



**Poole Hospital**  
NHS Foundation Trust

#70forNHS70



*The Poole Approach* Friendly, professional, person-centred care

# Poole Hospital NHS Foundation Trust

## Annual Report and Accounts 2018/19



**Poole Hospital NHS Foundation Trust**

**Annual Report and Accounts 2018/19**

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



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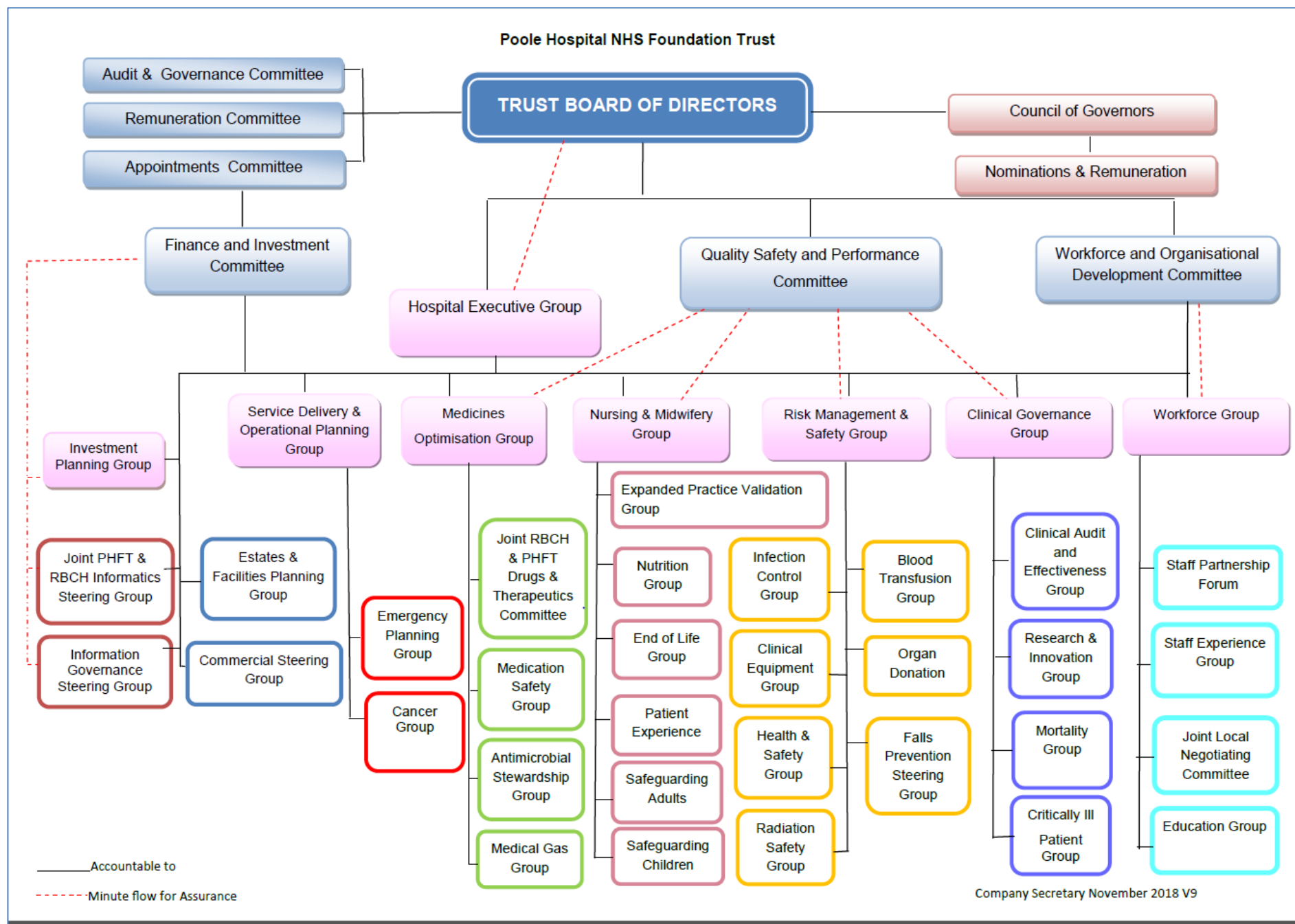
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## SECTION A: PERFORMANCE REPORT

This overview aims to give a short summary of the organisation and its activities, key risks around the delivery of its objectives and how it has performed during the year. A more detailed summary of performance will follow in the Performance Analysis further on in this report.

### 1.1 Welcome to our Annual Report

Welcome to our annual report for 2018/19. It has been a very eventful year, not least because a new senior management structure was recently agreed for both Poole Hospital NHS Foundation Trust and The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust.

The decision to create an interim joint Chief Executive and an interim joint Chair of both organisations was made to assist in the creation of the major planned and the major emergency hospitals for east Dorset, as part of the Dorset Clinical Services Review (CSR), and to assist in the transition towards potential merger. The appointments were supported by both NHS Improvement and the Competition and Markets Authority and, after an independent selection process, we were both delighted to be appointed to these roles.

We would like to take this opportunity to thank Steve Erskine, the outgoing Chair of Poole Hospital, and Tony Spotswood, the outgoing Chief Executive of RBCH, for their enormous contribution within each respective organisation, and for the part they played in the lead up to these changes. Both worked tirelessly to connect with staff and patients during this period, ensuring that the transition to the new arrangements went smoothly.

Operationally, 2018/19 was once again a year of significant pressure for Poole Hospital, with on-going demand for our services. Once again, the Trust has done extremely well in continuing to provide safe, high quality care, against a back-drop of increasingly significant workforce shortages – something which is being felt by many NHS providers at both a national and a local level. Although this has at times impacted on our performance, for example, on waiting times for our services, overall, we continue to be very proud of the standard of care we provide, as evidenced by our performance in national patient surveys/audits. This year's Quality Account highlights that we have made great progress throughout 2018/19 in improving services in a number of priority areas, achieving better outcomes and a more positive patient experience. Most importantly, the Trust continues to receive very positive feedback from patients, and is held in very regard by local people.

We had the opportunity during the year to celebrate the 70th anniversary of the NHS. This was a great chance to say thank you to the staff of Poole Hospital - to pay tribute to their high degree of skill and talent, and to thank them for so many years of selfless service. There are many examples throughout this report of the awards that have been won by Poole Hospital staff at both a national and local level, reflecting the amazing skill, dedication and commitment of our teams as they continually seek to improve services for patients.

Again this year, Poole Hospital achieved some of the best staff survey results for an acute trust within the NHS. These results demonstrate that we have a very engaged workforce, committed to working effectively together to deliver high quality care. Nevertheless, the Trust has entered into a time of great change, and as such, investing in our staff has never been more important. It will continue to be a priority to listen to our staff and act on their feedback, invest in their on-going training and development, and work with our teams to ensure that Poole Hospital continues to be a great place to work.

The Trust has faced considerable financial pressures during the course of the year, mainly associated with challenges associated with the increase in expenditure on high cost agency staff. Nevertheless, at the end of the year, we were pleased to achieve the revised financial position agreed with our regulator and with our partners across the Dorset system – recognising that as an Integrated Care System, all partners are working together to make the best use of our collective resources.



At the end of March, we reached a hugely important milestone in terms of the Clinical Services Review. We completed the work associated with developing the Outline Business Case (OBC) for our major capital programme, showing how we're going to redevelop our sites to benefit patients and spend the £147 million which has been allocated to us. The OBC was approved by both Trust Boards and was submitted to NHS Improvement (NHSI) in accordance with the agreed timetable, which is a very significant achievement indeed. Clearly, there is still a lot of work to do, as establishing a major emergency hospital and a major planned care facility will involve significant change. However, our clinical teams are excited by this programme and the benefits that this will mean for our patients, and we are looking forwards to taking this forward at pace over the next few months and years.

Our thoughts are now turning to the potential merger of both organisations. As things stand, we are expecting the Competitions and Markets Authority to review our Patient Benefit Case in the first half of 2019/20, and given that we believe we have constructed a compelling case, we are expecting to be given permission to proceed. We will then go on to submit our formal merger Business Case to NHS Improvement, with a view to establishing our newly merged organisation from April 2020. Given that we are on the brink of coming together, we are about to start a significant listening and engagement programme with our staff and stakeholders across both trusts. We hope that you will also play your part in this exercise as we want to hear your hopes and ambitions for the future, and look forward to working with you to create our new organisation.

Both Poole Hospital and its neighbour The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust are good organisations, but our ambition is to create a new one that will be even better. Our over-arching objective is to work with partners to transform our services - to bring teams together and change the way we deliver care in a way that will improve services and deliver better outcomes. The merger of the two organisations is essential, but this is just an enabler, that will assist us to create the platform for these changes.

We would like to conclude by thanking our staff, Governors, volunteers, fundraisers, and members for all they do every day to make Poole Hospital NHS Foundation Trust a place where we can be exceptionally proud of the outstanding care provided to patients and their families. Poole Hospital has an exciting, positive future and will continue to be a place that patients want to come for treatment and where staff want to work, for many years to come.



David Moss, Chairman



Debbie Fleming, Chief Executive

## **1.2 Purpose and activities of the Foundation Trust**

Poole Hospital NHS Foundation Trust is an acute general hospital based on the South coast of England. The hospital has a 24-hour major accident and emergency department and is the designated trauma unit for East Dorset, serving a population of over 500,000 people.

The Trust provides general hospital services to the population of Poole, Purbeck and East Dorset – around 280,000 people – as well as a range of additional services such as maternity and neonatal care, paediatrics, oral surgery, ENT and neurology to a wider population including Bournemouth and Christchurch.

In addition, the hospital's flagship Dorset Cancer Centre provides medical and clinical oncology services for the whole of Dorset, serving a total population of over 750,000.

At the end of 2018/19, we employed an average 3762 employees (including bank and agency staff) – see page 69. The hospital was also supported by over 250 volunteers, who provide invaluable support to both patients and staff.

Our annual turnover for the financial year was £259 million.

## **1.3 Brief history of the Foundation Trust**

### **About Foundation Trusts**

Poole Hospital became an NHS Foundation Trust on 1 November 2007 under the National Health Service Act 2006. NHS Foundation Trusts are not-for-profit, public benefit corporations. They provide and develop healthcare according to core NHS principles – free care, based on need and not ability to pay.

Foundation Trusts are regulated by NHS Improvement, whose main duty is to protect and promote the interests of patients. Foundation Trusts have greater freedom to develop services in the way that suits local communities and staff. They can decide how to spend their money, borrow capital and generate income, re-invest any surplus cash on developing new services and also own their assets.

As a Foundation Trust, Poole Hospital is run by a Board of Directors, made up of non-executive and executive directors. The Board of Directors is held to account by the Council of Governors, who represent the local community through a membership base made up of local people from the Trust's catchment area and staff.

Anyone who is over the age of 12 and resides in the UK may apply to be a public member of Poole Hospital NHS Foundation Trust. Staff are automatically members unless they choose to opt out.

Full details on the Board of Directors and Council of Governors can be found in the Accountability Report from page 29.

Poole Hospital NHS Trust Foundation Trust is licensed by NHS Improvement, the healthcare regulator, as an acute hospital to provide health services to its local population. These services are commissioned by a number of different bodies – that is, local commissioners known as Clinical Commissioning Groups (CCGs), local authorities (for some public health services) and NHS England, which commissions all specialised services across the country.

The Trust is also registered with the Care Quality Commission (CQC), which has a specific interest in patient quality and safety issues. Both NHS Improvement and the CQC work closely together to ensure that the Trust is well regulated. The Trust's business is to provide excellent services to patients, in a way that is consistent with commissioner specifications and meets the standards of the CQC. Only in delivering all of the above can the Trust be assured that it will retain its licence to operate from NHS Improvement, formerly Monitor.

At the present time, the Trust provides a wide range of inpatient, day case and outpatient services for patients and these are predominately delivered from the main hospital site, with a small number of services delivered from the St Mary's site, situated nearby. However, over time and in line with changing commissioning intentions which reflect the changing demographics and health needs of the local population, Poole Hospital expects to change its business model, to deliver more services out of hospital, in a community setting or within patients' own homes.

