significant respects, North Cumbria University Hospitals 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 qualified 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 has set a deficit budget of £37.6 million for 2018/19, which includes a cost improvement programme target of £10.4 million, and has borrowings from the Department of Health and Social Care totalling £185.6m as at 31 March 2018.
- The Trust does not have sufficient cash to meet its commitments without receiving additional funding of £38.5 million from the Department of Health and Social Care and a renewal of existing borrowings that are approaching maturity.

These matters identify weaknesses in the Trust's arrangements for setting a sustainable budget with sufficient capacity to absorb emerging cost pressures.

These matters are evidence of weaknesses in the 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 North Cumbria University Hospitals NHS Trust in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

Andrew Smith

Andrew Smith
Director
for and on behalf of Grant Thornton UK LLP

4 Hardman Square
Manchester
M3 3EB

24 May 2018

4. FINANCIAL STATEMENTS 2017/18

North Cumbria University Hospitals NHS Trust

Annual accounts for the year ended 31 March 2018

Statement of Comprehensive Income for year ended 31 March 2018

		2017/18	2016/17
	Note	£000	£000
Operating income from patient care activities	3	220,439	216,207
Other operating income	4	38,433	35,017
Operating expenses	5	(284,603)	(275,247)
Operating surplus / (deficit)		(25,731)	(24,023)
Finance income	9	31	22
Finance expenses	10	(9,421)	(8,841)
PDC dividends payable		0	(384)
Net finance costs		(9,390)	(9,203)
Other gains / (losses)	11	(39)	(74)
Surplus / (deficit) for the year		(35,160)	(33,300)

Other comprehensive income		2017/18	2016/17
		£000	£000
Impairments	14	(181)	(74)
Revaluations	13	1,967	1,190
Other reserve movements		(149)	0
Total comprehensive income / (expense) for the period		(33,523)	(32,184)

Financial performance for the year		2017/18	2016/17
		£000	£000
Surplus / (deficit) for the year		(35,160)	(33,300)
Add back all impairments / (reversals) charged to operating expenditure (a)	14	(5,068)	(13,877)
Remove capital donations / grants impact to operating surplus (b)		(30)	(151)
Adjusted retained surplus / (deficit)		(40,258)	(47,328)

Note a: An impairment change is not considered part of the Trust's operating position.

Note b: Where grants and donations are received in year they are accounted for as income receipts. Any difference between this income and the government grant and donated expenditure charged in the year is excluded from the Trust's operating position.

Statement of Financial Position as at 31 March 2018

	Note	31 March 2018 £000	31 March 2017 £000
Non-current assets			
Intangible assets	12	3,159	3,199
Property, plant and equipment	13	191,992	183,719
Trade and other receivables	16	11,876	11,344
Total non-current assets		<u>207,027</u>	<u>198,262</u>
Current assets			
Inventories	15	5,867	5,930
Trade and other receivables	16	28,100	16,780
Cash and cash equivalents	17	3,635	3,556
Total current assets		<u>37,602</u>	<u>26,266</u>
Current liabilities			
Trade and other payables	18	(27,036)	(21,358)
Borrowings	20	(54,112)	(3,159)
Provisions	21	(327)	(363)
Other liabilities	19	(1,249)	(1,452)
Total current liabilities		<u>(82,724)</u>	<u>(26,332)</u>
Total assets less current liabilities		<u>161,905</u>	<u>198,196</u>
Non-current liabilities			
Borrowings	20	(179,620)	(186,402)
Provisions	21	(2,228)	(2,366)
Total non-current liabilities		<u>(181,848)</u>	<u>(188,768)</u>
Total assets employed		<u>(19,943)</u>	<u>9,428</u>
Financed by			
Public dividend capital		200,867	196,715
Revaluation reserve		10,176	9,283
Income and expenditure reserve		(230,986)	(196,570)
Total taxpayers' equity		<u>(19,943)</u>	<u>9,428</u>

The notes on pages 5 to 28 form part of these accounts.

Chief Executive.....

Date: 24/5/18.....

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

	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' equity at 1 April 2017 - brought forward	196,715	9,283	(196,570)	9,428
Surplus/(deficit) for the year	0	0	(35,160)	(35,160)
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	0	(744)	744	0
Impairments	0	(181)	0	(181)
Revaluations	0	1,967	0	1,967
Public dividend capital received	4,152	0	0	4,152
Other reserve movements	0	(149)	0	(149)
Taxpayers' equity at 31 March 2018	200,867	10,176	(230,986)	(19,943)

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

	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' equity at 1 April 2016 - brought forward	196,715	8,167	(163,270)	41,612
Surplus/(deficit) for the year	0	0	(33,300)	(33,300)
Impairments	0	(74)	0	(74)
Revaluations	0	1,190	0	1,190
Public dividend capital received	1,500	0	0	1,500
Public dividend capital repaid	(1,500)	0	0	(1,500)
Taxpayers' equity at 31 March 2017	196,715	9,283	(196,570)	9,428

Information on reserves**Public dividend capital**

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

Revaluation reserve

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised 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.

Income and expenditure reserve

The balance of this reserve is the accumulated surpluses and deficits of the Trust.

Statement of Cash Flows for the year ended 31 March 2018

	Note	2017/18 £000	2016/17 £000
Cash flows from operating activities			
Operating surplus / (deficit)		(25,731)	(24,023)
Non-cash income and expense:			
Depreciation and amortisation	5.1	9,068	8,331
Net impairments	14	(5,068)	(13,877)
Income recognised in respect of capital donations	4	(227)	(356)
(Increase) / decrease in receivables and other assets		(11,219)	(4,583)
(Increase) / decrease in inventories		63	(447)
Increase / (decrease) in payables and other liabilities		3,860	(2,420)
Increase / (decrease) in provisions		(180)	96
Other movements in operating cash flows		(149)	0
Net cash generated from / (used in) operating activities		(29,583)	(37,279)
Cash flows from investing activities			
Interest received		26	23
Purchase of intangible assets		(703)	(1,277)
Purchase of property, plant, equipment and investment property		(8,680)	(7,603)
Net cash generated from / (used in) investing activities		(9,357)	(8,857)
Cash flows from financing activities			
Public dividend capital received		4,152	1,500
Public dividend capital repaid		0	(1,500)
Movement on loans from the Department of Health and Social Care		45,949	58,342
Capital element of PFI, LIFT and other service concession payments		(1,777)	(1,267)
Interest paid on PFI, LIFT and other service concession obligations		(6,851)	(6,618)
Other interest paid		(2,382)	(2,021)
PDC dividend (paid) / refunded		(72)	(169)
Net cash generated from / (used in) financing activities		39,019	48,267
Increase / (decrease) in cash and cash equivalents		79	2,131
Cash and cash equivalents at 1 April - brought forward		3,556	1,425
Cash and cash equivalents at 31 March	17	3,635	3,556

The Trust accessed loans totalling £47.3m during 2017/18 to support its revenue position and repaid £1.4m (including £0.5m capital loan repayment) before 31 March 2018. In addition, the Trust received £4.2m of PDC to support expenditure on capital projects.

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

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

In order to comply with the requirements of the 2017/18 GAM the Trust has made changes to the prior year comparator figures for the purposes of consistency. These changes were presentational in nature (for example, increased disclosure in Note 5.1 Operating Expenses) and there were no changes to the overall accounts for 2016/17.

Note 1.1.1 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.

Note 1.1.2 Going concern

These accounts have been prepared on a going concern basis.

IAS1 Presentation of Financial Statements requires management to assess, as part of the accounts preparation process, whether the financial accounts should be prepared on a going concern basis. In preparing the financial statements the Directors have considered the Trust's overall financial position and expectation of future financial support. During 2017/18 the Trust delivered a deficit of £40.3m and increased borrowing from the Department of Health & Social Care by £45.9m to £185.6m. The Trust has submitted a refresh of the financial plan for 2018/19 which is year 2 of the two year financial plan submitted to NHS Improvement in March 2017 covering 2017/18 and 2018/19. For 2018/19 the plan is for a deficit of £37.6m after delivery of a £10.4m savings programme and cash support of £38.5m. However, as the Trust does not have a formal letter guaranteeing cash support these factors represent a material uncertainty that may cast significant doubt about the Trust's ability to continue as a going concern.

However, the Directors, having made appropriate enquiries, have a reasonable expectation that the required cash support will be received allowing it to continue in operational existence for the foreseeable future. For public sector organisations it is the continuation of services that drives the basis for the accounting treatment and therefore, in accordance with the GAM 2017/18 and the Treasury FReM, the Trust's accounts have been prepared by the directors on a going concern basis. The Trust has not included the adjustments that would result if it was unable to continue as a going concern.

Note 1.1.3 Charitable Funds

Following Treasury's agreement to apply IFRS10 to NHS Charities from 1 April 2013, the Trust has established that as the Trust is the corporate trustee of the North Cumbria University Hospitals NHS Trust Charitable Fund, it effectively has the power to exercise control so as to obtain economic benefits. However, the transactions are immaterial in the context of the whole group and transactions have not been consolidated. Details of the transactions with the Charity are included in the related parties' note (Note 26).

Note 1.2 Critical judgements in applying accounting policies

The following are the 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:

The Cumberland Infirmary was constructed under the Private Finance Initiative (PFI) and meets the criteria for inclusion in the accounts as a finance lease as the Trust bears the risks and rewards of ownership. See Note 23 for additional information.

The Trust's buildings (excluding dwellings) at Carlisle included in the existing PFI arrangements have been valued on a modern equivalent asset basis and net of recoverable VAT. This is based on the Trust's assessment that if its buildings required replacement the only viable route to facilitate this would be through a PFI arrangement. The Trust's judgement is based on the reduced availability of public funding for major capital projects in the NHS currently and the fact that there is currently a PFI arrangement in place at Carlisle. There are tax advantages to using the PFI route, particularly around construction costs of buildings, the replacement of medical equipment and their respective lifecycle replacements. Under current VAT regulations input tax would be recoverable and, therefore, the asset value should be stated net of recoverable VAT. See Note 13 Property, Plant and Equipment.

As noted in 1.3 Income, the Trust is recognising income due as a result of costs incurred from Delayed Transfers of Care patients. The Trust is satisfied that the income is recoverable.

Note 1.2.1 Sources of estimation uncertainty

The following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Asset life for building and dwellings is determined by professional advice relating to the remaining useful economic life of the asset (Note 13).

PPE and intangible assets not externally valued are carried at depreciated replacement cost as an approximation to fair value (Note 12 & 13).

In addition to partially completed spells (see Note 1.3) the Trust has also accounted for income received in advance for maternity services. This has been calculated based on the patients' estimated gestation period at 31 March 2018.

Provision balances are determined as per Note 21.1.

The in year costs of the PFI agreement are based on actual RPI. However, future RPI is estimated so as to populate the PFI model which provides an analysis of future payments under the contract as per Note 23.

The Trust continued to work with the PFI company and its partner during 2017/18 to enable the Trust to be fully compliant with fire regulations. The estimated cost of the outstanding programme of works has reduced from £6.5m at 31 March 2017 to £5.2m at 31 March 2018.

The Trust is actively engaged in work with loss adjusters and other external parties on an insurance claim relating to the Energy Centre fire at Whitehaven in January 2015. The claim relates specifically to the consequential costs incurred, and income lost, by the Trust whilst the building was out of action. The Trust has already recovered compensation for the direct costs to rectify the fire damage during 2016/17. The Trust expects to conclude negotiations during 2018/19 alongside agreeing retention payments due to the contractor. The Trust has included £1.5m in other income in Note 4 in respect of the claim.

In February 2014 the Trust entered into a call off contract with Accident & Emergency Ltd for the supply of temporary workers under a Framework Agreement awarded by Government Procurement Service (GPS). However, following internal review the Trust identified concerns about the way the contractual charges had been calculated and applied. The Trust has received legal advice that supports the Trust's concerns that it has suffered fees and charges in excess of the contractual obligations. The Trust's lawyers are supporting the Trust to seek a mutually acceptable solution with Accident & Emergency Ltd. A rebate of £1.8m is included in the Trust's 2017/18 accounts. This figure is based on the extent to which maximum workers' rates and the associated commission rate charged by the agency have been exceeded.

Note 1.3 Income

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of 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.

The Trust is recognising income due as a result of the costs incurred from Delayed Transfers of Care patients who should have transferred to the care of the local authority when they no longer required care in a hospital setting. This income has been calculated by applying the Trust's average excess bed day cost to the number of days the discharge of a patient was delayed as a result of social services' arrangements not being in place.

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

The Trust receives income under the NHS Injury Cost Recovery Scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid e.g. by an insurer. The Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit that the individual has lodged a compensation claim. The income is measured at the agreed tariff for the treatments provided to the injured individual, less a provision for unsuccessful compensation claims and doubtful debts. Although there is a national rate provided to be used for the provision (22.84% in 2017/18), the Trust has reviewed its completed claim withdrawal rates and estimates it to be an average of 16.65% and has used this rate to calculate the required provision.

Note 1.4 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. An estimate for the cost of annual leave entitlement relating to employees on sick and maternity leave which has not been taken by employees at the end of the period is recognised in the financial statements.

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. Therefore, 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.

Note 1.5 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.

Note 1.6 Property, plant and equipment

Note 1.6.1 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, eg, plant and equipment, then these components are treated as separate assets and depreciated over their own useful economic lives.

The Trust has identified component parts of the estate as individual buildings which are separately identifiable and depreciated over their own useful economic lives.

Note 1.6.2 Measurement

Valuation

All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

All assets are measured subsequently at valuation.

Land and buildings used for the Trust's services or for administrative purposes are stated in the Statement of Financial Position at their revalued amounts, being the current value in existing use at the date of revaluation less any impairment.

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. The Trust has also valued its Carlisle buildings covered by the existing PFI arrangements net of recoverable VAT on the basis that if the buildings required replacement they are currently likely to be replaced by a PFI arrangement and under current VAT legislation input tax is recoverable.

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 item of property, plant and equipment 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 of IFRS 5.

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. Estimated useful lives and residual values are reviewed each year end with the effect of any changes recognised on prospective basis. Freehold land is considered to have an infinite life and is not depreciated. Assets under construction are not depreciated.

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.

Note 1.6.3 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'
 - 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.

Note 1.6.4 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.

Note 1.6.5 Private Finance Initiative (PFI) transactions

PFI transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as 'on-Statement of Financial Position' by the Trust. In accordance with IAS 17, the underlying assets are recognised as property, plant and equipment, together with an equivalent finance lease liability. Subsequently, the assets are accounted for as property, plant and equipment and/or intangible assets as appropriate.

The annual contract payments are apportioned between the repayment of the liability, a finance cost and the charges for services.

The service charge is recognised in operating expenses and the finance cost is charged to finance costs in the Statement of Comprehensive Income.

PFI Asset

The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at fair value or, if lower, at the present value of the minimum lease payments, in accordance with the principles of IAS 17. Subsequently, the assets are measured at current value in existing use.

The Trust can recover VAT on payments for certain contracted-out services, including the provision of a fully managed and serviced building under a PFI. The Trust has taken the view that when revaluing the assets arising from the PFI project this should be based on a value excluding recoverable VAT, reflecting the cost at which the service potential would be replaced by the PFI operator.

PFI liability

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the initial value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the Statement of Comprehensive Income.

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the Statement of Comprehensive Income.

Lifecycle replacement

Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the Trust's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term accrual or prepayment is recognised respectively.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised. The deferred income is released to operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

Assets contributed by the Trust to the operator for use in the scheme

Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the Trust's Statement of Financial Position.

Note 1.6.6 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
Buildings, excluding dwellings	1	88
Dwellings	5	54
Plant & machinery	3	20
Information technology	3	10
Furniture & fittings	5	15

Note 1.7 Intangible assets

Note 1.7.1 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.

The Trust only holds one type of intangible asset which is purchased 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, eg application software, is capitalised as an intangible asset. All purchased software is held at depreciated historic cost as an approximation of fair value and is amortised over a period of between 5 and 7 years.

Note 1.8 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the first in, first out (FIFO) method.

Note 1.9 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 Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

Note 1.10 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, ie, when receipt or delivery of the goods or services is made.

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

The Trust recognises two types of financial assets - cash and receivables.

Cash is the value of cash balances the Trust holds with its banking providers and its petty cash balances.

Receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in active market. Therefore, they are carried at cost as an approximation to fair value.

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.

Financial liabilities

Loans from the Department of Health are recognised at historic cost. Otherwise, financial liabilities are initially recognised at fair value.

Note 1.11 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.

Note 1.11.1 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.

Note 1.11.2 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.

Note 1.12 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 0.10% (2016/17: positive 0.24%) in real terms.

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 21.2 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.

Note 1.13 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) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and
- (iii) any PDC dividend balance receivable or payable.

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

As the Trust has negative average relevant net assets no dividends are payable for 2017/18.

Note 1.14 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.

Note 1.15 Foreign Exchange

The functional and presentational currency of the Trust is sterling.

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

Where the Trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date monetary items (other than financial instruments measured at "fair value through income and expenditure") are translated at the spot exchange rate on 31 March.

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

Note 1.16 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the Trust has no beneficial interest in them. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's FReM.

Note 1.17 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.

Note 1.18 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2017/18.

Note 1.19 Standards, amendments and interpretations in issue but not yet effective or adopted

IFRS 9 – Financial Instruments

- Replaces IAS 39 Financial Instruments: Recognition and Measurement
- Applicable from 1 April 2018 in the NHS

IFRS 15 – Revenue from contracts with customers

- Replaces IAS 18
- Relates to revenue not expenditure
- Adopted from 2018/19

The Trust is not anticipating any material impact as a result of adopting either IFRS 9 or IFRS 15.

Note 2 Operating Segments

The Trust has one operating segment which is Healthcare and it operates in one geographical location, north Cumbria.

The Trust's "Chief Decision Maker" is the Trust Board. Information presented to the Board is not split into segments.

The Trust received income from external organisations for patient care activities amounting to £220,439k (2016/17: £216,207k) as shown in notes 3.1 and 3.2.

£212,948k of the income comes from Clinical Commissioning Groups in England and NHS England which is 97% of the total (2016/17: £210,933k which was 98% of the total).

Note 3 Operating income from patient care activities**Note 3.1 Income from patient care activities (by nature)**

	2017/18	2016/17
	£000	£000
Acute services		
Elective income	30,404	35,315
Non elective income	72,918	67,333
First outpatient income	14,529	12,617
Follow up outpatient income	19,244	21,530
A & E income	12,305	10,863
High cost drugs' income from commissioners	23,376	26,251
Other NHS clinical income	46,749	41,182
All services		
Private patient income	379	586
Other clinical income	535	530
Total income from activities	220,439	216,207

Note 3.2 Income from patient care activities (by source)

	2017/18	2016/17
	£000	£000
Income from patient care activities received from:		
NHS England	28,822	31,282
Clinical commissioning groups	184,126	179,651
Other NHS providers	209	214
Local authorities	2,460	297
Non-NHS: private patients	352	535
Non-NHS: overseas patients (chargeable to patient)	27	51
NHS injury scheme (a)	535	530
Non NHS: other (b)	3,908	3,647
Total income from activities	220,439	216,207

Note a: Injury cost recovery income is subject to a provision for impairment of receivables of 16.65% (2016/17: 14.67%) to reflect the Trust's average experience of withdrawal rates.

Note b: The primary source of income for patient related activities is from Clinical Commissioning Groups and NHS England. In addition the Trust receives income for patients care activities from Health Boards in other parts of the UK, the main one being Dumfries & Galloway Health Board £3,512k (2016/17: £3,239k).

Note 3.3 Overseas visitors (relating to patients charged directly by the provider)

	2017/18	2016/17
	£000	£000
Income recognised this year	27	51
Cash payments received in-year	44	19
Amounts written off in-year	20	5

Note 4 Other operating income

	2017/18	2016/17
	£000	£000
Research and development	764	796
Education and training	7,402	7,282
Receipt of capital grants and donations	227	356
Charitable and other contributions to expenditure	270	346
Non-patient care services to other bodies	3,583	3,531
Sustainability and transformation fund income (a)	11,692	10,465
Rental revenue from operating leases	13	13
Other income (b)	14,482	12,228
Total other operating income	38,433	35,017

Note a: The Sustainability & Transformation Fund was set up in 2016/17 to support recovery across the NHS. The Trust's access to its allocated £8.2m share of the funds was dependent on achievement of a deficit reduction and A&E access standards (2016/17: £8.7m). The Trust was able to access £7.4m of this allocation (2016/17: £8.4m). Additional incentive funds of £4.3m were made available to the Trust for exceeding its agreed financial control total (2016/17: £2.0m).

Note b: Other income includes £6.3m in support for the PFI scheme at the Cumberland Infirmary, Carlisle (2016/17: £6.53m). This funding was agreed by the Department of Health during 2012/13 and is received on an on-going basis. Other income includes £1.4m for insurance income due in respect of the fire in the Energy Centre at West Cumberland Hospital in January 2015 and £1.4m of Transformation Funding Support from the WNE Cumbria STP. External recharges for the Trust's estate totalling £1.3m is also included within other income.

Note 5.1 Operating expenses

	2017/18	2016/17
	£000	£000
Purchase of healthcare from non-NHS and non-DHSC bodies	652	1,279
Staff and executive directors costs (see Note 7)	177,534	172,552
Remuneration of non-executive directors	70	69
Supplies and services - clinical (excluding drugs costs)	26,911	26,621
Supplies and services - general	2,552	2,901
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	31,240	34,333
Inventories written down	83	116
Consultancy costs	11	1,849
Establishment	2,833	2,475
Premises	9,397	10,062
Transport (including patient travel)	2,250	2,073
Depreciation on property, plant and equipment	8,319	7,764
Amortisation on intangible assets	749	567
Net impairments (see Note 14)	(5,068)	(13,877)
Increase/(decrease) in provision for impairment of receivables	(10)	(27)
Increase/(decrease) in other provisions	94	0
Change in provisions discount rate (a)	37	282
Audit fees payable to the external auditor (b):		
- audit services- statutory audit	65	81
- other auditor remuneration (external auditor only) (see Note 5.2)	12	12
Internal audit costs	145	159
Clinical negligence	11,085	10,077
Legal fees	325	710
Insurance	163	176
Education and training	659	750
Rentals under operating leases (see Note 6)	944	969
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT) on IFRS basis	12,256	12,100
Car parking & security	106	61
Hospitality	11	12
Losses, ex gratia & special payments	24	43
Other services, eg external payroll	1,048	898
Other	106	160
Total	284,603	275,247

Note a: During 2017/18 HM Treasury revised the discount rates used to calculate the present value of the cashflows associated with provisions. This has resulted in an increase to the Trust's Pension and Personal Injury Benefit provisions of £37k (2016/17: £282k). (See also Note 21.1).

Note b: Audit fees are inclusive of VAT

Note 5.2 Other auditor remuneration

In 2017/18 other auditor remuneration was £12k (2016/17: £12k) and was for the provision of audit-related assurance services.

Note 5.3 Limitation on auditor's liability

The auditor's liability for external audit work carried out for the financial year 2017/18 is limited to £2,000,000.

Note 6 Operating leases**Note 6.1 North Cumbria University Hospitals NHS Trust as a lessor**

The Trust has one operating lease for which it is lessor which is the hospital shop at West Cumberland Hospital. Revenue in 2017/18 was £13k (2016/17: £13k). There is currently a rolling lease arrangement in place. During 2018/19 the Trust expects to receive £13k.

Note 6.2 North Cumbria University Hospitals NHS Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where North Cumbria University Hospitals NHS Trust is the lessee. The Trust has a small number of operating lease arrangements which include land, buildings, and equipment. None of the arrangements is material in value.

	2017/18 £000	2016/17 £000
Operating lease expenses charged in year	944	969
	31 March 2018	31 March 2017
Future minimum lease payments due:	£000	£000
- not later than one year;	960	946
- later than one year and not later than five years;	3,036	3,242
- later than five years.	2,164	2,723
Total	6,160	6,911

Note 7 Employee benefits

	2017/18 £000	2016/17 £000
Salaries and wages	135,132	131,013
Social security costs	12,738	11,677
Apprenticeship levy (a)	638	0
Employer's contributions to NHS pensions	15,675	15,372
Pension cost - other	20	17
Temporary staff (including agency)	13,810	15,069
Total gross staff costs	178,013	173,148
Of which		
Costs capitalised as part of assets	479	596
Total staff costs charged to operating expenses	177,534	172,552

Note a: The Apprenticeship Levy is a levy introduced by the UK Government on 6 April 2017, requiring all employers operating in the UK, with a pay bill over £3m each year, to invest in apprenticeships. Affected employers are required to pay a levy of 0.5% of their pay bill less an allowance of £15,000. Employers will then be able to access funding for apprenticeships through an account on digital apprenticeship service. These funds will be used to make payments directly to approved training providers.

Note 7.1 Retirements due to ill-health

During 2017/18 there were 6 early retirements from the Trust agreed on the grounds of ill-health (3 in the year ended 31 March 2017). The estimated additional pension liabilities of these ill-health retirements is £104k (£158k in 2016/17).

The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

Note 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.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2018, is based on valuation data as 31 March 2017, updated to 31 March 2018 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and employee and employer representatives as deemed appropriate.

The next actuarial valuation is to be carried out as at 31 March 2016 and is currently being prepared. The direction assumptions are published by HM Treasury which are used to complete the valuation calculations, from which the final valuation report can be signed off by the scheme actuary. This will set the employer contribution rate payable from April 2019 and will consider the cost of the Scheme relative to the employer cost cap. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the Scheme changes by more than 2% of pay. Subject to this 'employer cost cap' assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health after consultation with the relevant stakeholders.

The Pensions Act 2008 introduced new duties on employers to provide access to a workplace pension that meets certain legal requirements. As from 1 April 2013 the Trust choose the National Employment Savings Trust (NEST) to fulfil this role for employees who are unable to join the NHS Pension Scheme due to its restrictions. It is a defined contribution pension scheme where the retirement income a member gets depends on how much has been contributed, investment returns and the amount of charges over time. Current combined employee and employer contributions are around £37k per annum.

Note 9 Finance income

The Trust's only source of finance income is bank interest which amounted to £31k (2016/17: £22k).

Note 10.1 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	2,559	2,192
Interest on late payment of commercial debt	5	0
Main finance costs on PFI scheme obligations	4,811	4,941
Contingent finance costs on PFI scheme obligations	2,040	1,677
Total interest expense	9,415	8,810
Unwinding of discount on provisions	6	31
Total finance costs	9,421	8,841

Note 10.2 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	8	0
Amounts included within interest payable arising from claims made under this legislation	5	0
Compensation paid to cover debt recovery costs under this legislation	3	0

Note 11 Other gains / (losses)

The Trust made a loss of £39k on disposal of Property, Plant and Equipment assets in 2017/18 (2016/17: £74k).

Note 12 Intangible assets

	Software licences £000		Software licences £000
Valuation / gross cost at 1 April 2017 - brought forward	4,663	Valuation / gross cost at 1 April 2016 - as previously stated	3,332
Additions	709	Additions	1,331
Disposals / derecognition	(21)	Disposals / derecognition	0
Gross cost at 31 March 2018	5,351	Valuation / gross cost at 31 March 2017	4,663
Amortisation at 1 April 2017 - brought forward	1,464	Amortisation at 1 April 2016 - as previously stated	897
Provided during the year	749	Provided during the year	567
Disposals / derecognition	(21)	Disposals / derecognition	0
Amortisation at 31 March 2018	2,192	Amortisation at 31 March 2017	1,464
Net book value at 31 March 2018	3,159	Net book value at 31 March 2017	3,199
Net book value at 1 April 2017	3,199	Net book value at 1 April 2016	2,435

All purchased software is held at depreciated historic cost as an approximation of fair value and is amortised over a period of between 5 and 7 years.

The additions figure includes £6k (2016/17: £55k) of donated assets. The donated assets came from North Cumbria University Hospitals NHS Trust Charitable Fund.

Note 13.1 Property, plant and equipment - 2017/18

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation/gross cost at 1 April 2017 - brought forward	7,134	153,247	2,304	98	45,575	0	11,913	1,527	221,798
Additions	0	5,380	0	985	2,622	0	691	99	9,777
Impairments	(439)	(772)	(1,322)	0	0	0	0	0	(2,533)
Reversals of impairments	0	5,692	49	0	0	0	0	0	5,741
Revaluations	0	649	2	0	0	0	0	0	651
Reclassifications	0	(74)	0	0	74	0	0	0	0
Disposals / derecognition	0	0	0	0	(1,987)	0	(331)	(193)	(2,511)
Valuation/gross cost at 31 March 2018	6,695	164,122	1,033	1,083	46,284	0	12,273	1,433	232,923
Accumulated depreciation at 1 April 2017 - brought forward	0	415	0	0	26,496	0	10,154	1,014	38,079
Provided during the year	0	3,168	62	0	4,292	0	677	120	8,319
Impairments	0	(275)	(37)	0	0	0	0	0	(312)
Reversals of impairments	0	(1,343)	(24)	0	0	0	0	0	(1,367)
Revaluations	0	(1,315)	(1)	0	0	0	0	0	(1,316)
Disposals / derecognition	0	0	0	0	(1,954)	0	(327)	(191)	(2,472)
Accumulated depreciation at 31 March 2018	0	650	0	0	28,834	0	10,504	943	40,931
Net book value at 31 March 2018	6,695	163,472	1,033	1,083	17,450	0	1,769	490	191,992
Net book value at 1 April 2017	7,134	152,832	2,304	98	19,079	0	1,759	513	183,719

Note 13.2 Property, plant and equipment financing - 2017/18

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Net book value at 31 March 2018									
Owned - purchased	6,695	112,490	1,033	1,083	16,817	0	1,757	475	140,350
On-SoFP PFI contracts and other service concession arrangements	0	50,400	0	0	0	0	0	0	50,400
Owned - donated	0	582	0	0	633	0	12	15	1,242
NBV total at 31 March 2018	6,695	163,472	1,033	1,083	17,450	0	1,769	490	191,992

Note 13.3 Revaluations of property, plant and equipment - 2017/18

The Trust revalued its Land, Buildings and Dwellings on 31 March 2018. The revaluation was carried out by Iain Hudson MRICS, RCIS Registered Valuer at Cushman & Wakefield, and is consistent with the requirements of IAS 16. As the Trust has specialised assets for which there is no active market, the valuer has used Modern Equivalent Asset (MEA) valuations as a substitute for fair value. MEA is based on the value of an asset with the same service potential, not a like for like replacement. See Note 14 for further information on revaluation and details of impairments / reversals of impairments.

The Trust's buildings at Carlisle included in the existing PFI arrangements are also valued net of recoverable VAT. This is based on the Trust's current assessment that if its buildings required replacement the only viable route to facilitate this would be through a PFI arrangement.

As part of the redevelopment plans for the site at West Cumberland Hospital the houses/flats are due to be demolished. Using MEA valuation the land is assessed as no longer being required and as the Trust is not actively marketing it for sale it has a nil value (31 March 2017: £445k).

Asset lives for each class of asset are as follows:

Land - infinite

Buildings - between 1 and 88 years

Dwellings - between 5 and 54 years

Plant & Machinery - between 3 and 20 years

Information Management & Technology - between 3 and 10 years

Fixtures & Fittings - between 5 and 15 years

During 2017/18 the Trust identified assets with an historic cost of £2,511k that were no longer in use. The accumulated depreciation on these assets was £2,472k giving a net book value write-off of £39k.

Donated assets in year came from North Cumbria University Hospitals NHS Trust Charitable Fund.