The Trust Board and Governors are responsible for establishing and maintaining effective systems and process (that is, our governance arrangements) to ensure the effective delivery of all the Trust's objectives. In particular, these governance arrangements must demonstrate that the Trust can successfully manage any principal risks, which if left unmanaged could adversely affect the future wellbeing of the organisation. Central to the evidencing of this is the Trust's Annual Governance Statement (see page 99) which is produced every year and summarises any key issues and concerns.

## **Our Vision**

Our vision is to provide excellent person-centred emergency and planned care to the people we serve, and the hospital has a unique philosophy which underpins that care.

The Poole Approach has been in place for more than 20 years and pledges that we will strive at all times to provide friendly, professional, person-centred care with dignity and respect for all. It is a unique set of values that guide staff every day. In 2015, we asked staff, patients and the public whether the underpinning values remained valid. Nearly 2,000 people took part and using this feedback, the Poole Approach was translated into five value themes:

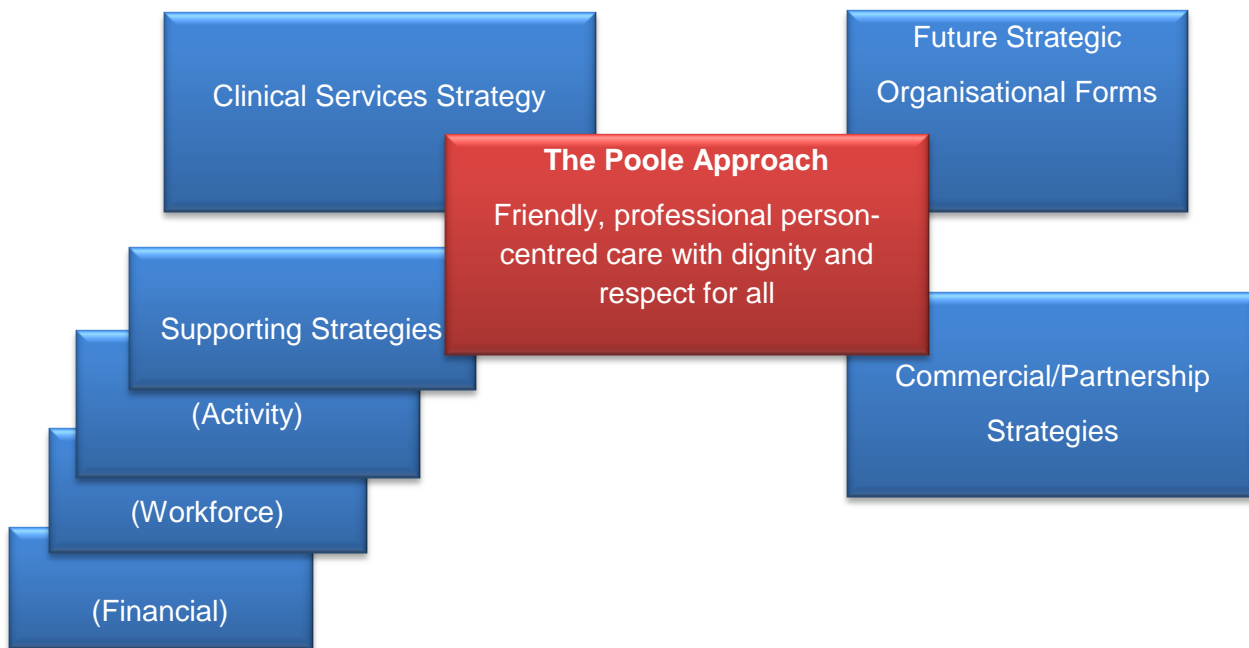
- Compassionate
- Open
- Respectful
- Accountable
- Safe

## **Our Strategic Framework**

The Trust aligns its activity via a strategic framework which forms the basis of a five year strategic plan and which brings together its vision and values (focusing on quality and safety), clinical services, future organisational forms, its commercial strategy and its supporting resources strategies (including human resources and organisational development; estates; information technology; and finance).

The strategic framework is summarised in the five domains outlined below. The success of the Trust going forward is to align each domain in partnership with the other organisations that make up the Dorset Integrated Care System (ICS). The vision for the ICS is to change the system to provide services to meet the needs of local people and deliver better outcomes. The ambition is to see every person in Dorset stay healthy for longer and feel more confident and supported in managing their own health.

## Poole Hospital NHS Foundation Trust Strategic Framework



### Our Charitable Fund

The NHS Foundation Trust is the corporate trustee to Poole Hospital NHS Foundation Trust Charitable Fund. The Foundation Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the Foundation Trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to affect those returns and other benefits through its power over the fund.

The charity administers funds for the provision of patient care and staff welfare at Poole Hospital. Money is raised through a variety of activities, including fundraising events, individual donations, corporate support and legacies.

A total of £1,674k was donated in 2018/19 (including total legacies of £995k). Thanks to the support of the local community; Poole Hospital's Charitable Fund has made a difference to the experience of thousands of patients, in wards and departments across the hospital.

More information about fundraising activities and events is available on our website at [www.poole.nhs.uk/fundraising](http://www.poole.nhs.uk/fundraising)

### 1.4 Highlights of the year

The Trust is proud of its many achievements over the year, especially in improving the quality of patient care.

Highlights include our participation in the national 'end PJ paralysis' campaign, the official unveiling of a prescription dispensing robot that is the first of its type in the UK and the 'major milestone' for cancer patients in Dorset with the opening of our new £9 million radiotherapy building at Dorset County Hospital, funded in part by an extraordinarily generous legacy from Poole businessman Robert White.

Since September 2018 we have been working in partnership with Dorset Healthcare, Royal Bournemouth and Christchurch Hospital; Dorset County Hospital and South West Ambulance Trust; to develop an urgent primary care service known as the Dorset Integrated Urgent Care Service (IUCS). The IUCS service went live on the 1<sup>st</sup> April 2019 which as well as improving access to urgent primary care for the population of Dorset, is a great example of system wide collaboration. This service brings together several existing services such as 111 and the Out of Hours service and offers a great opportunity to create a simplified offer for our local population whilst improving access for patients.

Further details on our highlights can be found in the Quality Report from page 87.

## **2. PERFORMANCE ANALYSIS**

### **2.1 How we Measure Performance**

We measure our performance using the NHS Improvement (NHSI) single oversight framework. This framework is comprised of 35 metrics across 6 domains of:

- Finance and use of resources
- Operational performance
- Organisational health
- Caring
- Safe
- Effective

We report our performance to the Trust Board on a monthly basis and we are also monitored by NHSI. The Integrated Quality & Performance Report our monthly performance report provides the Board with an overview of latest performance against the key metrics and identifies exceptions, including position exceptions, where performance has outperformed usual tolerances, or where a target is falling short. Within the Single Oversight Framework are five constitutional standards. This means they are set out within the NHS Constitution as standards which we pledge to achieve. Whilst pledges are not legally binding, they represent a commitment by the NHS to provide comprehensive high quality services. Poole Hospital has a track record for strong performance against national and local standards, and we are proud of the performance indicators we have again achieved this year.

These standards are:

- A&E/organisational 4 hour wait
- Diagnostic waiting times
- Referral to Treatment 18 weeks
- 62 day cancer standard

The information over the next few pages provides a snapshot of how we are performing; more detailed information on the Trust's performance is available on our website at [www.poole.nhs.uk/about-us/our-performance.aspx](http://www.poole.nhs.uk/about-us/our-performance.aspx)

### **2.2 How we have performed during 2018/2019**

An overwhelming theme for our performance during 2018/19 was the increase in demand for non-elective services. The number of patients choosing us for their treatment and care remained high, and we in turn expanded services where possible to meet this demand. We are working closely with partner organisation to ensure we provide this activity in the right place at the right time and expand or redesign services where possible to meet this demand.

The increase in the number of non-elective inpatients for some services meant a loss in managing to treat as many routine patients as we would have liked impacting on the Referral to Treatment performance. We have plans to increase the size and scale of our services further for 2019/20 as more patients continue to choose our services.

The Trust performance against the emergency care four hour access standard has been less than 95%. 2018/19 was another incredibly challenging year for the Emergency Department. Driving factors have included medical staffing availability during periods of high demand as well as reduced flow at times. Overall 88.95% of patients were seen, treated, admitted or discharged within four hours as measured by the national four-hour standard of 95%, which includes attendances from the minor injury units located in Wimborne, Swanage and Blandford. Our performance whilst below the standard that we as an acute hospital aspire to achieve performed well in comparison to other hospitals against increasing patient attendances (the Poole site saw a 6% year on year increase).

We have achieved the diagnostic access standard of 99% of waits within 6 weeks at 31/3/19, despite performance during the year being variable due to constraints in capacity.

This standard is essential in ensuring patients have an early diagnosis, and supports delivery of both RTT and Cancer access time standards

Referral to Treatment (RTT) 18 week access standard has not been achieved since August 2017 as a result of constraints in capacity due to staffing and compounded by winter pressures. The Trust has however achieved the requirement to deliver a waiting list of no more than 14,666 pathways by 31<sup>st</sup> March 2019. A remedial action plan has been developed to improve performance against the 18 week access standard, but performance against the standard will not be retrieved in the short term.

The Trust achieved 6/8 of the cancer standards for 2018/19 overall, much better than the national position. The 62 day standard has presented the most significant challenge this year (met in 2/4 quarters) while the 14 day standards have been delivered consistently.

## 2.3 Clinical Performance

Performance Metric	National Target	Our Performance last year 2017/18	Our Performance this year 2018/19	What our Performance Means
<b>Operational Performance</b>				
A&E - % patients admitted, transferred or discharged within 4 hours	95%	90.98%	88.95%	Target Not Achieved
Diagnostics – % patients seen within 6 weeks	99%	98.9%	98.5%	Target Achieved (year-end position)
Referral to Treatment - % patients within 18 weeks	92%	90.4%	85.1%	Target Not Achieved
Referral to Treatment – number of pathways	Zero growth	14,666	14,608	Target Achieved
Cancer - % patients seen within 2 weeks from referral to first appointment	93%	98.90%	97.6%	Target Achieved
Breast Cancer - % patients seen within 2 weeks from referral to first appointment	96%	98.09%	98.8%	Target Achieved
Cancer - % patients diagnosed being treated within 31 days	85%	99%	97.8%	Target Achieved

Cancer - % patients being seen 62 days from urgent GP referrals	85%	88%	83.2%	Target Achieved only in Qtr. 1 &4
Operations Not re-arranged within 28 days		12	8	
Bowel Screening	100%	96.3%	100%	Target Achieved
Breast Screening to normal results	90%	96.6%	100%	Target Achieved
Cytology Screening (Wessex std 98% in 14 days)	98%	99.5%	99.2%	Target Achieved
<b>Hospital Activity</b>				
Number of elective inpatients treated	N/A	3,323	3,662	
Number of elective day cases	N/A	34,529	34,682	
Number of non-elective inpatients treated	N/A	37,478	39,044	
Number of emergency admissions		36,974	38,596	
Accident and Emergency Attendances Minor Injuries Unit (1)		68,070 17,129	72,013 19,074	
Number of new outpatient attendances	N/A	87,148	87,300	
Number of outpatient follow up attendances	N/A	139,632	138,022	
Births	N/A	4,424	4,119	
Requests for medical imaging	N/A	200,413	202,673	
Radiotherapy attendances (2)	N/A	29,936	30,577	

Note (1): Blandford, Swanage & Wimborne Minor injury units are reported through Poole Hospital from 1<sup>st</sup> November 2016

Note (2) The drop in attendances over the last 3 years is mostly due to the change in prostate fractionation from 37 attendances to 20 attendances for the majority of these patients.

### **Fast Facts 2018/19**

- Over **98%** of patients waited less than 6 weeks for a diagnostic test (DM01)
- **88%** of A&E patients seen within four hours
- On average **8 out of 10** RTT patient pathways were waiting less than 18 weeks
- Cytology Screening consistently achieved **over 99%** against the Wessex 14 day standard
- On average formal delays accounted for **less than 3.5%** of occupied beds
- **98.2%** breast patients seen within the first two weeks after referral to first outpatient appointment
- **One of the highest uptakes in the South** for bowel cancer screening services
- The quality of stroke care reported through the Sentinel Stroke National Audit Programme (SSNAP) has **achieved level B/A this year.**



## Key Quality Performance Indicators

Performance Metric	Target	Our Performance last year 2017/18	Our Performance this year 2018/19	What our Performance Means
<b>Infection control</b>				
Clostridium difficile infection - number	15	24	16	Target not achieved
MSSA Bacteraemia number	NA	26	26	No change
E.Coli bacteraemia number	NA	45	29	Improvement
MRSA Bacteraemia number	0	1	0	Target achieved
<b>Incidents</b>				
Never Events	0	3	3	Target not achieved
All in-patient falls per 1000 bed days	NA	4.92	4.55	Improvement
Falls resulting in severe or moderate harm per 1000 bed days	NA	0.18	0.24	No improvement
<b>Quality</b>				
All hospital acquired pressure ulcers per 1000 bed days	NA	2.08	1.58	Improvement
Acquired category 3 & 4 PU per 1000 bed days	NA	0.42	0.3	Improvement
% Reduction in the number of still births	20%	n/a	50%	Target achieved
% reduction in frequent attenders with mental health needs to ED	10% reduction	55.70%	70.90%	Target achieved
<b>Screening</b>				
VTE risk assessments	95%	97.13%	97.10%	Target achieved

### Infection control

The ongoing surveillance of microorganisms is a critical part of the Trust's activity. In addition to the monitoring of inpatients, the screening of patients on admission to hospital and liaison with other healthcare providers is critical for early identification of organisms and appropriate control measures.

The Trust continues to closely monitor all incidents of CDiff and has ended the year with 16 cases against a target of 15. This is a significant improvement compared to last year. There has also been a marked reduction for E Coli from the previous year.

MSSA bacteraemia remains consistent with last year's figure of 26.

The Trust has maintained its zero tolerance to MRSA bacteraemia and continues with strategies to prevent infection including education of staff, screening and barrier nursing of patients who are found to be carriers of the bacterium and continued emphasis on the importance of hand hygiene.

### Patient safety

Never Events when they occur are taken extremely seriously and are always fully investigated. A rolling quality improvement programme was put in place in theatres and subsequently no further never events have occurred within the trust since November 2018.

Falls continue to be a challenge. Targeted falls reduction work on a number of wards has demonstrated a marked reduction in falls. New bedside signage 'Call don't fall' has been rolled out across the trust and the 'Bay Watch' initiative has been implemented in selected wards to increase observation of patients.

Pressure ulcers - in terms of pressure ulcers per 1000 bed days there has been a month of month reduction since December 2018 for pressure ulcers category 3 and 4. This has followed a focussed improvement plan.

VTE risk assessments remain consistently above the target for the year.

### Reducing stillbirths

By March 2020 the national target for the reduction of the number of stillbirths at Poole Maternity is 20%. By March 2030 we aim to reduce the number of stillbirths further by 50%. Poole Hospital not only achieved the 2020 target but also the target set for 2030 by reducing the number of stillbirths by 50% in 2018/19. We aim to continue the excellent work already in progress.



## **Reducing frequent attenders with mental health to ED**

There has been a consistent reduction over each quarter resulting in the average reduction in frequent flyers for the year of 70.90%

## **Reducing stillbirths**

By March 2020 the national target for the reduction of the number of stillbirths at Poole Maternity is a reduction by 20%. By March 2030 we will reduce the number of stillbirths further by 50%. Poole Hospital not only achieved the 2020 target but also the target set for 2030 by reducing the number of stillbirths by 50%. We aim to continue the excellent work already in progress.

## **VTE risk assessments**

VTE risk assessments remain consistent and above the target for the year.

## **2.4 Financial Performance**

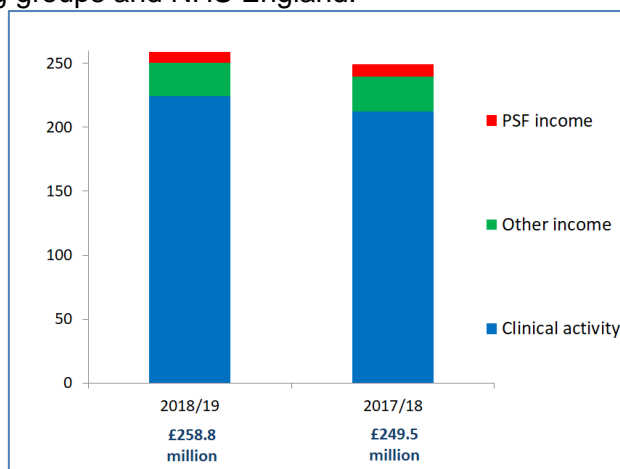
This section summarises the Trust's financial results for the 2018/19 financial year.

### **Income**

During the twelve months to 31 March 2019 the Trust received £259 million in operating income (2017/18 £249m). This represented a total increase of almost 4% on the previous year and included £8.6 million in income earned from the national Provider Sustainability Fund (2017/18 £10 million) as follows:

Provider Sustainability Fund (PSF)	2018/19 £m	2017/18 £m
Financial control total	4.2	4.5
A&E 4 hour performance	0.8	1.3
PSF Core	5.0	5.8
PSF Incentive: Financial		0.7
PSF Bonus and General Distribution	3.6	3.5
Total PSF Income	8.6	10.0

Comparative clinical income rose by almost 6% to £225 million (2017/18 £212 million). This income was directly related to the treatment of patients, with £219 million paid to the Trust by clinical commissioning groups and NHS England.

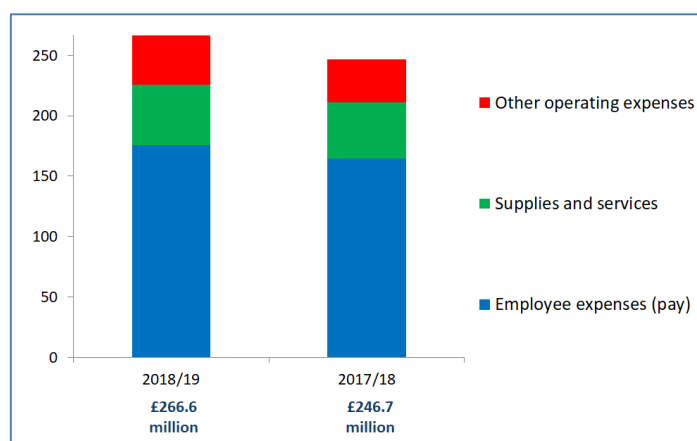


## Expenditure

The Trust also saw an increase in expenditure during the year, with £267 million being spent (2017/18 £247 million). This was an increase of 8% when compared with the previous year.

Pay costs represent two thirds of the overall cost of care, and in the year £176 million was spent on pay (2017/18 £164 million) representing a total annual increase of almost 7%. Within this, expenditure on agency staff increased by 75% to £8.8 million (2017/18 £5.1 million). The average number of staff employed, including agency and bank staff, increased by almost 4% to 3,762 (2017/18 3,633).

Expenditure associated with clinical services and supplies accounted for the second largest element of spend, and during the year the Trust spent £50 million on such items (2017/18 £47m), of which £25 million was spent on drugs.



## Financial Performance

The financial statements for the Trust report an £11 million deficit (2017/18 £505,000 deficit).

Financial Performance	2018/19 £m	2017/18 £m
Reported (deficit) for the year	-11.0	-0.5
Impairment	0.1	1.3
Donated capital/ fixed asset disposal adjustment	0.1	0.3
Adjusted (deficit)/ surplus	-10.9	1.1
Less PSF income received	-8.6	-10.0
Control Total (deficit)	-19.5	-8.9

The Trust accepted a planned 2018/19 financial 'control total' expenditure over income deficit of £12.8m, within the context of the Dorset NHS group overarching plan. At planning stage £4m Cost Improvement Plan (CIP) was recognised as being either unidentified or high risk, and unless mitigated internally would require a compensating Dorset NHS group in-year financial delivery offset.

Circa £3m further overspend has been consistently projected from the end of September 2018, mainly attributable to an increasing agency reliance run-rate. The Trust's full year financial risk against the planned control total was formally assessed as being £6.8m at the end of Quarter 2 (£4m planning gap plus unfunded agency reliance run-rate) and remained unchanged at the end of Quarter 3, despite action to support an improvement by March 2019.

## Financial Control Total

Initial Planned Deficit: £12.9m, before PSF income

Q2 Financial Forecast: £19.6m before PSF income i.e. £6.8m projected deterioration.

- £4m unidentified CIP (planning gap)
- circa £3m net overspend mainly attributable to an increasing agency reliance run-rate

Actual Outturn Position 2018/19:

£19.5m control total deficit i.e. £143,000 improvement on Q2 forecast (£6.6m deterioration from original plan)

## Cash

£5.5m Cash Balance as at 31 March 2019 (£3m 2018/19). The year-end cash position was favourable to plan but included income received ahead of expenditure and on account:

- £2.6m PDC capital creditors (linear accelerator and CT)
- £2m income adjustment from Dorset CCG

During 2018/19 the Trust drew £9.6m external cash support from the Department of Health and Social Care's Uncommitted Interim Revenue Support Facility.

## **Going Concern**

Looking forward to 2019/20 the Trust is planning to operate within a balanced 'financial control total', after having assumed £9.3m transitional income from Dorset CCG and £17.7m national income linked to the control total, together with a further £9 million cost improvement plan (3.4% of operating expenses).

Due to the scale of further required efficiency and associated national income risk linked to continuing to deliver financial performance during each quarter, limited investment has been earmarked in this period beyond that prioritised as being both urgent and essential for securing ongoing safety or service continuity.

The challenge for Poole Hospital remains balancing operational delivery during continued funding restraint, while at the same time creating the capacity to achieve an ambitious East Dorset acute service redesign and potential organisational merger with the Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust.

In concluding the financial statements for 2018/19, the Board of Directors is required to formally consider whether it regards the Trust as a 'going concern', which for this purpose is defined as *"having sufficient cash and timely access to such additional financing as may be required to remain in operation for the twelve months following approval of the annual accounts"*.

The Board has concluded that it is appropriate to prepare the accounts on a going concern basis. In making this assessment, the Board have been mindful of guidance in the Government financial reporting manual, which emphasises that the anticipated continuation of the provision of a service in the future, as evidenced by inclusion of financial provision for that service in the published documents, is normally evidence of going concern. In considering going concern the Board of Directors have also taken the following into account:

- Delivery of planned financial results: the Trust over-achieved its financial plan in each of the first four years 2014-18, underpinned by delivery of cost efficiencies in excess of planned levels (3% or £6-7m per annum originally planned, with actual levels rising from 3% to 4.6% or £10.6m by Year 4, 2017/18). 2018/19 was the 2nd operating year of the Dorset NHS group working together towards an Integrated Care System (ICS), jointly committed to delivering its aggregate financial 'control total' commitment against individual 'flat' activity baselines. During this fifth year the Trust consistently projected a

£6.8m deterioration against its individual financial control total: comprising a £4m planning gap originally recognised as requiring a compensating in-year Dorset NHS group financial offset; plus a further local cost overrun mainly attributable to increasing agency staff reliance. The Trust will end 2018/19 with a delivered cost improvement plan in the order of £6.6m or 2.9% of operating expenses.

- Dorset system financial plan: Working as one of eight wave one Integrated Care Systems, the Dorset NHS group has already agreed an overall net neutral financial delivery offset across 2018/19 individual organisation financial plans. Further in-year offsets of financial over-performance in one organisation against financial under-performance in another are permissible across the group, where the net impact is overall net neutral to the aggregate Dorset system control total.
- Consistency of ongoing dialogue with, and reporting to, the Independent Regulator. During its most recent on-site financial review (September 2017) the Independent Regulator was able to evidence good process, grip and control. As a result, the Foundation Trust was rated as 'good' in its Use of Resources assessment of how effectively providers are using their resources to provide high quality, efficient and sustainable care for patients. At the same time the Foundation Trust ranked in the upper quartile as the 10th most productive non-specialised acute provider in England based on the Model Hospital weighted activity unit metrics for 2016/17 (19th during 2015/16).
- Cashflow projections for the next twelve months, which show a dependence on access to an Uncommitted Interim Revenue Support Facility from the Department of Health and Social Care.