Note 13.4 Property, plant and equipment - 2016/17

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation / gross cost at 1 April 2016 - as previously stated	7,140	132,163	2,301	4,851	43,455	59	11,622	1,619	203,210
Additions	0	3,829	53	0	4,208	0	479	60	8,629
Impairments	(15)	(2,058)	(60)	0	0	0	0	0	(2,133)
Reversals of impairments	0	13,846	0	0	0	0	0	0	13,846
Revaluations	9	714	10	0	0	0	0	0	733
Reclassifications	0	4,753	0	(4,753)	0	0	0	0	0
Disposals / derecognition	0	0	0	0	(2,088)	(59)	(188)	(152)	(2,487)
Valuation/gross cost at 31 March 2017	7,134	153,247	2,304	98	45,575	0	11,913	1,527	221,798
Accumulated depreciation at 1 April 2016 - as previously stated	0	213	0	0	24,374	59	9,580	1,049	35,275
Provided during the year	0	2,689	60	0	4,140	0	762	113	7,764
Impairments	0	(112)	(51)	0	0	0	0	0	(163)
Reversals of impairments	0	(1,927)	0	0	0	0	0	0	(1,927)
Revaluations	0	(448)	(9)	0	0	0	0	0	(457)
Disposals/ derecognition	0	0	0	0	(2,018)	(59)	(188)	(148)	(2,413)
Accumulated depreciation at 31 March 2017	0	415	0	0	26,496	0	10,154	1,014	38,079
Net book value at 31 March 2017	7,134	152,832	2,304	98	19,079	0	1,759	513	183,719
Net book value at 1 April 2016	7,140	131,950	2,301	4,851	19,081	0	2,042	570	167,935

Note 13.5 Property, plant and equipment financing - 2016/17

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Net book value at 31 March 2017									
Owned - purchased	7,134	103,980	2,304	98	18,384	0	1,743	507	134,150
On-SoFP PFI contracts and other service concession arrangements	0	48,395	0	0	0	0	0	0	48,395
Owned - donated	0	457	0	0	695	0	16	6	1,174
NBV total at 31 March 2017	7,134	152,832	2,304	98	19,079	0	1,759	513	183,719

Note 13.6 Revaluations of property, plant and equipment - 2016/17

The Trust revalued its Land, Buildings and Dwellings on 31 March 2017. The revaluation was carried out by Iain Hudson MRICS, RCIS Registered Valuer at Cushman & Wakefield, and is consistent with the requirements of IAS 16. As the Trust has specialised assets for which there is no active market, the valuer has used Modern Equivalent Asset (MEA) valuations as a substitute for fair value. MEA is based on the value of an asset with the same service potential, not a like for like replacement. See Note 14 for further information on revaluation and details of impairments / reversals of impairments.

The Trust's buildings at Carlisle included in the existing PFI arrangements are also valued net of recoverable VAT. This is based on the Trust's current assessment that if its buildings required replacement the only viable route to facilitate this would be through a PFI arrangement.

The value of land associated with the houses/flats at the West Cumberland Hospital is nil (31 March 2016: £445k).

Asset lives for each class of asset are as follows:

Land - infinite

Buildings - between 1 and 90 years

Dwellings - between 5 and 56 years

Plant & Machinery - between 3 and 20 years

Information Management & Technology - between 3 and 10 years

Fixtures & Fittings - between 5 and 15 years

During 2016/17 the Trust identified assets with an historic cost of £2,487k that were no longer in use. The accumulated depreciation on these assets was £2,413k giving a net book value write-off of £74k.

Donated assets in year came from North Cumbria University Hospitals NHS Trust Charitable Fund.

Note 14 Impairment of assets

	2017/18 £000	2016/17 £000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price (a)	(5,444)	(2,336)
Other (b) & (c)	376	(11,541)
Total net impairments charged to operating surplus / deficit	(5,068)	(13,877)
Impairments charged to the revaluation reserve (d)	181	74
Total net impairments	(4,887)	(13,803)

Note a: The Trust revalued its Land, Buildings and Dwellings on 31 March 2018 where specialised assets were valued on a Modern Equivalent Asset (MEA) basis. Buildings at Carlisle included in the existing PFI arrangement were also valued net of recoverable VAT. Non specialised assets were valued at market value.

Note b: Up to 31 March 2017 the Trust had recognised an overall impairment of £6,500k in respect of the fire safety compliance issues at the Cumberland Infirmary in Carlisle. During 2017/18 work continued to ensure that the building becomes fully compliant with fire regulations and the impairment has reduced to £5,152k resulting in a reversal of impairment of £1,348k in 2017/18.

Note (c): Also included in "Other" is an impairment of £1,724k in respect of dwellings and associated land at West Cumberland Hospital. The dwellings relate to aged staff accommodation which is due for demolition as part of the ongoing redevelopment of the site. The Trust is not planning to sell the land that the buildings are on so under MEA valuation the land has a nil value.

Note 15 Inventories

	31 March 2018 £000	31 March 2017 £000
Drugs	1,822	1,735
Consumables	3,814	3,970
Energy	70	71
Other	161	154
Total inventories	5,867	5,930

Inventories recognised in expenses for the year were £57,863k (2016/17: £60,945k). Write-down of inventories recognised as expenses for the year were £83k (2016/17: £116k).

Note 16.1 Trade receivables and other receivables

	31 March 2018 £000	31 March 2017 £000
Current		
Trade receivables	3,582	4,957
Accrued income	21,208	7,085
Provision for impaired receivables	(204)	(234)
Prepayments (non-PFI)	1,374	2,350
PFI lifecycle prepayments	982	863
Interest receivable	6	1
VAT receivable	34	699
Other receivables (a)	1,118	1,059
Total current trade and other receivables	28,100	16,780
Non-current		
Provision for impaired receivables	(116)	(96)
PFI lifecycle prepayments	11,294	10,785
Other receivables (a)	698	655
Total non-current trade and other receivables	11,876	11,344
Of which receivables from NHS and DHSC group bodies:		
Current	16,366	10,845
Non-current	0	0

Note a: Included in current receivables at 31 March 2018 is £849k (31 March 2017: £993k) for the Injury Cost Recovery Scheme and in non-current £698k (31 March 2017: £655k). Credit scoring is not appropriate for the Scheme as it only includes person(s) who have been found to be, or accept, responsibility for injury caused. A provision of 16.65% has been applied for any potential non recovery costs based on the Trust's average withdrawal rates (2016/17: 14.67%).

Note 16.2 Provision for impairment of receivables

	2017/18	2016/17
	£000	£000
At 1 April as previously stated	330	357
Increase/(decrease) in provision	(10)	(27)
At 31 March	320	330

The provision for impairment covers both trade receivables and amounts receivable under the NHS Injury Scheme. The impairment for trade receivables covers those debts for which the Trust has exhausted all reasonable means of recovery and considers that there is no realistic chance of receiving payment. An impairment percentage of 16.65% is currently applied against receivables relating to Injury Cost Recovery based on the Trust's average withdrawal rates (2016/17: 14.67%).

Note 16.3 Credit quality of financial assets

	31 March 2018	31 March 2017
	£000	£000
Ageing of impaired financial assets		
Over 180 days	62	88
Total	62	88

Ageing of non-impaired financial assets past their due date

	31 March 2018	31 March 2017
0 - 30 days	1,219	1,037
30-60 Days	574	257
60-90 days	74	215
90- 180 days	196	483
Over 180 days	882	967
Total	2,945	2,959

Note 17 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	3,556	1,425
Net change in year	79	2,131
At 31 March	3,635	3,556
Broken down into:		
Cash at commercial banks and in hand	5	5
Cash with the Government Banking Service	3,630	3,551
Total cash and cash equivalents as in SoFP	3,635	3,556
Total cash and cash equivalents as in SoCF	3,635	3,556

Note 17.1 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 patients or other parties of £4k at 31 March 2018 (31 March 2017: £4k).

Note 18 Trade and other payables

	31 March 2018 £000	31 March 2017 £000
Trade payables	8,853	3,700
Capital payables	3,721	2,217
Accruals	7,962	9,830
Social security costs	1,934	1,651
Other taxes payable	1,637	1,362
PDC dividend payable	0	72
Accrued interest on loans	534	351
Other payables	2,395	2,175
Total current trade and other payables	27,036	21,358
Of which payables from NHS and DHSC group bodies:	6,439	3,889
Included above:		
Outstanding pension contributions	2,161	1,988

Note 19 Other liabilities

At 31 March 2018 the Trust had deferred income of £1,249k (31 March 2017: £1,452k).

Note 20 Borrowings

	31 March 2018 £000	31 March 2017 £000
Current		
Loans from the Department of Health and Social Care	52,128	1,382
Obligations under PFI, LIFT or other service concession contracts (excl. lifecycle)	1,984	1,777
Total current borrowings	54,112	3,159
Non-current		
Loans from the Department of Health and Social Care	133,446	138,243
Obligations under PFI, LIFT or other service concession contracts	46,174	48,159
Total non-current borrowings	179,620	186,402

The loans from the Department of Health & Social Care total £185,574k at 31 March 2018 and consist of 24 separate fixed interest rate loans ranging from 3 to 15 years.

The Trust makes principal repayments on 4 of the loans twice annually. Interest is also paid twice annually. The details of these loans and the balances remaining at 31 March 2018 are as follows:

£3,200k at 5.20% - 15 year loan commencing 22/03/07

£106k at 5.10% - 14.5 year loan commencing 15/09/07

£120k at 4.34% - 14 year loan commencing 15/03/08

£4,210k at 1.32% - 10 year loan commencing 14/12/15

The remaining 20 loans total £177,938k. They all have terms of 3 years and a fixed interest rate of 1.5%. Principal is not repaid until the end of the term and interest on each loan is payable twice annually. During 2017/18 the Trust took out 11 of the loans totalling £47,331k.

The fair value of these loans at 31 March 2018 is £184,940k (31 March 2017: £141,362k).

The fair value of the outstanding PFI liabilities at 31 March 2018 is £73,189k (31 March 2017: £80,352k).

The fair value of these liabilities has been obtained with reference to the current fixed interest rates offered by the Department of Health & Social Care for similar loans for period matching the remaining life of the existing loans/liabilities.

The Trust is currently in discussions with NHS Improvement and the Department of Health & Social Care about how the Interim Revenue Support Loan of £50.746m due for repayment in February 2019 will be refinanced.

The PFI liability is discussed further in Note 23.

Note 21.1 Provisions for liabilities and charges analysis

	Pensions - early departure costs	Legal claims	Total
	£000	£000	£000
At 1 April 2017	430	2,299	2,729
Change in the discount rate (a)	1	36	37
Arising during the year	11	153	164
Utilised during the year	(99)	(212)	(311)
Reversed unused	(9)	(61)	(70)
Unwinding of discount	1	5	6
At 31 March 2018	335	2,220	2,555
Expected timing of cash flows:			
- not later than one year;	84	243	327
- later than one year and not later than five years;	186	449	635
- later than five years.	65	1,528	1,593
Total	335	2,220	2,555

Note a: The discount rate used in the calculation of the Pensions and Personal Injury Benefit provisions has changed from 0.24% to 0.10% in 2017/18.

Pensions relating to other staff

The Pensions provision is based on an estimate of the number of years individual pensions will continue to be paid and is considered a realistic assessment of future pension costs.

Legal Claims

Personal Injury Benefit is included within Legal Claims. The provision stands at £2,093k as at 31 March 2018 (31 March 2017: £2,141k).

NHS Litigation Authority

Provisions for legal claims includes claims made through NHS Resolution. This includes on-going cases where the date of conclusion and settlement figures are not certain. The total value of the provision made for the Trust through the NHS Resolution is £129k at 31 March 2018 (31 March 2017: £158k). The provision is included within Legal Claims.

Note 21.2 Clinical negligence liabilities

At 31 March 2018, £125,255k was included in the provisions of NHS Resolution in respect of clinical negligence liabilities of North Cumbria University Hospitals NHS Trust (31 March 2017: £110,342k).

Note 22 Contractual capital commitments

The Trust has capital commitments totalling £2.2m at 31 March 2018. These relate mainly to the ongoing redevelopment at the West Cumberland Hospital site and to the A&E Streaming project at the Cumberland Infirmary in Carlisle. At 31 March 2017 capital commitments were £0.9m and related mainly to equipment.

Note 23 On-SoFP PFI, LIFT or other service concession arrangements

The PFI scheme is for the provision of a hospital facility, the Cumberland Infirmary. The scheme was completed in 2000 and the contract runs for 45 years with a break clause after 30 years. At the end of the contract period, or at the break clause, the buildings included in the contract will transfer to the Trust.

The scheme is a design, build, finance and operate contract for a 444 bedded hospital which has enabled all services to be centralised on one site in Carlisle. The capital value of the scheme was £67m. Payments made to the consortium in 2017/18 were £23.4m (2016/17: £22.8m) with a recurring annual commitment of £23.5m (at March 2018 prices) subject to changes in inflation, performance of provider, availability of asset, and agreed variations to services provided by PFI operator.

Under IFRIC 12, the asset is treated as an asset of the Trust; the substance of the contract is that the Trust has a finance lease and payments comprise two elements – imputed finance lease charges and service charges – details of the imputed finance lease are shown below. This information is required by the Department of Health for inclusion in national statutory accounts.

Note 23.1 Imputed finance lease obligations

North Cumbria University Hospitals NHS Trust has the following obligations in respect of the finance lease element of an on-Statement of Financial Position PFI scheme:

	31 March 2018 £000	31 March 2017 £000
Gross PFI, LIFT or other service concession liabilities	84,193	90,781
Of which liabilities are due		
- not later than one year;	6,593	6,588
- later than one year and not later than five years;	26,820	25,269
- later than five years.	50,780	58,924
Finance charges allocated to future periods	(36,035)	(40,845)
Net PFI, LIFT or other service concession arrangement obligation	48,158	49,936
- not later than one year;	1,984	1,777
- later than one year and not later than five years;	9,834	7,512
- later than five years.	36,340	40,647

Note 23.2 Total on-SoFP PFI, LIFT and other service concession arrangement commitments

Total future obligations under these on-SoFP schemes are as follows:

	31 March 2018 £000	31 March 2017 £000
Total future payments committed in respect of the PFI, LIFT or other service concession arrangements	344,285	367,268
Of which liabilities are due:		
- not later than one year;	24,579	23,482
- later than one year and not later than five years;	105,782	102,393
- later than five years.	213,924	241,394

Note 23.3 Analysis of amounts payable to service concession operator

This note provides an analysis of the Trust's payments in 2017/18:

	2017/18 £000	2016/17 £000
Unitary payment payable to service concession operator	23,389	22,843
Consisting of:		
- Interest charge	4,811	4,941
- Repayment of finance lease liability	1,777	1,267
- Service element and other charges to operating expenditure	12,256	12,100
- Capital lifecycle maintenance	1,876	1,280
- Contingent rent	2,040	1,677
- Addition to lifecycle prepayment	629	1,578
Total amount paid to service concession operator	23,389	22,843

Note 24 Financial instruments

Note 24.1 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 Trust has with Clinical Commissioning Groups (CCGs) and NHS England (NHSE) and the way these commissioners are financed, the 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 Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the board of directors. Trust treasury activity is subject to review by the Trust's internal auditors.

Currency risk

The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

Interest rate risk

The Trust borrows from government for capital expenditure, subject to affordability as confirmed by 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 Department of Health & Social Care (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

Liquidity risk

The Trust's operating costs are incurred under contracts with CCGs and NHS England, 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.

Note 24.1 Carrying values of financial assets

	Total £000		Total £000
Assets as per SoFP as at 31 March 2018		Assets as per SoFP as at 31 March 2017	
Trade and other receivables excl non financial assets	24,807	Trade and other receivables excl non financial assets	12,059
Cash and cash equivalents at bank and in hand	3,635	Cash and cash equivalents at bank and in hand	3,556
Total at 31 March 2018	28,442	Total at 31 March 2017	15,615

Note 24.2 Carrying value of financial liabilities

	Total £000		Total £000
Liabilities as per SoFP as at 31 March 2018		Liabilities as per SoFP as at 31 March 2017	
Borrowings excl finance lease and PFI liabilities	185,574	Borrowings excl finance lease and PFI liabilities	139,625
Obligations under PFI	48,158	Obligations under PFI	49,936
Trade and other payables excl non financial liabilities	20,701	Trade and other payables excl non financial liabilities	15,880
Total at 31 March 2018	254,433	Total at 31 March 2017	205,441

Note 24.3 Fair values of financial assets and liabilities

The financial instruments above are shown at carrying (book) value. DH loans and the PFI finance lease creditors are considered to have fair values that are not the same as their carrying values. These values are £184,940k and £73,189k respectively. (See also Note 20)

Note 24.4 Maturity of financial liabilities

	31 March 2018	31 March 2017
In one year or less	74,813	19,039
In more than one year but not more than two years	81,382	54,112
In more than two years but not more than five years	60,318	89,529
In more than five years	37,920	42,761
Total	254,433	205,441

Note 25 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				
Cash losses	3	0	0	0
Bad debts and claims abandoned	174	62	67	29
Stores losses and damage to property	6	83	4	116
Total losses	183	145	71	145
Special payments				
Compensation under court order or legally binding arbitration	0	0	1	24
Ex-gratia payments	41	11	47	19
Special severance payments	1	5	0	0
Total special payments	42	16	48	43
Total losses and special payments	225	161	119	188

Note 26 Related parties

During the year none of the members of the key management staff, or parties related to any of them, have undertaken material transactions with North Cumbria University Hospitals NHS Trust.

The Department of Health & Social Care is regarded as a related party. During the year North Cumbria University Hospitals has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department. These include:

NHS England
 NHS North Cumbria Clinical Commissioning Group
 NHS Northumberland Clinical Commissioning Group
 NHS Morecambe Bay CCG
 Health Education England
 Cumbria Partnership NHS Foundation Trust
 The Mid Yorkshire Hospitals NHS Trust
 The Newcastle upon Tyne NHS Foundation Trust
 County Durham & Darlington NHS Foundation Trust
 Northumbria Healthcare NHS Foundation Trust
 Northumberland, Tyne and Wear NHS Foundation Trust
 Lancashire Teaching Hospitals NHS Foundation Trust
 University Hospitals Morecambe Bay NHS Foundation Trust
 NHS Resolution
 NHS Blood & Transport
 NHS Business Services Authority

In addition, the Trust has had a number of material transactions with other government departments and other central and local government bodies. Most of these transactions have been with the Scottish Office (in respect of Scottish Health Boards), Cumbria County Council, Carlisle City Council and Copeland Borough Council.

During 2017/18 North Cumbria University Hospitals NHS Trust Charitable Fund spent £497k (2016/17: £702k) on medical and education equipment, salaries and training courses from which the Trust benefitted. North Cumbria University Hospitals NHS Trust is the sole corporate trustee for the Charity.

Note 27 Events after the reporting date

There are no events to report.

Note 28 Better Payment Practice code

	2017/18 Number	2017/18 £000	2016/17 Number	2016/17 £000
Non-NHS Payables				
Total non-NHS trade invoices paid in the year	70,752	124,593	67,345	136,314
Total non-NHS trade invoices paid within target	22,681	69,553	57,447	116,578
Percentage of non-NHS trade invoices paid within target	<u>32.06%</u>	<u>55.82%</u>	<u>85.30%</u>	<u>85.52%</u>
NHS Payables				
Total NHS trade invoices paid in the year	2,482	34,891	2,591	34,918
Total NHS trade invoices paid within target	516	22,512	1,807	30,911
Percentage of NHS trade invoices paid within target	<u>20.79%</u>	<u>64.52%</u>	<u>69.74%</u>	<u>88.52%</u>

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.

Note 29 External financing

The Trust is given an external financing limit against which it is permitted to underspend:

	2017/18 £000	2016/17 £000
External financing limit (EFL)	50,499	57,088
Cash flow financing (from SoCF) (a)	48,245	54,944
Other capital receipts	0	0
External financing requirement	<u>48,245</u>	<u>54,944</u>
Under / (over) spend against EFL	<u>2,254</u>	<u>2,144</u>

Note a: This is defined as net cash flows before financing, following the derivation set out in the NHS Improvement provider finance in year monitoring return.

Note 30 Capital Resource Limit

The Trust is given a capital resource limit against which it is not permitted to exceed.

	2017/18 £000	2016/17 £000
Gross capital expenditure	10,486	9,960
Less: Disposals	(39)	(74)
Less: Donated and granted capital additions	(227)	(356)
Charge against Capital Resource Limit	<u>10,220</u>	<u>9,530</u>
Capital Resource Limit	10,240	9,680
Under / (over) spend against CRL	<u>20</u>	<u>150</u>

Note 31 Breakeven duty financial performance

	2017/18 £000	2016/17 £000
Surplus / (deficit) for the period	(35,160)	(33,300)
Add back all impairments / (reversals) charged to operating expenditure (a)	(5,068)	(13,877)
Remove capital donations / grants impact to operating surplus (b)	(30)	(151)
Adjusted financial performance surplus / (deficit) (control total basis)	<u>(40,258)</u>	<u>(47,328)</u>
Breakeven duty financial performance surplus / (deficit)	<u>(40,258)</u>	<u>(47,328)</u>

Note a: An impairment charge is not considered part of the Trust's operating position.

Note b: Where grants and donations are received in year they are accounted for as income receipts. Any difference between this income and the government grant and donated expenditure charged in the year is excluded from the Trust's operating position.

Note 32 Breakeven duty rolling assessment

	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Breakeven duty in-year financial performance		327	1,356	1,095	203	(27,133)	(16,442)	(62,997)	(47,328)	(40,258)
Breakeven duty cumulative position	(5,214)	(4,887)	(3,531)	(2,436)	(2,233)	(29,366)	(45,808)	(108,805)	(156,133)	(196,391)
Operating income		216,098	223,132	227,483	235,295	230,580	262,174	234,067	251,224	258,872
Cumulative breakeven position as a percentage of operating income		-2.26%	-1.59%	-1.07%	-0.95%	-12.74%	-17.47%	-46.48%	-62.15%	-75.86%

The Trust has delivered a deficit of £40.3m in 2017/18 taking the cumulative deficit to £196.4m. Strategic revenue support funding has not been available since the abolition of Strategic Health Authorities in March 2013 and the Trust has posted significant deficits in each subsequent financial year.

The West, North and East Cumbria health economy exited its Success Regime in February 2017. During the 2017/18 financial year the North Cumbria local health economy has continued to develop and has established integrated leadership with the goal of creating a sustainable integrated health and social care service model. The system is developing new clinical and management strategies with North Cumbria University Hospitals NHS Trust and Cumbria Partnership NHS Foundation Trust working closely together to integrate management, clinical and non-clinical services, within existing legislative frameworks. The health bodies including North Cumbria CCG are working with Cumbria County Council to develop an integrated health and social care system.

5. QUALITY ACCOUNTS 2017/18

North Cumbria University Hospitals NHS Trust Quality Accounts 2017/18

FINAL

Table of Contents

PART 1 INTRODUCTION.....	3
What is a Quality Account?	3
Chief Executive Statement	4
Statement of Directors' in respect of the Quality Account.....	7
 PART 2: PRIORITIES FOR IMPROVEMENT AND STATEMENTS RELATING TO QUALITY OF NHS SERVICES.....	 8
Our Priorities 2018/19.....	8
Patient Safety & Quality	9
Operational Delivery & Flow	11
Patient & Staff Experience.....	12
Improve staff experience	12
Strategy & System.....	13
Workforce & Leadership	14
CQUIN Priorities 2018/19.....	15
Mandatory Statements of Quality Standards.....	16
Patient Safety Incidents	30
Performance in National and Clinical Audit.....	31
Clinical Research.....	71
Review of Services – Mandatory Statements	74
Data Quality	74
Information Governance 2017/18	75
Being Open and Duty of Candour.....	79
 PART 3: OTHER INFORMATION	 80
Care Quality Commission (CQC) Registration and Inspections.....	80
CQUIN Delivery 2017/18	83
Delivering Our Quality Improvement Plan 2017/18 – Key Headlines	85
Appendix A - Quality Improvement Plan 2017/18 – Delivery Summary	99
Annex 1: Statements from commissioners, local Healthwatch organisations and Overview and Scrutiny Committees	114
Independent Practitioner's Limited Assurance Report to the Board of Directors of North Cumbria University Hospitals NHS Trust on the Quality Account.....	119
GLOSSARY	123

PART 1 INTRODUCTION

What is a Quality Account?

A Quality Account is an annual report to the public about the quality of the services our Trust delivers. The Health Act 2009 requires all providers of NHS services in England to produce a Quality Account to provide information about the quality of those services.

The aim of the Quality Account is to enhance the Trust's accountability to the public and its commissioners (purchasers of healthcare) on both the achievements made to improving the quality of services for our local communities as well as being very clear about where further improvement is required. Quality Accounts are both retrospective and forward looking.

A single definition of quality for the NHS was first set out in High Quality Care for All. This definition sets out three dimensions to quality, all three of which must be present in order to provide a high quality service:

- **Clinical effectiveness** – quality care is care which is delivered according to the best evidence as to what is clinically effective in improving an individual's health outcomes
- **Safety** – quality care is care which is delivered to avoid all avoidable harm and risks to the individual's safety; and
- **Patient experience** – quality care is care which aims to give patients as positive an experience as possible, including being treated according to what that individual wants or needs, and with compassion, dignity and respect

This Quality Account places the focus on the quality of the Trust's services so that the public, patients and anyone with an interest in healthcare will be able to understand:

- Where the Trust is doing well
- Where improvements in service quality are needed and how we have prioritised these
- How the Trust Board has reviewed our challenges in improving the quality of care during the year and what we have prioritised for 2017/18

The Quality Account includes the following mandatory requirements:

Part 1:

- A statement on quality from the Chief Executive
- Statement from Directors

Part 2: Priorities for improvement and statements relating to quality of NHS services

Part 3: Other information

- Review of the quality performance for 2016/17 and engagement with stakeholders.
- Statements from stakeholders and commissioners.

This document complies with the Trust's statutory duties under the Health Act 2009 and the guidance issued by the Department of Health for the development of Quality Accounts.

Chief Executive Statement

I am pleased to introduce the 2017/18 Quality Account for North Cumbria University Hospitals NHS Trust, in what has been another exciting and busy year for the organisation. This Quality Account is for our patients, staff, stakeholders and local communities to find out more about the quality of services provided at our hospitals – the Cumberland Infirmary in Carlisle, West Cumberland Hospital in Whitehaven and a maternity-led service at Penrith Hospital.

I would firstly like to thank our staff for their continued hard work, commitment and resilience which has resulted in remarkable progress over the past year. One of those achievements came right at the end of 2016/17 when the Care Quality Commission (CQC) published their report following our Trust inspection which took place in December 2016. As a result of the inspection, the CQC recommended that the Trust should exit special measures after nearly four years. Although we maintained a rating of 'requires improvement' overall, this inspection saw the majority of our services being rated as 'good' as well as a rating of 'good' overall for the 'caring' and 'effective' domains. This was an excellent starting point for the year ahead. Our focus remains on continuing to work hard together towards achieving an overall rating of 'good' or better in the future.

Along with the rest of the region and the country, we have seen unprecedented demand for our emergency and urgent care services across this winter, with high numbers of very poorly people needing hospital admission. Our teams responded to these pressures by continuing to provide the high quality care which we pride ourselves on, putting patient safety first.

We must always remember that our number one priority is providing high quality services to our patients/local communities and we are always endeavouring to make further improvements. Looking back over the past year, we have made some key quality improvements such as the absolutely vital reduction in Never Events. In 2015/16, the Trust had seven Never Events which was completely unacceptable. We have since implemented a rigorous focus on our systems and accountability and this year, we have had two Never Events in 2017/18 which clearly shows we are moving in the right direction, although our aim is of course to have no Never Events as even one means we have seriously let a patient and their family down. We will continue over the next year to place a real focus on embedding our safety culture as a learning organisation.

The health and wellbeing of our staff is very important to us and we have continued to promote the many ways in which we can offer support. These include mental wellbeing, fitness and healthy eating and even how to improve the quality of their sleep.

Our Quality Improvement Plan sets out clear and measurable objectives for the coming year which will include continuing to embed a learning culture across the Trust; deliver a 'good' CQC rating as a minimum; continue to deliver improvements to operating performance; improving patient and staff experience as well as continuing to focus on improving our workforce and leadership. The ongoing partnership work across the health and social care

system will play a pivotal role in shaping our priorities going forward.

Although the Trust did not meet the national four-hour emergency care standard' we have remained above the England national average for the whole of 2017/18 which is truly remarkable given the challenges Accident & Emergency departments up and down the country are facing with ours being no exception. However, we now must work towards improving that figure month-on-month to reach 95% because behind these figures are our local communities who deserve access to timely care in emergency situations when they need us the most.

A full list of our priorities for 2018//19 is detailed within this report, split into the following sections:

- Patient safety & quality
- Operational delivery & flow
- Patient & staff experience
- Strategy & system
- Workforce & leadership

Going back to the beginning of the financial year, we were in the throes of our work as part of the Success Regime which was established in autumn 2015 in order to tackle the long-standing challenges we face in West, North & East Cumbria. The Success Regime was made up of local partner NHS organisations and after an intensive period of work and engagement, a public consultation took place for 12 weeks from September 2016, led by NHS North Cumbria Clinical Commissioning Group (CCG). After the consultation period ended, decisions were made by the CCG's Governing Body on 8 March 2017 which followed careful consideration of clinical, financial and practical aspects of our local health and care services.

The changes decided upon (more information is available within this report), will enable the local health economy to finally tackle the area's challenges as well as being able to provide people with more co-ordinated care between their GP, hospital and social care services; create centres of specialist expertise and provide more care closer to where people live that is tailor-made to meet the needs of our communities.

All of the work to-date will now feed into our integrated health & care work which we will be driving forward over the next year. We look forward to continuing to build on the successes of this year, strengthening our partnership working even further and continuing to provide the best possible care we can for our patients and service users. Critical to the delivery of high quality patient care, is ensuring we have a safe and sustainable clinical strategy for the future.

As well as acknowledging the fantastic hard work and commitment from our staff' it is also important for me to thank our local community and stakeholders for their continued engagement and input into our new 'co-production' approach, involving people more closely

in areas of work such as maternity & paediatrics and the further redevelopment of West Cumberland Hospital.

Given the progress made over 2017/18, I believe the future has never looked brighter for our Trust. We have clear vision for the future and we are continuing to develop our close relationship with local health and care partners for the benefit of our staff and patients. I look forward to what the year ahead brings. To the best of my knowledge the information contained in this Quality Account is accurate.



Stephen Eames
Chief Executive

DRAFT

Statement of Directors' in respect of the Quality Account

The directors are required under the Health Act 2009 to prepare a Quality Account for each financial year. The Department of Health has issued guidance on the form and content of annual Quality Accounts (in line with requirements set out in Quality Accounts legislation).

In preparing their Quality Account, directors should take steps to assure themselves that:

- The Quality Account presents a balanced picture of the trust's performance over the reporting period
- The performance information reported in the Quality Account is reliable and accurate
- There are proper internal controls over the collection and reporting of the measures of performance included in the Quality Account, and these controls are subject to review to confirm they are working effectively in practice
- The data underpinning the measure of performance reported in the Quality Account is robust and reliable, conforms to specified data quality standards and prescribed definitions, and is subject to appropriate scrutiny and review
- The Quality Account has been prepared in accordance with any Department of Health guidance

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

By order of the Board



Signed:

Mr Malcolm Cook, Vice Chair



Signed:

Mr Stephen Eames, Chief Executive

PART 2: PRIORITIES FOR IMPROVEMENT AND STATEMENTS RELATING TO QUALITY OF NHS SERVICES

Our Priorities 2018/19



Our Priorities 2018/19



Our vision is: "To provide innovative high quality care to our patients"



The detail in the following pages sets out the measures for success. Delivery against our Quality Improvement plan will be monitored through the Quality & Safety Committee and formally reported to the Trust Board during the year.