The Trust's dependency on cash support will continue until such time that a financially sustainable plan is implemented, and the associated efficiency benefits realised, as part of the East Dorset reconfiguration within the Dorset Clinical Services Review.

The Board of Directors acknowledge that there is a material uncertainty related to events or conditions that may cast significant doubt on the Foundation Trust's ability to continue as a going concern and, in the event of material under-performance against key budget assumptions and non-availability of anticipated funding, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. Specifically, an uncertainty exists around whether the Trust:

- a. will earn all planned national income linked to the control total (£17.7m)
- b. is able to deliver cost improvement plans above nationally assumed minimum levels (£9 million or 3.4% during 2019/20; and
- c. will be able to access cash funding as required from the Department of Health and Social Care's Uncommitted Interim Revenue Support Facility.

These risks are well understood and action can and will be taken to ensure that the risks are managed. The uncertainty related to Going Concern is fully disclosed in the financial statements.

## 2.5 Environmental Matters

### Sustainability

Poole Hospital is committed to reducing its carbon footprint in line with the Climate Change Act (2008). This translates to a reduction of 28% by 2020 compared to the 2013 baseline<sup>1</sup>. The NHS seeks to lead the public sector in carbon reduction, and a new Sustainable Development Strategy for the Health and Care System was launched at the start of 2014 to support this<sup>2</sup>.

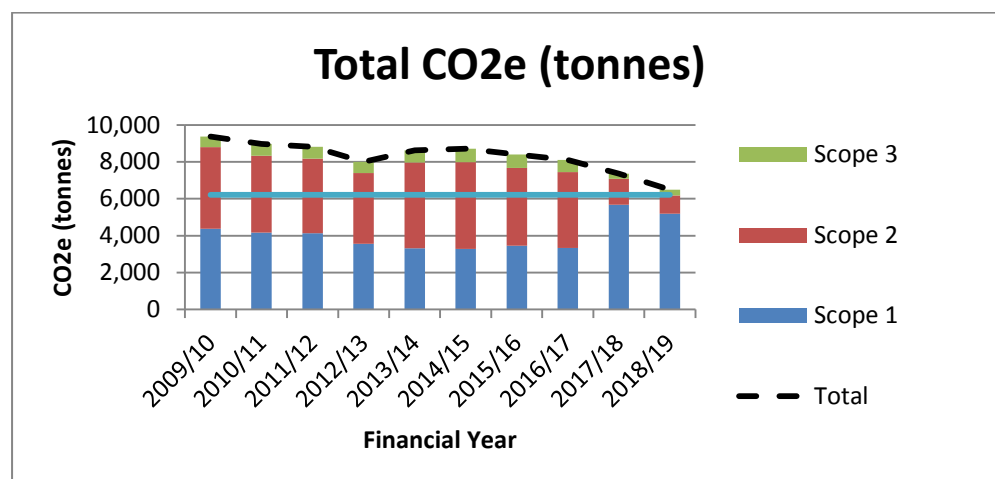
### Energy, water and carbon management

The Trust has been working with British Gas since 2015 on an Energy Performance Contract (EPC) to make guaranteed energy, financial, and carbon savings through a number of measures:

- The Trust now generates over half of its electricity requirements with an onsite Combined Heat and Power (CHP) system. Onsite production suffers from virtually no transmission losses and the heat from the generator is also captured to contribute to the Hospitals heat requirements.
- Half of the Hospital lighting has been upgraded to smart-controlled low-energy LED's, which is saving over 240 tonnes of CO<sub>2</sub> a year. We are seeking funding to replace all remaining fluorescent lighting. We also use low energy LED lighting as standard during all refurbishment projects.
- Upgrade of the principle heating and steam boilers.
- Upgrade of some of the air handling units, including installation of new energy efficient motors and controls
- Smaller projects also include improvements to plantroom pipework insulation to reduce heat losses, improvements to our steam systems to reduce losses, and installation of variable speed drives on pumps to save power through improved control.

### Poole Hospital CO<sub>2</sub>e performance against Climate Change interim targets:

- In line with the Climate Change Act (2018), the NHS has set a target of 28% CO<sub>2</sub>e reduction by 2020 over a 2013 baseline. Poole Hospital's Carbon Saving measures have resulted in reductions of 24.6% and we are working to exceed 28% reduction by 2020.
- The NHS Sustainable Development Unit's has a parallel target of a 30% reduction by 2020 using a 2009 baseline. Against this measure, we are delighted to have exceeded target this year.



<sup>1</sup> HTM 07-02 Part A – Making Energy Work in Healthcare (2015)

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/416635/HTM\\_07-02\\_Part\\_A\\_FINAL.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/416635/HTM_07-02_Part_A_FINAL.pdf)

<sup>2</sup> This strategy and the supporting modules can be found on the Sustainable Development Unit's (SDU) website here: <http://www.sduhealth.org.uk/policy-strategy/engagement-resources.aspx>

The performance data on page 20 shows the total energy consumption for the Trust and demonstrates the trend in consumption and spend over time. In addition to electricity and gas, the carbon emissions from waste and water are also shown in separate tables over the same period.

Priorities and targets for 2019/20:

- Investigate & implement water-saving projects across estate
- Investigate further opportunities for lighting upgrades, to be funded through savings
- Investigate the financial viability of roof mounted solar photovoltaic panels.
- Create long-term strategy for the building management system (BMS), including investigation of controls to improve efficiency and reduce energy consumption
- Ensure new builds meet latest building control and local planning standards for energy efficiency.

## **Procurement**

The Trust is committed to reducing indirect environmental impacts associated with the procurement of goods and services. A Sustainable Procurement Strategy has been developed in co-operation with the Trust's Commercial Services department.

The Procurement Department endeavours to:

- Employ sustainability tender criteria eg. locality of supply and whether those bidding have environment policies in place.
- Avoid taking hard copy catalogues where possible in order to reduce waste.
- Reduce packaging on the supply of goods.
- Recycling materials for construction
- We reupholster and recycle furniture where possible to reduce waste.

Priorities and targets for 2019/20:

- Develop our Sustainable Procurement Policy and accompanying action plan
- Organise a training event for procurement and other relevant staff to introduce the concepts of sustainable procurement in practice
- Make use of the Procuring for Carbon Reduction (P4CR) toolkit to identify and understand our carbon reduction opportunities associated with procurement activities.

## **Transport and active travel**

- The Trust recognises the benefits of reducing the negative environmental, health and social impacts of transport and is committed to reducing its carbon footprint and the impact of commuting on the local community from employee-based car travel.
- Through 2018/19 we have continued to maintain and improve facilities for staff cyclists. The main theatre showers and changing rooms were refurbished. Catering changing facilities were also refurbished.
- In an effort to stimulate increased levels of sustainable commuting. The Hospital took part in the Dorset Commuter Challenge and came second in the league table for large Dorset based employers.<sup>3</sup>
- We offer a discount bus scheme for staff, which offers reduced prices on a variety of passes with our local bus company More Bus. This also helps to reduce carbon emissions by reducing the number of vehicles on the road.

Priorities and targets for 2019/2020:

- Continue to promote and encourage sustainable forms of transport to staff, patients and visitors
- 
- Refurbishments and improvements to staff changing facilities in the main Hospital, Philip Arnold building and St Mary's Maternity Hospital.

<sup>3</sup> Dorset Commuter Challenge 2019

<https://dorset.getmeactive.org.uk/results/571>

## Waste reduction and recycling

From January 2017 the Trust has achieved zero waste to landfill, thanks to the appointment of a new clinical waste contractor and re-diverting all of our general/domestic waste to an energy from waste facility.

The Trust continues to segregate mixed recycling from general waste, and introduce recycling bins into new areas where possible and during refurbishment projects. All household batteries are segregated and recycled for free, and the Trust also earns an income from selling cardboard bales and scrap metal on an on-going basis.

Priorities and targets for 2019/20:

- Continue to roll-out recycling bins across the Trust where possible and work towards improving recyclable waste segregation.
- Work with suppliers and waste contractors and Hospital staff to find solutions to specific waste materials such as recyclable coffee cups, sharps bins and single use clinical materials.
- Improve the reporting processes to more efficiently capture all waste data at the lowest level of granularity possible.
- Improve waste transport efficiency through optimisation of bin weights.

## Staff engagement and communications

The Trust aims to ensure that all staff, patients, visitors and suppliers are able to effectively engage with, and support, the Trust's sustainability strategy. A Sustainability Officer was recruited in 2015 and acts as the key contact within the Trust for all related enquiries, as well as promoting actions that the Trust is taking to reduce carbon emissions. As part of the Hospitals corporate social responsibility, the sustainability officer also pro-actively engages with organisations such as the Bournemouth Christchurch and Poole Council, Public Health Dorset and the Local Nature Partnership.

Priorities and targets for 2019/20:

- Continued engagement with staff, patients, visitors through internal and external communications, for example staff bulletins, magazines and external press releases.
- Take part in sustainability related events throughout the year, and other relevant local/national networks.

## Performance data:

Greenhouse gas emissions and energy use:		2014/15	2015/16	2016/17	2017/18	2018/19
Non-financial indicators (tonnes CO <sub>2</sub> e)	Total gross emissions:	8,746	8,495	8,210	7,377	6,498
	Gross emissions scope 1 (Gas)	3,275	3,450	3,329	5,412	5,187
	Gross emissions scope 2 (Electricity)	4,665	4,216	4,123	1,583	994
	Gross emissions scope 3 (Waste/water/business travel)	805	830	758	382	318
Related energy consumption (MWh)	Total consumption:	27,144	27,824	28,007	30,712	32,902
	Electricity	9,439	9,121	10,005	4,502	4,040
	Natural gas	17,705	18,703	18,002	26,210 <sup>4</sup>	28,862

Financial indicators (£1,000s)	Expenditure on energy	1,748	1,650	1,520	1,304	1444
	CRC gross expenditure	142	130	130	107	84
	Expenditure on official business travel	187	197	194	191	197

- 4 Gas consumption rose in 2017/18 when the new CHP plant came online, but this generates a heat and power benefit, driving down costs and CO<sup>2</sup> emissions.

Waste:		2014/15	2015/16	2016/17	2017/18	2018/19
Non-financial indicators (tonnes)	Total waste:	934	1,047	1,095	1,041	1110
	High temp disposal waste	501	526	283	92	84
	Domestic incineration (with energy recovery)	-	-	348	803	837
	Landfill	347	361	290	0	0
	Recycled/reused	86	160	174	146	189
Financial indicators (£1,000's)	Total waste cost:	325	346	337	298	303
	Clinical waste	258	272	264	219	228
	Domestic waste	63	69	68	73	76
	Recycled/reused	4	5	5	6	5

Water:		2014/15	2015/16	2016/17	2017/18	2018/19
Non-financial indicators (1,000's m <sup>3</sup> )	Water consumption	105	110	115	118 <sup>5</sup>	121
Financial indicators (£1,000's)	Water & sewerage costs	325	301	325	347	356
Water usage (m <sup>3</sup> ) per occupied floor area (m <sup>2</sup> ):		1.59	1.55	1.59	1.67	1.71

<sup>5</sup> Rising activity for the hospital has driven higher annual water and sewerage consumption.

To find out more about the NHS sustainability strategy, or the Climate Change Act (2008) please visit:

NHS Sustainable Development Unit: <http://www.sduhealth.org.uk/>

UK Climate Change Adaptation: <https://www.gov.uk/government/policies/adapting-to-climate-change>



## **2.6 Social, Community and Human Rights**

### **Equality and Diversity**

Poole Hospital has a commitment to equality and diversity as a provider of healthcare services and as an employer. The provisions of the Equality Act 2010 are applied across the trust in relation to all protected characteristics to progress equality, diversity and inclusion in all services and the employment of our staff.

The trust's positive approach to equality and diversity is supported by the values of the Poole Approach which promote behaviours that progress the delivery of inclusive services. The trust's values within the Poole Approach ensure equality and diversity are values which are valued and present within the workplace. This was evidenced within the 2018 National NHS Staff Survey, with an above average result for the theme of equality and diversity of 9.3.