Patient Safety & Quality



Embedding quality, safety and service improvement across the Trust



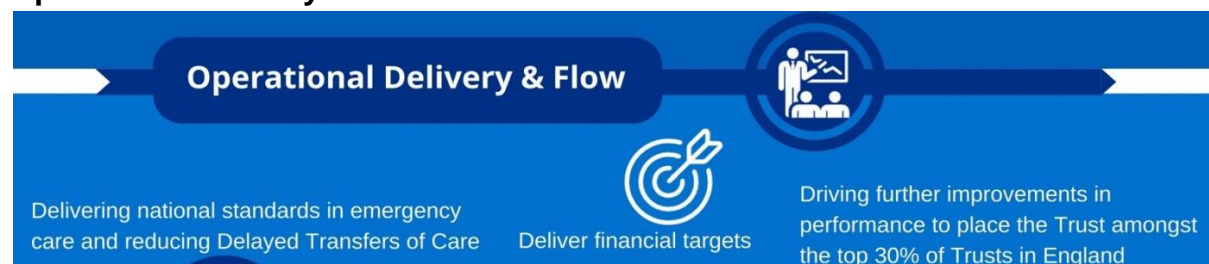
Continuing to build a learning and safety culture



As a minimum, delivering a 'good' rating against CQC standards

Priorities	Measures for success
Embedding quality, safety and service improvement across the Trust	<ul style="list-style-type: none"> • Maintain improvement in the reduction in pressure ulcers from 2017/18 baseline • Zero tolerance to grade 4 hospital acquired pressure sores • 5% reduction in patient falls from 2017/18 baseline • Maintaining urinary catheter insertion rate at national level according to Safety Thermometer • Embed lying and standing BP measurement, compliance with visual acuity tool and standardised confusion tool • Improve medication incident reporting to inform organisation for future improvement projects. • Introduction of NEWS2 • Embed the perioperative improvement plan • Embed the maternity improvement plan. • Embed any learning identified as a result of Regulation 28's. • Improve DNACPR and MCA compliance • Improve fluid balance and food chart compliance • Improve recognition and management of sepsis, compliance against screening and care bundle. • Complete 4 RPIW this year linked to quality and safety
Continuing to build a learning and safety culture	<ul style="list-style-type: none"> • Four trust wide 'safety stories' during 2018/19 • Two site based 'big conversations' about management of the deteriorating patient • Development of a learning charter • Systematic roll out of human factors • Undertake a trust wide culture audit • Integrate learning from harm and serious incidents into community leadership forum • Trust wide Patient safety days available for staff to attend.
As a minimum, delivering a good rating against CQC standards	<ul style="list-style-type: none"> • Develop divisional governance systems • Deliver the Quality Improvement Plan • Deliver the 'must' and 'should' CQC requirements

Operational Delivery & Flow



Priorities	Measures for success
Deliver national standards in emergency care and reduce delayed transfers of care	<ul style="list-style-type: none"> • Delivery trajectory for improvement for A&E standards • Roll out and embed SAFER across all wards.
Deliver financial targets	<ul style="list-style-type: none"> • Deliver financial Control Total £37.6m deficit • Deliver WNE Cumbria financial Control Total • Develop plan to support STP (revenue and capital) delivery in current and future years • Reviewing and prioritising Trust capital programme for 2017 -2020 • Deliver WNE Cumbria integration of back office functions – finance and procurement
Top 30% performance of Trusts in England	<ul style="list-style-type: none"> • Deliver Referral to Treatment (RTT) trajectory • Deliver cancer performance standard

Patient & Staff Experience



Patient & Staff Experience

Drive forward a radical improvement in engaging and involving staff and patients



Priorities	Measures for success
Improve patient experience	<ul style="list-style-type: none"> • Reduce inpatient and outpatient cancellations • Reduce patient moves after 10pm • Achieve 95% of complaints responded to within 30 days • Improve food satisfaction standards • Ensure consistent care plans and assessments are in place for dementia • Ensure all ward staff are aware of adjustment to communication for visually impaired, hearing difficulties and translation requirements
Improve staff experience	<ul style="list-style-type: none"> • Improve staff survey bottom ranking scores in: <ul style="list-style-type: none"> - KF31 - Staff confidence and security in reporting unsafe clinical practice - KF12 - Quality of appraisals - KF19 - Organisation and management interest in and action on health and wellbeing - KF6 - Percentage of staff reporting good communication between senior management and staff - KF10 - Support from immediate managers • Improve employee engagement and develop continuous improvement skills across teams • Implement our Reward and Recognition scheme #YouDidIt aimed at recognising and celebrating individual and team achievements • Improvement in number of staff recommending the Trust as a place to work • Improvement in number of staff recommending the Trust as a place to receive treatment

Strategy & System



Priorities	Measures for success
Provide leadership to implement outcome from the public consultation and deliver the Sustainability and Transformation Plan	<ul style="list-style-type: none"> Invest in capacity across the system to deliver the STP Deliver the milestones set out across the core work streams
Work with our partners to develop an Accountable Care Organisation	<ul style="list-style-type: none"> Develop and implement shared governance arrangements
Demonstrate capability to deliver major change and improve operational performance	<ul style="list-style-type: none"> All matrons to be trained in improvement methodology and undertake two improvement projects

Workforce & Leadership



Priorities	Measures for success
Improve recruitment and retention	<ul style="list-style-type: none"> • Reduce medical staffing vacancy rate to 20% • Reduce nursing vacancy rate to 5% or lower • Identify areas of high turnover/retention difficulties and where necessary implement solutions to help retain staff • Reduce locum reliance and financial spend against 2017/18 baseline
Develop clinical leadership	<ul style="list-style-type: none"> • Undertake a baseline assessment of clinical leadership needs and implement targeted improvement plan
Improve staff health and well-being	<ul style="list-style-type: none"> • Reduce overall sickness absence to 4% • Reduce short term sickness rate to 1.5% • Achieve flu vaccinations for 2018 • Raise the profile of the health and well-being strategy through management and leadership team

CQUIN Priorities 2018/19

Part of the Trust's income for 2018/19 will be conditional upon making quality improvements and reaching innovation goals agreed with our clinical commissioners. This will be achieved and monitored through the National Commissioning for Quality and Innovation (CQUIN) Framework.

The Trust has agreed a CQUIN schedule for 2017-18 which are summarised in the table below. The CQUIN measures represent; 1.5% of the Trust's total contract income from the CCG, 2% of the specialist commissioning income and 2.5% of public health income.

Clinical Commissioning Group

	2018/19 CQUIN Schemes	Year 2 £ (available)
Improving Staff Health and Wellbeing	Improvement of health and wellbeing of NHS staff - 5% improvement in 2 out of 3 relevant survey questions	£127,000
	Healthy food for NHS staff, visitors and patients – healthy options in retail food outlets in hospital	£127,000
	Flu vaccinations for frontline clinical staff at 70%	£127,000
Reducing the impact of serious infections (Antimicrobial resistance and Sepsis)	90% of patients screened for SEPSIS in inpatients and emergency	£96,000
	Sepsis Treatment - 90% of patient screened positive for SEPSIS patients treated within 1 hour in inpatients and emergency.	£96,000
	Antibiotic review empiric review for SEPSIS improvement to 90%	£96,000
	Antibiotic treatment reduction in usage overall	£95,000
Improving services for people with mental health needs who present to A&E	Reduction in A&E attendances for a selected cohort of frequent attenders with mental health needs	£383,000
Hospital Consultants offering Advice and Guidance service to GPs	Advice and Guidance delivered in specialties covering 75% of referrals	£383,000
Preventing ill health by risky behaviours – alcohol and tobacco	Alcohol and Tobacco Screening, advice and referral for all inpatients	£383,000
Supporting proactive and safe discharge	Improvements to % of inpatients in longer than 72 hours, aged 65+ and discharged to usual place of residence between 3 and 7 days compared to total 3 days and over.	£383,000

CCG Total CQUIN	£2,296,000
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Specialist Commissioning

	2017/18 CQUIN Schemes	Year 2 £ (available)
Chemotherapy Dose banding.		£47,955
Optimising Palliative Chemotherapy.		£71,961
Medicines Optimisation.		£71,961
Local- Improving Chemotherapy Pathways.		£47,955
Dental dashboard and network engagement		£80,366
Specialist Commissioning Total CQUIN		£320,198
TOTAL CQUIN		£2,616,198

Mandatory Statements of Quality Standards

The mandatory quality indicators set by the NHS England that we are required to report in this Quality Account are detailed in the following pages. The data periods comply with the national required data sets for the production of this Quality Account. In addition the supporting narrative statement for each of these indicators complies with the mandatory requirements for the publication of the Quality Account.

Summary Hospital Mortality Indicator (SHMI)

The preferred indicator for inclusion in the Quality Account in relation to patient mortality is the SHMI. Understanding how hospitals perform against its peers in relation to patient deaths is a fundamental quality indicator.

The SHMI is represented as a ratio between the actual number of patients who die following hospitalisation at the trust and the number that would be expected to die on the basis of average England figures, given the characteristics of the patients treated there. The SHMI methodology does not make any adjustments for patients who are recorded as receiving palliative care or for local deprivation indices.

It covers all deaths reported of patients who were admitted to non-specialist acute trusts in England and either die while in hospital or within 30 days of discharge.

North Cumbria University Hospitals NHS Trust considers that this data is as described for the following reasons:

- Significant improvements have been made to the Trust's mortality rate resulting in the Trust being in line with the national average.
- The palliative care coding has not influenced the Trusts mortality rate.

Table: Summary Hospital Mortality Indicator

Period	Indicator	North Cumbria Value	National Average	National Minimum	National Maximum	Performance
Published: April 2018 (October 2016 to September 2017)	SHMI	0.97	1.00	0.73	1.25	As Expected
	Percentage of patient deaths with palliative care coded at either diagnosis or specialty level	30.3	31.5	11.5	59.8	
Published: January 2018 (July 2016 to June 2017)	SHMI	0.98	1.00	0.73	1.23	As Expected
	Percentage of patient deaths with palliative care coded at either diagnosis or specialty level	30.6	31.1	11.2	58.6	

Learning from Deaths - Mortality Reviews

The Trust continues to analyse deaths each week identifying those which have a high Hogan Score (an assessment of preventability with deaths judged as more than 50% preventable (Hogan core 4-6) and depending on clinical context referring them to clinical teams for review as part of the teams morbidity and mortality review process of when more serious concerns occur for declaration as a Serious Untoward Incident.

In line with national recommendations, we will publish data on a quarterly basis regarding avoidable deaths and we will work more closely with families when reviewing such cases.

Mortality Statistics

(i) Mortality Statistics for Q1 – Q4, can be found below:

Ref ***	Indicator	Q1	Q2	Q3	Q4
27.1	Total Number of Deaths*	315	233	365	370
27.2	Total number of deaths that have been subjected to a case record review or investigation) <i>[Structured Judgment Reviews (SJR's) and SIRI investigations)</i>	263	203	342	128
27.3	Estimation of the number of deaths for which a case record review or investigation has been carried out which has been judged as a result of the review or investigation was more likely than not to	6	1	9	3

Ref ***	Indicator	Q1	Q2	Q3	Q4
	have been due to problems in the care provided.**				
27.4	A summary of what the provider has learnt from case record reviews and investigations conducted in relation to the deaths identified in item 27.3.	Narrative below			
27.5	A description of the actions which the provider has taken in the reporting period, and proposes to take following the reporting period, in consequence of what the provider has learnt during the reporting period (see item 27.4).	Narrative below			
27.6	An assessment of the impact of the actions described in item 27.5 which were taken by the provider during the reporting period.	Narrative below			
27.7	Total Number of SJR's or investigations completed in the current reporting quarter, but related to deaths reported in a previous reporting period.	Zero case record reviews and investigations completed after 1 April 2017 which related to deaths which took place before the start of the reporting period.			
27.8	Estimation of the number of deaths (<i>where the SJR or investigation has been completed in the current reporting quarter but related to deaths in previous reporting period</i>) for which a case record review or investigation has been carried out which has been judged as a result of the review or investigation was more likely than not to have been due to problems in the care provided. **	As above			
27.9	Revised total estimate of the number of deaths (from 27.3 & 27.8 above) for which a case record review or investigation has been carried out which	As above			

Ref ***	Indicator	Q1	Q2	Q3	Q4
	has been judged as a result of the review or investigation was more likely than not to have been due to problems in the care provided.**				

Footnotes to the data tables:

*As of 1 April 2017, it became a Trust requirement to report all inpatient deaths that were classed as expected, on the electronic incident management system, Ulysses. As of 1 April 2018, the Trust now captures all deaths on Ulysses, as per the Learning from Deaths Policy.

** Each care group uses a SJR and SIRI template to be able to identify if there are any contributory factors or root causes for the incident. The avoidability score (table below) is used to determine how avoidable the death was and an explanation around this. SJR avoidability ratings are discussed and agreed by the Care Group Senior Leadership Teams, and reviewed by the Mortality Review Steering Group. From 1 April 2018, all SIRI investigation panels will decide on this scoring.

a) Please indicate using the Hogan scoring system below:
Score 1 Definitely avoidable
Score 2 Strong evidence of avoidability
Score 3 Probably avoidable (more than 50/50)
Score 4 Possibly avoidable but not very likely (less than 50/50)
Score 5 Slight evidence of avoidability
Score 6 Definitely not avoidable
(b) Please include a brief explanation below:

*** Indicator reference taken from The National Health Service (Quality Accounts) (Amendment) Regulations 2017. This guidance was made available at the end of January 2018; therefore information for all parts of this will not be available during the 2017/2018 reporting period.

27.1 During 2017/18, 1283 of NCUH patients died. This comprised the following number of deaths which occurred in each quarter of that reporting period:

- 315 in the first quarter;
- 233 in the second quarter;
- 365 in the third quarter;
- 370 in the fourth quarter.

27.2 By 13 April 2018, 936 case record reviews and 936 investigations have been carried out in relation to 1283 of the deaths included in item 27.1.

In 936 cases a death was subjected to both a case record review and an investigation. The

number of deaths in each quarter for which a case record review or an investigation was carried out was:

- 263 in the first quarter;
- 203 in the second quarter; 342 in the third quarter;
- 128 in the fourth quarter.

27.3 19 representing 1.48% of the patient deaths during the reporting period are judged to be more likely than not to have been due to problems in the care provided to the patient.

In relation to each quarter, this consisted of:

- 6 representing 1.9% number of deaths which occurred for the first quarter;
- 1 representing 0.43% for the second quarter;
- 9 representing 2.47% for the third quarter;
- 3 representing 0.81% for the fourth quarter.

These numbers have been estimated by the Associate Medical Director for Safety and Quality using Hogan method as previously described.

27.4 - 27.5

A summary of what the provider has learnt from case record reviews and investigations conducted in relation to the deaths identified in item 27.3.

- Nine of the nineteen deaths have undergone a more detailed review as Serious Untoward Incidents, each of these has its own recommendations and action plans that are monitored through the Trust Patient Safety Panel.
- One underwent a moderate investigation (CDI case)
- Of the remaining ten deaths the key themes identified are: Cautious approach to Oxygen therapy in patients with COPD, appropriate frequency and escalation of NEWS, delays in antibiotic therapy only partly related to sepsis other issues such as communication being relevant too along with careful review of medication, pressure on medical and critical care capacity and management of fluid balance along with electrolyte imbalance.

The main actions identified are:

- Role out of electronic observations
- Role out of NEWS 2 (which includes greater clarity on oxygen therapy).
- Agree and pilot new fluid balance chart
- Implementation of Sepsis improvement plan
- Review of medication safety in collaboration with NHSI

27.6

- Our training and feedback on the implementation of sepsis pathway shows an improving trend, this shows an improving trend supported by regional data reports provided by the North East Quality Observatory Service (NEQOS).
- Our mortality (HSMR and SHMI) indices remain within expected range, at the regional mortality review meeting the main area of concern is the appropriate management of the deteriorating patient and this would suggest that our care of these patients at least matches our peers.

Key Findings from Structured Judgement Reviews completed (Q1 – Q4 2017/2018):

Learning from reported deaths is coordinated through the steering group, which is attended by representatives from all care groups. Specific points of learning following SJR's and investigations are managed and monitored through the care group clinical governance arrangements.

(i) Summary of learning and notable practice include:

(ii) Actions taken during the reporting period, and those actions proposed going forwards, from what has been learned from SJR's and Investigations undertaken.

(ii) Assessment of the impact of actions taken.

Patient Reported Outcome Measures (PROMs)

The information in the tables below summarises the PROMs feedback against four procedures. PROMs calculate a measure of the 'health gains' following surgical treatment using pre and post- operative surveys of the patients' subjective impression of improvement. PROMs measure a patient's health status or health-related quality of life at a single point in time and are collected through short, self-completed questionnaires. The adjusted average health gain is a measure of the Trust's score relative to other trusts performing the same procedure. There are three methods of analysis employed that give slightly different results.

The procedures covered are hip and knee replacement, hernia and varicose vein surgery.

The PROMs results for North Cumbria have demonstrated that:

Numbers were too small for comparison with national average.

Data for the period April 2016 – April 2017 identified above average performance in groin hernia surgery, hip replacement primary and knee replacement primary.

North Cumbria University Hospitals NHS Trust has reviewed this data and it does not give any immediate concern, nevertheless the Trust will continue explore how to achieve continuous improvement in PROMS scores through the specialty review of outcome data and associated quality improvements.

Period	Indicator	North Cumbria Value	National Average	National Min	National Max	Performance
April 2017 - Sept 2017 (Published 8th Feb 2018)	EQ-5D Index casemix adjusted health gain - groin hernia surgery	Low Numbers *	0.089	Low Numbers *	0.140	*
	EQ-5D Index casemix adjusted health gain - varicose vein	Low Numbers *	0.096	Low Numbers *	0.134	*

Period	Indicator	North Cumbria Value	National Average	National Min	National Max	Performance
	surgery					
	EQ-5D Index casemix adjusted health gain - hip replacement primary	There is insufficient data to chart improvement rates for these procedures and measures. **				
	EQ-5D Index casemix adjusted health gain - hip replacement revision					
	EQ-5D Index casemix adjusted health gain - knee replacement primary	There is insufficient data to chart improvement rates for these procedures and measures. **				
	EQ-5D Index casemix adjusted health gain - knee replacement revision					
April 2016 - March 2017 (Published 8th Feb 2018)	EQ-5D Index casemix adjusted health gain - groin hernia surgery	0.055	0.086	Low Numbers *	0.135	
	EQ-5D Index casemix adjusted health gain - varicose vein surgery	0.092	0.092	Low Numbers *	0.155	

Period	Indicator	North Cumbria Value	National Average	National Min	National Max	Performance
	EQ-5D Index casemix adjusted health gain - hip replacement primary	0.411	0.445	Low Numbers *	0.537	
	EQ-5D Index casemix adjusted health gain - hip replacement revision	Low Numbers *	0.291	Low Numbers *	0.362	*
	EQ-5D Index casemix adjusted health gain - knee replacement primary	0.353	0.324	Low Numbers *	0.404	
	EQ-5D Index casemix adjusted health gain - knee replacement revision	Low Numbers *	0.273	Low Numbers *	0.297	*

*Feedback from patients in the results of their surgery is not always received, resulting in low numbers for some procedures. Where this is the case we cannot comment on performance.

**There are insufficient questionnaire volumes at this point for the data suppliers to calculate a statistical “Health Gain” for the trust, as PROMS data is an extremely “slow moving animal” as you can see from the description below, taken from the NHS Digital website on how it is collected. The data is not finalised until a year after the reporting period when the data suppliers are confident with its content.

Emergency Readmissions to Hospital within 28 Days

Understanding the level of emergency readmissions to hospital is an important quality indicator in relation to avoiding emergency admissions to hospital when patients have been discharged. North Cumbria University Hospitals NHS Trust considers that this data is as described for the following reasons:

The following table represents our performance and is the latest national data set available at production of this quality account. North Cumbria University Hospitals NHS Trust has taken the following actions to improve this rate and so the quality of its services by:

- Ensuring system wide focus on discharge planning across primary and secondary care.
- Working towards the SAFER standards in relation to patient discharge planning.

Period	Indicator	North Cumbria Value	Hospital Episode Statistics(HES) Acute
2017 (Jan-Dec)	Patients aged 0-14	11.619%	9.263%
	Patients aged 15 or over	11.206%	13.264%
2016 (Jan-Dec)	Patients aged 0-14	12.021%	9.634%
	Patients aged 15 or over	13.718%	13.087%

Responsiveness to the Personal Needs of Patients

The responsiveness to the personal needs of patients is derived from the average score of five core questions in the national inpatient survey, which looks at the experience of patients admitted to hospital for care or treatment.

North Cumbria University Hospitals NHS Trust scored the same as the England average score for 2016/17.

Period	Indicator	North Cumbria Value	National Average	National Minimum	National Maximum	Performance
2016/17	Responsiveness to inpatients' personal needs	68.1	68.1	60.0	85.2	As expected
2015/16	Responsiveness to inpatients' personal needs	78.4	77.3	70.6	88.00	As expected

The results below are for the surveys which were done in 2016 and the results published in 2017. The results of the 2017 surveys will not be available until later in the year.

In the **National Inpatient Survey** for 2016 North Cumbria 581 completed surveys were returned from the 1250 that were sent out, a response rate of 48%. The Trust scored in the top 20% of Trusts on 4 questions, the middle 60% for 38 questions and in the bottom 20% for 17 questions. (this does not add up to 74 questions as some were put together when calculating scores). The average score in the survey in 2015 was 78.3% and in 2016 was 77.2%.

The following questions scored in the top 20% of Trusts nationally for the following questions

- Did you have confidence and trust in the nurses treating you? 89%
- Did nurses talk in front of you as if you weren't there? 91%
- Were you given enough notice about when you were going to be discharged? 72%

The questions which scored in the bottom 20% of Trusts included knowing who to contact after discharge with any concerns, being aware of what danger signals to look for after discharge and having clear written or printed information about medications. Work has been ongoing to improve information and communication in these areas.

The **National Emergency Department Survey 2016** had a response rate of 34%, 416 completed surveys from the 1250 sent out. The Trust scored in the top 20% of Trusts on 27 questions, the middle 60% for 8 questions and were not in the bottom 20% for any questions. The average score in the survey in 2014 was 77% and in 2016 was 80%. Improvements were seen in questions about patients feeling they had been listened to, patients involved in decisions about their care and treatment and being given results before leaving the department. The Trust scored in the top 20% of Trusts for questions about pain management, being treated with respect and dignity and being given enough privacy when being examined or treated. There were some negative comments from patients about car parking issues – change for the machine and not knowing how long they would be in the department which hopefully will be remedied when the pay on exit barriers are installed in the near future.

The **National Children's and Young Peoples Survey 2016** had a response rate of 26%, 263 completed surveys from 1026 sent out. This was comparable to the national average. The Trust scored in the top 20% of Trusts on 11 questions, middle 60% of trusts for 42 questions and bottom 20% of trusts for 9 questions. One of the questions which was in the bottom 20% was parents being able to prepare food in the hospital if required. Since the survey both of the children's wards have areas that parents can access and use during their child's stay as required. Another low scoring question was about activities for children whilst in hospital, since the survey Wi-Fi access is available across the Trust and feedback from children and parents has been positive.

Staff who would recommend the Trust to Family or Friends

It is well researched and recognised that there is a clear link between the experience of staff and patients. It is therefore important that the experience of staff in relation to recommending the Trust as a place to receive treatment is included in the core quality indicators.

This data is taken from the annual NHS staff survey.

- There has been a pleasing improvement in the scores for staff recommending the Trust to friends and family as a place to work, and for care and treatment; that care is the organisation's top priority; and the organisation acts on concerns raised by service users.
- Over the last year, Staff Survey responses for "if a friend or relative needed treatment, I would be happy with the standard of care provided by this Trust", increased by 5%.

It is widely recognised that in cases where staff are content at work, patient experience is enhanced. North Cumbria University Hospitals NHS Trust has taken the following

actions to improve this score and therefore the quality of its services by:

- Health and well-being plans and initiatives in place for staff.
- Increased focus on employee engagement with increased accessibility/visibility from senior managers and Chief Executive “drop in” sessions.
- Community Leadership Forum in place to ensure engagement and support with the senior leadership teams.
- Improving staff and patient experience remains a core priority for the Trust in 2018/19
- As we are working more closely with Cumbria Partnership NHS Foundation Trust the actions to improve the survey results will be incorporated into a joint organisational development plan which will cover both Trusts.

Period	Indicator	North Cumbria Value	National Average	Performance
2017	Staff survey responses “if a friend or relative needed treatment, I would be happy with the standard of care provided by this Trust”.	54%	71%	Improved by 5%;remains lower than the national average
2016		49%	70%	Decrease in value by 3%, and remained lower than the national average
2015		52%	70%	Lower than the national average

FFT Inpatient and A&E Discharges

The Friends and Family Test (FFT) is an important feedback tool that supports the fundamental principle that people who use NHS services should have the opportunity to provide feedback on their experience. It asks people if they would recommend the services they have used and offers a range of responses from extremely likely, likely, neither likely, unlikely, extremely unlikely, don’t know. The responses for extremely likely together make the recommendation rate shown as a percentage of the total number of responses.

The Friends and Family test information from the Trust is summarised below:

- Inpatient response rates continue to be above the national average for 2016/17, and the recommended score has declined from 97% to 90.7% and is below the national average.
- The response rates for NCUH are lower than the National Average in A&E for 2016/17 which has declined massively since the token system was removed from A&E departments. Although this will improve in 2017/18 with the implementation of the text message system in January 2018. The recommended score has improved from 81% last year to 85.9% in 16/17 but this does remain below the national average of 86.2%.
- Response rates for Maternity remain considerably above the national average and the recommended score also remains above the national average.
- The outpatient response rate is above the national average although this does remain

low both nationally and locally. The recommended score remains below the national average but the score for the trust has risen by 4.34% compared to the last financial year.

	Average England response	NCUH response rate	Average England recommended	NCUH recommended score
Inpatients				
2014/15	36.2%	29.6%	93.5%	93%
2015/16	24.5%	31.5%	95.3%	97%
2016/17	24.2%	40.2%	95.4%	90.7%
A&E				
2014/15	19.5%	32.8%	86.4%	90%
2015/16	14.1%	1.7%	87.8%	81%
2016/17	12.7%	5.5%	86.2%	85.9%
Maternity				
2014/15	21.4%	46.3%	95.2%	99%
2015/16	22.7%	47.5%	96.5%	97%
2016/17	23.18%	44.0%	96.56%	96.88%
Outpatients				
2014/15	No data	No data	No data	No data
2015/16	No data	No data	92%	83%
2016/17	6.35%	8.46%	92.69%	87.34%

Staff who would recommend the Trust as a place to work

It is well researched and recognised that there is a clear link between the experience of staff and patients. It is therefore important that the experience of staff in relation to recommending the Trust as a place to work is included in the core quality indicators.

This data is taken from the annual NHS staff survey.

- There has been a pleasing improvement in the scores for staff recommending the Trust to friends and family as a place to work, and for care and treatment; that care is the organisation's top priority; and the organisation acts on concerns raised by service users.
- Over the last year, Staff Survey responses for "would you recommend this organisation as a place to work?" increased by 4%.

The scores for this question remain below the national average. North Cumbria University

Hospitals NHS Trust considers that this data is as described for the following reasons:

- Staff Morale has been consistently low for a number of years challenged by the difficulty in recruiting to the area and the pace of change ongoing throughout the trust.
- Low staff engagement scores and staff feeling undervalued and unsupported by managers.
- Lack of training and development.

North Cumbria University Hospitals NHS Trust has taken the following actions to improve this score and so the quality of its services by:

- There has been a focus on staff health and wellbeing, and communicating the support available to staff
- A leadership event was delivered during May 2017, to focus on improving management engagement with staff.
- We are working more closely with the Cumbria Partnership NHS Foundation Trust, and we are introducing the Engaging for Improvement and Great Teams Great Care staff engagement initiatives across NCUH.
- Improving staff and patient experience remains a core priority for the Trust in 2018-19

Period	Indicator	North Cumbria Value	National Average	Performance
2017	Friends and Family Test – Would you recommend your organisation as a place to work?	45%	61%	Increase by 4%. Remains lower than the national average
2016		41%	62%	Decrease by 2% and lower than the national average
2015		43%	62%	Lower than national average

VTE Risk Assessment

Venous thromboembolism (VTE) is a collective term for deep vein thrombosis (DVT) – a blood clot that forms in the veins of the leg; and pulmonary embolism (PE) – a blood clot which forms in the lungs. All patients who are admitted to hospital should be risk assessed for VTE.

North Cumbria University Hospitals NHS Trust considers that this data is as described for the following reasons:

- The Trust performance is consistently 95% or above.
- Differences in performance across the two sites has been identified and plans are in place to improve performance at West Cumberland Hospital.

North Cumbria University Hospitals NHS Trust intends to take the following actions to improve the risk assessment rate and so the quality of its services by:

- Screening data is reviewed by the clinical divisions to assess and manage performance issues within the areas that they are responsible for.
- The ongoing Root Cause Analysis of cases is done via a joint meeting overseen by one of the Associate Medical Directors.

- The more complex issues regarding policy compliance and assurance are discussed at the Hospital Transfusion and Thrombosis Committee.
- Identification of patients who are at greatest risk.
- Although an overall improvement in 17/18 when compared to 16/17 it has been fed back to the clinical teams a slight downward trend has been noted in 17/18; Q1 to Q3.

Period	Indicator	North Cumbria value	National average	National min	National max	Performance
2017/18 Q4	Percentage of admitted patients risk assessed for VTE	97.47%			100.0%	As expected
2017/18 Q3	Percentage of admitted patients risk assessed for VTE	97.27%	95.36%	76.08%	100.0%	As expected
2017/18 Q2		97.85%	95.25%	71.88%	100.0%	As expected
2017/18 Q1		98.22%	95.20%	51.38%	100.0%	As expected
2016/17 Q4	Percentage of admitted patients risk assessed for VTE	94.86%	95.53%	63.0%	100.0%	As expected
2016/17 Q3		95.64%	95.57%	76.48%	100.0%	As expected
2016/17 Q2		95.67%	94.45%	72.14%	100.0%	As expected
2016/17 Q1		96.62%	95.73%	84.32%	100.0%	As expected
2015/16 Q4	Percentage of admitted patients risk assessed for VTE	97.16%	95.53%	78.06%	100.0%	As expected
2015/16 Q3		96.77%	95.48%	61.47%	100.0%	As expected
2015/16 Q2		96.54%	95.86%	75.04%	100.0%	As expected
2015/16 Q1		96.48%	96.05%	86.08%	100.0%	As expected

C-DIFFICILE

Clostridium difficile infection is an infection which is spread by bacterial spores and can be linked to patients on certain types of antibiotics or antibiotics taken for a period of time. Good practice in relation to antibiotic prescribing as well as infection control practice such as good hand hygiene and deep terminal cleans of wards are key to reducing the spread of C-difficile infection. Monitoring C-Difficile infections is a key infection control and patient safety indicator across all hospitals.

North Cumbria University Hospitals NHS Trust considers this data is as described for the following reasons:

- Data is validated by the DIPC on a monthly basis reviewing both laboratory and reported data, previous audits have confirmed the accuracy of this method of data verification
- All cases are assessed and undergo a post infection review to identify contributory causes
- All cases are discussed at weekly Healthcare Associated Infection meetings to ensure lessons shared
- The new West Cumberland Hospital is significantly better for preventing healthcare associated infections with the vast majority of in-patient beds being single room with en-suite facilities.

In terms of *Clostridium difficile* we have seen a slight decrease from last year's outturn with 25 cases and therefore we did achieve our external trajectory. As detailed below most cases were at CIC and during the year we continue to work with our PFI partners to improve cleaning.

Trust apportioned *Clostridium difficile* cases

Year	Number of Cases	Number of Cases by site	Rate per 100,000 bed-days	National average rate per 100,000 bed days	Performance
2015/16	23	CIC - 16	12.2	14.9	Below trajectory and better than average
		WCH - 7			
2016/17	26	CIC – 21	13.8	13.2	Above trajectory and slightly greater than average
		WCH – 5			
2017/18	25	CIC - 19	13.6	N/A	Should be around National average
		WCH - 6			

Patient Safety Incidents

Patient safety incidents is any unintended or unexpected incident which could have or did lead to harm for one or more patients receiving NHS care. As a provider of NHS care we are required to have local systems in place to report such incidents which are submitted nationally via the National Reporting and Learning System. This is to allow national comparisons on patient safety incidents.

North Cumbria University Hospitals NHS Trust considers that this data is as described for the following reasons:

- The Trust submits all patient safety incidents to the National Reporting and Learning System within the required deadline.
- The Trust has continued to increase its incident reporting rate and efficiently escalates incidents that may be considered for declaration as a serious incident.

North Cumbria University Hospitals NHS Trust has taken the following actions to improve this rate and so the quality of its services by:

- The Trust has further improved reporting systems and performance reports during 2017/18.
- The staff have been encouraged to report incidents, resulting in better information to assist improvement in key areas.

Period	Indicator	North Cumbria Value	Acute (Non-Specialist) Average	Acute (Non-Specialist) Minimum	Acute (Non-Specialist) Maximum
Published: April 2018 (April 2017 to September 2017)	Number of Incidents	3329	4630	1133	15228
	Rate per 1000 Bed Days	37.43	42	23.47	111.69
	Number of incidents resulting in severe harm or death	16	14	0	121
	Percentage of incidents resulting in severe harm or death	0.4	0.3	0.0	2.0
Published: October 2017 (October 2016 to March 2017)	Number of Incidents	3854	4440	1301	14506
	Rate per 1000 Bed Days	41.54	40.14	23.13	68.97
	Number of incidents resulting in severe harm or death	17	14	0	98
	Percentage of incidents resulting in severe harm or death	0.5	0.3	0.0	2.6

Performance in National and Clinical Audit

All NHS organisations are required to have in place a comprehensive programme of quality improvement activities that include healthcare professionals participating in regular clinical audit to ensure that they are delivering care to the best possible standard.

The clinical audit element of this Quality Account requires details of the Trust's clinical audit participation for each of the national audits (see below for detail) that we've participated in, along with information related to improvements responding to clinical audit report recommendations.