Equality and diversity training is delivered to all new staff on joining the trust and within the Core Skills training which all staff attend on a regular basis. This training has a clear commitment to best practice in equality, diversity and inclusion; recognising that this supports the delivery of high quality and person centred patient care and secures best practice in employment.

The trust has an active Staff Experience Group, led by an executive director, which works to progress equality across services and employment and provide assurance of a range of actions which are in place to support best practice and the development of skills and understanding in equality across the trust.

The trust continues to report on and progress actions for the NHS Workforce Race Equality Standard (WRES). This national Standard enables the trust to look at staff experience across nine workforce indicators to identify and compare the experience of employees from Black and Minority Ethnic backgrounds and White backgrounds.

The trust has set in place arrangements to ensure that BAME (Black, Asian and minority ethnic staff) have a voice in the trust, through membership of a BAME staff network.

The trust has begun the implementation of the Workforce Disability Equality Standard (WDES); a set of ten specific measures that will enable NHS organisations to compare the experiences of disabled and non-disabled staff and act on these through action planning to respond to findings and make changes where these may be necessary. The trust is working to report this information and associated actions by the national deadline of 1 August.

The Trust has reported information and actions in response to the Gender Pay Gap legislation requiring the trust to publish gender pay gap data annually, measuring the difference between males' and females' average earnings. The pay gap for the last reporting year to March 2018 is 12.02% favourable for male staff based on the median pay gap (in hourly pay) for women and men. The pay gap at Poole can be explained largely by the relative proportion of male and female consultants within their respective gender groups. The trust is carrying out work to develop a deeper understanding of what the data is telling us and to develop Gender Pay Gap actions and reporting; further demonstrating our commitment to equality.

The trust has a LGBT Group which is open to both lesbian, gay, bisexual and transgender staff and also to all staff who wish to work with the group to progress sexual orientation equality for staff and patients. The trust is a member of the Dorset NHS LGBT Network and is present on the committee. The trust was present at the Bournemouth Pride LGBT festival in Summer 2018, engaging with many local people and demonstrating the trust's commitment to equality and inclusion for our patients and staff, and has begun working with other Dorset NHS trusts to ensure a county-wide NHS presence at Pride 2019.

The regulators, the Care Quality Commission (CQC), National Trust Development Agency (NTDA) and NHS Improvement use data from the National NHS Staff Survey, the Equality Delivery System and the Workforce Race and Disability Equality Standards to help assess whether NHS organisational are well-led. The standards are applicable to providers and are subject to the clinical commissioning group's assurance process.

## **A fair employer**

The trust is proud to be a holder of the status of Disability Confident Employer. The award recognises a practical commitment to fairness in our recruitment process, including the Guaranteed Interview Scheme. It also acknowledges the trust's commitment to both employing disabled people and delivering a range of support to ensure that staff with disability are developed and retained within the trust.

## **Counter Fraud and Security Management Service**

To help protect valuable NHS resources and ensure continued funding for the provision of services, the Trust is committed to preventing losses to fraud, corruption and error. Whilst the vast majority of staff, contractors and patients are honest, unfortunately experience has shown that there are a small minority who are willing to steal from the NHS.

The Trust employs a specialist service to investigate complaints of suspected fraud, bribery and corruption. It has a number of policies relating to fraud, bribery and corruption including a Fraud Response Plan, Standards of Business Conduct Policy, Whistleblowing Policy and the National Fraud Initiative.

### **2.7 Overseas Operations: None**

### **2.8 Protecting Patients' Information**

Information Governance is an important issue for the Trust, and the Senior Information Risk Owner (SIRO) and Caldicott Guardian are both Board level appointments, leading the drive to achieve standards for Information Security, Confidentiality and Data Protection, Records Management, and Secondary use of Information. The Trust are signatories to the Dorset Information Sharing Charter (DISC) which highlights our commitment to working more collaboratively with our partners across Dorset, we are also members involved in a major project with the creation of a Dorset Care Record, which is bringing together vital information from all services which will assist in providing higher levels of care across Dorset. The group has liaised closely with the Information Commissioner's office, to ensure appropriate steps are taken to maintain high levels of confidentiality. This has been well communicated to Dorset residents, with an opt out facility should they wish to not participate, and towards the end of the project patients will be able to gain access to a secure portal to view their medical information. The Trust take a positive approach to information rights, and protecting people's information rights is a frontline service and we ensure we conform to all legislation requirements, which includes the recent release of updated Data Protection legislation by undertaking the following:

- All staff are expected to take a positive approach to their responsibilities, and ensure they understand the importance of information rights and their own responsibility for delivering them
- Ensuring all staff receive information management/security training, annually by providing regular corporate training sessions, electronic training, ad hoc sessions, which include assessments where an acceptable level must be achieved and making guidance readily available in paper and electronically, achieving compliance level of 96.8%.
- Providing clear policies and guidance which are easily accessible to all staff, which have been updated to incorporate new legal requirements.
- Conducting confidentiality audits throughout the Trust
- Clearly displaying the Trust's privacy notice.
- Ensuring all Serious Incidents Requiring Investigation (SIRIs) are reported, investigated and managed in accordance with national requirements. The Trust is committed to monitoring incidents to ensure that they are robustly investigated, appropriate actions are taken which would include action to improve patient safety and that lessons are learned in order to minimise the risk of similar incidents occurring in the future.

Further information in relation to SIRIs can be found below.

## **Data Security and Protection Toolkit**

This is the core internal and external assurance mechanism for information governance in the Trust and is the national annual toolkit assessment. This was previously known as the Information Governance Toolkit (IGT) but was relaunched in April 2018 as the Data Security and Protection Toolkit (DSPT) with a revised mandatory framework and a greater focus on digital information and cyber security.

The previous IGT included 45 assertions and 135 evidence requirements across six key areas. The Trust was required to achieve a minimum of Level 2 in all 45 assertions in order to 'pass' the assessment and deliver a 'satisfactory' submission. The Trust has passed the IGT for the last four financial years and maintained a score of 84% since 2015/16.

The new DSPT includes 40 assertions and 149 evidence requirements across ten data security standards. Some areas are mandatory (equiv. to IGT Level 2) and others are best practice (equiv. to IGT Level 3). The Trust must be 100% compliant in all mandatory areas in order to 'pass' the DSPT and obtain the IGT equivalent of a 'satisfactory' submission.

The Trust has been working through an agreed action plan, and had to submit by 31 March 2019 - this will be the Trust's last submission for 2018/19 which will provide the final published score. The target for this was 84.6% ('satisfactory'), but we actually achieved 90.6% ('satisfactory').

In 2018/19 the Trust processed 2,383 requests for personal information made under the Data Protection legislation. And a total of 694 Freedom of Information requests were processed.

## SUMMARY OF INFORMATION GOVERNANCE SERIOUS INCIDENTS REQUIRING INVESTIGATION (SIRI) INVOLVING PERSONAL DATA AS REPORTED TO THE INFORMATION COMMISSIONER'S OFFICE (ICO) IN 2018-19

During the period 2018-2019 there has just been one case of serious data losses recorded, and assessed as Level 2 SIRI, this was reported to the Information Commissioner's Office (ICO) and NHS digital and treated as a serious untoward incident. The case was appropriately investigated, with internal actions taken following this the ICO considered that the Trust had taken appropriate actions and therefore no further action was required. Details of this incident is summarised below;

<b>Incident reference</b>	ID 1560
<b>Date of incident (month)</b>	June 2018
<b>Status as at date of report publication</b>	Closed
<b>Number of data subjects potentially affected</b>	111
<b>Incident nature</b>	Unauthorised access
<b>Format category</b>	Staff members bag stolen, identifiable information.
<b>Nature of data involved</b>	A member of security staff located a rucksack hidden above a ceiling tile in the male toilet by main X-ray. Inside the bag he found a staff bleep and ID badge, along with a wedge of patient handover sheets which included limited personal and medical information relating to just over 100 patients.
<b>Notification steps</b>	A full investigation was undertaken, the bag belongs to a Trust Doctor and it was stolen from a staff teaching room, all contents were intact and have been returned to the relevant Doctor. The incident was appropriately reported, internally and externally, a statement has been made, and the Trust has written to all data subjects to inform them of the incident, actions taken and apologies provided.
<b>Further action on information risk</b>	Security within the area was reviewed along with processes, and appropriate actions taken to try and prevent a re-occurrence.  All appropriate staff have been made aware of the incident and the immediate changes to process.  The incident was reported accordingly to the Trusts Caldicott Guardian and SIRO.

## SUMMARY OF OTHER PERSONAL DATA RELATED INCIDENTS IN 2018-19

Assessed as level I

Category	Breach Type	Total incidents
A	Corruption or inability to recover electronic data	0
B	Disclosed in Error	8
C	Lost in Transit	0
D	Lost or stolen hardware	0
E	Lost or stolen paperwork	0
F	Non-secure Disposal – hardware	0
G	Non-secure Disposal – paperwork	0
H	Uploaded to website in error	0
I	Technical security failing (including hacking)	0
J	Unauthorised access/disclosure	2
K	Other	0

Signature:

Debbie Fleming, Chief Executive

Date:

  
22/5/19

## SECTION B: ACCOUNTABILITY REPORT

### 3.1 Governance and Membership

As a Foundation Trust, Poole Hospital is run by a board of directors. This is made up of executive and non-executive directors. The board of directors is responsible for setting and achieving the long term strategic goals and key objectives of the foundation trust and ensuring that it meets the terms of its licence. In scrutinising the 2018/19 annual report and accounts they were found to be fair, in representing a true representation of the issues encountered by the trust, balanced in presenting a consistent view of the trust and its performance and understandable, in using straightforward language in an easy to read manner with defined and well linked sections.

### 3.2 Key Activities of the Board

The board of directors is made up of executive directors and non-executive directors. The board usually meets every other month and its role is to determine the overall corporate direction of the trust and ensure delivery of our goals, contractual targets and regulatory requirements. The board has reserved powers to itself covering:

- Regulation and control
- Appointments
- Strategy, business plans and budgets
- Direct operational decisions
- Financial and performance reporting arrangements
- Audit arrangements
- General enabling provision to determine any matter within its statutory powers.

The board delegates areas of its powers to its sub-committees (not including executive powers unless expressly authorised). The schedule of delegation for the board sub-committees and for the executive committee of the trust is set out in standing orders.

The board has given careful consideration to the range of skills and experience required for the running of an NHS foundation trust and confirms that the necessary balance and completeness has been in place during the year under report.

The trust has various routes for resolving disagreements between the board of directors and the council of governors. These include the interventions of the senior independent director and the deputy chairman of governors (who is a governor). There is also a formal position for resolving any disagreements which can be found at:

[https://www.poole.nhs.uk/pdf/Dispute%20Resolution%20Procedure%20Final%20Version%20\(following%20CoG%201-5-14\).pdf](https://www.poole.nhs.uk/pdf/Dispute%20Resolution%20Procedure%20Final%20Version%20(following%20CoG%201-5-14).pdf)

Non-executive directors may have their tenure terminated by their own resignation, through the intervention of NHS Improvement or a decision by the council of governors based on the approval of three quarters of the members of the council of governors.

The trust has a formal statement regarding the division of responsibilities between the chairman and chief executive as required by Monitor's (now NHS Improvement's) code of governance and this can be found on our website:

<https://www.poole.nhs.uk/pdf/D23%20-%20Chairman%20v%20Chief%20Executive%20Responsibilities%20Statement.pdf>

## **Board evaluation and NHS Improvement's Well-Led Framework**

The Board and the sub-committees were evaluated in October 2017 by the Care Quality Commission as part of the CQC's inspection of the well-led question. The Trust was rated as "good". In December 2018 the board undertook a self-assessment against the Well-Led Framework. The trust has an experienced and credible leadership team with the skills, abilities and commitment to provide high-quality services. The board promotes a positive culture within the trust. In particular, the "Poole Approach" is embedded in the work of the organisation and is underpinned by the values of compassion, openness, respect, accountability and safety. Performance, quality and risk are reported directly to the board with standardised ward to board performance data providing key quality and safety metrics.

## **Board development**

The board has also been fully cognisant of its own development needs and in the period covered by this annual report, has held a number of development sessions covering a wide range of topics including primary care in Dorset, clinical governance, leading and managing over winter, the operational plan and making data count. The board also engaged in joint development sessions with the governors in September and December 2018, which included presentations on learning from deaths, the role of HM Coroner, managing quality and safety through times of change and diabetic services.

### **3.3 Council of governors**

The council of governors is responsible for holding the non-executive directors to account for the performance of the foundation trust. The council of governors has the powers to appoint the chairman and non-executive directors of the trust and to approve the appointment of the trust's chief executive. The council of governors also has the powers to remove the chairman and non-executive directors at a general meeting of the council of governors.

## **Working with governors**

The trust has a formal engagement document which was updated in September 2016, that sets out how the board of directors works with the council of governors to ensure the directors have an understanding of the views of governors and members and directors are invited to the council of governors meetings. The document underlines the importance of frequent informal communication in building a positive and constructive relationship, and outlines formal communication methods and can be found on our website:

<https://www.poole.nhs.uk/about-us/board-of-directors/board-governance-arrangements.aspx>

### **3.4 Members of the board of directors**

#### **Steve Erskine, chairman**

Date of appointment: 16 May 2017

Date of expiry: 31 December 2018



Steve has a wide range of executive/non-executive experience built up over the past 17 years. His roles have included main Board Director at Ordnance Survey, Services Director at the Serious Organised Crime Agency and Business Development Director at L3, a US private sector technology company. For six years before joining the hospital in 2017 he was a Non-Executive Director and Portsmouth Hospitals NHS Trust and Deputy Chair since 2015.

**David Moss, chairman**

Date of appointment: 1 January 2019



David has extensive experience of health services locally. He was Chief Executive of Poole Hospital from 1985-1988 and Chief Executive of Southampton University Hospitals Trust from 1988-2004 where he oversaw the transformation and merger of 10 hospitals into one Trust. He has been Chair of The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust since March 2017. He has also been Deputy Director of Human Resources for the NHS, interim Chief Executive of The Royal College of Physicians and has extensive non-executive experience.

**Philip Green, non-executive director; vice chairman and chairman of the audit and governance committee (from 1 December 2015)**

Date of appointment: 25 April 2015

Date of expiry: 24 April 2021



Philip has more than 30 years' experience of working in the aerospace industry having spent 14 years at BAE Systems and more recently with Meggitt PLC, a FTSE100 company, initially in the role of group company secretary and now in the position of Executive Director, commercial and corporate affairs.

He was appointed to the board of Meggitt PLC in 2001 and is also president of Meggitt-USA Inc.

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**Stephen Mount, non-executive director; chairman of finance and investment committee**

Date of appointment: 1 December 2017

Date of expiry: 30 November 2020





Stephen is a Fellow of the Institute of Chartered Accountants in England & Wales and until 2016 was a Senior International Client Relationship and Lead Audit Engagement Partner with Pricewaterhouse Coopers LLP. He spent 27 years advising a wide range of industry sectors on a variety of strategic and financial issues, and led the post-merger integration of major Coopers & Lybrand and Pricewaterhouse offices.

Stephen is a member of the Financial Reporting Council which regulates accounting, financial reporting and auditing in the United Kingdom; is a Trustee and Treasurer of the New Forest Ninth Centenary Trust and a Governor of Reading Blue Coat school.

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**Dr Calum McArthur, non-executive director; chairman of quality, safety and performance committee**

Date of appointment: 1 November 2014

Date of expiry: 31 October 2020



Surgeon Rear Admiral Calum McArthur, who retired from the Royal Navy at the end of 2014, took up the role with Poole Hospital's board of directors on 1 November. He is the Head of Joint Medical Command for HM Forces and Royal Navy Medical Director General and also a practising GP.

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**Caroline Tapster CBE, non-executive director;**

Date of appointment: 1 December 2015

Date of expiry: 30 November 2021



Caroline has spent the last 30 years working in local government and the NHS, in Dorset, East Sussex and Kent. She joined Hertfordshire County Council in 1995 becoming Director of Adult Care Services in 2001, and was appointed Chief Executive in 2004. During this time she was a Governor of Oakland's FE College, President of Hertfordshire Agricultural Society, a Board member of Hertfordshire PCT, and was awarded an Honorary Doctorate from the University of Hertfordshire.

She has been a Board Member of SOLACE, a past Chairman of ACCE, a member of numerous National Advisory Groups and Government Reviews and has served as a non-executive director of the Disclosure and Barring Service and as a Trustee of the Terence Higgins Trust. She is currently Director of Health and Wellbeing System Improvement for the Local Government Association.

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**David Walden CBE, non-executive director, chairman of charitable funds committee**

Date of appointment: 1 December 2015

Date of expiry: 30 November 2021



David Walden CBE was a Senior Civil Servant in the Department of Health from 1989 to 2004. Previous appointments also include: Director at the Social Care Institute for Excellence, Strategy Director at the Commission for Social Care Inspection, Transition Director establishing the Regulator of NHS Foundation Trusts (Monitor) and Director of Anchor Trust. In the early 1990s he was Director of Human Resources at Poole Hospital. David also sits on the Board of Affinity Trust, which provides services for learning disabled people, and the Barchester Foundation.

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**Nick Ziebland, non-executive director; senior independent director (from 1 December 2015) and chairman of the workforce and organisational development committee**

Date of appointment: 31 August 2011

Date of expiry: 30 August 2019



Nick is a former executive at the British Airports Authority (BAA), having previously worked for companies including J Sainsbury and Imperial Group. He has also served as a non-executive director for the South East Coast Strategic Health Authority and as an independent committee member for Dorset Community Health Services.

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**Debbie Fleming, chief executive**

Date of appointment: 1 April 2014



Debbie brings with her over 30 years' experience in the NHS. She joined Poole Hospital from NHS England, where she served as area director for Wessex, and has also held a variety of other senior posts within the NHS including more than a decade in chief executive roles at Bournemouth & Poole and Hampshire primary care trusts. Her appointment as chief executive marks a return to Poole Hospital for Debbie. She began her NHS management career at the hospital and enjoyed ten years as the trust's general manager for medicine during the 1990s.

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**Mark Mould, chief operating officer**

Date of appointment: 7 April 2014



Mark joined us from University Hospital of North Staffordshire NHS Trust, where he has provided key operational leadership in a number of senior roles, including acting chief operating officer and deputy chief operating officer. Mark's extensive NHS experience also includes Salford Royal Hospital NHS Trust.

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**Patricia Reid, director of nursing**

**Date of appointment: 6 February 2017**



Patricia is a highly experienced nurse and senior manager with extensive NHS experience. She joins us from Luton and Dunstable University Hospital where she was chief nurse. She also has a wide variety of experience outside of the NHS, including serving as clinical editor of the Nursing Times and being on the board of the British Medical Journal as their first ever nurse representative.

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**Mark Orchard, director of finance**

**Date of appointment: 1 May 2015**



Mark has held this post since May 2015 and during 2016/17 was also national president of the Healthcare Financial Management Association (HFMA) and chairman of their main UK charity board. Previously Mark held executive Board level posts within complex NHS organisations in Hampshire, Bristol and Dorset. Mark is currently joint chair of the NHS Providers Finance and Commercial Directors Network.

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**Dr Angus Wood, medical director**

**Date of appointment: 1 January 2018**



Angus trained in London, graduating from Westminster Medical School in 1985. After a number of medical junior posts, he trained as a radiologist in Southampton, returning to London as a lecturer in MRI at Barts and the London Hospital. He joined Poole Hospital in 1996, where in addition to maintaining a clinical interest in cancer imaging, he has been lead clinician for PACS procurement, clinical lead in radiology and deputy medical director. Dr Wood became medical director in January 2018.

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Details of all the Board members and their declarations of interest can be viewed on the Trust's website: <https://www.poole.nhs.uk/about-us/board-of-directors.aspx>

In addition, during the year the following served on the board in a non-voting capacity:

- Jacqueline Cotgrove, director of workforce and organisational development (August 2016)

In compliance with paragraph B.3.3 of the Monitor code of governance for NHS foundation trusts, no executive director holds more than one non-executive directorship of an NHS foundation trust or another organisation of comparable size and complexity during 2018/19.

All of the non-executive directors are considered to be independent by the board of directors. This included Mr Nick Ziebland who had served on the Board of Directors for more than six years and had been reappointed by the Council of Governors for a further period of one year, beginning on 30 August 2018. The reappointment of Mr Ziebland had been viewed as necessary in order to provide continuity in light of his role as Senior Independent Director and to provide continued support to the new chairman over the forthcoming year.

In determining Mr Ziebland's independence, the Board of Directors considered whether his previous tenure as a non-executive director of the Trust might affect his independence. The Board's conclusion, based on a number of factors including his experience and knowledge and the fact that Mr Ziebland has always exercised a strongly independent judgement during the preceding period of tenure as a non-executive director, was that the independence of his character and judgement was not compromised. For these reasons the Board of Directors considers Mr Ziebland to be independent in character and in judgement.

Since 1 January 2019 the chairman is an interim joint appointment with the Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust.

As far as each individual director of Poole Hospital NHS Foundation Trust is aware, there is no relevant audit information of which the foundation trust's auditors is unaware. Each director has taken all steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the foundation trust's auditor is aware of that information.

A director is regarded as having taken all the steps that they ought to have taken as a director in order to do the things mentioned above, and:

- Made such enquiries of his/her fellow directors and of the company's auditors for that purpose; and
- Taken such other steps (if any) for that purpose, as are required by his/her duty as a director of the company to exercise reasonable care, skill and diligence.

The board of directors has approved a policy for the provision of any non-audit service that might be provided by the trust's external auditor. This policy removes any unnecessary restrictions on the purchase of services from the external auditor but ensures that any non-audit service provided by them cannot impair or cannot be seen to impair the objectivity of their opinion on the financial statements. The trust's current auditors, KPMG, were appointed from April 2018 and have provided non-audit services to the trust since appointment.

#### ATTENDANCE AT BOARD OF DIRECTORS' MEETINGS 2018/19

NAME OF COMMITTEE	BOARD OF DIRECTORS								
	MEETING DATES								
Membership (Voting Members)	25 April 2018*	23 May 2018*	30 May 2018	25 July 2018	29 August 2018*	26 September 2018	28 November 2018	30 January 2019	27 March 2019
STEVE ERSKINE Trust chairman	✓	✓	✓	X**	✓	✓	✓		
DAVID MOSS Trust chairman								✓	✓
DEBBIE FLEMING Chief executive	✓	✓	✓	✓	✓	✓	✓	✓	✓
PHILIP GREEN Non-executive director	✓	X	✓	✓	✓	X	✓	✓	✓
CALUM MCARTHUR Non-executive director	✓	✓	✓	✓	✓	X	✓	X	✓
STEPHEN MOUNT Non-executive director	✓	✓	✓	✓	X	✓	✓	✓	X
MARK MOULD Chief operating officer	✓	✓	✓	✓	✓	✓	✓	✓	✓
MARK ORCHARD Director of finance	✓	✓	✓	✓	✓	✓	✓	✓	✓
PATRICIA REID Director of nursing	✓	✓	✓	✓	✓	✓	✓	✓	✓
CAROLINE TAPSTER Non-executive director	✓	X	✓	✓	✓	✓	✓	✓	✓
DAVID WALDEN Non-executive director	✓	✓	✓	✓	✓	✓	✓	✓	✓
ANGUS WOOD Medical director	✓	X	✓	✓	✓	✓	✓	X	✓

NICK ZIEBLAND Non-executive director	X	✓	✓	✓	X	✓	✓	✓	✓
<b>Other directors (non-voting members)</b>									
JACQUELINE COTGROVE Director of workforce & organisational development	X	X	✓	✓	✓	✓	✓	✓	✓
<b>Was the meeting quorate?</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y

Steve Erskine ended his tenure as Trust chairman on 31 December 2018

David Moss began his tenure as Trust chairman on 1 January 2019

\* Extraordinary Board meeting

\*\* Trust Chairman attended Part 2 only

### 3.5 AUDIT AND GOVERNANCE COMMITTEE

**Chairman : Philip Green, non-executive director**

The audit and governance committee, which consists of four non-executive directors of the trust, other than the chairman, has an important role to play in ensuring we conduct our financial affairs within an environment of honesty and integrity. The committee meets five times a year. The main objectives of the committee are to ensure that the Trust's activities are within the law and regulations covering the NHS and that an effective internal financial control system is maintained.