The National Clinical Audit and Patient Outcomes Programme (NCAPOP) are audits that are commissioned and managed on behalf of NHS England by the Healthcare Quality Improvement Partnership (HQIP) and comprises of several national audits related to some of the most commonly-occurring conditions. These collect and analyse data supplied by local clinicians to provide a national picture of care standards for that specific condition.

Statements of assurance:

2. During 2017/18 43 national clinical audits and 2 national confidential enquiries covered relevant health services that North Cumbria University Hospitals NHS Trust provides.

2.1 During 2017/18 that period North Cumbria University Hospitals NHS Trust participated in 98% national clinical audits and 100% national confidential enquiries of the national clinical audits and national confidential enquiries which it was eligible to participate in.

2.2 The national clinical audits and national confidential enquiries that North Cumbria University Hospitals NHS Trust was eligible to participate in during 2017/18 are as follows: Listed in table 1 and table 5 (below).

2.3 The national clinical audits and national confidential enquiries that North Cumbria University Hospitals NHS Trust participated in during 2017/18 are as follows: Listed in table 1 and table 5 (below).

2.4 The national clinical audits and national confidential enquiries that North Cumbria University Hospitals NHS Trust participated in, and for which data collection was completed during 2017/18, are listed below in Table 1 alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry.

2.5 - 2.8 The reports of 21 national clinical audits were reviewed by the provider in 2017/18 and North Cumbria University Hospitals NHS Trust intends to take the following actions (listed in Table 1) to improve the quality of healthcare provided.

The reports of 74 local clinical audits were reviewed by the provider in 2017/18 and North Cumbria University Hospitals NHS Trust intends to take the following actions to improve the quality of healthcare provided, listed in table 3 below.

The NHS England Quality Accounts List for 2017/18 was made available in January 2017 and comprised national audits, Clinical Outcome Review Programmes (CORP) (see below for detail) and other quality improvement projects that NHS England advises NHS Trusts to prioritise for participation during the forthcoming financial year. This list is used to plan which national projects we participated in during the year.

At North Cumbria University Hospitals NHS Trust we categorise our clinical audits into the following 3 priorities:

- Priority 1 – National Audits (Those included on the Quality Account List)
- Priority 2 – Trust Directed Audits including health records and consent audits
- Priority 3 – Local Audits including those that are clinician interest

Priority 1 – National Audits (Those included on the Quality Account List)

From the 2017/18 Quality Account list the Trust was eligible to participate in 43/58 National Audits and effectively participated in 42 of these 43 (98%).

The one that we did not participate in was the Inflammatory Bowel Disease (IBD) Programme due to staff capacity issues within the relevant speciality. The Associate

Medical Director for the Medical Division is working with the IBD nurses and Clinical Audit Manager to ensure that relevant measures are implemented in order that effective participation in this audit can commence during 2018/19.

Table 1 below details each of the national audits that the Trust participated in along with the number of cases submitted for each one:

Audit Title	Workstreams	Eligible	Participating	% of cases submitted / No. of cases submitted
Acute Coronary Syndrome or Acute Myocardial Infarction (MINAP)		Yes	Yes	Ascertainment rate not available
BAUS Urology Audits: Nephrectomy		Yes	Yes	20
BAUS Urology Audits: Percutaneous nephrolithotomy		Yes	Yes	5
Bowel cancer (NBOCAP)		Yes	Yes	70%
Cardiac Rhythm Management (CRM)		Yes	Yes	Ascertainment rate not available
Case Mix Programme (CMP) (ICNARC)		Yes	Yes	222
Child health clinical outcome review programme	Chronic Neurodisability	No	N/A	N/A
	Young People's Mental Health	Yes	35	100%
	New Topic - Long-term ventilation in children, young people and young adults	Yes	Yes	Audit not started during reporting year
Coronary Angioplasty/National Audit of PCI		Yes	Yes	Ascertainment rate not available
Diabetes (Paediatric) (NPDA)		Yes	Yes	In progress
Elective surgery (National PROMs Programme)		Yes	Yes	Ascertainment rate not available
Endocrine and Thyroid National Audit		Yes		Ascertainment rate not available
Falls and Fragility Fractures Audit Programme(FFFAP):	Inpatient Falls	Yes	Yes	100%
	National Hip Fracture Database (NHFD)	Yes	Yes	460

Audit Title	Workstreams	Eligible	Participating	% of cases submitted / No. of cases submitted
Fractured Neck of Femur (RCEM)		Yes	Yes	100%
Head and Neck Cancer Audit (HANA)		Yes	Yes	Ascertainment rate not available
Inflammatory Bowel Disease Registry		Yes	No	N/A
Learning Disability Mortality Review Programme (LeDeR)		Yes	Yes	In Progress
Major Trauma: The Trauma Audit & Research Network (TARN)		Yes	Yes	Ascertainment rate not available
Maternal, Newborn and Infant Clinical Outcome Review Programme (MBRRACE-UK):	Perinatal Mortality Surveillance (reports annually)	Yes	Yes	Ascertainment rate not available
	Perinatal Mortality and Morbidity confidential enquiries (reports every second year)	Yes	Yes	Ascertainment rate not available
	Maternal Mortality surveillance and mortality confidential enquiries (reports annually)	Yes	Yes	1
	Maternal morbidity confidential enquiries (reports every 2nd year)	Yes	Yes	Ascertainment rate not available
Medical & Surgical Clinical Outcome Review Programme		No	No eligible studies during 2017/18	N/A
National Audit of Breast Cancer in Older Patients (NABCOP)		Yes	Yes	Ascertainment rate not available
National Audit of Dementia (NAD)		Yes	Yes	100%
Rheumatoid and Early Inflammatory Arthritis		Yes	Yes	Not started during reporting year

Audit Title	Workstreams	Eligible	Participating	% of cases submitted / No. of cases submitted
National Audit of Seizures and Epilepsies in Children and Young People		Yes	Yes	Not started during reporting year
National Cardiac Arrest Audit (NCAA)		Yes	Yes	Ascertainment rate not available
National Chronic Obstructive Pulmonary Disease (COPD) Audit Programme - Secondary care		Yes	Yes	Ascertainment rate not available
National Comparative Audit of Blood Transfusion programme: 3 work streams	Re-audit of the 2016 audit of red cell and platelet transfusion in adult haematology patients	Yes	No	N/A
	2017 National Comparative Audit of Transfusion Associated Circulatory Overload (TACO)	Yes	Yes	32%
	Audit of Patient Blood Management in Scheduled Surgery - Re-audit September 2016	Yes	Yes	14%
National Diabetes Audit	Diabetes (Adult) - National Diabetes Inpatient Audit (NaDIA)	Yes	Yes	Ascertainment rate not available
	National Pregnancy in Diabetes Audit	Yes	Yes	Ascertainment rate not available
National Emergency Laparotomy Audit (NELA)		Yes	Yes	Ascertainment rate not available
National End of Life Care		Yes	Yes	Did not start during reporting year
National Heart Failure Audit		Yes	Yes	Ascertainment rate not available

Audit Title	Workstreams	Eligible	Participating	% of cases submitted / No. of cases submitted
National Joint Registry (NJR)		Yes	Yes	Ascertainment rate not available
Lung cancer (NLCA)		Yes	Yes	Ascertainment rate not available
National Maternity and Perinatal Audit		Yes	Yes	In progress
National Neonatal Audit Programme (NNAP) (Intensive and Special Care)		Yes	Yes	In progress
National Ophthalmology Database Audit		Yes	Yes	585
National Vascular Registry (NVR)		Yes	Yes	712
Oesophago-gastric cancer (NAOGC)		Yes	Yes	138
Pain in Children (RCEM)		Yes	Yes	100%
Procedural Sedation in Adults (RCEM)		Yes	Yes	100%
National Prostate Cancer Audit (NPCA)		Yes	Yes	212
Sentinel Stroke National Audit Programme (SSNAP)		Yes	Yes	90%+
Serious Hazards of Transfusion (SHOT): UK National haemovigilance scheme		Yes	Yes	100%
UK Parkinson's Audit:		Yes	Yes	100%

Table 2 below details the national audit reports that were reviewed during 2017/18 along with the actions agreed locally:

Audit Title	Data year that report refers to	Local Actions
Diabetes (Adult) - National Pregnancy in Diabetes Audit (Project 6426)	2016	1. Education of primary care staff. 2. Part of perinatal meetings. 3. Perinatal and core risk meetings

Audit Title	Data year that report refers to	Local Actions
National Paediatric Diabetes Part 2 Hospital admissions and complications 2012-15 (Project 6202)	2012-15	<ol style="list-style-type: none"> 1. All Diabetes-related admission should be recorded and submitted to the NPDA. 2. Improvement required in coding of Diabetes-related admissions for Hospital Episodes Statistics. 3. All families and children with diabetes should receive structured education for self-management during intercurrent illness and hypoglycaemia, including sick-day rules, blood ketone testing, agreed National hypoglycaemia management guidelines. 4. Diabetes MDT should be aware of the patient characteristics associated with greater risk of admission and develop anti-admission strategies tailored to meeting the needs of these groups
National Paediatric Pneumonia Audit WCH	2017	<ol style="list-style-type: none"> 1. Circulate the national improvement objectives from the pneumonia audit via email. 2. Circulate BTS pneumonia guidelines
Cardiac Rhythm Management (NICOR) 2015/16 (CAP 2016/17) (Project 6120)	2015/16	<p>Recommendations:</p> <ol style="list-style-type: none"> 1. To improve data completion in relation to clinical parameters it was agreed that physiologists would devote time during sessions to ensuring that the NICOR dataset was completed at implant for each case in real-time. 2. Discussion with the PRISM database software providers about possible changes to PRISM to cut out unnecessary fields at the same time as considering upgrading to newer more user friendly database. 3. Quality Improvement Project to improve prospective collection of data on complications - form to be devised with prompting questions for patients to be completed by physiologists at all packing checks. <p>Actions:</p> <ol style="list-style-type: none"> 1. A series of laminated sheets highlighting the required fields as screenshots from the PRISM database to be kept in the packing lab to facilitate this. <p>Sampling of data completion to be undertaken over 4 week period with feedback to staff on their performance in relation to completeness of data.</p> <ol style="list-style-type: none"> 2. Discussed with company - unfortunately apparently no scope to alter current database as not bespoke to trust and used by other organisations. 3. Underway - forms in use since November 2017. To sample and compare with data captured

Audit Title	Data year that report refers to	Local Actions
		by clinical coding."
National Lung Cancer Audit (NLCA) 2015 data (CAP 2016/17) (Project 5981)	2015	<ol style="list-style-type: none"> 1. Meet with COSD audit team - together with our cancer managers and data team to work out where upload of data from Inflex to COSD is going wrong. 2. Checking of all data points from 01/01/16 to 31/12/16 before data is inputted into COSD final submission. 3. Introduction of EBUS lymph node biopsy to increase diagnostic yield and facilitate molecular testing. 4. For patients with SCLC to not rely on usual administrative pathways and instead approach oncologist directly with view to early clinical review and early commencement of chemotherapy.
Chronic Obstructive Pulmonary Disease (COPD) - Secondary Care 2013/14 2014/15 2015/16 (Project 5141)	February, March, April 2014	<p>Recommendations:</p> <ol style="list-style-type: none"> 1. Increase consultant presence at weekends. 2. Increase proportion of patients (esp at WCH) reviewed by the respiratory team, referred to early discharge schemes, and referred to pulmonary rehabilitation. 3. Improve oxygen prescribing. 4. Improve smoking cessation support. 5. Reduce time to application of NIV at CIC. 6. Increase the respiratory bed base and the number of patients under the care of the respiratory team. <p>Actions:</p> <ol style="list-style-type: none"> 1. New roster of medical consultants providing back of house ward rounds at weekends. 2. Business case for additional respiratory nurse specialist at WCH. Review respiratory nurse specialist job plans at CIC to increase in reach capacity to EAU/ COTE. 3. Re-audit of oxygen prescribing, action plan to be generated following re-audit results. 4. Trust smoke-free group to develop strategy with clinical leads for each directorate and smoke free champions within each area. 5. Protected bed/ cubicle on Beech B to enable us to take NIV patients without first having to

Audit Title	Data year that report refers to	Local Actions
		<p>sleep out another patient (which is responsible for the delays).</p> <p>6. Review the bed base according to demand.</p>
Emergency use of oxygen - BTS 2015/16 (Project 5796)	15 August 2015 – 1 November 2015	<p>Recommendation: To reduce number of patients receiving supplementary O2 without prescription.</p> <p>Action: Trust-wide education. Re-audit January 2018.</p>
National Audit of Dementia Third Round (CAP 2016/17) CIC (Project 6043)	April 2016-October 2016	<p>Recommendations:</p> <ol style="list-style-type: none"> 1. A delirium pathway is integrated or linked into the dementia care bundle/ pathway. 2. A Dementia Working Group is in place and reviews the quality of services provided in the hospital. 3. Ward staffing levels are made available for the public to view on a monthly basis. 4. The hospital has in place a scheme/ programme which allows identified carers of people with dementia to visit at any time including mealtimes (e.g. Carer's Passport). 5. The physical environment within the hospital has been reviewed using an appropriate tool (e.g. King's Fund enhancing the healing environment) to establish whether it is 'dementia friendly'. <p>Actions:</p> <ol style="list-style-type: none"> 1. A delirium pathway will be developed and implemented for use in the Trust. 2. A Dementia Working Group will be established to review dementia services in the Trust. 3. Check whether ward staffing levels are available monthly on the website and implement if no. Daily staffing levels visible on Quality of Care Boards in all wards and departments. 4. Relaunch the Carer's Pass (John's Campaign) with the carer's agreement and SOPs that staff across the Trust understand how to use this. 5. All ward areas completing environmental assessments as part of ongoing work to improve care for patients with dementia and as actions from the PLACE inspections."
Falls & Fragility Fractures Audit Programme: Inpatient falls (Round Two) (CAP 2016/17 2017/18) (Project 6240)	30-31/05/2017	<p>A. Recommendations for trust boards and executive teams</p> <ol style="list-style-type: none"> 1. Leadership on patient safety – We recommend that all trusts and LHBs have a trust- or hospital wide patient safety group, which includes falls prevention in its remit and reports to the board. This group should regularly review their trust's

Audit Title	Data year that report refers to	Local Actions
		<p>data on falls and moderate harm, severe harm and deaths per 1,000 occupied bed days (OBDs) and assess the success of their practice against trends in these figures. These groups should be overseen by a member of the executive and non-executive team, and outcomes should be discussed at board level.</p> <p>2. Numbers of falls – Look to see whether there is a gap between the number of reported falls and actual falls. This is an indicator of a trust's reporting culture and helps interpretation of data on falls per 1,000 OBDs.</p> <p>3. Dementia and delirium – We recommend that trusts and LHBs review their dementia and delirium policies to embed the use of standardised tools and link assessments to related clinical issues such as falls.</p> <p>4. Walking aids* – We recommend that trusts and LHBs develop a workable policy to ensure that all patients who need walking aids have access to the most appropriate type from the time of admission, 24/7.</p> <p>B. Recommendations for clinical teams</p> <p>1. Falls multidisciplinary working group – We recommend that the local and national results of this audit are studied, and that the group reflects on the changes locally since 2015. The group should reflect on its methods of quality improvement in the light of the overall picture.</p> <p>2. Do not use a falls risk prediction tool – Where these are still in use, we suggest that the group reviews the strong evidence and logic underpinning the NICE guidance, reviews the place of falls risk assessment and prevention in the acute care processes, and works with colleagues to remove these where necessary.</p> <p>3. Audit against NICE QS86 quality statements 4–6 – These statements identify how you manage a patient following a fall and how to audit against these statements. This will identify areas of weakness and improve the care of these vulnerable patients.</p> <p>4. Lying and standing blood pressure – If rates are low in the local audit result, consider using the RCP clinical practice tool to standardise practice. www.rcplondon.ac.uk/bp-measurement</p> <p>5. Medication review – Where rates of documented medication reviews and adjustments</p>

Audit Title	Data year that report refers to	Local Actions
		<p>are low, we recommend working with colleagues locally, including pharmacy, to review the approach to relevant documentation, ensuring that the reasons for changes are clearly recorded and communicated to the GP on hospital discharge.</p> <p>6. Visual impairment – If rates are low in the local audit result, consider using the RCP clinical practice tool to standardise practice. www.rcplondon.ac.uk/bedsidevisioncheck</p> <p>7. Walking aids – Regular audits should be undertaken to assess whether the policy is working and whether mobility aids are within the patient's reach, if they are needed.</p> <p>8. Continence care plan – We recommend that for patients with lower urinary tract symptoms such as frequency, urgency, nocturia or incontinence, the implication for falls risk is considered and reflected in the care plan.</p> <p>9. Call bells – The highly variable rates for patients having easy access to the call bell suggests that this simple safety measure is receiving scant attention in some hospitals. We recommend a hospital wide approach to address this.</p> <p>10, Falls Care Bundle</p> <p>Locally Actions:</p> <p>A.1. None. Already in place as part of the Safety and Quality reporting at board level.</p> <p>A.2. Trust report falls well, possibly reporting collapses and lowered to the floor as falls. Review Ulysses reporting data.</p> <p>A.3. Liaise with the Trust's Dementia and Delirium Lead, and with the Clinical Lead on the MAU with regards to introduction of a standardised delirium assessment tool 4AT as a part of the new clerking proforma, and on the all admitted patients on the Frailty Unit.</p> <p>Co-ordinate with the Trust's Dementia and Delirium Lead and with the newly introduced CPFT Delirium service Reach-out with regards to development of a delirium care plan tailored to the patient, not generic.</p> <p>Liaise with the Dementia and Delirium Lead and the Medical Clinical Lead to improve Education and Training (look into the possibility of developing an e-learning module or utilising the RCP e-learning modules).</p>

Audit Title	Data year that report refers to	Local Actions
		<p>A.4. Has SOP in place. Roll out of Trust wide zimmer frame tagging is in place.</p> <p>B.1. Actions to be completed through the steering group, STF group and co-ordinated by the Falls facilitator.</p> <p>B.2. None as not used.</p> <p>B.3. NICE audit- 5 patients to be targeted per month, 5 patients CIC and 3 patients WCH</p> <p>B.4. Implement and audit RCP L/S BP tool utilisation.</p> <p>B.5. Liaise with Pharmacy. Engage and join steering group.</p> <p>B.6. Pilot the implementation of the RCP vision assessment tool –Ward 2 WCH and the Frailty Unit in CIC</p> <p>B.7. None</p> <p>B.8. None</p> <p>B.9. None</p> <p>B.10. Falls bundle update: Get reviews in print format, review with Head of Nursing and some Matrons and ward teams; if approved. Take to NM&AHP board.</p>
Adult Asthma (BTS) (CAP 2016/17) NICE QS25 (Project 6114)	01/09/16-31/12/16	<p>Recommendations:</p> <ol style="list-style-type: none"> 1. Introduce asthma admission and discharge bundles. 2. Increase proportion of patients having admission PEF performed to 95%. 3. Increase proportion of patients being discharged on inhaled steroids to 95%. 4. Introduce ACQ7 for outpatient asthma control monitoring. <p>Actions:</p> <ol style="list-style-type: none"> 1. Bundle developed, tested and rolled out with education sessions. 2. Use of admission bundle and re-audit. 3. Use of discharge bundle and re-audit. 4. ACQ7 made available to respiratory team.
National Hip Fracture Audit (NHFD) Annual report 2017	2016	<p>Recommendations:</p> <ol style="list-style-type: none"> 1. Hospitals should ensure that the clinical leadership is in place to deliver and audit high-quality care. 2. Local NHFD leadership should expand to include an anaesthetist as well as an orthopaedic surgeon and an orthogeriatrician. 3. Monthly clinical governance meetings should review local NHFD data to identify and target common avoidable clinical and organisational reasons for delay in surgery.

Audit Title	Data year that report refers to	Local Actions
		<p>4. Hospitals should review why individuals fail to receive all of the elements of care that define a hip fracture programme since most cases fail on only one or two criteria.</p> <p>5. Identify elder care.</p> <p>Actions:</p> <p>1. Appointment of Prthogeriatrician and Specialist Nurse Orthogeriatrics.</p> <p>2. Appointment of Consultant and NOF lead for T&O.</p> <p>3. Weekly updates re: NOF BPT and time to surgery</p> <p>Quarterly Clinical Governance meetings.</p> <p>4. weekly update of BPT criteria.</p> <p>5. Liaise with Anaesthetic dept.</p>
National Emergency Laparotomy Audit (NELA)	01/12/2015 - 30/11/2016	<p>Recommendations:</p> <p>1. Case Ascertainment</p> <p>2. Access to Critical Care for high risk patients/ identifying these patients.</p> <p>3. Elderly Care review.</p> <p>4. Strengthen Out of Hours rota.</p> <p>Action:</p> <p>1. Employ part time research nurse to aid in data collection and analysis.</p> <p>2. Better documentation of pre op risk to identify patients with risk >10%.</p> <p>3. Discuss with elderly care team re: possibility of review of all appropriate NELA patients.</p> <p>4. Recruit more staff to help cover gaps/ improve cover.</p>
National Prostate Cancer Audit	Diagnosed from 1 April 2015 - 31 March 2016	<p>Recommendation:</p> <p><u>National recommendations:</u></p> <p>1. Review local data completeness and ensure that data quality issues are identified and urgently addressed across the patient pathway.</p> <p>2. Review performance indicators for your Trust/ Health Board and implement changes to local practices where required in keeping with the NPCA 'Implications for clinical practice' and clinical guidelines/quality standards.</p> <p><u>Local Recommendations:</u></p> <p>1) Continue to record accurately tumour staging, Gleason scoring and performance status</p> <p>Action:</p> <p>For national recommendations:</p> <p>1. Appropriate recording of a) Type of Hormone treatment. b) Recording of DXT</p>

Audit Title	Data year that report refers to	Local Actions
		<p>2. None required</p> <p><u>For local recommendations:</u></p> <p>Additional columns on the MDT proforma</p>
National Bowel Cancer Audit (NBOCA)	Diagnosed with bowel cancer between 1 April 2015 and 31 March 2016.	<p>Recommendations:</p> <p><u>Nationally</u></p> <p>Care pathways:</p> <p>(a) Healthcare professionals must continue to promote bowel cancer screening and address the significant geographical variation in the uptake of screening</p> <p>(b) More evidence is required to determine the role of surgery of the primary tumour with few or absent symptoms in patients with synchronous unresectable metastases of colorectal cancer. Results from the several randomised controlled trials currently underway will be invaluable in this regard</p> <p>(c) The geographical disparity in the use of adjuvant chemotherapy needs to be explored further.</p> <p>Survival:</p> <p>Action is required nationally to reduce risk exposures, support healthy behaviours and mitigate the effects of socioeconomic deprivation in an attempt to reduce regional variation in cancer survival</p> <p>Rectal cancer:</p> <p>(a) The presence of a stoma is well recognised to decrease quality of life. Priority should be given to actively managing patients with a defunctioning stoma following anterior resection and planning early closure whenever possible.</p> <p>(b) Better understanding of the regional difference in the use of pre-operative treatment for rectal</p>

Audit Title	Data year that report refers to	Local Actions
		<p>cancer patients is required.</p> <p><u>Locally</u></p> <p>The value of the annual report remains dependent on the quality of data submitted by the contributing multidisciplinary teams. Complete and accurate data submission will be crucial requirement.</p> <ul style="list-style-type: none"> • Improvement in Data completion, especially in data completeness for patients having major surgery, recording patient's performance status, status of margins. • Completeness of preoperative staging. • Improvement in length of stay after major surgery in line with ERAS programme. <p>Action:</p> <p>Care pathways:</p> <p>(a) None - Bowel cancer screening programme already in place in the Trust</p> <p>(b) None - RCTs 's result awaiting</p> <p>(c) None - Already following NICE guidance for adjuvant chemotherapy</p> <p>Survival: None for the Trust - Local Cancer survival is in line with national figures</p> <p>Rectal cancer:</p> <p>(a) None for the Trust, our routine practice is to plan early closure whenever possible</p> <p>(b) None - Already following national guidance for pre-operative treatment for rectal cancer patients</p>
National Vascular Registry on AAA, CEA, Lower Limb Amputation, Angioplasty and By pass	01/01 2014 - 31/12/2015	<p>Recommendation:</p> <p>1. There remain considerable variations between NHS vascular units with regard to the provision of carotid endarterectomy within 14 days of symptoms. NHS trusts should optimise referral pathways within their networks and implement improvements to drive down the waiting times.</p> <p>2. All staff involved in organising and delivering care to patients who require carotid surgery need to examine their data and assess their performance against standards within NICE Guideline CG68.</p> <p>3. Vascular units are encouraged to adopt the care pathway and standards outlined in the Vascular Society's AAA quality improvement programme. This can be accessed at the Vascular Society's website. A clinical lead should be nominated to monitor and report on the adoption of the pathway and this should be reflected in their job planning.</p>

Audit Title	Data year that report refers to	Local Actions
		<p>4. There is wide variation in the time patients take from vascular assessment to elective AAA repair. The National AAA Screening Programme has set a target of 8 weeks and, for non-complex aneurysms, this should be a target for all units for both screen and non-screen detected AAA.</p> <p>5. The mortality rates for emergency repair of ruptured aneurysms remain high. One factor might be the lack of availability of endovascular repair out of hours. We recommend NHS vascular units examine their local practice to determine reasons behind the low proportion of endovascular cases.</p> <p>6. The case-ascertainment for major amputation and endovascular procedures needs to be improved. All clinicians within vascular units (surgeons and interventional radiologists) should review how data can be routinely entered into the NVR.</p> <p>7. Vascular units should undertake a detailed analysis of the pathways of care and outcomes for lower limb amputation, and are encouraged to adopt the care pathway and standards outlined in the Vascular Society's Quality Improvement Framework.</p> <p>Actions:</p> <p>1. Discussion with stroke unit lead Dr Paul Davis on further actions to reduce time from symptom to referral for surgery where appropriate.</p> <p>2. Done. Yearly audit meetings of the local vascular unit scrutinise individual staff figures and ensure they meet minimum standards set by NICE.</p> <p>3. Currently there is not in place a clinical lead specifically monitoring adoption of Vascular Society QIP guidelines for AAA surgery. There is a plan to appoint an Audit/Governance lead for Vascular Surgery to facilitate this.</p> <p>4. This target is being largely met. In the last audit year only one patient was outside the recommended target. Reasons were due to retirement of a colleague. Measures are in place to avoid any slip in this regard in future.</p> <p>5. Ongoing re-organisation of vascular services will address this. There is a move to install a hybrid theatre, business plan at an advanced stage. This will facilitate 24 hour access to EVAR services in future. Moreover, there remains</p>

Audit Title	Data year that report refers to	Local Actions
		<p>considerable doubt nationally as to the utility of EVAR in ruptured AAA.</p> <p>6. Addressed. There were issues with recruitment and retention of audit entry clerks for the NVR. This has been resolved with the Coding department taking over this role.</p> <p>7. As above. We have adopted VS pathways for this.</p>
BAUS Urology: Percutaneous Nephrolithotomy (PCNL) 2017	01/01/2015 - 31/12/016	<p>Despite number less than national median, length of stay is shorter and transfusion rate is lower. Sample size = 10 patients.</p> <p>No actions required.</p>
National Diabetes Audit (NDA) - National Diabetes Inpatient Audit (NaDIA) (Adult) (CAP 2016/17) (Project 6136)	2016	<p>Recommendations:</p> <ol style="list-style-type: none"> 1. Embed free online module 'Six Steps To Insulin Safety' as mandatory training for all staff who prescribe or administer insulin. 2. Consider subscribing to virtual college modules for insulin safety. 3. Review and reduce prescribing errors for insulin and hypoglycaemic agents. 4. Update Trust guidance for use of intravenous insulin infusions. Update Trust guidelines about management of hypoglycaemia and perioperative care. 5. Face-to-face staff training in diabetes management to improve inpatient care. 6. Improve diabetic foot care and nursing time for diabetes patients in hospital. <p>Actions:</p> <ol style="list-style-type: none"> 1. This should be a minimum training requirement for all staff who prescribe or administer insulin with compliance assessed at appraisal/ annual review. 2. Trust should consider subscribing to virtual college modules to reduce prescribing and management errors related to diabetes treatment in hospital. 3. Ongoing Ward Pharmacy medicines reconciliation of insulin and oral hypoglycaemic agents. Ongoing review of incidents at monthly Safe Medicines Practice Group. Re-audit September 2017 (NADIA).

Audit Title	Data year that report refers to	Local Actions
		<p>4. DKA, HHS, VRII guidelines need approval and implementation. Hypoglycaemia and peri-operative guidance under review.</p> <p>5. Ongoing education for the staff within the Trust.</p> <p>6. Development of MDFC team and clinics through increased funding. Bid submitted for transformation funding for MDFC team/ clinic development and increase DSN time for inpatient care, outcome aware. If unsuccessful to consider review of business plan and submission to CCG. Review and address barriers to inclusion of foot assessments on admission including staffing and staff training.</p>
SSNAP (Sentinel Stroke National Audit Programme) (CAP 2016/17) NICE CG68 Stroke (Project 5982)	April 2015-March 2016	<p>Recommendations:</p> <ol style="list-style-type: none"> 1. Hold regular meetings to discuss ways to improve door to needle times. 2. Continue to train staff in stroke and thrombolysis. 3. Swallow assessment training to be offered to A&E staff. <p>Actions:</p> <ol style="list-style-type: none"> 1. Implementation group for HASU identified and to meet. 2. Stroke nurses and consultants to provide training to relevant disciplines. 3. E-learning and face-to-face training programme commenced.

Audit Title	Data year that report refers to	Local Actions
Asthma (paediatric and adult) care in Emergency Departments (RCEM) (CAP 2016/17) CIC & WCH (Project 6097 & 6098)	August 2016-January 2017	<p>CIC Recommendations: 1. O2 prescription. 2. Inhaler technique. 3. Discharge leaflet. Actions: 1. Changes to Symphony cas card. 2 Nurse Educators. 3. Create one.</p> <p>WCH 1. Adults: Use asthma bundle. PEF meter/asthma bundles in triage. Promote use of asthma bundle. 2. Children: Use of SIGN asthma guideline as interim measure. 3. Nurse education of PEFR. 4. Dr Hayton to discuss with Paediatricians re standardised/ adopted asthma guideline.</p>
Severe Sepsis and Septic Shock - care in Emergency Departments (CAP 2016/17) CIC & WCH (Project 6099 & 6100)	August 2016-January 2017	<p>CIC Recommendations: 1. Improve documentation. 2. Change to Symphony cas card to facilitate recording O2 prescription. 3. Improve sepsis management with fluids and antibiotics. Actions: 1. Nursing Education. 2. Change to Symphony casualty card to facilitate recording O2 prescription. 3. Make this clinical topic of the week at morning meetings.</p> <p>WCH Recommendations: 1. Improve documentation. 2. Use sepsis documentation. 3. Antibiotics given within an hour, if appropriate. Actions: 1. & 2. All staff informed that documentation (especially observations) need to be completed in all patients. This done via senior moments meeting and at departmental meeting. 3. Education via senior moments meeting and at departmental meeting.</p>

Audit Title	Data year that report refers to	Local Actions
National Cardiac Arrest Audit (NCAA) 2017 (CAP 2017/18) (Project 6213)	2017	Recommendations: <ol style="list-style-type: none"> 1. Present data at Medical S&Q 2. Present data at Resus Committee 3. Present data at Trust S&Q 4. Present data at MSG 5. Look into weekend arrests at WCH 6. Look into VF/pVT arrests at WCH 7. Improve DNAR decisions Actions: <ol style="list-style-type: none"> 1. Attend meeting 2. Attend meeting 3. Attend meeting 4. Attend meeting 5. Data analysis 6. Data analysis 7. Discuss with medical leads

Priority 2 – Trust Directed Audits including health records and consent audits

During 2017/18 we completed several Trust priority audits which focussed on a number of key priorities including:

- NICE Guidance
- Health Record keeping audits
- Care Quality Commission consent
- Regulatory maternity audits
- Regulatory specialty audits
- Other

Table 3 below details a sample of these completed audits along with the actions for improvement:

Project Title	RAG rating	Risk Rating	Actions
GRS Performance Audits (Jul-Dec 2016)	Good practice	Very low	Re-audit for the period January-June 2017.
GRS Adenoma Detection Rates (June 2017)	Requires improvement	Low	Re-audit in December 2017.
GRS Satisfactory Placement of PEG Audit (Jul-Dec 2016)	Good practice	Very low	Raise awareness that all 'intended' PEG placements are to be documented, and not just those that are a 'success'.

Project Title	RAG rating	Risk Rating	Actions
GRS Follow-up Endoscopy for Gastric Ulcers within 12 weeks (Jul-Dec 2016)	Good practice	Very low	Raise awareness regarding the importance of recording all follow-up action in the correct data field on EMS.
GRS Tattooing of All Legions >2cm and/or Suspicious of Cancer Outside Rectum and Caecum (Jul-Dec 2016)	Acceptable practice	Very low	Re-audit for the period January-June 2017.
GRS Colonoscopy Withdrawal Times (CWT) Jan-Jun 2017	Requires improvement	Low	To clarify the standard process for capturing 'colonoscopy withdrawal times' and promote process to endoscopists.
GRS NCUH Endoscopy Unit Patient Satisfaction Survey 2017	Good practice	None	<ol style="list-style-type: none"> 1. Changed location of consent room to improve experience for patient. 2. Every patient on admission is given advice on how to time list is running, plus advised throughout session. 3. Whole unit is getting painted. 4. Implement a new staff read and sign file, to improve communication for all staff. Also create and implement new training package for both current staff and new starters. 5. Introduced cross site governance meeting. 6. Implemented weekly capacity meeting.
GRS Haemostasis After Endoscopic Therapy (Jan-Jun 2017)	Good practice	Very low	Re-audit.
GRS Diagnostic Rectal Biopsies for Unexplained Diarrhoea (Jan-Jun 2017)	Requires improvement	Low	Re-audit to include all cases between July-December 2017.
GRS Endoscopy Comfort Scores (February 2017)	Good practice	Very low	Re-audit during 2017.
GRS Performance Audits (Jan-Jun 2017)	Acceptable practice	Very low	To review NCUHT policy on The Use of Conscious Sedation in Endoscopy (ref CG39 v1.0) and email all endoscopists to highlight changes.

Project Title	RAG rating	Risk Rating	Actions
Sedation Practice for ERCP (Endoscopic Retrograde Cholangio-Pancreatography) Procedures 2017 (GRS)	Acceptable practice	Low	<ol style="list-style-type: none"> 1. Implement and promote revised recordkeeping practice of documenting amount of wasted/ discarded drugs. 2. Amend Time Out template to include designated signatures, time, date and incorporate in inpatient care plan as standard.
GRS Satisfactory Placement of PEG Audit (Jan-Jun 2017)	Good practice	Very low	<ol style="list-style-type: none"> 1. Re-audit to include all PEG placements during July-December 2017.
DSE referrals NICE CG95	Acceptable practice	Very low	<ol style="list-style-type: none"> 1. Adjustment to the current DSE referral forms utilised within the Trust to include a section where clinicians must specify a patient's risk factors, identifying whether they are a high or low risk candidate. Furthermore, detailing their pre-investigative risk score (from the NICE guidelines) may further aid the compliance with the NICE guidelines. 2. Invest in CT calcium scoring. 3. Look at NICE guideline review due publication 2017 to see if above two recommendations are still valid.
Evaluation of VTE assessment on EAU NICE CG92	Requires improvement	Low	<ol style="list-style-type: none"> 1. Suggest new SHOs on EAU may want to take this up as quality improvement project. 2. Include in PA and NP teaching, repeat at physicians teaching. 3. Lead to discuss with new SHOs on ward.
The Management of Acute Upper Gastrointestinal Bleeding (2016/17) NICE CG141	Good practice	Very low	<ol style="list-style-type: none"> 1. Communicated to medical grand round. 2. Communicated to medical registrars and A&E team, cirrhosis care bundle available. 3. Electronic system for endoscopy requesting. 4. Feedback to endoscopy users group.
Dietetic Department Standard for Irritable Bowel Syndrome (IBS) NICE CG61	Acceptable practice	None	<ol style="list-style-type: none"> 1. Feedback given at department meeting to update regarding the targets. 2. Standard updated. 3. All staff to read Infoflex manual annually and update on Mandatory Training Spreadsheet. 4. Check on re-audit. 5. Plan to re-audit in 2 years.

Project Title	RAG rating	Risk Rating	Actions
Audit of Compliance with NICE Antenatal Guideline CG62	Acceptable practice	Low	1. Education of lab staff of clinical guidelines to help them regulate inappropriate tests 2. Send audit to antenatal coordinator, to be presented at antenatal board
Fluid balance chart and food diary compliance NICE QS24 re-audit	Requires improvement	Very low	1. To present the audit results to the Head of Nursing and Clinical Standards and Nursing, Midwifery & AHP Board. 2. Send the individual ward results to the matrons to be shared with the ward sisters.
Consent for Genetic Tests in Hyperlipidaemia	Acceptable practice	None	1. Consultant FH nurse medical sec. 2. Consultant, FH nurse. 3. Consultant
CQC Regulation 11 - Consent - Cardiology 2017/18	Acceptable practice	Low	1. To use only Consent Form 1 rather than Consent Form 3. 2. To use standardised stickers for confirmation where possible. 3. To encourage clinicians to ask patient to print/date forms when signing them.
CQC Regulation 11 - Consent - Dermatology 2017/18 (January 2018)	Acceptable practice	Low	1. Report to be presented to all dermatology staff at the next governance meeting. 2. To ensure this is handed over to all staff in a clear and concise manner at the next governance meeting.
CQC Regulation 11 - Consent - Gastroenterology 2017/18	Limited assurance	Low	1. Report to be presented to EUG. 2.a) Review Endoscopy procedure leaflets containing consent forms. 2.b) Revise Endoscopy SOP to include postal consent provisions. 2.c) Distribute copy of audit report to all endoscopists and members of EUG.
CQC Regulation 17 - Health Records - Dermatology CIC 2017/18 (January 2018)	Acceptable practice	Low	1. Report to be presented to all staff at the next governance meeting. 2. Ensure all information is passed onto staff in a clear and concise manner.

Project Title	RAG rating	Risk Rating	Actions
CQC Regulation 17 - Health Records - Elderly Care CIC 2017/18	Requires improvement	Not Rated	<p>1. Report to be presented to Elderly Medicine Department in the form of a presentation at the weekly Friday teaching session.</p> <p>2.1. An email should be circulated amongst the medical staff highlighting the standard that all deletions or alterations must be countersigned and have the date and time recorded.</p> <p>2.2. A new paper layout of the patient handover sheet shall be implemented which, as well as the current table headings of 'date' and 'consultant in charge', shall also have an extra heading of 'time'. This shall prompt the medical staff to also include the record of time for each change of responsible/ lead professional.</p> <p>2.3. An email should be circulated amongst the medical staff highlighting the standard that all written entries must have a legible printed name and printed designation.</p>
CQC Regulation 17 - Health Records - Elderly Care WCH 2017/18	Requires improvement	High	<p>1. Discussion to happen either 31/10/2017 or 07/11/2017.</p> <p>2. To discuss fully in site meeting 30/10/2017 or next.</p> <p>3. Tuesday physician's meeting.</p> <p>4. Discussed finding with CD who agreed for re-audit 6 months' time.</p>
CQC Regulation 17 - Health Records - EAU WCH 2017/18	Requires improvement	Low	Presentation of audit findings at WCH medical grand round to include education and update for doctors and practitioners.
Do Not Attempt Resuscitation (DNAR) 2017 (CQC Reg 17: Good governance)	Acceptable practice	Moderate	<p>1. Weekly DNACPR compliance audit data sent to Medical Director and group specified by Medical Director. Data sent to CEG weekly.</p> <p>2. Handouts and advice/ information given to medical and nursing staff on Trust Induction. Presentation to the Surg/Anaes group meeting, Medical Grand Round (CIC) and Medical Teaching session (WCH) to discuss Policy and compliance. DNACPR compliance appears as Trust 'Message of the Week'. DNACPR 'Drop in sessions'. FY1 teaching session.</p> <p>3. Risk Assessment Proforma completed and sent to Chair Resus Committee, Head of Clinical Standards and Medical Director.</p>

Project Title	RAG rating	Risk Rating	Actions
			4. Scanned copies of all non-compliant DNACPR forms returned, sent weekly to Associate Medical Director & Head of Clinical Standards. To consider direct feedback/ advice regarding DNACPR form compliance.
Audit of LGV testing	Requires improvement	Low	1. Findings are discussed with SHS so we can clearly identify those that require LGV testing 2. findings are discussed with SHS so we can clearly identify those that require LGV testing
Compliance with rehabilitation After Critical Illness Practice on ITU WCH NICE CG83	Good practice	None	1. Raise awareness for timely completion. 2. Raise awareness for timely completion. 3. Restart exercise class. 4. Complete on metavision, review documentation. 5. Present results to ITU staff at ITU study day.
National Epistaxis Audit	Acceptable practice	Very low risk	Key findings were establishment of important demographics as baseline audit prior to setting up further specific audit questions. Recommendation: Improvement in epistaxis management following review of baseline data Action: Await expert consensus panel review prior to participating in next round
NEWS Patient Escalation Audit (NICE CG50)	Requires improvement	Moderate	1. Update in progress. 2. Update in progress. 3. News E-learning updated
Bile duct culture and sensitivity during ERCP (NICE CG188)	Good practice	None	1. Communication with microbiology ward. 2. To perform blood culture on admission. 3. To complete the request of immunopathology and other markers of immunoreactions. 4. To perform investigation as suggested.
Outcomes after kidney injury in surgery (OAK 2 - study) NICE CG3 & 169		None	Follow up to previous study. (OAKS1). We submitted data on 100% expected (n=5). The dataset is part of a bigger national project to gather baseline data of acute kidney injury in surgical patients. We are not given a sense of how we compare with other centres
National Audit of Small Bowel Obstruction (NICE CG32)	Acceptable practice	Very Low	1. Local rate 91% - achieved 2. Already incorporated in local protocols - achieved 3. 73% had nutritional assessment - target 100%. Disseminate finding and re-audit

Project Title	RAG rating	Risk Rating	Actions
Five Steps to Patient Safety - reaudit 6117	Requires improvement	Low	<ol style="list-style-type: none"> 1. Share this audit data at the Business Unit away day. 2. Undertaken a survey regarding staff engagement in the five steps to safer surgery process and feedback to all clinicians at BU away day and within the departments. 3. Complete human factors facilitated coaching within the theatre departments. 4. Encourage theatre staff to challenge any non-conformity of stopping, listening and responding within any step in the process. 5. Develop process for team debrief. 6. Reinforce recently developed LoccSIPS for Team brief, Sign-in, Time-out, Sign-out and Debrief to ensure all staff have a clear understanding of process and expectations.
Right Iliac Fossa Treatment Audit (Other National)	Acceptable practice	Low	<ol style="list-style-type: none"> 1. Discuss with general surgeons regarding using risk stratifying tools like Alvarado score to help predict true acute appendicitis. 2. For front of house/ on call team to be aware of alvarado score and to document score in clerking proforma. 3. Obtain data of gender of patients who underwent appendectomy
Blood Transfusion Audit (NICE NG24)	Acceptable practice	Low	Present information as poster and display in clinical areas. Deliver brief seminar/discussions re findings and current national guidelines.
VTE Prophylaxis in Acute Surgical Unit CIC (NICE CG92)	Acceptable practice	Very Low	<ol style="list-style-type: none"> 1. Posters to be placed in surgical wards from June 2017 onwards. 2. To raise awareness and to discuss during the FY1 induction week. 3. To discuss in upcoming surgical QI meeting.
Perioperative Hypothermia (Inadvertent) NICE CG65	Acceptable practice	Moderate	<ol style="list-style-type: none"> 1. Development and distribution of hypothermia guidance (adaptation of NICE CG65 Guidelines). 2. Implementation of guidelines as appropriate. 3. Consideration for more accurate temperature recording devices for wards and theatre. 4. Teaching of Local guidance once published re patient risk assessment, temperature measurement, when to/not to proceed with surgery, appropriate warming devices usage.

Project Title	RAG rating	Risk Rating	Actions
CQC Regulation 17 Health Record Audit 2017 in General Surgery - WCH	Acceptable practice	Low	<ol style="list-style-type: none"> 1. Standardised forms need revision to meet the standard shown in the good example; name, signature, role, date and time. 2. Recommend original of Discharge Medical Summary could be kept in notes and duplicates elsewhere. 3. Care needed to avoid correction and name, date and time needed if correction made. 4. Discharge Summary of accurately reflect post-operative instructions on the operation notes.
CQC Regulation 17 Health Record Audit 2017 in Vascular Surgery	Requires improvement	Low	<ol style="list-style-type: none"> 1 – 4. Reinforcement of standards at junior doctors' induction. Standards should be added to the junior doctors' handbook. 5. Reminder for the BoH junior doctor on weekends to document entries and for team to provide explanations for lack of entries.
CQC Regulation 11 Consent Audit 2017 in Vascular Surgery	Acceptable practice	Very Low	Circulate email to staff members informing them of advice consent changes.
CQC Regulation 17 Health Record Audit 2017 in Urology - CIC	Acceptable practice	Low	<ol style="list-style-type: none"> 1. To make sure printed labels available for every patient. Using printed patient's label on every page. 2. Clinicians to ensure time and date recorded in each page of documentation. 3. To do retrospect documentation if patients do not have initial assessment done. 4. Make sure legible entries are made every day during ward round and also pre and post procedure. 5. Making sure the name of the consultant in charge/ on call is visible in each entry and legible. 6. Decision for DNAR to be recorded regardless FOR/NOT FOR.
CQC Regulation 17 Health Record Audit 2017 in Urology - WCH	Acceptable practice	None	Discuss and disseminate findings at department Urology meeting.
CQC Regulation 17 Health Record Audit 2017 in ENT	Acceptable practice	Very Low	<ol style="list-style-type: none"> 1. Presented at ENT June 2017 Clinical Governance. 2. Feedback to theatres regarding lack of NHS number of operation note and time compiled. 3. Presented at ENT June 2017 Clinical Governance.

Project Title	RAG rating	Risk Rating	Actions
			4. Presented at ENT June 2017 Clinical Governance.
CQC Regulation 11 Consent Audit 2017 - ENT	Acceptable practice	Very Low	Presented at Clinical Governance June 2017.
CQC Regulation 11 Consent Audit 2017 - Oral & Maxillofacial Surgery	Acceptable practice	Very Low	1. Report to be disseminated. 2. Record on the booking sheet which info leaflet has been given. 3. Staff to be made aware that they should document that no treatment has been offered. 4. Staff made aware to be vigilant around checking that the forms are properly filled with dates etc.
CQC Regulation 17 Health Record Audit 2017 in Orthodontics	Good practice	Low	1. Present results of audit to staff at next departmental team meeting. 2. 1) Inform staff of requirements at next departmental team meeting 2). Re-audit in 6-12 months to ensure compliance
CQC Regulation 11 Consent Audit 2017 - Orthodontics	Good practice	None	1. Present audit results at departmental meeting. 2. Communicate requirement to clinical staff at departmental meeting.
CQC Regulation 17 Health Record Audit 2017 in Ophthalmology	Acceptable practice	Low	Relevant staff informed about recommendations.
CQC Regulation 11 Consent Audit 2017 - Ophthalmology	Acceptable practice	Low	Relevant staff informed about recommendations.
CQC Regulation 17 Health Record Audit 2017 in Orthopaedics - WCH	Acceptable practice	Low	Changes to intraoperative sheet --> every page should have a space for sticker/patient details.

Project Title	RAG rating	Risk Rating	Actions
QS15 Patient experiences in adult service	Acceptable practice	Very Low	<ol style="list-style-type: none"> 1. Where able, patients should be given written booklets/leaflets on their condition and drug therapy. 2. Patients should be informed of their primary Rheumatology diagnosis (and where necessary re-iterated at each visit). 3. Provide contact number of advice line to all (follow-up) patients. 4. Develop information leaflet to inform of when/why it is appropriate to contact. 5. To liaise with Trust PALS officer or Communication team re NHS information pertaining to statements 7,8,13 i.e. does an information leaflet local or national already exist?
CQC Regulation 11 Consent Audit 2017 Radiology CIC	Acceptable practice	Low	Audit results presented to team meeting July 2017
RCR National Audit of the Provision of Imaging of the Severely Injured Patient	Acceptable practice	Low	<ol style="list-style-type: none"> 1. First Survey report promptly uploaded to CRIS 2. CT radiographers to prioritise the post processing
Audit of Endoscopic Mucosal by Bowel Screening Colonoscopists at CIC (July 2013 - June 2016)	Good practice	None	To discuss with endoscopy audit facilitator how data could be best collected on an ongoing basis.
Post-Operative VTE Prophylaxis Instructions in Neck of Femur Patients in Accordance (NICE CG92)	Acceptable practice	Low	<ol style="list-style-type: none"> 1. Continued use of the generic template on ORMIS for neck of femur fractures. Operating surgeons can continue to edit the template as required but VTE instructions should remain standardised and inclusion of the duration of VTE prophylaxis should remain mandatory. 2. Letter to T&O staff to highlight audit results and reiterate VTE policy. Emphasis should be placed on the importance of VTE request and the duration of use. 3. Aim to register, complete and summarise re-audit findings.

Project Title	RAG rating	Risk Rating	Actions
CQC Regulation 11 Consent Audit 2017 - Orthopaedics WCH	Acceptable practice	Very Low	Present the audit in departmental meeting in Dec 2017/Jan 2018.
CQC Regulation 17 - Health Record Audit 2017 - ENT August patients	Acceptable practice	Very Low	1. To discuss with AMD for surgery/ORMIS lead for theatres. 2. To place reminder on ward round trolley. To present these findings to ENT team at M&M day. 3. As above. 4. As above. 5. To present these findings to ENT team at M&M day.
Safeguarding Maternity Audit CQC 2016/17	Acceptable practice	Moderate	1. Community midwives to undertake in the safeguarding audit. To audit 1 set of maternity safeguarding records yearly. 2. The point above will increase the number of notes audited. 3. Audit questions to be reviewed and updated. 4. Further training already planned for community midwives 5. Lead midwife to meet community midwife team to discuss referral of vulnerable adults for follow on care and to go over paperwork to ensure referral has been recorded.
Health Record Audit in Gynaecology 2017 WCH	Acceptable practice	Low	Report to be presented to Mr Moga/Mr Ravi Mohan
2.3 Continuous Electronic Foetal Monitoring	Acceptable practice	Moderate	1. Emails/maternity news magazine/teaching sessions 2. Ensure stickers are available from the printers (to tie in with the guideline) ensure these have been ordered and are available to staff in practice 3. Regular compliance reports to maternity governance via maternity training meeting. 4. Regular compliance reports to maternity governance via maternity training meeting
2.6 Caesarean Section	Good practice	Low	No actions recorded
2.7 Induction of Labour	Acceptable practice	4	Ensure IOL leaflet are provided to all women planned for IOL

Project Title	RAG rating	Risk Rating	Actions
4.1 Booking Appointments	Good practice	Very low	To revise questions
4.2 Missed Appointments	Requires improvement	Low	1. Log every antenatal patients into missed appointment log book. 2. Difficult to follow trails of action taken by the community midwife. Needs separate section of notes for community midwife (colour coded).
4.6 Mental Health	Good practice	Very low	1. To consult all stakeholder in making care plans. 2. Incorporate specific monitoring arrangements after delivery in care plans 3. Care plans to include all three stages during pregnancy and afterwards 4. Include medication- breastfeeding, nature and frequency, contact names and numbers and crisis plan. 5. Make alteration for next audit
5.5 New-born Feeding	Requires improvement	Moderate	1. Continue to work towards stage 2 of the UNICEF Baby Friendly Initiative assessment. 2. Identify champions in each area in order to complete a 'practical skills review' on all maternity staff. 3. Set up infant feeding working group with champions/ links/ representatives from each clinical area on each site
Reduced foetal movements	Acceptable practice	Moderate	1. Maternity newsletter and local teaching/training 2. Re-Audit
CIC Audit into the management of Prolonged Neonatal Jaundice	Acceptable practice	Low	1. Remove liver function tests, including GGT from the departmental proforma. Clerking proforma updated recently by Dr Ferguson. 2. Education of doctors / paediatric nurse practitioners responsible for conducting prolonged neonatal jaundice screens Prolonged jaundice will be presented as a talk to new SHOs on regular basis
NICE QS 116 Domestic Abuse Guidelines 2016 Audit	Acceptable practice	Low	1. To liaise with Symphony/A & E leads to progress. Update-Questions relating to Domestic Abuse form part of the new Safeguarding Questions being added to Symphony April 2018 2. To highlight the iDSVA role ward rounds, team meetings, newsletters, and department leads

Project Title	RAG rating	Risk Rating	Actions
GRS Tattooing of All Legions >2cm and/or Suspicious of Cancer Outside Rectum and Caecum (Jan-Jun 2017)	Acceptable practice	Low	2. Re-audit
Re-audit of Health Record Audit in ENT 2017 (December patients)	Acceptable practice	Very Low	1. Report to be presented to ENT in the role of Governance meeting. 2. Presentation as above plus reinforcement on ward rounds.

Priority 3 – Local Audits including those that are clinician interest

In addition to the Priority 1 and 2 audits detailed above the Trust completed 42 Priority 3, local audits.

Table 4 below details the Priority 3 audits along with the actions for improvement:

Project Title	RAG rating	Risk Rating	Actions
Measuring dietetic outcomes in coeliac disease	Good practice	Negligible	<ol style="list-style-type: none"> 1. Report to be presented at Dietetic Team meeting. 2. To be submitted as part of coeliac audit submission. 3. To amend after discussion with Clinical Audit Team.
Dietetic standard for adult patients with type 1 and type 2 diabetes	Acceptable practice	None	<ol style="list-style-type: none"> 1. Feedback to team at dietetic team meeting and agree actions. 2. Update standard. 3. Re-audit standard in 2 years.
Dietetic Recordkeeping standard	Acceptable practice		<ol style="list-style-type: none"> 1. Update manual. 2. Update manual. 3. Update list of feed names in Appendix 1 following consultation with Dietetic Team and liaison with IT to amend Infoflex. 4. Allocate Standard for re-audit.
Anthropometric Assessment Department Standard	Acceptable practice	None	<ol style="list-style-type: none"> 1. Feedback to Dietetic Team and add to Standard. 2. Target to be amended to 50% to take in account clinical judgement. 3. Planned re-audit in 2019. 4. Remove target and update Standard.
Dietetic Practice Supervision	Good practice	None	<ol style="list-style-type: none"> 1. Updated literature within the departmental supervision folder. 2. Supervisors to continue to record attendance at group and 1:1 supervision on practice supervision spreadsheet. 3. Meetings planned for April and October. 4. Complete.
Comparing Our practice of Timing of Ankle Fracture Fixation Against BOAST	Good practice	None	To continue with current practice as we follow the auditable standards following ORIF of ankle fractures.
NCUH Transfer Audit	Acceptable practice	None	<ol style="list-style-type: none"> 1. Following this audit a completely New Transfer Policy will be implemented 2. Standard of Procedures (SOPs) will be

Project Title	RAG rating	Risk Rating	Actions
			implemented. 3. New Transfer Check List Charts.
Head and Neck Oncology multidisciplinary team Patient Satisfaction Questionnaire	Good practice	None	1. Emailed around the extended MDT for comments 2. To discuss as a MDT how we can support patients more, formulate a separate action plan 3. To review the literature recourses that are issued to patients. Liaise with the team at Newcastle regarding the literature received by patients
ITU Blood Glucose Control (re-audit of 5928)	Acceptable practice	Low	1. Passed onto nursing staff verbally, will be featured in ITU newsletter. 2. Continual communication to nursing and medical staff that insulin should be commenced when BM >10. 3. Repeat audit.
Complication in Major Colorectal Surgery	Good practice	None	1. Use of prophylactic Antibiotics post-operation. 2. Change of gloves when suturing wound. 3. Use of tissue glue rather than suture.
Blood Result Filing on ICE - Percentage of Filed Results on Maple B and D	Requires improvement	High	1. Present findings to the staff members responsible for checking bloods (doctors, nurses). 2. Present in T&O audit meeting. 3. Poster raising awareness of trust policy. 4. Re-Audit after raising awareness to see effectiveness and change in practice.
Core Dataset in Requesting and Reporting Neck Dissection Specimens	Acceptable practice	Low	1. Printing out copies of the template to put in the Histopathology Dept. 2. Printing out copies of the template to put in theatres. 3. Re-audit is recommended.
Management of Suspected Scaphoid Fractures	Acceptable practice	Low	1. Liaise with A&E, Radiology staff to improve management standards. 2. Liaise with A&E, Radiology staff to improve management standards. 3. Development of a clinical algorithm for MR requests. 4. Development of a clinical algorithm for MR

Project Title	RAG rating	Risk Rating	Actions
			requests.
Fracture NoF Warfarin Reversal Protocol (Re-audit of 6041)	Good practice	Low	<ol style="list-style-type: none"> 1. Liaise with A/E team and trauma team to improve compliance. 2. Already completed. 3. Upload the new protocol in the intranet.
Group and Save samples for Trauma Patients (Re-audit of 6192)	Acceptable practice	Moderate	<ol style="list-style-type: none"> 1. Discussion with Trauma co-ordinators to see if they can conduct this. 2. Raise G&S sampling for individual patients in the trauma meeting. 3. Registrars to be made aware of the checklist at induction.
Audit of Orthodontic Retainers	Requires improvement	Low	<ol style="list-style-type: none"> 1. Investigate issues surrounding the text. Message reminder service (is reminder not being sent to outdated contact details) and look for a solution to ensure patients and parents are updating their contact details. 2. Specifically remind patients at their 3-month retainer review appointment to bring their retainers to their next appointment. 3. Review retainer retention regime at the next consultation meeting. Liaise with management and consider the introduction of patient charges for replacement retainers to deter careless loss/breakage. 4. Present audit findings
Rheumatoid Arthritis - Multiple Biologics	Good practice	Very Low	<ol style="list-style-type: none"> 1. Clinicians to continue to consider an alternative anti-TNF as well as biologics of other mode of action. 2. Clinicians to record lifestyle risk factors and record in notes if advice is made to patient. 3. Clinicians to record in notes if initial disease severity or history affects treatment plan. 4. List of patients who have been on multi-biologics to be made available to clinicians and periodic follow up to be recorded.

Project Title	RAG rating	Risk Rating	Actions
Speech Valve Fitting and Aftercare	Acceptable practice	Low	1. Communicated with SALT in CIC. 2. Date to be confirmed.
Complex Ankle Fracture Assessment and Management	Acceptable practice	Moderate	Ankle Protocol Update
Midwifery led care Cumberland Infirmary	Requires improvement	Low	1. All women to have a second risk assessment documented. Message in Maternity Newsletter to remind staff members. 2. Review staffing establishments & Birth-rate assessment tool for calculating midwifery staffing levels. 3. Encourage midwives to offer this as a choice to women. 4. Midwives to encourage bottle feeding midwives to give the first feed to their baby skin-skin. Message in Maternity Newsletter to remind staff members. Poster in staff room.
Patient experience on the midwife led units	Good practice	Very Low	1. Review questionnaire with Maternity Voices. 2. Identify support services e.g. Mum to Mum" support for breastfeeding 3. Work with Estates Department to agree solution 4. As part of Better Births this is a recommendation
Adherence of the Trust Foetal Remains Policy CIC 2016	Good practice	None	Face to face training with new members of staff
Test of Cure Outcomes Following LLETZ Treatment	Good practice	None	No actions
GA LLETZ in North Cumbria	Good practice	Very Low	1. Data to be presented at operational meeting. 2. Discussion with Business manager as to how to meet the demand for GA LLETZ considering reduced capacity at WCH.

Project Title	RAG rating	Risk Rating	Actions
Adherence of the Trust Foetal Remains Policy CIC 2016	Acceptable practice	Very low	Part of departmental induction
Alcohol awareness in pregnancy 2017 NICE CG62 PH 24	Acceptable practice	Very low	1. All Midwives to be encouraged to re screen women at 16 week appointment. 2. team training sessions, reminders put in strategic places, issue raised during supervision sessions
Multiagency Rapid Response	Good practice	None	1. Real time completion of audit forms. 2. Child's body taken to ED, Joint history/examination for all children taken to ED, Ambulance control to notify police, Kennedy samples, where appropriate, taken, Minutes sent to coroner, families given CDOP leaflet and informed of final case discussions.
Patient DIAG Risk Assessment Re-Audit 2016	Requires improvement	Very low	1. More training required to improve practice. Discuss with moving and handling managers how best this training can be provided. 2. Raise knowledge of DIAG risk assessment and PHP's in mandatory updates. Develop link worker role as a moving and handling team and incorporate DIAG promotion in their role.
Endocarditis monitoring	Limited Assurance	Moderate	1. Report to be presented to the Cardiology Team at the monthly M&M meeting. 2. Re-audit to be performed to see if any progress has occurred when adhering to local guidelines (potentially with I.E. bundle in place).
National Audit of Dementia - Optional case note Audit	Acceptable practice	Low	1. Make sure the document is available on the wards and known to staff. 2. A delirium pathway is being developed and implemented within the Trust. 3. Create a specific box on the discharge summary prompting for recording of the mental status and requesting review/ referral.

Project Title	RAG rating	Risk Rating	Actions
Quality of Portable Chest X-rays for Nasogastric Tube Placement in ITU	Requires improvement	Moderate	1. Radiographers education. 2. Discussion in the radiology department meeting. More workforce in the radiology department. 3. Re-Audit in December/January.
Audit of Accuracy of Red-Dot on Plain Films	Acceptable practice	Low	1. Red-Dot training to be delivered by Radiologists 2. Incorporate Red-Dot system discussion in radiographer departmental induction. 3. Aim to recruit more staff and retain trainees.
SCBU parent questionnaire WCH 2017	Good practice	None	1. Within 24 hours 2. Order new printer 3. Review new criteria, to enable early discharge
Consent Audit - Looking at Non-operative Options (action of 5776)	Good practice	Very Low	Regular teaching and Circulate RCS guidelines.
Audit of compliance testing haematinics in patients with chronic anaemia	Requires improvement	Moderate	1. Highlight the importance of haematinics screening for patients admitted with chronic anaemia to Maple A ward during the induction of new trainee doctors. 2. Posters to be displayed.
Meeting nutritional needs and oral nutritional supplements audit NICE CG32	Requires improvement	Moderate	1. Discuss at the Quality Improvement Steering Group and Nursing, Midwifery and AHP Board. 2. Discuss at the Quality Improvement Steering Group and the Nursing, Midwifery and AHPs Board. 3. Discuss at the Dietetic Acute Team Meeting and Departmental meeting. 4. To include within the FY1 training that the Dietitians provide annually. 5. Register with clinical audit. Review the audit tool, to ensure measurable data is collected.
Audit of Safety of	Requires	High	New equipment to be introduced training will

Project Title	RAG rating	Risk Rating	Actions
Patient Controlled Analgesia	improvement		be updated and reinforced.
Blood Result Filing on ICE - Percentage of Filed Results on Maple B and D	Requires improvement	Moderate	<ol style="list-style-type: none"> 1. Discussing and presenting results on wards to relevant staff, group email raising awareness of audit and protocol. 2. Present at Department meeting. 3. Poster circulated.
Tip-Apex Distance Audit	Acceptable practice	Very Low	<ol style="list-style-type: none"> 1. Report to be presented to T&O M&M meeting. 2. T&O staff reminded of ideal TAD. 3. Shared database created to enable prospective data collection of TAD.
Midwifery led care West Cumberland Hospital	Requires improvement	Very Low	<ol style="list-style-type: none"> 1. All women to have a second risk assessment documented. Message in Maternity Newsletter to remind staff members. 2. Review staffing establishments & Birth-rate assessment tool for calculating midwifery staffing levels. 3. Encourage midwives to offer this as a choice to women. 4. Midwives to encourage bottle feeding midwives to give the first feed to their baby skin-skin. Message in Maternity Newsletter to remind staff members. Poster in staff room.
Audit of 14 hour standard to consultant clinical review	Requires improvement	Moderate	<ol style="list-style-type: none"> 1. To be shared with Band 6/7 nurses. 2. Purple board magnets awaited. Ensure Band 6/7 nurses are familiar with the use of the purple magnets. Ensure consultants are familiar with the purple magnets and their purpose. 3. Re-audit to be completed.
An audit against the pathway for patients with Right Iliac Fossa (RIF) pain and the increased use of	Good practice	Very Low	<ol style="list-style-type: none"> 1. Expand data set to include emergency department data. 2. Continue to manage patients with RIF pain in ambulatory care where appropriate and re-audit in 2018. 3. Present findings of this audit at next meeting of surgical coordinating team.