The committee must be able to assure the board of directors that the system of internal control is operating effectively and that there are clear processes to ensure that proper risk and governance procedures are in place.

Full terms of reference for the committee can be found on our website:  
<https://www.poole.nhs.uk/about-us/board-of-directors/board-sub-committees/audit-and-governance-committee.aspx>

A full annual report of the committee is presented to the council of governors each July and can be found within the published agenda and papers on our website:  
<https://www.poole.nhs.uk/about-us/council-of-governors/public-council-meetings.aspx>

#### Internal audit

Internal auditors assist the audit and governance committee by providing a clear statement of assurance regarding the adequacy and effectiveness of internal controls. The director of finance is professionally responsible for implementing systems of internal financial control and is able to advise the audit and governance committee on such matters. The internal audit function is provided by BDO. Internal Audit has reported as follows:

- Medicines Management Design - moderate and Effectiveness – limited
- Fundraising Controls Design – moderate and Effectiveness – moderate
- Estates Helpdesk Design and Effectiveness both limited
- Theatres Data Quality Design and Effectiveness both moderate
- Outpatients Data Quality Design – substantial and Effectiveness – moderate
- Equipment Management Design – substantial and Effectiveness - moderate

Based on the work undertaken in the year, 'moderate assurance' can be given that there is a sound system of internal control, designed to meet the Trust's objectives and that controls are being applied consistently.

### External auditors

The role of external auditors is to provide an independent audit opinion on the annual report and accounts, as well as providing a limited assurance opinion on the quality report. The council of governors appointed KPMG commencing in April 2018. The assessment of the effectiveness of the external audit process is a matter for the director of finance.

The key elements for the framework of assessment of effectiveness of the external audit process employed by the director of finance include a review of performance in relation to the contracted service specification, the standard of audits conducted, the recording of any adjustments, the timeliness of reporting, the availability of the Auditor for discussion and meetings on key issues, and the quality of reporting to the Audit and Governance Committee, the board of directors and the council of governors. Using this framework the director of finance as at 31 March 2019 is satisfied with the effectiveness of the external audit process.

### Significant issues considered by the committee in receiving the accounts

The significant audit risks which were identified as part of the overall audit were:

1. Valuation of land and buildings;
2. Revenue recognition, which is a significant risk that professional standards require external audit to assess in all cases;
3. Management override of controls due to a heightened risk that whilst management is in a unique position to perpetrate fraud, no specific additional risks of management override have been identified;
4. Fraudulent expenditure recognition, which relates to completeness of the non-pay and non-depreciation expenditure balance.

### AUDIT AND GOVERNANCE COMMITTEE ATTENDANCE REGISTER 2018/19

NAME OF COMMITTEE:	AUDIT AND GOVERNANCE COMMITTEE					
REPORTS TO :	BOARD OF DIRECTORS					
Membership (as per Terms of Reference).	MEETING DATES					
	17 May 2018	23 May 2018*	19 July 2018	18 October 2018	22 January 2019	13 March 2019
PHILIP GREEN Chairman / non-executive director	✓	X	✓	✓	✓	✓
STEPHEN MOUNT Non-executive director	✓	✓	X	✓	X	✓
DAVID WALDEN	✓	✓	✓	✓	✓	✓

Non-executive director						
NICK ZIEBLAND Non-executive director	✓	✓	✓	✓	X	✓
<b>In attendance:</b>						
STEVE ERSKINE Trust chairman	X	✓	X			
DAVID MOSS Trust chairman				X	X	X
<i>Executive Directors/Deputies</i>	✓	✓	✓	✓	✓	✓
<i>External Audit</i>	✓	✓	✓	✓	✓	✓
<i>Internal Audit</i>	✓	✓	✓	✓	✓	✓
<i>Counter Fraud</i>	✓	X	✓	✓	✓	✓
Was the meeting quorate? <b>Y/N</b>	Y	Y	Y	Y	Y	Y

Steve Erskine ended his tenure as Trust chairman on 31 December 2018

David Moss began his tenure as Trust chairman on 1 January 2019

\* Special meeting of the audit and governance committee and finance and investment committee

### 3.6 FINANCE AND INVESTMENT COMMITTEE

**Chairman: Stephen Mount, non-executive director**

The finance and investment committee is a sub-committee of the board of directors.

The committee receives detailed monthly financial reports so that it can ensure the use of our financial resources is robust. It sets the policy for and scrutinises cash investments, reviews detailed business cases, oversees the progress of agreed capital investments and reviews financial planning and budgeting processes.

Membership of the committee comprises of a non-executive director (chairman), director of finance, chief operating officer, chief executive, director of strategy and two other non-executive directors. Other senior managers may attend on an *ad hoc* basis as requested by the committee.

The committee meets at least monthly prior to the board meeting or more frequently if required.

#### FINANCE AND INVESTMENT COMMITTEE ATTENDANCE REGISTER 2018/19

NAME OF COMMITTEE	FINANCE & INVESTMENT COMMITTEE												
REPORTS TO:	BOARD OF DIRECTORS												
Membership (as per Terms of Reference).	MEETING DATES												
	23 April 2018	29 May 2018	25 June 2018	23 July 2018	28 August 2018	24 September 2018	15 October 2018*	29 October 2018	26 November 2018	17 December 2018	28 January 2019	25 February 2019	25 March 2019
STEPHEN MOUNT (chairman)	✓	✓	✓	✓	X	✓	✓	X	✓	✓	X	✓	✓



Non-executive director													
DEBBIE FLEMING Chief executive	✓	✓	✓	✓	✓	✓	✓	✓	✓	X	X	✓	X
STEVE ERSKINE Trust chairman	✓	✓	X	✓	✓	✓	X	✓	✓	X			
DAVID MOSS Trust chairman											✓	✓	X
MARK MOULD Chief operating officer	✓	✓	X	✓	✓	✓	✓	X	✓	✓	✓	✓	✓
MARK ORCHARD Director of finance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
CAROLINE TAPSTER Non-executive director	X	✓	✓	X	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>In attendance:</b>													
Deputy director of finance	✓	✓	✓	✓	✓	X	✓	✓	✓	✓	✓	X	X
Was the meeting quorate? Y/N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

\* Extraordinary finance and investment committee meeting

David Moss began his tenure as Trust chairman on 1 January 2019

Steve Erskine ended his role as Trust chairman on 31 December 2018

### 3.7 QUALITY, SAFETY AND PERFORMANCE COMMITTEE

**Chairman: Calum McArthur, non-executive director**

The quality, safety and performance committee is a sub-committee of the board of directors.

The committee receives detailed quality, safety and performance reports so that it can ensure that patient safety and quality of services meet registrations and compliance requirements.

Membership of the committee comprises two non-executive directors (one of which chairs the committee), the director of nursing, medical director and chief operating officer. The committee meets monthly.

#### QUALITY, SAFETY AND PERFORMANCE COMMITTEE ATTENDANCE REGISTER 2018/19

NAME OF COMMITTEE:	QUALITY, SAFETY AND PERFORMANCE COMMITTEE												
REPORTS TO :	BOARD OF DIRECTORS												
Membership (as per Terms of Reference).	MEETING DATES												
	23 April 2018	29 May 2018	25 June 2018	23 July 2018	28 August 2018	24 September 2018	29 October 2018	26 November 2018	17 December 2018	28 January 2019	25 February 2019	25 March 2019	
CALUM MCARTHUR (chair) Non-executive director	✓	✓	✓	✓	✓	✓	X	✓	✓	✓	✓	✓	
PHILIP GREEN Non-executive director	✓	✓	✓	✓	✓	X	✓	✓	✓	✓	✓	✓	
MARK MOULD Chief operating officer	✓	✓	X	✓	✓	✓	X	✓	✓	✓	✓	✓	

PATRICIA REID Director of Nursing	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
CAROLINE TAPSTER Non-executive director	X	✓	✓	X	✓	✓	✓	✓	✓	✓	✓	✓
ANGUS WOOD Medical director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>In attendance:</b>												
DEBBIE FLEMING Chief executive	✓	X	X	✓	✓	✓	✓	✓	X	X	✓	X
STEVE ERSKINE Trust chairman	X	X	✓	X	✓	X	X	X	X			
DAVID MOSS Trust chairman										X	✓	X
Chief pharmacist	✓	X	✓	✓	X	✓	X	X	X	X	✓	X
Internal auditor	X	X	X	X	X	X	X	X	X	X	X	X
<b>Was the meeting quorate?</b>	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	N

Steve Erskine ended his role as Trust Chairman on 31 December 2018

David Moss began his role as Trust Chairman on 1 January 2019

### 3.8 WORKFORCE AND ORGANISATIONAL DEVELOPMENT COMMITTEE

**Chairman: Nick Ziebland, non-executive director**

The workforce committee is a sub-committee of the board of directors.

The committee receives detailed workforce related reports so that it can ensure that workforce capacity and capability is assured for the future strategic direction of the trust.

Membership of the committee comprises of three non-executive directors (one of which chairs the committee), the director of workforce and organisational development, director of nursing, medical director and chief operating officer.

#### WORKFORCE AND ORGANISATIONAL DEVELOPMENT COMMITTEE ATTENDANCE REGISTER 2018/19

NAME OF COMMITTEE:	WORKFORCE AND ORGANISATIONAL DEVELOPMENT COMMITTEE					
REPORTS TO :	BOARD OF DIRECTORS					
Membership (as per Terms of Reference).	MEETING DATES					
	23 April 2018	25 June 2018	28 August 2018	29 October 2018	17 December 2018	25 February 2019
NICK ZIEBLAND (chairman) Non-executive director	✓	✓	X	✓	✓	✓
JACQUELINE COTGROVE Director of workforce & organisational development	X	✓	✓	✓	X	✓

CALUM MCARTHUR Non-executive director	✓	✓	✓	X	✓	✓
MARK MOULD Chief operating officer	X	X	✓	X	✓	✓
PATRICIA REID Director of nursing	✓	✓	✓	✓	✓	✓
MARK ORCHARD Director of Finance	X	✓	✓	✓	✓	X
DAVID WALDEN Non-executive director	✓	✓	✓	✓	✓	✓
ANGUS WOOD Medical Director	✓	✓	✓	✓	✓	✓
<b>In attendance:</b>						
STEVE ERSKINE Trust Chairman	✓	X	✓	X	X	
DAVID MOSS Trust Chairman						✓
DEBBIE FLEMING Chief Executive	✓	✓	✓	✓	X	✓
<b>Was the meeting quorate? Y/N</b>	Y	Y	Y	Y	Y	Y

David Moss tenure as Trust chairman commenced on 1 January 2019  
Steve Erskine tenure as Trust chairman ended on 31 December 2018

### 3.9 APPOINTMENTS COMMITTEE

The appointments committee makes the executive appointments to the board of directors. It is made up of the chairman and non-executive directors of the board of directors. The chief executive is a member except when an appointment of the chief executive is discussed. The director of workforce and organisational development attends except when his/her own appointment is discussed. Appointments to executive director posts are made in open competition and can only be terminated by the board of directors.

### 3.10 COUNCIL OF GOVERNORS

The council is made up of the trust chairman, fourteen elected public governors, four elected staff governors, and five nominated by partner organisations governors.

The council plays a role in helping to set the overall strategic direction of the organisation by advising the board of directors of the views of the constituencies they represent. It also has specific responsibilities, set out in the National Health Service Act 2006 and the Health and Social Care Act 2012, in relation to the appointment or removal of non-executive directors and their remuneration, the appointment or removal of the trust's auditors and development of the membership strategy. The council met on five occasions in 2018/19 with the individual attendance recorded in the table on page 45.