Project Title	RAG rating	Risk Rating	Actions
ambulatory care			

National Confidential Enquires into Patient Outcome and Death

National Confidential Enquiries into Patient Outcome and Death (NCEPOD) is an independent organisation which is commissioned by HQIP to carry out surveys and research to assist in maintaining and improving standards and quality of patient care. They regularly publish the results of their findings on their website.

Table 5 below details the studies that were commissioned to run throughout 2017/18 and whether they are relevant to NCUH along with our submission rate where applicable:

Study	NCUH Eligible	Organisational Questionnaire Returned	% of Clinician Questionnaire Submitted	% of Case Notes Submitted
Cancer in Young Children	No	N/A	N/A	N/A
Acute Heart Failure	CIC = Yes	No	2/5 = 40%	1/5 = 20%
	WCH = No	N/A	N/A	N/A
Peri-Operative Diabetes	CIC = Yes	Yes	9/16 = 56%	2/8 = 25%
	WCH = Yes	Yes	1/6 = 16%	0/3 = 0%
Young People's Mental Health	No	N/A	N/A	N/A

Table 6 below details the reports published by NCEPOD during 2017/18:

Date	Publication Title	Comments
8 March 2018	Chronic Neurodisability: Each and Every Need	NCUH were not eligible to contribute data into this study however the report has been shared with relevant staff to share learning
13 July 2017	Acute Non-Invasive Ventilation: Inspiring Change	NCUH did contribute data to this study during 2016/17

National Institute for Health and Care Excellence (NICE) guidelines

At the end of Quarter 4 2017/18 the Trust was demonstrating a 72% compliance with guidance that had been through the Trust process, acknowledged and responded to by the relevant clinician. Of this 72%, 25% have been audited to confirm compliance.

Clinical Research

Research & Development

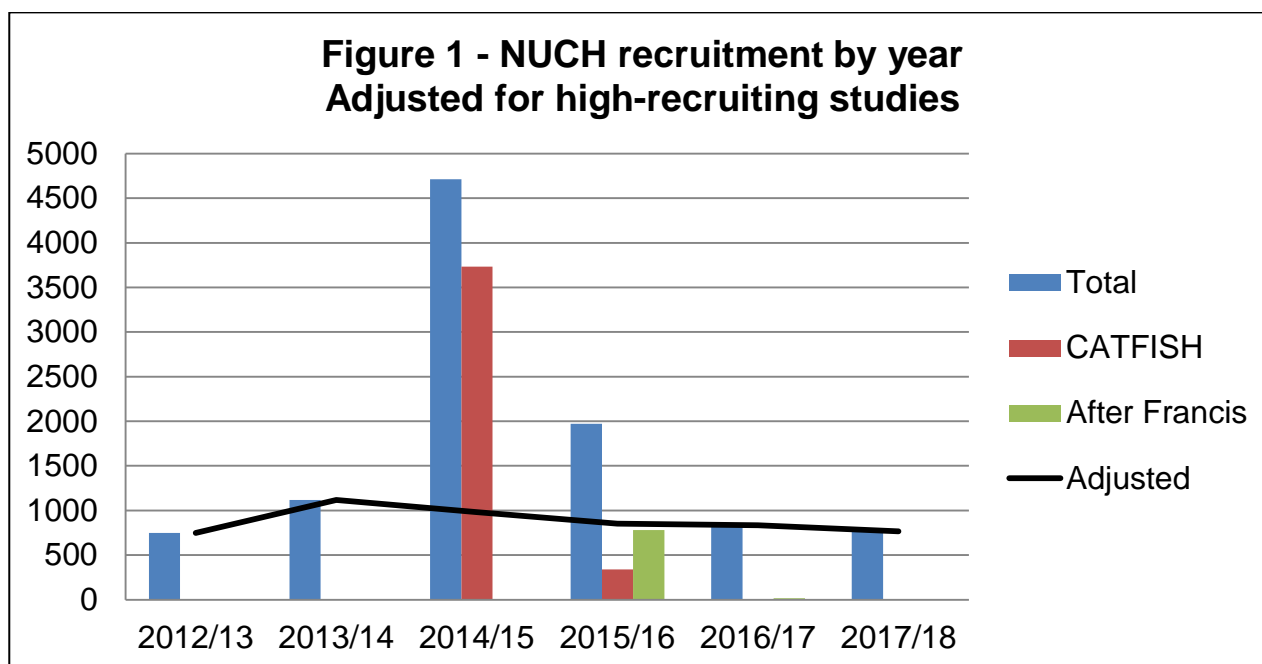
The Trust continues to embrace clinical research as a means to contribute to progression of evidence-based healthcare. North Cumbria University Hospitals NHS Trust is a Partner Organisation (PO) of the National Institute for Health Research (NIHR) North East & North Cumbria Clinical Research Network (NENC CRN), one of 15 CRNs in England. The NIHR is the clinical research delivery arm of the NHS. Further information on the remit of the NENC CRN can be found on their website, <http://www.nihr.ac.uk/nihr-in-your-area/north-east-and-north-cumbria> . As a Partner Organisation, the Trusts receives funding for the delivery of clinical research. This includes funding for the majority of the research delivery team of 18 nurses, practitioners and administrators, as well as pharmacy & pathology staff. Additional income is derived from recruiting to commercially sponsored research.

The Research & Development team supports delivery of a range of different types of research study ranging from large national and international clinical trials to small, single-centre studies. These include research into new drugs, surgical techniques and other therapies, and the collection of samples for genetic analysis.

Research Activity

Clinical research continues to thrive in a number of specialties. The number of patients receiving relevant health services provided or sub-contracted by North Cumbria University Hospitals NHS Trust in 2017/18 that were recruited during that period to participate in research approved by a research ethics committee was 217.

This represents a reduction in recruitment from previous years. However in 2014/15 and 2015/16 two high recruiting studies were open in the Trust that skewed figures. Once recruitment is adjusted for these studies, it remains relatively stable (figure 1).



Legend

Total	Refers to total number of patients recruited per time period
CATFISH	Name of research study
After Francis	Name of research study
Adjusted	Adjusted recruitment figures for each time period after the recruits for CATFISH and After Francis have been accounted for i.e. to demonstrate that in 2014/2015 and 2015/2016 we recruited a large number of patients in that time period only.

Particular successes in the year include:

- The R&D team was awarded £20,000 Quality Improvement Incentive funding by the NENC CRN – see Research Performance (below) for further details.
- Due to high quality of data and samples provided for the MCM5 Bladder study, NCUH was one of only a few sites asked to extend recruitment to the study. A further 124 participants were recruited in the extended period.
- The Trust achieved 100% of follow ups for the Stampede trial within normal time frames – only 20% of sites running the study achieved more than 90%.

Recruitment targets were met or exceeded in the following studies that closed during the year:

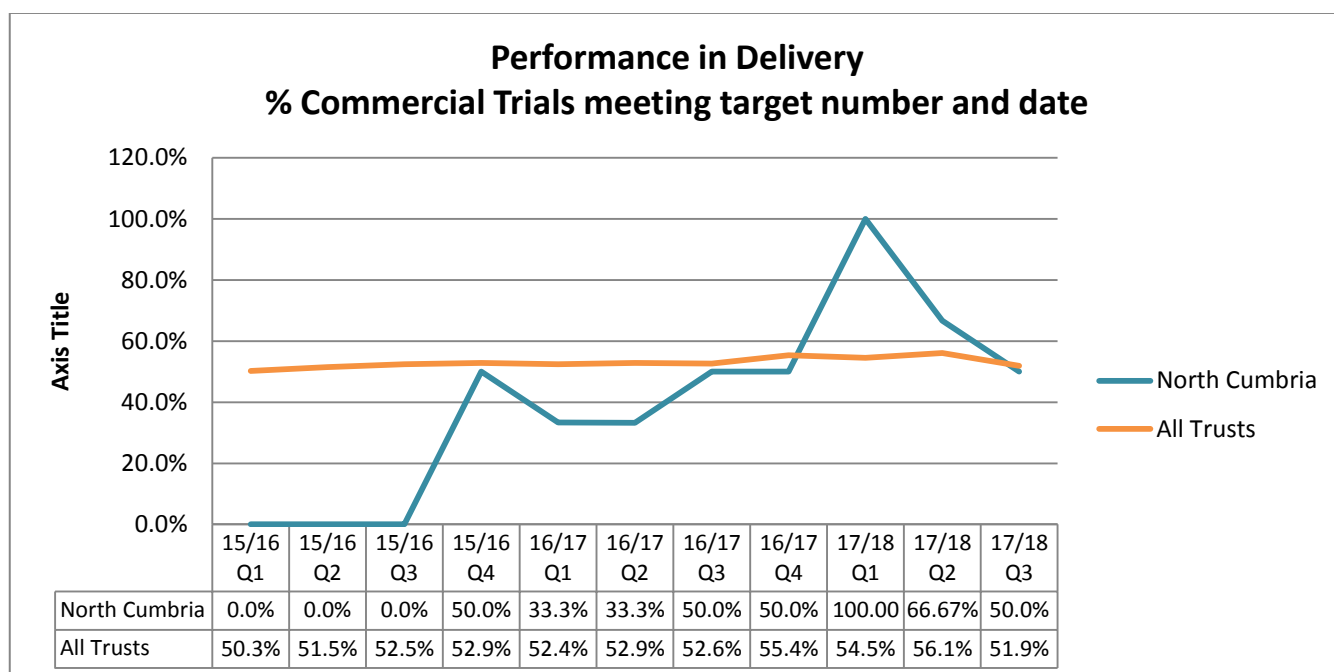
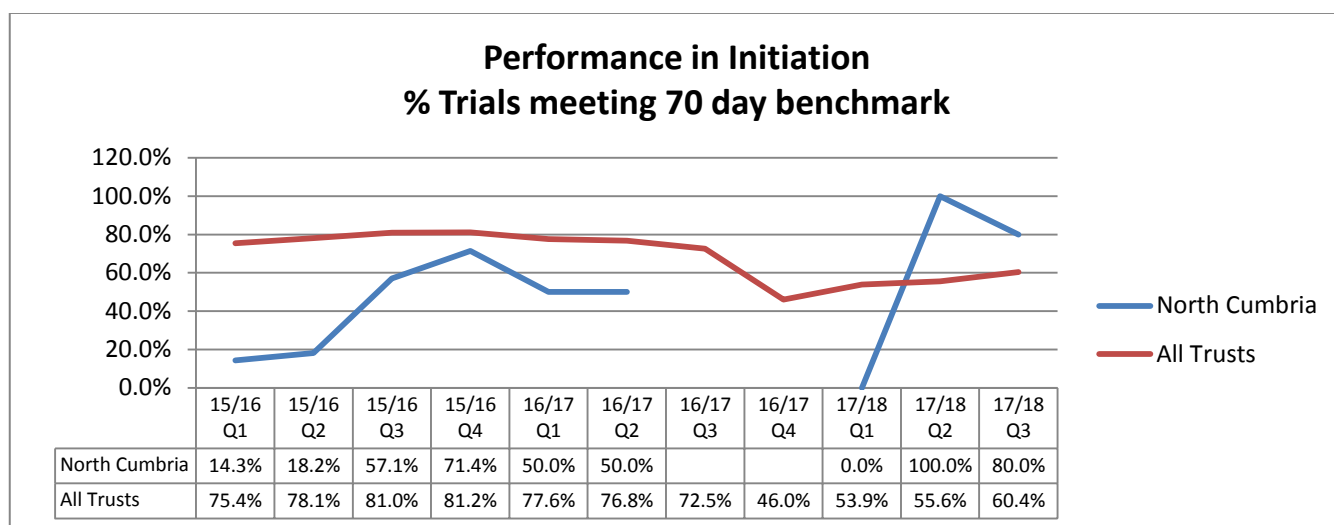
Study	Disease area	Recruitment Target	Actual Recruitment
MCM5 bladder	Cancer	130	366
UNITY CLL	Cancer	1-3	3
SPIRE	Reproductive Health	100	176
Parkinson's Pen	Neurology	10	14
SMP2	Cancer	5	6
Brand name	Musculoskeletal	22	22
EPIC 3	Anaesthesia	6	6

Research Performance

Research activity is performance managed nationally against the Performance in Initiation and Delivery (PID) benchmarks:

- Performance in Initiation – 70 days from receipt of application to recruit first participant into a clinical trial
- Performance in Delivery – delivery to time and target for closed commercial clinical trials

The charts below show Trust performance over the past two years against these benchmarks, compared to performance of all Trusts:



At regional level, the Trust is performance managed by the CRN against a number of targets.

In 2017/18 the NENC CRN set a Quality Improvement Incentive relating to completion of data items within the Local Portfolio Management System (LPMS). This incentive was, in

turn, linked to national High Level Objectives. The target was 90% of data completed against two reporting targets. The R&D team, under the lead of the Administration team achieved 100% completion for both targets. As a result the Trust was awarded additional funds of £15,000 at the end of Quarter 2 and a further £5,000 at the end of Quarter 3.

Since April 2016 the NENC CRN has measured time for study set-up with a target of 40 days from receipt of an application pack to confirm capability and capacity (to include exchange of contracts). During 2017/18 73% of new studies were approved within the 40 day target with only 1 missing target due to local delays.

Performance emphasis in 2017/18 was on Recruitment to Time and Target (RTT) for all NIHR Portfolio studies. Work is being undertaken with the R&D Team to ensure realistic recruitment targets are set, and every effort is made to achieve targets. Of 32 studies that closed in 2017/18, 75% met or exceeded planned recruitment.

Review of Services – Mandatory Statements

During 2017/18 the North Cumbria University Hospitals NHS Trust provided and/or sub-contracted 40 NHS Services. North Cumbria University Hospitals NHS Trust has reviewed all the data available to them on the quality of care provided in all of these NHS Services.

The income generated by the NHS Services reviewed in 2017/18 represents 100 per cent of the total income generated from the provision of NHS services by North Cumbria University Hospitals NHS Trust for 2017/18.

Data Quality

North Cumbria University Hospitals NHS Trust will be taking the following action to improve data quality:

- Manage and maintain standard operating procedures (SOPs) Trust wide for data collection and validation. This includes statutory returns with sign off by relevant managers in divisions prior to submission
- Develop and support the updated Trust Performance Framework for 2018/19
- Promote the use of data quality dashboards and key performance indicators (KPIs) to monitor Trust income and Data Quality priorities
- Work closely with clinicians and managers to reduce replication in data recording of clinical and management data
- To discuss and reconcile schedules to legally binding contracts
- Ensure that staff take responsibility for the data that they record and manage
- Review and action audit reports in relation to data quality
- Review the data quality standards within the Information Governance Toolkit

Secondary Uses Service

North Cumbria University Hospitals NHS Trust submitted records during 2017/18 to the

Secondary Uses Service for inclusion in the Hospital Episode Statistics which are included in the latest published data.

The percentage of records in the published data which included the patient's valid NHS Number was:

- 98.4% for admitted patient care
- 98.9% for outpatient care
- 96.7% for accident and emergency care

Data excluding Scottish patients:

- 99.8% for admitted patient care
- 99.8% for outpatient care
- 97.8% for accident and emergency care

The percentage of records in the published data which included the patient's valid General Medical Practice Code was:

- 99.9% for admitted patient care
- 99.9% for outpatient care
- 99.7% for accident and emergency care

Information Governance 2017/18

Information Governance is to do with the way the Trust processes and handles information. It covers personal information (relating to patients/service users and employees) and also corporate information (for example financial and accounting records). By embedding Information Governance in the culture of the Trust, we can provide assurance to the public and our regulators that the Trust complies with relevant legislation and central guidance; that information is handled appropriately, lawfully and securely.

Information Governance and Cyber Security incidents

The Trust takes its responsibilities for the protection of patient and staff information seriously. Breaches of confidentiality or loss of personal data are reported and investigated through the Trust's Incident Reporting procedure and assurance processes.

The Trust uses the national Incident Reporting Tool to report level 2 Information Governance 'Serious Incidents Requiring Investigation' (IG SIRI) to the Department of Health (DH), Information Commissioner's Office (ICO) and other regulators. Level 2 IG SIRIs are those incidents which are sufficiently high profile or serious enough to be reportable; these will mainly involve a breach of Data Protection Act principles or the Common Law Duty of Confidentiality. The severity of the incident will also be determined by the number of data subjects affected and the sensitivity of the information compromised.

Level 2 and level 1 incidents for 2017/18 are summarised below.

IG SIRI level 2

The Trust reported three level 2 SIRIs in 2017/18

Date of Incident	ID	IG SIRI level	Status	Summary of Incident	Outcome
27-Jun-17	IGI/12375	2	Closed	Payslips for IT staff have been sent out to an incorrect external address. Not received by IT, and not returned.	Process for notifying payroll staff of change of addresses reviewed and responsibilities allocated appropriately.
9-Jun-17	IGI/12067	2	Closed	Discharge summary sent to patient included 13 other patient's discharge letters	Discharge letters collected from patient's address as soon as the Trust was notified of the incident. Review of mailing process in order to ensure that letters are not "batched" in error
27-Apr-17	IGI/11710	2	Closed	Patient Cancer Referral form sent to approximately 150 administration staff throughout the Trust with the patients name in the subject heading. The patient is a well known member of staff on one of the Trust's sites. This e-mail went to many of their work colleagues	Email has been withdrawn/ deleted. Email processes currently under review to ensure risk of re-occurrence is reduced. Incident investigation started. Processes reviewed and updated. Staff instructed that Email Subject Line must not include patient name.

IG SIRI level 1

Level 1 incidents are those that are considered less serious than level 2; those that have not compromised highly sensitive information or large volumes of data items.

SUMMARY OF OTHER PERSONAL DATA RELATED INCIDENTS IN 2017/18		
Category	Breach Type	Total
A	Corruption or inability to recover electronic data	1
B	Disclosed in Error	51
C	Lost in Transit	2
D	Lost or stolen hardware	0
E	Lost or stolen paperwork	3
F	Non-secure disposal – hardware	0
G	Non-secure disposal – paperwork	17
H	Uploaded to website in error	0
I	Technical security failing (including hacking)	2
J	Unauthorised access / disclosure	6
K	Other	15

The Trust undertakes an annual information flow mapping exercise which gives assurance that Trust procedures for sending patient and staff information to external bodies provide appropriate security, and that risks are managed effectively. In addition, the Trust has joined the Information Sharing Gateway, which was developed within the Lancashire and Cumbria regions to support electronic information sharing across care boundaries. The purpose of Gateway is to provide assurance that the information being shared, managed and processed will be done so in such a way that is Data Protection Act compliant. It also centralises and shares key resources in a way that is accessible and transparent.

Information Governance Toolkit (IG toolkit)

The IG Toolkit is a Department of Health (DH) initiative which draws together the legal rules and central guidance set out by DH policy and presents them in a single standard as a set of information governance requirements. The organisations in scope of this are required to carry out self-assessments of their compliance against the IG requirements on an annual basis.

The purpose of the assessment is to enable organisations to measure their compliance against the law and central guidance and provides the public with assurance that information is handled correctly and protected from unauthorised access, loss, damage and destruction.

Each year the IG toolkit requires the evidence to be reviewed, updated or additional items added. This work forms part of the Trust's annual IG work programme; progress with which is reported through the Information Governance Group.

The Trust has published the following IG toolkit results for 2017/18:

Initiative	Score	Grade
Information Governance Management	93%	Satisfactory
Confidentiality and Data Protection Assurance	77%	Satisfactory
Information Security Assurance	75%	Satisfactory
Clinical information Assurance	100%	Satisfactory
Secondary Use Assurance	100%	Satisfactory
Corporate Information Assurance	77%	Satisfactory
Overall	85%	Satisfactory

Information & Cyber Security

With the arrival of the Caldicott 3 report in July 2016, data security has become an even greater level of focus for the Trust than in previous years. The Trust has been an early adopter of NHS Digital's new three strand programme (Assure, React and Knowledge) and actions the CARECert cyber security alerts from NHS Digital. The Trust has full technical perimeter defences in place and employs a fully qualified Information and Cyber Security Officer. To ensure effectiveness of Trust security, and as part of the Assure element of the NHS Digital programme, the Trust undertook a security penetration test in 2017, which confirmed that the Trust has an acceptably low level of risk. The Trust is now moving to Cyber Resilience as a discipline working in concert with the wider Trust Emergency Preparedness, Resilience and Response Committee.

On 12 May 2017 a global cyber security incident occurred as the result of the release of a malware suite that became known as 'Wannacry'. Tens of thousands of organisations in over 150 countries were affected, including the NHS. This was not a direct attack on the NHS nor was it a classic data breach. It was not subject to a SIRI process and did not figure in the ICO's Level 1 or 2 Incident Reports. All investigations and responses were operated at national and international level. Trusts were responsible only for protecting their systems, patching them and bringing them back into use. Apart from lessons learned, and a contribution to the national investigation, Trusts had little further involvement.

Payment by Results

North Cumbria University Hospitals NHS Trust was not subject to the Payment by Results clinical coding audit during 2017/18. Payment by Results audits ceased and were superseded by the Cost Reference audits which incorporated a small hot spot review of coding, if an area of concern was found a PbR audit would be performed. These occur every three years; there was nothing of concern noted via the hot spot review therefore no audit was undertaken.

Being Open and Duty of Candour

As an organisation we fully support the principles of being open with patients, their families and carers when they have suffered patient harm or have been involved in a patient safety incident.

What does Duty of Candour mean for patients?

Duty of Candour is applicable to any patient safety incident which has resulted in a moderate or above level of harm and is a legal obligation set out in the Care Quality Commission Regulation 20. In summary the Regulation sets out that there are specific stages of the Duty of Candour process which should be complied with:

- **Stage one** is the initial notification where a patient and or family member is informed in person that they have been involved in a patient safety incident.
- **Stage two** is written confirmation about what has happened and how this will be investigated, this includes a written apology.
- **Stage three** is the sharing of the outcome of the investigation. There are set timescales which apply to each of these stages. Breach of the regulation has the potential to result in either regulatory or legal sanction.

What is our Policy and Process?

A revised process commenced in October 2016, together with a revised Being Open and Duty of Candour Policy and Procedure being publicised in November 2016 which incorporated a more informative approach to the management of Duty of Candour. A flowchart setting out the Duty of Candour process, with timescales, was contained within the policy, together with a template written notification of Duty of Candour letter to ensure all staff had clarity on the process and what was required.

Mandatory training for our staff is in place in order to ensure all staff are clear on the process and their individual responsibilities. This has included additional face to face training during the year.

How are we performing?

A position statement was reported to the Trust Board in February 2018 in relation to the application of Duty of Candour, which confirmed 100% compliance of initial notification for a sample taken during the period of November 2017. Performance is continuing to be monitored weekly, and reported on a weekly and monthly basis to Chief Matrons and divisions. Reports around compliance are also submitted to the Safety and Quality (sub-board) Committee.

Independent assurance against our performance

A follow up Duty of Candour Internal Audit was initiated in November 2016, the outcome of which was concluded in April 2017. The findings concluded an assurance level of 'good assurance', evidencing the systems and processes that have been put in place have resulted in significant improvements in compliance. A further audit has been planned for 2018/19.

PART 3: OTHER INFORMATION

Care Quality Commission (CQC) Registration and Inspections

#WeDidIt

The North Cumbria University Hospitals (NCUH) NHS Trust is required to register with the Care Quality Commission (CQC) as a provider of acute

healthcare services in accordance with Section 10 of the Health and Social Care Act 2008. The CQC has not taken enforcement action against the North Cumbria University Hospitals (NCUH) NHS Trust during 2017/18.

CQC Inspections

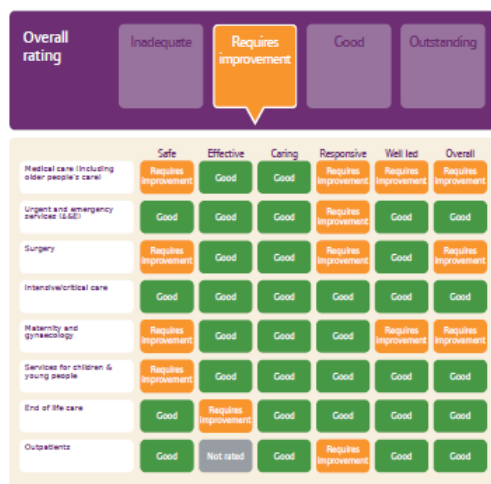
Our last CQC inspection took place in December 2016 and the final report from the inspection was published on 29 March 2017. The CQC recommended the Trust should exit special measures.

Overall the Trust maintained a rating of 'requires improvement.' However, this inspection saw the majority of our services being rated as 'good' as well as a rating of 'good' overall for the 'caring' and 'effective' domains.



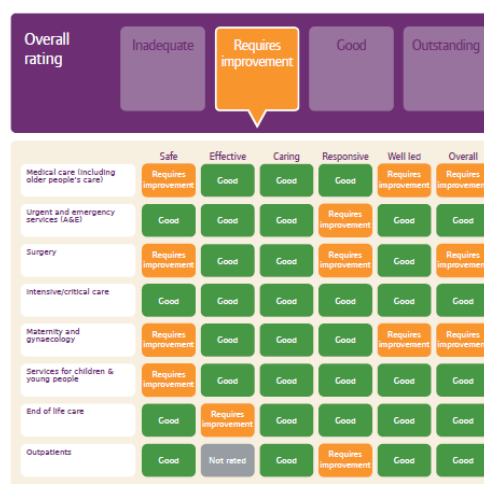
Last rated
29 March 2017

North Cumbria University Hospitals NHS Trust
West Cumberland Hospital



Last rated
29 March 2017

North Cumbria University Hospitals NHS Trust
Cumberland Infirmary



The CQC identified a number of areas of improvement and actions the Trust 'Must' take and actions that the Trust 'Should' take. As part of NHSI requirements, the Trust has a Quality Improvement Plan (QIP) which details specific objectives from the Trust's Quality Priorities and also encompasses our 'Must' response to the CQC inspection in December 2017.

Each work stream within the QIP has a named Executive Director and a Delivery Lead who closely monitor progress and improvements which are fed into the QIP and scrutinised at the Safety & Quality Committee on a quarterly basis. The Trust Board receives the QIP report on a quarterly basis, which clearly details the progress made on each of the work streams.

During 2017/18 the CQC have set up regular face to face engagement meetings with the Trust as a forum to exchange information about organisational plans and developments. The QIP is a regular agenda item as part of these meetings to update the CQC on the delivery highlights and key exceptions.

In addition to the QIP, there are a number of mechanisms in place for monitoring compliance with the CQC regulations and key lines of enquiry (KLOE) as assurance of our CQC registration compliance. The 15 Steps programme, which is a rolling schedule of assessments, are carried out in all wards and clinical departments by a multi-disciplinary team who assess the areas against the CQC KLOEs. This same tool is used for areas to conduct monthly self-assessments. The outcomes and actions of these assessments are monitored locally at ward level, at the Quality Improvement Steering Group on a monthly basis and a summary report is presented at the Safety and Quality Committee on a quarterly basis.

Following the 2016 CQC Inspection the CQC issued 17 must do actions from 7 of the core services with 3 regulation requirement notices for action under the Health and Social Care Act:

- Regulation 9 HSCA (RA) Regulations 2014 Person-centred Care
- Regulation 17 HSCA (RA) Regulations 2014 Good Governance
- Regulation 18 HSCA (RA) Regulations 2014 Staffing

The must do actions were incorporated into the Trust's Quality Improvement Plan (QIP), however, the CQC must do items have now been taken out of the QIP to align with monitoring and reporting process with CPFT in this joint CQC update report. Examples of progress to date on the 3 above regulations include:

- **Regulation 9:** Meet the target to see and treat 95% of emergency patients within four hours of arrival linked to meeting the locally agreed trajectory to see and treat emergency patients within the standard agreed with regulators and commissioners.
Update: Division working towards trajectory and action plan in place.
- **Regulation 17:** Ensure medical and nursing staff use the computer system fully as intended so that patient real time events are recorded accurately and this is demonstrated through audit.
Update: A policy has been developed to provide details of the datasets which the Trust must capture and monitor
- **Regulation 18:** Ensure sufficient numbers of suitably qualified, competent, skilled and experienced persons are deployed across all divisional wards. Specifically, registered nurses to ensure safe staffing levels are maintained, especially in areas of increased

patient acuity, such as NIV care and thrombolysis.

Update: There is a daily review of nurse staffing levels and daily plans are put in place to ensure safe staffing levels which are agreed by operation teams. Nurse staffing levels are also discussed at the weekly Senior Nurse Team meetings to discuss issues.

- Weekly safety check meetings ensure that the medical rotas are covered.

Assessing Quality on an ongoing basis across the Trust

Trust developed local arrangements for assessing quality against the CQC standards in 2016-17 and set in place the 15 steps assessments' across the Trust. The 15 step concept hugely appealed to us, it was a quote from a parent that sparked the 15 step challenge nationally, quote "I can tell what kind of care my daughter is going to get within 15 steps of walking on to a ward". This became the concept of 15 Steps Challenge nationally.

A series of 15 step assessment toolkits are used to help look at care in a variety of settings through the eyes of patients and service users, to help capture what good quality care looks, sounds and feels like. Each assessment toolkit provides a series of questions and prompts to guide patients, service users, carers and NHS staff through their first impressions of a care setting. These assessment toolkits help to gain an understanding of how patients and service users feel about the care provided and what gives them confidence. It can also help organisations to understand and identify the key components of high quality care that are important to patients, services users and carers from their first contact with a care setting.

What is the purpose of the 15 Steps assessments?

- To help staff, patients, service users and others to work together to identify improvements that can enhance the patient or service user experience.
- To provide a way of understanding patients' and service users' first impressions more clearly.
- A method for creating positive improvements and dialogue about the quality of care.

What's our approach?

- A rolling programme of unannounced assessment visits of wards, clinics and services by a mixed team of clinical and non-clinical staff.
- Captures initial impressions of care provision (the sights, sounds, smells and general 'feel') and a more detailed assessment of practice.
- Involves observing practice and interactions; gathering real time feedback from our patients, their families and our staff; checking records, equipment and the environment.

Why are we doing it?

- The assessments give a valuable insight for improvement.

- Improves patient care by highlighting good practice, allowing best practice to be shared across services, and identifying any areas for improvement.
- Complements and reinforces other Trust work around quality improvement.
- Promotes pride and ownership and empowers staff in the services they deliver.
- Feedback is given the same or next day to allow service to make improvements quickly.
- Helps services prepare for a Care Quality Commission inspection.

During 2017/18 there have been 37 assessments carried out unannounced on wards and departments in both WCH and CIC. The assessment teams consist of clinical and non-clinical staff and representatives from the patient panel who are independent of the ward or department being assessed.

A rolling schedule of visits has been established to ensure all ward and departments are continually assessed and the outcome of these assessments are fed back to immediate areas for implementation of any required improvements and to the relevant Divisional Safety & Quality Boards for monitoring of improvements. Summary exception reports are reported to the Trust Safety & Quality Committee.

In addition, the wards and departments carry out monthly self-assessments using a similar tool. This helps to keep the wards and departments focussed on issues that need improvements as well as assurance of what is working well.

The Quality Improvement Steering Group is chaired by the Deputy Director of Nursing and the purpose of the group is to further develop the implementation of the framework for assessing compliance of wards and departments against the CQC Fundamental Standards Key Line of Enquiry (KLOEs). The Group receives presentations from Matrons and Ward Managers on the improvements made following their 15 Steps Ward assessments. Support and advice is taken forward from the Group to assist in implementing actions that wards and departments may be struggling to complete.

CQUIN Delivery 2017/18

A proportion of North Cumbria University Hospital (NCUH) NHS Trust's income in 2017/18 was conditional on achieving the agreed quality and innovation goals as agreed with our Commissioners through the Commissioning for Quality and Innovation Payment Framework (CQUIN). Our services earned an estimated 75% of available CQUIN monies during 2017/18 as we delivered the quality improvements as detailed below. The total amount available was £2.63m and the Trust is predicted to achieve £1.98m.

Clinical Commissioning Group

	2017/18 CQUIN Schemes	17/18 (available)	17/18 (predicted achievement)
Improving Staff Health and Wellbeing	Improvement of health and wellbeing of NHS staff - 5% improvement in 2 out of 3 relevant survey questions	£127,000	£63,500
	Healthy food for NHS staff, visitors and patients – healthy options in retail food outlets in hospital	£127,000	£127,000
	Flu vaccinations for frontline clinical staff at 70%	£127,000	£127,000
Reducing the impact of serious infections (Antimicrobial resistance and Sepsis)	90% of patients screened for SEPSIS in inpatients and emergency	£96,000	£38,400
	Sepsis Treatment - 90% of patient screened positive for SEPSIS patients treated within 1 hour in inpatients and emergency.	£96,000	£38,400
	Antibiotic review empiric review for SEPSIS improvement to 90%	£96,000	£96,000
	Antibiotic treatment reduction in usage overall	£95,000	£95,000
Improving services for people with mental health needs who present to A&E	Reduction in A&E attendances for a selected cohort of frequent attenders with mental health needs	£383,000	£383,000
Hospital Consultants offering Advice and Guidance service to GPs	Advice and Guidance delivered in specialties covering 75% of referrals	£383,000	£383,000
E-Referrals	All outpatient appointments managed through E Referral system by March 2018, slot polling appointment slot issues reduce to 4%	£383,000	£95,750
Supporting proactive and safe discharge	Improvements to % of inpatients in longer than 72 hours, aged 65+ and discharged to usual place of residence between 3 and 7 days compared to total 3 days and over.	£383,000	£191,500
CCG Total CQUIN		£2,296,000	£1,638,550

Specialist Commissioning

2017/18 CQUIN Schemes	Year 2 £ (available)	
Chemotherapy Dose banding	£51,755	£51,755
Optimising Palliative Chemotherapy	£77,663	£77,663
Medicines Optimisation	£77,663	£77,663
Local- Improving Chemotherapy Pathways	£51,755	£51,755
Dental dashboard and network engagement	£79,647	£79,647
Specialist Commissioning Total	£338,483	£338,483
TOTAL CQUIN	£2,634,483	£1,977,033

Total % achievement prediction: 75% (£1.98m of £2.63m available)

Delivering Our Quality Improvement Plan 2017/18 – Key Headlines

The Trust's Quality Improvement Plan for 2017/18 identified seventeen work streams, delivery against the plan is summarised in table in Appendix A. The sections below summarise the delivery of improvements during the year.

Improving the management of the deteriorating patient

Improving the management of the deteriorating patient has been a key safety and quality priority for the Trust during the last 3 years. Improvements in the Trust's mortality rate have been demonstrated, however the learning from serious incidents and also in depth audits against the national early warning scores (NEWS) indicate that there is still work to do in improving our compliance with and action taken when patients become ill and deteriorate.

This was a specific area for improvement in 2017/18 to ensure each ward has a targeted objective for improvement in relation to NEWS compliance and escalation of the deteriorating patient. NEWS e-learning training is now delivered three yearly; NEWS audit shows good compliance with monitoring of patient with high NEWS; a deteriorating patient management training and improvement campaign was delivered across the whole Trust. The launch of NEWS2 planned for July 2018 will include re-run of ROARRRR (deteriorating patient improvement campaign).

Improve the recognition and initiation of treatment of sepsis

The quality of sepsis management remains a priority for the Trust. This year there has seen the appointment of two Sepsis nurses who have supported training and audit of the sepsis pathway; NEWS is being recorded on an electronic system (Real Time) with the aim of improving escalation of the deteriorating patient, this will be further strengthened by the rollout of NEWS2. A paediatric Sepsis screening tool has also been shared from the Great North Children's Hospital and has been implemented. Improvement in sepsis

screening and the number of patients receiving antibiotics has improved over the year. We will be expanding this work in the coming year to improve Sepsis recognition and management throughout Cumbria's wider health economy in partnership with our colleagues in the community. The Sepsis nurses will monitor compliance with the protocol, identify areas for improvement and audit will continue during 2017/18.

Ongoing development of the mortality and morbidity framework

The Trust Mortality and Morbidity Framework has been updated in response to the National Guidance on Learning from Deaths and is reviewed annually and/or updated as required in line with national guidance. The Trust SHMI has improved since 2012 and remains consistently within 'expected limits' the most recent up until September 2017 is 0.97; HSMR for the same period is 97. Approximately 80% of inpatient deaths are reviewed monthly and further in depth review is undertaken when necessary. The mortality review tool has also been updated is regularly reviewed and amended, training has been provided on the Royal College of Physicians Structured Judgement Review tool.

We receive quarterly reports from NEQOS that are reviewed at the mortality surveillance group and if deaths are higher than expected for a specific diagnostic group a more detailed review is undertaken.

Healthcare for the Future- update of the clinical strategy

Decisions were made following the Healthcare for the Future public consultation on 8 March 2017. Since then, health and care services across North Cumbria are working more collaboratively than ever before which is better for patients and staff.

Members of the public and frontline staff clearly fed back that as services develop for the future, they would like to ensure that the community, patients and staff are shaping solutions. A lot of work has been underway over the past year on developing 'co-production' as a way of working productively together.

Despite serious challenges to staffing, the decision was made to retain A&E services at both the Cumberland Infirmary Carlisle and West Cumberland Hospital. The most challenging staffing issues were at West Cumberland Hospital therefore an innovative new staffing model in acute medicine, the 'composite workforce model' has been introduced which means traditional non-training junior and middle grade medical roles can be replaced by suitably trained and experienced clinicians from a variety of clinical backgrounds. The roles include advanced clinical practitioners, academic fellows, GP trainees and physician associates. This shores up the acute medicine service which supports emergency care.

The model won the 'Innovation in HR' award at the 2017 HPMA awards and the Royal College of Physicians also paid tribute to the innovation when the President, Jane Dacre visited the Trust in 2017. Her feedback included: "I think the work done at Whitehaven in the creation of the Composite Workforce is really innovative, and should be shared

nationally as an example of good practice. I left feeling quite inspired by what you have all achieved. So keep going!"

Sustainability & Transformation Plan (STP)

In December 2015, the NHS asked every health and care system in England to produce a Sustainability and Transformation Plan (STP), showing how local services will evolve to deliver better patient care and improved NHS efficiencies. West, North & East (WNE) Cumbria is our STP 'footprint', now styled as an Integrated Health and Care System (IHCS); it is led by Stephen Eames, Chief Executive of North Cumbria University Hospitals NHS Trust and Cumbria Partnership NHS Trust.

In developing our IHCS Transformation Programme, the CCG, both provider Trusts and County Council have come together to set out a vision and plans for the people of WNE Cumbria; to enjoy improved health and wellbeing, underpinned by health and care services that are safe, sustainable and effective. In doing this we have set out how we will most effectively use the resources available over the next five years to reduce our financial challenge. We know that this will require significant transformation of services and much closer relationships between all parts of our health & care system and our local communities. We now have System Leadership Board which drives our integrated agenda, a system wide transformation plan already underway (supported by a system PMO) and a single system financial control total, with associated risk share agreement between all NHS organisations, which in practical terms means we manage real costs rather than a PBR based funding model.

We have taken the opportunity to go further and deeper in our analysis and understanding of the key gaps we need to address in health and wellbeing, based on work undertaken by the WNE Cumbria Success Regime, the outcomes of a public consultation on key service reconfigurations, and a strategy of co-production in respect of all our planning processes. Our success requires strong partnerships with the people of WNE Cumbria as we seek to empower and share responsibility for health and wellbeing with individuals, communities and local services. We plan to enable our local population to be as independent, with as much choice and control as possible, in respect of their health and wellbeing.

The IHCS Transformation Programme has been developed to address three key priorities; Population Health & Wellbeing, Service Quality and Sustainability. Key components of the Transformation Programme are as follows:

- Reconfiguration of Maternity Services
- Reconfiguration Children's Services
- Provision of a HASU
- Continued provision of A&E and acute medicine on both DGH sites
- Increasing surgical services at WCH
- Reconfiguring Community Hospital capacity
- Integrating primary care, community and social care services through eight new place based teams – ICCs (Integrated Care Communities).

- A range of pathway improvements / service reconfigurations which will ensure more care is delivered in the community, achieving a reduction in reliance upon inpatient care.

Our IHCS is also included in the second wave of health systems applying for Integrated Care System (ICS) status.

Nursing, Midwifery & Allied Health Professionals Strategy

'Proud to care in Cumbria' is a strategy for nurses, midwives and allied health professionals (AHPs) and was launched in December 2014 following extensive engagement and development work with staff. The strategy is based on a vision, supported by five commitments which are our priorities for three years.

These commitments are:

- Patient experience and involvement
- Keeping patients safe
- Consistently delivering high quality care
- Courageous leadership
- Create a great workforce

A work plan for 2017/18 was developed by senior nurses, midwives and AHPs in September 2017 in order to progress key work streams to ensure delivery and monitoring of the strategy. The ambitions in the work plan are monitored through the Nursing, Midwifery and AHP Board which take place on a monthly basis and updates can be reviewed by all staff on the intranet, following the monthly review and upload.

An overview of progress during 2017/18 is as follows:

Patient experience and involvement

The Head of Nursing for Patient Experience continues the progression of work in a number of areas including:

- Dementia care – dementia friends training and dementia champions in place across the Trust.
- FFT in A&E – pilot of text message to capture feedback from A&E patients commenced January 2018; initial results show an increase of over 10% in the response rate.
- Triangulated reports for ward areas every quarter (pulling together all the patient experience feedback and identifying actions to share the feedback and make changes where required) in place, managed and monitored by Head of Nursing for patient experience.
- Ongoing engagement with service users for maternity services during and following consultation on the future of maternity services.

Keeping patients safe

- The program to reduce falls over 2017/18 was introduced starting with the Trust being part of the National Falls Collaborative. A reduction of 18% from 1534 to 1245 in all inpatient falls across the Trust was achieved. Improvements to obtaining Lying and

Standing Blood Pressure on admission, establishing a confusion screening process on admission and medication reviews will continue into the coming year.

- The program to reduce the incidence of hospital acquired pressure ulcers by 50% from a baseline of 587 in 15/16. Successfully achieved a 61% reduction from 587 to 198. A Rapid Improvement Process Workshop was held on an elderly care ward (Ward 4) at West Cumberland Hospital in February 2017. The Trust also took part in the North East and Cumbria Pressure Ulcer Collaborative, where the staff were commended for the amount of work they had achieved in the pursuit of improving care. Learning from both these events has been shared with all ward areas. The objective for 2018/19 will be to sustain this improvement.

Consistently delivering high quality care

- Develop and implement a programme of preparation for Inspection/Ward Accreditation: The program of ward self-assessment was developed further over the year. This included developing a web based system making it easier for staff to enter the data and generating an automated report. This report helps staff to focus on areas for celebration or issues for improvement. Further development of the full ward accreditation program will take place in 2018/19.
- Deliver a local conference annually to celebrate excellence in nursing, midwifery, AHP: The second conference held on 6 October 2017 was very well received by the staff who attended. Plans for 2018 conference to build on this success are in development.

Courageous leadership

- *Review and agree the contribution and input from the AHPs to the Nursing, Midwifery & AHPs Board* - a monthly meeting with the deputy director of nursing, midwifery & AHPs has been established to address specific AHP issues and provide a more detailed focus and representation at board level.
- A paper was presented to Trust Board proposing to increase the nursing uplift to 22% and approved. The aim of this is to facilitate front line leadership and development; this will be achieved through the ward managers' supervisory status. The current nursing vacancy rate has impacted on this aim, and as the Trust reduces nursing vacancies the benefits will be realised.

Create a great workforce

- *Implement an e-roster system across all wards and departments* - The e-roster system is now live across all wards and departments as of August 2016 this continues to be up dates with the transfer to the cloud in February 18 and the proposed implementation across Cumbria Partnership Foundation Trust.
- Developing a better bank system that is managed, more reliable and more responsive.
- Undergo an extensive recruitment campaign working collaboratively with our partners to reduce the costs. Recruiting from Jobs fairs, abroad, NHS employers, University careers fairs within a 150 mile radius to the Trust, and having open days for the Trust

and show casing the two sites to generate interest in working within the Trust, alongside the ongoing day to day recruitment from the ward areas.

- Offer a relocation package to encourage staff to relocate and make that transition from different regions easier this is an ongoing program to build pastoral care into this
- Promote Nursing as a career at a young age by attending secondary school events and career fairs.
- Developing a plan with NHSi around developing 3-4 bespoke strategies to aid the retention of staff within the Trust, this is ongoing.
- Working with the head of Nursing Education to support newly qualified students in the Trust with a preceptorship package over a 12 month period, this is ongoing.
- Use agency nursing staff in high turnover areas to help stabilise the work force and support staff until the area is able to recruit.
- Promote the Trust via the use of social media in different formats to highlight the great work under taken by the Trust and so promote the Trusts profile making it a more desirable place to work.
- *Develop and agree a proposal and work plan for AHP new roles in order to develop multi- professional establishment for a minimum of three key wards to improve patient experience and reduce length of stay* – the proposal was agreed and four AHPs commenced in post in October 2016. Work on evaluation with the University of Cumbria is ongoing

Implementation of NHS Constitutional Standards

During the year the Trust made significant improvement in delivery of cancer standards across the Trust as well as achieving 99% of patients undergoing diagnostic tests within 6 weeks. Performance improvement plans and set trajectories are in place for 2018/19 to support the delivery of the A&E standards, 18 week referral to treatment target and also reducing patient cancellations. During the year the Trust has also focussed on improving patient discharge both within the Trust and also across the health and social care system which will remain a priority for 2018/19 with our partners.

Seven day hospital services

Ten clinical standards for seven day services in hospitals were developed in 2013 through the Seven Day Services Forum, chaired by Sir Bruce Keogh and involving a range of clinicians and patients. The standards were founded on published evidence and on the position of the Academy of Medical Royal Colleges (AoMRC) on consultant-delivered acute care. These standards define what seven day services should achieve, no matter when or where patients are admitted.

With the support of the AoMRC, four of the 10 clinical standards were identified as priorities on the basis of their potential to positively affect patient outcomes. These are:

- Standard 2 – Time to first consultant review
- Standard 5 – Access to diagnostic tests
- Standard 6 – Access to consultant-directed interventions
- Standard 8 – Ongoing review by consultant twice daily if high dependency patients,

daily for others.

North Cumbria University Hospital Trust has agreed to meet the 'four priority 7 day' standard by April 2019 (one year before Trusts are nationally required). The following actions are required for each standard achieve this:

- Clinical Standard 2 (assessed by a suitable consultant within 14 hours of admission)
 - Added to a regular file audit process to improve documentation of this standard
 - Working with clinical leads in emergency care to review and improve processes.
- Clinical Standard 5 – Access to Diagnostics
 - Existing staff will be trained over a longer term to provide access to echocardiograph for new presentation with suspected acute heart failure, valvular dysfunction, and pericardial effusion. To meet this standard.
 - MRI Business case being developed will include access to MRI over weekend.
- Clinical Standard 6 – Access to Interventions
 - Access to Interventional Radiology and Urgent Radiotherapy at the weekend will be arranged by a formal agreement that is being led on a regional footprint by NHSI.
- Clinical Standard 8 – Consultant daily reviews
 - Previous evidence suggests the Trust is meeting this standard
 - Handover tool that is in use in Medicine in CIC is being rolled out in WCH for Medicine and for Surgery across both sites. This will evidence patients who required weekend review and support the data quality and performance of standard 8.
- Overall
 - The Trust is fully compliant for STEMI Heart Attack Centre and Emergency Vascular Services which are part of the urgent network specialised services that required compliance by November 2017.
 - Engaged with NHSI, NHSE and regional peers to support improvements and share best practice
 - Communications Plan to engage staff about what is required to meet the standard.
 - Fortnightly meeting with associate medical directors and medical director to progress work plan for implementation.

Estates, equipment and facilities are fit for purpose

During 2017/18 significant progress has been made with works at WCH to enable demolition of three of the blocks of the old WCH. Several services have already been relocated to newly fitted-out facilities and others are planned over the next 4 months. Further infrastructure works are planned prior to demolition of the old blocks in 2019. In addition works have been completed to extend Renal Dialysis services and to upgrade fire safety systems for all inpatient areas.

At CIC, notable progress has been made with fire safety improvements; the installation of

a sprinkler system has progressed well through lower ground and ground floors and is now moving into the first floor, and a new fire alarm has also been installed. These measures have contributed to being able to scale back interim monitoring across the site. Car parking at CIC has settled down with the site evidently free from congestion or incident and ordinarily staff and patients are now able to park as required.

The Trust's facilities are benefitting from system planning across the STP footprint which has secured about £68M of investment from the NHS national wave 1 of funding. This is earmarked to support development of a new Cancer Centre at CIC and to continue with the redevelopment of WCH. Business cases are being developed through the internal and external governance processes required to support these fundamentally important schemes. In the interim significant progress has been made to stabilise the Cancer services at CIC including the relocation of chemotherapy into Reiver House and the having the new linear accelerator up and running.

Planning for the future development of services on both sites continues and the Trust has developed further proposals for investment in the facilities at both WCH and CIC and is hopeful some of the c.£100M + will be allocated funding from the national wave 4 funding. These include the potential development of Education, Research, Training and Accommodation facilities at WCH, and potential expansion at CIC to e.g. better support the busy Emergency Department.

Embed new system for clinical effectiveness

A Clinical Audit Plan (CAP) for 2017/18 was approved by the clinical Divisions and the Trust Safety and Quality committee. The CAP incorporates National Audits as identified by HQIP and a number of audits against NICE guidance. Improvements have been made in identifying NICE guidance that is applicable to the Trust. Clinical audit and effectiveness will remain a priority for the Trust in 2018/19.

Improve the safety and effectiveness of medical and nursing handovers

A standard operating procedure (SOP) has been developed and rolled out during 2017/18; staff are working to agreed standards via Real Time for patient handovers. This hand over is now embedded in the wards. We are now working towards real time medical handover; both surgery and medicine have an out of hours white board to ensure sick patients are handed over.

Implementation of the End of life Care Strategy

Work to ensure that patients and families are well supported when dealing with death and bereavement continues in the Trust. Since September 2017 there has been a bereavement team operational in the Trust and this team consists of a bereavement liaison specialist nurse, a bereavement nurse and two bereavement officers. The team works on both sites and they can provide advice, information and support to patients, families and staff on death and bereavement issues. The team arrange an appointment with families to issue the medical cause of death certificate and at this meeting they

provide advice and support about registering the death and the next steps following the death of a loved one. They liaise closely and have good relationships with the palliative care team, chaplaincy team, funeral directors, mortuary staff, the coroner's office and community support groups and this ensures that information and support is available as required.

The team provides training on end of life and bereavement issues at different forums including the preceptorship programme and junior doctors training. Work is ongoing to embed the care of the dying patient document in the Trust and the bereavement nurses do monthly audits of documentation to identify areas where further training and support is required.

Enhance the patient experience

As an organisation we remain committed to understanding the kind of experience that patients and relatives using our services have received. We continue to gather feedback from all areas across the Trust and to make changes to the way services are delivered following feedback. Feedback is received by different methods including the friends and family tests, 2 minutes of your time card, face to face surveys, postal surveys and the National Surveys. The friends and family data and national survey data is shown in other sections of this report.

Surveying Patients in Hospital

In addition to the national survey and friends and family tests, additional surveys are also undertaken across the Trust:

Face to Face

33 of the wards and departments across the Trust are visited by a member of the Patient experience team in order to capture their views about what matters to them during their stay. This information is feedback to the ward team so that the team can see any positive feedback and also identify any areas where changes are needed to improve the patient experience.

From April 2017 to the end of March 2018 **3,632** patients were interviewed and their feedback has been received in the clinical areas and influenced care delivery. Changes made in the clinical areas are displayed on the 'You said, We did Boards' in the ward areas.

2 minutes of your time

Comment cards who are completed on the day of discharge by the patient and/or relatives. In the past year we have gathered the views of **30,591** patients or relatives across the Trust including A&E, inpatient, day case and outpatients. This is a small increase from the 30,352 cards received last year.

Surveying patients once they are home

In order to gain a balanced view of our patients care we continue to survey patients once they leave hospitals using Patient Perspectives survey. These surveys are based on the National surveys and we get results every quarter from patient perspective. The results are compared to the latest national figures to give an indication of how we are performing and in 2017/18 we have consistently remained in the top 20% of Trusts in this feedback. (Final figures of response rates for surveys not yet available for 2017/18.)

Enhance staff experience in line with Organisational Development Strategy

Staff Engagement Strategy

During 2017-18 a staff engagement strategy was implemented to continue on the work on engagement that was delivered over 2016-17. During 2016-17 over 40 staff engagement drop-in sessions were held with the senior team; the monthly leadership community forum began, and the role of staff engagement coordinator was introduced. Staff recognition initiatives including Glimpse of Brilliance and the Celebrating Success awards were also started. The new engagement strategy focused on building on this work by introducing a quarterly reward and recognition scheme, the #YouDidIt awards.

We also introduced a number of staff engagement sessions with the Chief Executive and members of the Executive team. As we are working more closely with Cumbria Partnership NHS Foundation Trust, in September we incorporated countywide engagement sessions into Stephen Eames' first 100 days as Chief Executive of both Trusts. The sessions are continuing on a quarterly basis, and are now branded as 'this is us' in line with our new recruitment branding. We will continue to explore other ways in which to directly engage with our staff.

Staff Survey

This year, a total of 3,784 staff were eligible to complete the staff survey and were issued a copy of the survey. Out of those, 1,906 members of staff returned a completed questionnaire, giving a response rate of 50.4%, which is above the national average for Acute Trusts, and above the Trust target of 50%.

Overall, there has been an improvement in the Trust's staff survey results for 2017 in the three areas identified as a priority in 2016; leadership, staff engagement, and health and wellbeing. However, overall the Trust will still be below average compared to other Acute Trusts. Scores are divided by questions for internal historical comparisons, and by Key Findings for national comparisons.

Compared to our scores on the 2016 survey, the Trust is:

- Significantly BETTER on 13 questions
- Significantly WORSE on 3 questions
- The scores show no significant difference on 72 questions

The national data is grouped into 32 Key Findings. Compared to other Trusts, out of 32 Key findings, our Trust is:

- Highest 20% of all Acute Trusts: 3 Key Findings
- Better than average: 1 Key Finding
- Average: 2 Key Finding
- Worse than average: 7 Key Findings
- Lowest 20% of all Acute Trusts: 19 Key Findings

This year we have seen **significant improvements** in the scores for:

- Communication between senior management and staff
- Questions around reporting errors; that there has been a decline in witnessing errors, near misses or incidents that could hurt staff; that staff involved in errors are treated fairly; and staff are given feedback about changes in response to errors.
- That there are enough staff at the organisation; staff haven't come into work when not feeling well; and staff don't work any additional unpaid hours over and above their contracted hours.
- That the organisation takes positive action on health and wellbeing
- Staff are supported by their manager to receive training, learning or development identified in their appraisal.
- That staff would recommend the trust to friends and family as a place to work, for care and treatment; that care is the organisation's top priority; and the organisation acts on concerns raised by service users.

NCUH is in the **top 20% of all Acute Trusts** for: the number of appraisals; percentage of staff working extra hours; and the percentage of staff experiencing harassment, bullying or abuse from patients or service users.

This year there has been **significant decline** in the scores for:

- Satisfaction with level of pay; pressure from managers to come to work when feeling unwell; and training and development needs being identified during the appraisal.

NCUH is in the **lowest 20% of all Acute Trusts** for 19 Key Findings. The bottom five key findings include: quality of appraisals; support from immediate managers; percentage of staff reporting good communications between senior management and staff; recognition and value of staff by managers and organisation; staff satisfaction with level of responsibility and involvement.

As we are working more closely with Cumbria Partnership NHS Foundation Trust the actions to improve the survey results will be incorporated into a joint organisational development plan which will cover both Trusts.

Sharing learning from errors and our experience

Incidents

The National Reporting and Learning Service (NRLS) recognise those Trust's that report more incidents, generally have better safety cultures. During 2017/18 there were 6559 incidents reported by staff across the Trust through the electronic incident management system Ulysses, compared with 7959 in 2016/17. Once reported each incident is investigated and remedial action taken as necessary, and any learning is shared.

The Trust's Reporting Rate for April to September 2017 was 37.43, compared to the National Median of 41.68. Our rate has dropped from 41.54 in the previous 6 months and is now in the 2nd lowest quarter of trusts (previously in the 3rd). This is partly due to some positives, e.g. fewer pressure ulcer incidents, but also proportionally fewer incidents are being reported in general. We are working collaboratively with CPFT to deliver further education and training on the system and the importance of reporting to improve training and staff engagement.

The percentage of Severe / Death incidents is 0.4% for the latest reporting period, an improvement of 0.1% on the previous six months.

The top three types of incident, and related issues, reported during 2017/18 are shown below:

Slips, Trips & Falls	1365	Programme running to reduce number and severity of Falls incidents. Falls Prevention Practitioner recently took up post.
Treatment and Patient Care	1077	Most frequent issue being a delay in care or treatment.
Medication Error/Problems	569	Most frequent issue being prescribing.

Staff receive feedback on incidents reported electronically via the Ulysses system. All incidents, moderate and above, are reviewed weekly by the governance divisional leads, and are scrutinised through the Trust Patient Safety Panel.

The Trust Risk Management Team and Governance Facilitators continue to work with staff across the trust to emphasise and publicise the importance of reporting incidents. According to the 2017 staff survey results, staff are more confident in reporting incidents. This is a slight improvement from previous survey undertaken.

Utilising our Ulysses system the Trust is introducing excellence reporting in two pilot areas, excellence reporting promotes positive reinforcement and praise. This will have a positive impact on our reporting culture, focusing on learning improves staff morale which in turn correlates with better patient experience.

Serious Incidents

Serious incidents (SI's) which occur within the Trust are reported to the Commissioners. After reporting the incidents a root cause analysis (RCA) is undertaken for each incident reports. An investigation report, including an actions plan, is produced following the RCA investigations. This report is reviewed by the Trust Divisional Safety and Quality Meeting, and then reviewed at the Trust Patient Safety Panel, chaired by the Medical Director.

Once approved the report is submitted to the Commissioners. Actions arising for the investigation continue to be monitored within the Divisions and by the Patient safety Panel until they are completed.

In 2017/18 the Trust declared 74 serious incidents, including two Never Events. Progress has continued during the year with provision of external training for staff on how to conduct root cause analysis. The top three SI's declared are below:

Treatment Delay	19
Diagnostic Incident	11
Surgical/Invasive Procedure	10

Saline Investigations

The Trust has been continuing to work closely with Cumbria Constabulary since January 2017 when a small number of saline bags appeared to have been tampered with at the Cumberland Infirmary. There was no patient harm or adverse effects related to this incident. This investigation remains ongoing at the time of signing this statement. The Trust continues to support Cumbria Police with their investigation.

Never Events

Never events are serious, largely preventable patient safety incidents that should not have occurred if the available preventative measures have been implemented. During the year 2017/18, two never events occurred within the trust, one relating to a wrong site surgery (injection) and the other related to wrong route administration of medication.

The incidents were investigated as a serious untoward incident with an action plan developed to address the investigation recommendations, the implementation of these actions were monitored by the Trust board until completion

Regulation 28

The Trust was issued with a Regulation 28 notice in January 2018 following the death of an inpatient in November 2016. The action required by the Trust was identified as: To ensure that all relevant staff are provided with training in 'simulation suites' or other facilities to drill, refresh and enhance their skills to enable them to deal clearly and logically in crisis situations.

Action taken in 2017/18:

The Trust Serious Incident investigation identified that all relevant staff should undergo emergency scenario training and simulation which includes human factors training for difficult airway management in emergency situations. The investigation also recommended that there should be opportunities for multi-disciplinary teams to train together within simulated scenarios to practice technical and non-technical skills. Work has already been underway prior to the inquest to implement this recommendation from the action plan.

Complaints

The Trust received 256 new complaints during 2017/18. This is a 10% decrease from the total number received in the previous financial year 2016/17 (285).

The Trust, having set a standardised timeframe to respond to 95% of its complaints investigated under due process in 30 working days during 2016/17, made significant progress during 2016/17 which was maintained and further improved throughout 2017/18, achieving an overall 99% compliance across the 12 month period during the reporting period.

The Chief Executive or nominated deputy continues to review and personally sign off complaint response letters.

Development and refining of the complaints process and systems has continued throughout 2017/18 to further streamline and improve data quality for reporting purposes. Focus has also been given in the latter quarter of the year to capturing learning from complaints within the organisation and identifying ways to share the learning across the organisation.

Complaints and learning are reported monthly and quarterly to both the Safety & Quality Committee and the Trust Board. A quarterly Patient Experience Report is provided to the Safety & Quality Committee which covers all aspects of measurement for Patient Experience and includes Complaints, PALS, Friends & Family Test and Two Minutes of Your Time.

Appendix A - Quality Improvement Plan 2017/18 – Delivery Summary

Our quality priorities for 2017/18	What we said we would achieve 2017/18	Achieved F=Fully P=Partial N=Not	If partial or not achieved, what is outstanding (as at end of Q3 data)
MONITORING & REPORTING RESPONSIBILITIES: CLINICAL EXECUTIVE GROUP / SAFETY & QUALITY COMMITTEE / TRUST BOARD			
1.1 Embedding quality, safety and service improvement across the Trust	1.1.1 50% reduction in pressure ulcers from 2015/16 baseline	F	
	1.1.2 Zero tolerance to grade 4 hospital acquired pressure sores	F	
	1.1.3 30% reduction in patient falls from 2015/16 baseline from 01/06/2016 to May 2017	P	<p>There has been a 19.69% reduction in falls within the Trust against the trajectory of 30%</p> <p>There are several falls improvement initiatives being implemented in several wards for example slipper sock, zimmer tagging and zoning areas. Those identified as a success will then be rolled out across appropriate wards in the Trust.</p> <p>A Falls co-ordinator will be seconded to work with wards to spread best practice. NHSI will be looking at the falls data and will make some recommendations.</p>
	1.1.4 Reduction in urinary catheters by 25%	F	
	1.1.5 Reduction in medication errors causing harm by 25% from 2016/17 baseline	P	<p>High risk medicine focus on Insulin and controlled drugs. Insulin training package has been sourced however, funding to deliver training is being sought as well as e-learning solution.</p> <p>A data cleansing exercise has been completed to ensure the data held within the Ulysses system is an accurate reflection of the severity of incidents. The impact of the data cleanse will be reflected in the next report which will be available in September 2018.</p>

Our quality priorities for 2017/18	What we said we would achieve 2017/18	Achieved F=Fully P=Partial N=Not	If partial or not achieved, what is outstanding (as at end of Q3 data)
	1.1.6 Deliver medicines management training in line with the Trust target	P	<p>There are currently 2 medicines management e-learning modules and the overall Trust level of completion as at 31/12/2017 is as follows:</p> <p>Medicines Management = 86% ↔ Calculating Drug Doses = 82% ↑</p> <p>Work is ongoing to put in place an insulin training package.</p>
	1.1.7 Reduction in mortality Hogan 5 cases from 2016/17 total of 5	F	
	1.1.8 Reduction in failure to respond to escalating NEWS score from agreed baseline across all wards	P	During Q3 the NEWS audits on Auditr system has been reviewed and updated and this will be piloted for 3 months starting in November 2017. A further deep dive audit has been undertaken, with results available Q1 2018/19.
	1.1.9 Reduction in incorrect NEWS calculations from agreed baseline across all wards	F	
	1.1.10 Ensure the peri-operative improvement plan is thoroughly embedded and that all debrief sessions are undertaken as part of the WHO checklist to reduce the risk of Never Events.	P	<p>Perioperative improvement plan is on trajectory.</p> <p>The LocSSIP audit tool is being finalised and will be piloted in theatres during Q4, the pilot will be reviewed, the tool amended where necessary and then rolled out to other areas (eg surgical centre, PCI).</p>
	1.1.11 Improve DNACPR and MCA compliance: Ensure that DNACPR forms are fully completed in terms of best interest assessments in line with the Mental Capacity Act.	F	
	1.1.12 Deliver our regulation 28 Nasogastric Tube Improvement plan	F	

Our quality priorities for 2017/18	What we said we would achieve 2017/18	Achieved F=Fully P=Partial N=Not	If partial or not achieved, what is outstanding (as at end of Q3 data)
	1.1.13 Improve fluid balance and food chart compliance	P	Audit conducted during Q3 which showed marginal improvements. Further training will be delivered with emphasis on fluid balance.
	1.1.14 Set a baseline for sepsis management and agree trajectory for improvement Sepsis plan in place via CQUIN. The targets are to achieve 90% of patients screened and 90% of patients treated within an hour in both inpatients and emergency departments.	P	The data indicates an improving trend and education and training continues. The roll out of IT and electronic observations (e-obs) will support sepsis screening, this has been piloted and the intention is that all ward areas will have e-obs by end of Q4 2017/18. The sepsis group has expanded to include other organisation to encompass a whole health economy approach to tackling sepsis.
	1.1.15 Develop ward based improvement skills	F	
1.2 Continuing to build a learning and safety culture	1.2.1 Four trust wide 'safety stories' during 2017/18	F	
	1.2.2 Two site based 'big conversations' about management of the deteriorating patient	F	
	1.2.3 Development of a learning charter	N	Behind schedule for launch.
	1.2.4 Systematic roll out of human factors	P	A proposal has been developed and discussed regarding further roll out of human factors training. There is no further external training on offer. The Trust is looking at using a different approach to create a sustainable shift in our culture, rather than viewing this as a 'task' based approach.
	1.2.5 Undertake a trust wide culture audit	P	The audit was circulated via survey monkey. At the end of Q3 there has been a poor uptake in completion. Staff have been reminded that the audit is important and encouraged to complete.
	1.2.6 Integrate learning from harm and serious incidents into community leadership forum	F	

Our quality priorities for 2017/18	What we said we would achieve 2017/18	Achieved F=Fully P=Partial N=Not	If partial or not achieved, what is outstanding (as at end of Q3 data)
1.3 As a minimum, delivering a good rating against CQC standard	1.3.1 Develop divisional governance systems in maternity and medicine	P	The GGI report has been received. There are plans that from April 2018 there will be a division for Women and Children's service which will be across both NCUH and CPFT Trusts. The maternity governance strategy has been signed off and implemented. Governance structures across medicine and surgery have been amalgamated with a band 7 taking the lead and a programme of work is underway to develop good governance practices.
	1.3.2 Deliver the Quality Improvement Plan	P	Governance process in place to deliver the QIP which will be monitored on a quarterly basis, although there are some actions that have not been fully met.
	1.3.3 Deliver the 'must' and 'should' CQC requirements	P	Monthly meetings with the divisions are on track, however check and challenge regarding evidence and exception updates require improvement to ensure robust delivery.
2.1 Deliver national standards in emergency care and reduce delayed transfers of care	2.1.1 Delivery trajectory for improvement for A&E standard	P	The Target for Q3 was 90% and we achieved 89.8% combined type 1 and type 3 (CPFT and NCUH). The reasons behind reduced emergency department performance are multi-factorial. The increased demand for inpatient beds due to winter pressures, which is not met by discharges has left patients lodged in emergency care which impedes performance due to lack of space. There are also ongoing staffing gaps in both nursing and medical teams.
	2.1.2 Roll out and embed SAFER across all wards.	F	
2.2 Deliver financial targets	2.2.1 Deliver financial Control Total £44.3m deficit	P	Q3 performance against delivery of £44.3m deficit has slipped and further action plans have been put in place to ensure delivery gets back on track for end of year target.

Our quality priorities for 2017/18	What we said we would achieve 2017/18	Achieved F=Fully P=Partial N=Not	If partial or not achieved, what is outstanding (as at end of Q3 data)
	2.2.2 Deliver WNE Cumbria financial Control Total	P	Bi-weekly meetings are in place working through risk sharing with WNE. Escalations are fed through leadership board. On trajectory for end of year target.
	2.2.3 Develop plan to support STP (revenue and capital) delivery in current and future years	P	For revenue see action 2.2.2. Capital has provisionally been secured for £66m and now need to develop business case.

Our quality priorities for 2017/18	What we said we would achieve 2017/18	Achieved F=Fully P=Partial N=Not	If partial or not achieved, what is outstanding (as at end of Q3 data)
	2.2.4 Reviewing and prioritising Trust capital programme for 2017 -2020	P	<p>Schemes in early stages of development. OBC for Cancer Centre now scheduled from July 2017 for approval in Apr 2018 - has slipped due to NHSI/PAU OBC approval delay as more design required. Further project cost funding needed.</p> <p>WCH Phase 1b/2 progressing, WCH Training & Accommodation SOC scheduled for July 2017 is now complete.</p> <p>STP Estates continuing with plans but funding a major issue as programmes require enablement and project cost funding. Letter from CEO sent to NHSI in December 2017 – awaiting final response. No further commitments can be made as all Trust CRL is fully committed for 2017/18 and 2018/19 for major capital schemes.</p> <p>There is a process in place for the digital agenda along with a draft Digital Strategy for WNE Cumbria 2017-2021. The Joint Digital Care Programme Delivery Group has been set up as a joint Trusts group to oversee the delivery of prioritisation list of projects and the IT risk register for both Trusts. The capital for both Trusts utilises the capital available against the joint prioritisation list. There is also a process for looking at external capital for internal projects. The group intends to build on the clinical engagement to revisit the prioritisation programme and strategy for both Trusts.</p>

Our quality priorities for 2017/18	What we said we would achieve 2017/18	Achieved F=Fully P=Partial N=Not	If partial or not achieved, what is outstanding (as at end of Q3 data)
	2.2.5 Deliver WNE Cumbria integration of back office functions – finance and procurement	P	The Trust Board approved the outline business case to integrate support services for estates and IT, which was presented at the Private Trust Board in November 2017. The plans are slightly behind schedule for the quarter as it was intended to have the business case outlines for all other service integration presented in November, however, these will now be presented to the Trust Board in February 2018 and will include timelines for completion.
2.3 Top 30% performance of Trusts in England	2.3.1 Deliver Referral to Treatment (RTT) trajectory specifically: Improve compliance against 18 week referral to treatment standards for admitted patients for oral surgery, trauma & orthopaedics, urology and ophthalmology. Ensure referral to treat (RTT) indicators are met across outpatient services	P	The targets for Q3 were below trajectory, this is due to winter pressures, overtime has been stopped and there has been a reduction in agency staff. During Q3 work commenced to transfer elective activity to WCH. An elective plan is being developed to consider what can be delivered based on current capacity.
	2.3.2 Deliver cancer performance standard	F	
3.1 Improve patient experience	3.1.1 Reduce inpatient and outpatient cancellations		
	SUR 04/16 Must ensure patients whose operations are cancelled are treated within the 28 days.	P	In Q3 the 28 day target was off target due to lack of inpatient beds due to winter pressures and sickness within theatres. Theatre lists were reviewed and changed if require to ensure patients were not cancelled on the day.

Our quality priorities for 2017/18	What we said we would achieve 2017/18	Achieved F=Fully P=Partial N=Not	If partial or not achieved, what is outstanding (as at end of Q3 data)
	SUR 03/16 Must ensure patients whose operations are cancelled are treated within the 28 days.	P	Oral surgery, T&O and ophthalmology were below trajectory of 90% in Q3, however, there has been improvement with urology achieving targets of 93.75% in Nov and 91.11% in Dec. The reason for the RTT performance deterioration is due to the decision not to pay clinicians to undertake additional lists, orthopaedic ring fence removed due to surge in emergency patients and not operating on routine inpatients due to winter pressures.
	OPD 01/16 Address the number of cancelled clinics in outpatient services.	P	Whilst the target is off trajectory in Q3, there has been improvement from previous 12 months. Cancellation of clinics were due to staff sickness and leave, locum staff not arriving or leaving early or not giving adequate notice for leave. Performance management continues by the General Managers and monitored through RTT weekly meetings.
	3.1.2 Reduce patient moves after 10pm	P	Winter demand has been unprecedented. Despite robust planning, healthcare systems across the country have struggled to cope with the demand placed on them. This has required an increase in medical bed numbers which has been delivered by the cancellation of electives and opening of escalation beds where staffing allows.
	3.1.3 Achieve 95% of complaints responded to within 30 days	F	
	3.1.4 Improve food satisfaction standards	F	
	3.1.5 Ensure consistent care plans and assessments are in place for dementia	F	

Our quality priorities for 2017/18	What we said we would achieve 2017/18	Achieved F=Fully P=Partial N=Not	If partial or not achieved, what is outstanding (as at end of Q3 data)
	3.1.6 Ensure all ward staff are aware of adjustment to communication for visually impaired, hearing difficulties and translation requirements.	P	<p>AIS training has not yet been rolled out as the information processes need to be in place. Information management team have been working to identify systems to support AIS which will be trialled in Q4 (Neopost), which will support the sending of correspondence in alternative formats.</p> <p>A plan in place for Q4 to work with GPs to ensure referrals from them to consultants contain AIS and reasonable adjustment requirements. Links in to primary care leads in CCG and within the hospital will be reviewed as part of further CHUB development.</p>
3.2 Improve staff experience	3.2.1 Improve staff survey bottom ranking scores in: KF31 - Staff confidence and security in reporting unsafe clinical practice (Trust staff survey score 3.41, national average 3.65)	P	<p>Results of latest Staff survey shows that the Trust score has improved but is still below national average.</p> <p>(Trust staff survey 2017 score 3.50 national average 3.65)</p>
	3.2.2 KF12 - Quality of appraisals (Trust staff survey score 2.76, national average 3.11)	P	<p>Results of latest Staff survey shows that the Trust score remains the same.</p> <p>(Trust staff survey 2017 score 2.83, national average 3.11)</p>
	3.2.3 KF19 - Organisation and management interest in and action on health and wellbeing (Trust staff survey score 3.32, national average 3.61)	P	<p>Results of latest Staff survey shows that the Trust score has improved but is still below national average.</p> <p>(Trust staff survey 2017 score 3.42, national average 3.62)</p>

Our quality priorities for 2017/18	What we said we would achieve 2017/18	Achieved F=Fully P=Partial N=Not	If partial or not achieved, what is outstanding (as at end of Q3 data)
	3.2.4 Improve the percentage of staff reporting good communication between senior management and staff (KF6 staff survey result) (Trust staff survey score 20%, national average 33%)	P	Results of latest Staff survey shows that the Trust score remains the same (Trust staff survey 2017 score 22%, national average 33%).
	3.2.5 Improve support from immediate managers (KF10 staff survey result) (Trust staff survey score 3.54, national average 3.73)"	P	Results of latest Staff survey shows that the Trust score remains the same. (Trust staff survey 2017 score 3.75, national average 3.74)
	3.2.6 Improve employee engagement and develop continuous improvement skills across teams	F	
	3.2.7 Reward, recognise and celebrate staff achievements	F	
	3.2.8 Improvement in number of staff recommending the Trust as a place to work	P	The staff survey 2017 results to the question: Recommendation of the organisation as a place to work or receive treatment:
	3.2.9 Improvement in number of staff recommending the Trust as a place to receive treatment	P	Results of latest Staff survey shows that the Trust score has improved but is still below national average. (Trust staff survey 2017 score 3.45, national average 3.75)
4.1 Provide leadership to	4.1.1 Invest in capacity across the system to deliver the STP.	F	

Our quality priorities for 2017/18	What we said we would achieve 2017/18	Achieved F=Fully P=Partial N=Not	If partial or not achieved, what is outstanding (as at end of Q3 data)
implement outcome from the public consultation and deliver the Sustainability and Transformation Plan	4.1.2 Deliver the milestones set out across the core workstreams	F	
4.2 Work with our partners to develop an Accountable Care Organisation	4.2.1 Develop and implement shared governance arrangements.	F	
4.3 Demonstrate capability to deliver major change and improve operational performance	4.3.1 All matrons to be trained in improvement methodology and undertake two improvement projects.	F	
	4.3.2 SRO leads to be supported to deliver work stream priorities	P	Some programmes have been implemented however, not yet delivered the planned level of savings. Other projects such as ICC (Integrated Care Community) and some clinical pathways (eg respiratory) are behind schedule for implementation.
5.1 Improve recruitment and retention	5.1.1 Reduce medical staffing vacancy rate to 20%	F	
	MAT 01/16 Review staffing levels, out-of-hours consultant paediatric cover, and surgical cover to ensure they meet the Royal College of Obstetricians and Gynaecologists (RCOG) guidelines (including 'safe childbirth: minimum standards for the organisation and delivery of care in labour')	P	There is now a resident on call at the CIC site for Consultant Paediatricians. At WCH, some gaps remain on the rota which are being picked up by locums covering shifts. There is fragility on WCH site due to the high number of locum consultant Paediatricians, to mitigate this, on the delivery suite there is always a trained NLS (Neonate Life Support) midwife on each shift to support initial resus.

Our quality priorities for 2017/18	What we said we would achieve 2017/18	Achieved F=Fully P=Partial N=Not	If partial or not achieved, what is outstanding (as at end of Q3 data)
	<p>CH 01/16</p> <p>Children and young people services did not meet all Royal College of Paediatrics and Child Health (RCPCH) - Facing the Future: Standards for Acute General Paediatric Services (2015 as amended).</p> <p>Specifically, the unit did not meet:</p> <p>Standard 1 – A consultant paediatrician is present and readily available in the hospital during times of peak activity, seven days a week;</p> <p>Standard 3 – Every child who is admitted to a paediatric department with an acute medical problem is seen by a consultant paediatrician within 14 hours of admission, with more immediate review as required according to illness severity or if a member of staff is concerned.</p> <p>Standard 4 – At least two medical handovers every 24 hours are led by a consultant paediatrician.</p>	F	

Our quality priorities for 2017/18	What we said we would achieve 2017/18	Achieved F=Fully P=Partial N=Not	If partial or not achieved, what is outstanding (as at end of Q3 data)
	5.1.2 Reduce nursing vacancy rate to 5% or lower	P	<p>Joint work continues with CPFT and a number of joint nursing recruitment campaigns are now in place. A recruitment strategy has been produced which focusses on nursing recruitment. We have offered nursing posts to final year students. An advertising campaign targeting University Job Boards is being undertaken. NCUH has just launched an Instagram site promoting the tag line #nurses4Cumbria which it is hoped will increase engagement with this (predominantly) younger demographic. The Trust attended Sector Jobs Fair (Dublin, October) and Nursing Times Jobs Fair (London, November).business cases for overseas recruitment continues</p> <p>NHSI are attending site on 1st march 2018 to provide a review of going work and identify where they can support. Mitigation - a nursing incentive payment was introduced in December 2017 up to 31 March 2018 to encourage staff to undertake additional shifts with good results to date. Additionally, 14 agency nurses have been recruited within the Trust and this support has been managed within cap.</p>
	MED 02/16 Ensure sufficient numbers of suitably qualified, competent, skilled and experienced persons are deployed across all divisional wards. Specifically, registered nurses to ensure safe staffing levels are maintained, especially in areas of increased patient acuity, such as NIV care and thrombolysis.	P	<p>There have been significant nurse staffing challenges, escalation beds opened and frailty assessment area challenged.</p> <p>Further scoping / evidence in relation to staff core clinical skills is also required.</p>

Our quality priorities for 2017/18	What we said we would achieve 2017/18	Achieved F=Fully P=Partial N=Not	If partial or not achieved, what is outstanding (as at end of Q3 data)
	CH 02/16 The Trust must ensure nurse staffing levels on SCBU adhere to establishment and meet recognised national standards.	F	
	5.1.3 Identify areas of high turnover / retention difficulties and where necessary, implement solutions to help retain staff.	P	
	5.1.4 Reduce locum reliance and financial spend against 2016/17 baseline	F	
5.2 Develop clinical leadership	5.2.1 Improve clinical lead of clinical leadership	P	Initial meeting to scope out bespoke clinical leadership programme has taken place with NELA in Q2. The plan to develop and offer programme across our system by Mar 2018 is off track as there is now an offer being developed as part of system wide programme via CLIC.
5.3 Develop middle manager skills	5.3.1 Improve middle management capability and leadership (see also 3.2.4 and 3.2.5)	P	New Manager Induction day has been developed - this will form the basis of the development of an offer for existing and new managers. Middle managers currently being directed to ILM 3, and CLIC offer. Bespoke sessions offered as part of Ward Managers Forums.
5.4 Improve staff health and well-being	5.4.1 Reduce overall sickness absence to 4%.	P	Overall sickness absence has continued to reduce Hotspot areas are identified within the reports and targeted action is taken.
	5.4.2 Reduce short term sickness rate to 1.5%	P	The short term absences for the month of January 2018 was reported at 2.03% against the target rate of 1.5%. Short term sickness has been below the target rate with the lowest rate of 0.96% reported in August 2017. The reason is due to the large number of staff affected by seasonal cold and flu.
	5.4.3 Achieve flu vaccinations for 2017	F	

Our quality priorities for 2017/18	What we said we would achieve 2017/18	Achieved F=Fully P=Partial N=Not	If partial or not achieved, what is outstanding (as at end of Q3 data)
	5.4.4 Raise the profile of the health and well-being strategy through management and leadership team	F	

Annex 1: Statements from commissioners, local Healthwatch organisations and Overview and Scrutiny Committees



North Cumbria
Clinical Commissioning Group

Corroborative Statement from NHS North Cumbria CCG for North Cumbria University Hospital - Quality Account 2017/18

North Cumbria CCG aim to commission safe and effective services that provide a positive experience for patient and others. This responsibility is taken very seriously and considered to be an essential component of the commissioning functions.

NCCCCG would like to thank the Trust for sharing the 2017/18 Quality Account and for the opportunity to comment upon it. We would like to acknowledge the openness and transparency in the work the Trust has achieved to date, in the delivery of the 2017/18 priorities and in the ongoing delivery of quality measures. Throughout 2017/18, Quality Review Groups (QRG) have taken place with the Trust. This is a well-established mechanism to monitor the quality of services provided by the Trust and aim to encourage continuous quality improvement. The QRG has remained sighted on the Trust priorities throughout the year for improving the quality of its services for its patients, and have continued to provide robust challenge and scrutiny throughout the QRGs with the Trust.

There are a number of areas where the Trust has made quality improvements in 2017/18 that have been important for patient care. We would like to congratulate the Trust on the implementation of measures to reduce the incidence of Hospital acquired pressure ulcers and falls and note the improvement to date.

The CCG acknowledge the continued journey which the Trust have been on in 2017/18 in the delivery of continuous improvement through Rapid Process Improvement Workshops (RPIWS) where staff have led the work to improve experience for both patients and staff.

We would also like to commend the Trust on their continued clinical engagement and full participation in the National Mortality Case Record Review Programme and note that significant improvements have been made in the Trust's mortality rate resulting in the Trust being in line with the national average. Furthermore, NCCCCG would like to acknowledge the Trust's reported engagement in national and local clinical audits and confidential enquiries and look forward to receiving further information on planned improvements.

NCCCCG would like to thank the Trust for their openness regarding the issue of

emergency re-admission to hospital within 28 days and their responsiveness to personal needs of patients acknowledging the actions it is taking to improve this, thus enhancing the quality of its services.

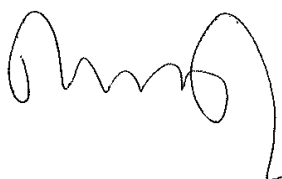
We would like to acknowledge that the Trust hit its Clostridium Difficile target again and maintained the position of zero MRSA bacterium.

NCCCCG is encouraged by the ongoing work to reduce never events and note the reduction to 2 in 2017/18 and look forward to receiving updates on the improvement plans.

The report sets out some ambitions and some essential priorities for 2018/19. NCCCCG supports the Trust's ambition to deliver a "good" rating against CQC standards, to continue to build a safety culture across the organisation, and to improve the staff and patient experience. NCCCCG also supports the development of the Integrated Health & Social Care Programme to address the three key priorities of population, health wellbeing, service quality and sustainability and recognise all three are required to deliver the transformation programme of services across North Cumbria.

North Cumbria CCG can confirm to the best of their ability that the information provided in North Cumbria University Hospital's NHS Trust's Quality Account is a fair reflection of the Trust's performance in relation to quality for the year 2017/18. The Quality Account is clearly presented and provides the required information in the required format.

North Cumbria CCG looks forward to continue to work with North Cumbria University Hospital Trust to support and assure the improvement of the Quality of Services in 2018/19.



.....
Dr David Rogers
Medical Director
North Cumbria CCG

30 April 2018



.....
Anna Stabler
Director of Nursing & Quality
North Cumbria CCG

30 April 2018

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Healthwatch Cumbria

Response to North Cumbria University Hospitals NHS Trust

Quality Accounts Report for

2017-18

27th April 2018

Introduction:

Healthwatch Cumbria is pleased to be able to submit the following considered response to North Cumbria University Hospitals NHS Trust's Quality Accounts Report for 2017-18.

Part 1: Statement on quality from the Chief Executive

This statement sets the tone for the whole document, acknowledging that the Trust has a CQC rating of 'requires improvement' overall, highlighting areas of improvement and emphasising the role that the staff played in bringing about these achievements. The Statement is forward-thinking and aspirational, presented in a clear and visionary manner which corresponds with our experience.

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

We note the priorities for 2018-19 which are carried forward from 2017/18 with a review of measures.

In accordance with the current NHS reporting requirements, mandatory quality indicators requiring inclusion in the Quality Account include Hospital Mortality and Learning from Deaths, the Trust has fulfilled this requirement.

The continued patient engagement chimes with our findings and the activities during 2017/18 are welcomed, as are opportunities for collaborative working with other organisations. Information received by Healthwatch Cumbria (HWC) from service users and their families and carers regarding services provided by North Cumbria University Hospitals Trust (NCUHT) is consistent with the data, statements and comments contained in the Quality Account.

On a less positive note it is noted that staff morale continues to be low despite a number of actions intending to make NCUHT a better place to work.

Healthwatch Cumbria particularly liked the Trust involvement in Clinical Audits, a very high take-up rate. The value and impact of engagement in research is well described and demonstrates the improvement from learning approach that the Trust has adopted.

We also welcome the implementation of Trust Directed Audits (Priority 2), very comprehensive list of projects, risks and actions. Similarly, the Delivery Summary (Appendix A) is very informative and clear in describing the progress of priorities.

Overall, we would say that this is a well-balanced document, open about areas needing improvement and identifying remedial measures necessary to address them. We are aware that the Trust is actively collaborating with other organisations and listening to public opinion, actions we fully support.



Sue Stevenson
Chief Operating Officer
Healthwatch Cumbria

Cumbria Health Scrutiny Committee

North Cumbria University Hospitals Trust

Quality Accounts Feedback 2018

The Cumbria Health Scrutiny Committee again welcomes the opportunity to comment on the Trust's draft Quality Account for 2017/18.

The document is generally well laid out and reasonably straightforward to understand and enables Members to explore the Trust's performance over the year. It is a detailed and thorough report which rightly highlights the advances the Trust has made as well as the challenges it still faces.

Members felt that the report accurately reflects the evidence submitted to the Cumbria Health Scrutiny Committee and Lead Health Scrutiny Members over the past twelve months.

The Committee has welcomed the announcement that the Trust was finally removed from special measures and recognises the work underway to improve the Trust's current CQC rating, the direction of travel is the right one.

Members were concerned by some of the results of the Staff Survey and will be monitoring the work planned between NCUHT and the Cumbria Partnership NHS Foundation Trust on actions to improve the survey results as part of a joint organisational development plan. The Committee would always encourage the Trust to focus on patient and staff feedback as drivers for timely and continuous service improvement throughout.

Overall, we appreciate the co-operation received and expect this to continue in the future.



Cllr Claire Driver
Chair
Cumbria Health Scrutiny Committee
30 April 2018

Independent Practitioner's Limited Assurance Report to the Board of Directors of North Cumbria University Hospitals NHS Trust on the Quality Account

We have been engaged by the Board of Directors of North Cumbria University Hospitals NHS Trust to perform an independent assurance engagement in respect of North Cumbria University Hospitals NHS Trust's Quality Account for the year ended 31 March 2018 ("the Quality Account") and certain performance indicators contained therein as part of our work. NHS Trusts are required by section 8 of the Health Act 2009 to publish a Quality Account which must include prescribed information set out in The National Health Service (Quality Account) Regulations 2010, as subsequently amended in 2011, 2012, 2017 and 2018 ("the Regulations").

Scope and subject matter

The indicators for the year ended 31 March 2018 subject to the limited assurance engagement consist of the following indicators:

- Percentage of patients risk-assessed for venous thromboembolism (VTE);
- Rate of clostridium difficile infections.

We refer to these two indicators collectively as "the indicators".

Respective responsibilities of the directors and Practitioner

The directors are required under the Health Act 2009 to prepare a Quality Account for each financial year. The Department of Health and NHS Improvement has issued guidance on the form and content of annual Quality Accounts (which incorporates the legal requirements in the Health Act 2009 and the Regulations).

In preparing the Quality Account, the directors are required to take steps to satisfy themselves that:

- the Quality Account presents a balanced picture of the Trust's performance over the period covered;
- the performance information reported in the Quality Account is reliable and accurate;
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Account, and these controls are subject to review to confirm that they are working effectively in practice;
- the data underpinning the measures of performance reported in the Quality Account is robust and reliable, conforms to specified data quality standards and prescribed definitions, and is subject to appropriate scrutiny and review; and
- the Quality Account has been prepared in accordance with Department of Health and NHS Improvement guidance.

The Directors are required to confirm compliance with these requirements in a statement of directors' responsibilities within the Quality Account.

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

- the Quality Account is not prepared in all material respects in line with the criteria set out in the Regulations;
- the Quality Account is not consistent in all material respects with the sources specified in the NHS Quality Accounts Auditor Guidance 2014-15 issued by the Department of Health in March 2015 (“the Guidance”); and
- the indicators in the Quality Account identified as having been the subject of limited assurance in the Quality Account are not reasonably stated in all material respects in accordance with the Regulations and the six dimensions of data quality set out in the Guidance.

We read the Quality Account and conclude whether it is consistent with the requirements of the Regulations and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the Quality Account and consider whether it is materially inconsistent with:

- Board minutes for the period April 2017 to 22 June 2018;
- papers relating to quality reported to the Board over the period April 2017 to 22 June 2018;
- feedback from commissioners dated 30 April 2018;
- feedback from local Healthwatch organisations dated 27 April 2018;
- feedback from the Overview and Scrutiny Committee dated 30 April 2018;
- the Trust’s complaints report published under regulation 18 of the Local Authority, Social Services and National Health Service Complaints (England) Regulations 2009, dated May 2018;
- the national patient survey dated June 2016;
- the national staff survey dated 2017;
- the Head of Internal Audit’s annual opinion over the Trust’s control environment dated 23 May 2018;
- the annual governance statement dated 24 May 2018; and
- the Care Quality Commission’s inspection report dated 29 March 2017.

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

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

This report, including the conclusion, has been prepared solely for the Board of Directors of North Cumbria University Hospitals NHS Trust. We permit the disclosure of this report

to enable the Board of Directors to demonstrate that they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicators. To the fullest extent permissible by law, we do not accept or assume responsibility to anyone other than the Board of Directors as a body and North Cumbria University Hospitals NHS Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Assurance work performed

We conducted this limited assurance engagement under the terms of the Guidance. Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicators;
- making enquiries of management;
- limited testing, on a selective basis, of the data used to calculate the indicators tested against supporting documentation;
- comparing the content of the Quality Account to the requirements of the Regulations; and
- reading the documents.

A limited assurance engagement is narrower in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques that can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these criteria, may change over time. It is important to read the Quality Account in the context of the criteria set out in the Regulations.

The nature, form and content required of Quality Accounts are determined by the Department of Health and NHS Improvement. This may result in the omission of information relevant to other users, for example for the purpose of comparing the results of different NHS organisations.

In addition, the scope of our limited assurance work has not included governance over quality or non-mandated indicators which have been determined locally by North Cumbria University Hospitals NHS Trust.

Our audit work on the financial statements of North Cumbria University Hospitals NHS Trust is carried out in accordance with our statutory obligations. This engagement will not be treated as having any effect on our separate duties and responsibilities as North Cumbria University Hospitals NHS Trust's external auditors. Our audit reports on the financial statements are made solely to North Cumbria University Hospitals NHS Trust's directors, as a body, in accordance with the Local Audit and Accountability Act 2014. Our audit work is undertaken so that we might state to North Cumbria University Hospital NHS Trust's directors those matters we are required to state to them in an auditor's report and for no other purpose. Our audits of North Cumbria University Hospitals NHS Trust's financial statements are not planned or conducted to address or reflect matters in which anyone other than such directors as a body may be interested for such purpose. In these circumstances, to the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than North Cumbria University Hospitals NHS Trust and North Cumbria University Hospitals NHS Trust's directors as a body, for our audit work, for our audit reports, or for the opinions we have formed in respect of those audits.

Conclusion

Based on the results of our procedures, as described in this report, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2018

- the Quality Account is not prepared in all material respects in line with the criteria set out in the Regulations;
- the Quality Account is not consistent in all material respects with the sources specified in the Guidance; and
- the indicators in the Quality Account identified as having been subject to limited assurance have not been reasonably stated in all material respects in accordance with the Regulations and the six dimensions of data quality set out in the Guidance.

Grant Thornton UK LLP

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Chartered Accountants
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22 June 2018

GLOSSARY

A&E	Accident & Emergency – also known as the Emergency Department
Acute Trust	An NHS hospital trust that provides secondary health services within the English National Health Service
Administration	When relating to medication, this is when the patient is given the tablet, infusion or injection. It can also mean when anti-embolism stockings are put on a patient.
Bacteraemia	Presence of bacteria in the blood
Bed days	Unit used to calculate the availability and use of beds over time
Benchmark	A method for comparing (e.g.) different hospitals
CCG	Clinical Commissioning Group
CIC	Cumberland Infirmary, Carlisle
Clinical Audit	A process for assessing the quality of care against agreed standards
Clinical Coding	A system for collecting information on patients' diagnoses and procedures
Clinical Dashboard	An internal website used by staff to measure various aspects of clinical quality
Clinical Quality Committee	A committee led by the Trust's Chairman which reviews clinical quality in detail
Commissioners	See CCG
Congenital	Condition present at birth
Contraindication	A condition which makes a particular treatment or procedure potentially inadvisable
CPFT	Cumbria Partnership Foundation NHS Trust
CQC	Care Quality Commission
CQUIN	Commissioning for Quality and Innovation payment framework
Datix	Database used to record incident reporting data
Day case	Admission to hospital for a planned procedure where the patient does not stay overnight
DNACPR	Do Not Attempt Cardiopulmonary Resuscitation
Division	Specialties at UHB are grouped into Divisions
Elective	A planned admission, usually for a procedure or drug treatment
ENT	Ear, Nose and Throat
GI	Gastro-intestinal
GP	General Practitioner
HCS	Healthcare Commissioning Services
Healthwatch Cumbria	An independent group who represent the interests of patients and the public
Hospital Episode statistics(HES)	A database containing details of all admissions, A and E attendances and outpatient appointments at NHS hospitals in England.
HQIP	Healthcare Quality Improvement Partnership
HSMR	Hospital Standardised Mortality Ratio
ICNARC	Intensive Care National Audit & Research Centre
IT	Information Technology
ITU	Intensive Treatment Unit (also known as Intensive Care Unit, or Critical Care Unit)
MDT	Multi-Disciplinary Team
MINAP	Myocardial Ischaemia National Audit Project

Monitor	Independent regulator of NHS Foundation Trusts
Mortality	A measure of the number of deaths compared to the number of admissions
MRI	Magnetic Resonance Imaging – a type of diagnostic scan
MRSA	Meticillin-resistant Staphylococcus aureus
Myocardial Infarction	Heart attack
NaDIA	National Diabetes Inpatient Audit
NBOCAP	National Bowel Cancer Audit Programme
NCEPOD	National Confidential Enquiry into Patient Outcome and Death - a national review of deaths usually concentrating on a particular condition or procedure
NCUHT	North Cumbria University Hospitals NHS Trust
NELA	National Emergency Laparotomy Audit
NEWS	National Early Warning Scores
NHS	National Health Service
NHS Choices	A website providing information on healthcare to patients. Patients can also leave feedback and comments on the care they have received
NICE	National Institute For Health and Clinical Excellence
NIHR	National Institute for Health Research
NOF	Neck of Femur
NRLS	National Reporting and Learning System
Observations	Measurements used to monitor a patient's condition e.g. pulse rate, blood pressure, temperature
PALS	Patient Advice and Liaison Service
Peri-operative	Period of time prior to, during, and immediately after surgery
PHE	Public Health England
PICS	Prescribing Information and Communication System
PROMs	Patient Reported Outcome Measures
Prophylacti / prophylaxis	A treatment to prevent a given condition from occurring
Readmissions	Patients who are readmitted after being discharged from hospital within a short period of time e.g., 28 days
RPIW	Rapid Process Improvement Workshop
Safeguarding	The process of protecting vulnerable adults or children from abuse, harm or neglect, preventing impairment of their health and development
SAFER	Senior Review - All patients will have an expected discharge date - Flow of patients will commence at the earlier opportunity - Early discharge - Review
SSNAP	Sentinel Stroke National Audit Programme
SOP	Standard Operating Procedure
STP	Sustainability and Transformation Plan
TARN	Trauma Audit and Research Network
VTE	Venous thromboembolism – a blood clot
WCH	West Cumberland Hospital
WNE	West North and East Cumbria