The trust is committed to embedding transparency and accountability throughout. The trust recognises it has a specific responsibility to inform NHS Improvement of any potential breach of the provider licence at the earliest practicable opportunity. The trust believes that its robust and effective engagement policy would ensure this is done should it be necessary. The trust does not currently foresee any circumstances whereby it would be necessary for the governors to have to inform NHS Improvement of any possible breaches.

The council is chaired by the chairman of the trust, and Nick Ziebland, non-executive director was the senior independent director for the period of this report and was available to the council of governors if they had concerns about the performance of the board of directors, compliance with the provider licence or welfare of the trust, which contact through the normal

channels of chairman or chief executive, failed to resolve or for which such contact is inappropriate.

The council's lead governor was Sandra Yeoman until 31/10/18, Richard Negus from 01/11/18 and Geoffrey Carleton is deputy chairman of governors.

Details of governors' declaration of interests which relate to the business of the trust can be viewed on our public website: <https://www.poole.nhs.uk/about-us/council-of-governors.aspx> or contact the Committee and Membership Administrator, on 01202 442895.

### **Governor training and development**

The council of governors set up in 2014/15 a reference group called the governor training and development reference group. This is chaired by a governor and supported by the company secretary. The group sets out the development of the governors for the year and continue their focus of training and development sessions for the whole governor body and provide individual training as required. They also agreed to continue the membership to the south west governor exchange network and continue joint development sessions with the board of directors.

The council of governors held two development events during the period of the report with the board members. See "Board Development".

The governors' development plan covers:

- developing membership engagement and growth
- developing the engagement with directors
- developing the informal reference group
- developing the role of the governor
- developing resources.

The council sends representatives to the South West Governors Exchange Network enabling governors from each foundation trust to meet to discuss matters of mutual interest and network with colleagues.

All governors are provided with an induction and receive appropriate updates on the publications; "Your Statutory Duties: A Reference Guide for NHS Foundation Trust Governors" and the "Guide to Monitor for NHS Foundation Trust Governors". These documents are also supported by a trust governor reference manual.

The council is kept fully informed through governor briefings and clinical presentations throughout the year, some of which members of the Trust are invited to.

The council will continue to develop further the membership and its engagement with members through the overarching membership strategy and the membership engagement reference group.

The chairman takes steps to ensure that governors have the skills and knowledge they require to undertake their role. This includes access to a comprehensive induction process and development training events.

### **Elections**

An election took place in April 2018 for one public seat in the Purbeck, East Dorset and Christchurch constituency with a three year term of office.

- The election for the public seat closed on 12 April 2018 and Charles Miller was elected.

A notice of election was published in August 2018 for 8 public seats in the Purbeck, East Dorset and Christchurch constituency (1), Poole constituency (5), Bournemouth constituency (1) and Rest of England (1) and for 2 staff governors.

- The elections closed on 28 September 2018 and Virginia Collings was elected for the Purbeck, East Dorset and Christchurch constituency, Dave Barnett was elected for the clinical staff constituency, Allan Petrie was elected for the Bournemouth constituency and Andrew McLeod, Steve Heath, Richard Negus, Shirley Brooks and Peter Coghlan were elected for the Poole constituency. James Myles for the Rest of England constituency and Gary Grindrod for the staff – non-clinical constituency were elected unopposed. Carol Light joined the Council of governors for the Purbeck, East Dorset and Christchurch constituency.

All elections were held in accordance with the election rules set out in the trust's constitution.

### **Governor expenses**

During the period of 2018/19, 8 governors claimed expenses for mileage and related car parking charges to attend meetings or training events both locally and nationally, totalling £3,133.52.

Wherever possible governors will car share when attending events in the region.

# COUNCIL OF GOVERNORS 2018/19 ATTENDANCE REGISTER AND TERMS OF OFFICE

Name	Constituency	Type of Membership	Appointment Date	Appointment Expires	Meeting Dates				
					26 April 2018	26 July 2018	1 November 2018	12 December 2018*	31 January 2019
Mr David Moss	Chairman of the Council of Governors	n/a	n/a	n/a					✓
Mr Steve Erskine	Chairman of the Council of Governors	n/a	n/a	n/a	✓	✓	✓	✓	
AVM Geoffrey Carleton	Purbeck, East Dorset and Christchurch	Elected 3 years	01.05.09 01.11.12 01.11.16	30.04.12 31.10.15 31.10.19	✓	✓	✓	✓	X
Mrs Virginia Collings	Purbeck, East Dorset and Christchurch	Elected 3 years	01.11.18	31.10.21			✓	X	X
Mrs Christine Cooney	Poole	Elected 3 years	01.11.16	31.10.19	✓	✓	✓	✓	✓
Mr John Daniel	Poole	Elected 3 years	01.11.16		✓				
Mrs Carole Light	Purbeck, East Dorset and Christchurch	Elected 3 years	01.11.18	31.10.21			✓	✓	✓
Mrs Shirley Brooks	Poole	Elected 3 years	01.11.18	31.10.21			✓	✓	✓
Mr Peter Coghlan	Poole	Elected 3 years	01.11.18	31.10.21			✓	✓	✓
Mr Steve Heath	Poole	Elected 3 years	01.11.18	31.10.21			X	✓	
Dr Andrew McLeod	Poole	Elected 3 years	01.11.18	31.10.21			✓	✓	✓
Mrs Jan Hanlon	Bournemouth	Elected 3 years	01.11.16	31.10.18	X	X			
Mrs Sarah Holmes	Poole	Elected 3 years	01.11.15	31.10.18	✓	✓			
Mr Allan Petrie	Bournemouth	Elected 3 years	01.11.18	31.10.21			✓	✓	✓
Dr Sonal Minocha	Bournemouth University	Appointed 3 years	25.09.15	24.09.18	X	✓			
Mjr James Myles	North and West Dorset, Weymouth, Portland and rest of England	Elected 3 years	01.11.15 01.11.18	31.10.18 31.10.21	✓	✓	✓	✓	✓
Mr Richard Negus	Poole	Elected 3 years	01.11.15 01.11.18	31.10.18 31.10.21	✓	✓	✓	✓	✓
Mr Brian Newman	Bournemouth	Elected 3 years	01.11.09, 01.11.12, 01.11.15	31.10.18	✓	✓			

Name	Constituency	Type of Membership	Appointment Date	Appointment Expires	Meeting Dates				
					26 April 2018	26 July 2018	1 November 2018	12 December 2018*	31 January 2019
Mrs Linda Nother	Poole	Elected 3 years	01.11.13, 01.11.16	31.10.19	✓	✓	✓	✓	✓
Ms Marilyn Osner	Purbeck, East Dorset and Christchurch	Elected 3 years	01.11.15	31.10.18	X	✓			
Mr Charles Miller	Purbeck, East Dorset and Christchurch	Elected 3 years				✓			
Mr John Payne	Clinical - Staff	Elected 3 years	01.04.16	31.03.19	✓	✓	✓	✓	✓
Ms Lucinda Parker	Clinical – Staff	Elected 3 years	01.11.16	31.10.19	X	✓	✓	✓	✓
Mr Sean Perrin	Poole	Elected 3 years	26.06.17		✓	✓			
Dr David Richardson	Dorset Clinical Commissioning Group	Appointed 3 years	09.10.15		✓	✓	✓	X	✓
Mr Dave Barnett	Clinical - staff	Elected 3 years	01.11.18	31.10.21			✓	✓	✓
Dr Subrata Sen	Purbeck, East Dorset and Christchurch	Elected 3 years	01.05.15	30.04.18	✓				
Cllr Ann Stribley	Poole Borough Council	Appointed 3 years	27.06.11, 27.06.14 26.06.17	25.06.20	✓	✓	✓	✓	X
Mr Graham Whittaker	Non-Clinical Staff	Elected 3 years	01.11.13, 1.11.16		✓				
Mrs Sandra Yeoman	Poole	Elected 3 years	01.11.09, 01.11.12, 01.11.15	31.10.18	✓	✓			
Mr Gary Grindrod	Non-Clinical Staff	Elected 3 years	01.09.18	31.08.21			✓	✓	✓

No. of Public Governors attending					
No. of Appointed Governors attending					
No. of Staff governors attending					
Was the meeting quorate? Y/N	Y	Y	Y	Y	Y

\*extraordinary private meeting

## BOARD MEMBER ATTENDANCE AT THE COUNCIL OF GOVERNORS 2018/2019

	26 April 2018	26 July 2018	1 November 2018	12 December 2018*	31 January 2019
DEBBIE FLEMING Chief executive	✓	✓	✓	X	✓
PHILIP GREEN Non-executive director	X	X	X	X	X
JACQUELINE COTGROVE Director of workforce & organisational development	X	X	X	✓	X
CALUM MCARTHUR Non-executive director	X	X	X	X	X
STEPHEN MOUNT Non-executive director	X	X	X	X	X
MARK MOULD Chief operating officer	X	✓	✓	X	✓
MARK ORCHARD Director of finance	X	X	✓	X	✓
PATRICIA REID Director of nursing	✓	✓	✓	X	✓
CAROLINE TAPSTER Non-executive director	X	X	X	X	X
DAVID WALDEN Non-executive director	X	X	X	X	X
ANGUS WOOD Medical director	X	X	X	X	X
NICK ZIEBLAND Non-executive director	X	✓	✓	✓	X

\* Extraordinary private meeting

### 3.11 NOMINATIONS, REMUNERATION AND EVALUATION COMMITTEE (NREC)

The council of governors is required to establish a committee consisting of all or some of its members to assist in carrying out the specified functions relating to the appointment of the chair and non-executive directors; the review of the structure, composition and performance of the board; and the remuneration of the chairman and non-executive directors. The committee is chaired by the trust chairman, and comprises two public members, one appointed member, and one staff member. Members during 2018/2019 were the trust chairman and:

- Linda Nother (elected public governor, Poole)
- John Payne (elected staff governor, clinical)
- Ann Stribley (appointed governor, Borough of Poole)
- Sandra Yeoman (until 31/10/2018) (elected public governor, Poole)
- Christine Cooney (from 01/11/18)



Business for the committee during 2018/19:

On 26 April 2018 the committee considered:

- Annual report of the work of the Nominations, Remuneration and Evaluation Committee
- Recommendation to council on remuneration and allowances of chairman and non-executive directors
- Recommendation to council to approve an extension to a non-executive director's tenure
- Absent governor

On 26 July 2018 the committee considered:

- 2017/18 annual appraisal of chairman and non-executive directors
- Recommendation to council to approve the re-appointment of two non-executive directors
- Absent governors.

On 23 October 2018 the committee considered:

- The appointment process for an Interim joint chairman
- Governance cycle

On 10 December 2018 the committee considered:

- Recommendation to council to approve the appointment of an Interim joint chairman

On 31 January 2019 the committee considered:

- The process of performance evaluation for the chairman and non-executive directors for 2018/19
- Absent governors.

During 2018/19, on the recommendation of the NREC, the council of governors approved:

- The reappointment of one non-executive director (C Tapster)
- The reappointment of one non-executive director (D Walden)
- The extension to the tenure of a non-executive director (N Ziebland)
- The appointment of an Interim joint chairman (D Moss)
- The remuneration and allowances of the chairman and non-executive directors
- The outcome of the 2017/18 chairman and non-executive director appraisal
- The process of performance evaluation for the chairman and non-executive directors for 2018/19.

## NOMINATIONS, REMUNERATION & EVALUATIONS COMMITTEE ATTENDANCE 2018/19

Name	Constituency	Meeting Dates				
		26 April 2018	26 July 2018	23 October 2018	10 December 2018*	31 January 2019
Mr David Moss	Trust Chairman					X
Mr Steve Erskine	Trust Chairman	✓	✓	✓	✓	
Mrs Linda Nother	Poole	✓	X	X	✓	✓
Mr John Payne	Clinical staff	✓	✓	✓	X	✓
Cllr Ann Stribley	Borough of Poole	✓	✓	✓	✓	X
Mrs Sandra Yeoman	Poole	✓	✓	✓		
Mrs Christine Cooney	Poole			✓	✓	✓
<i>In attendance</i>						
Mr Nick Ziebland	Senior independent director	X	✓	✓	✓	✓
Mrs Jacqueline Cotgrove	Director of Workforce & OD	X	X	✓	✓	X
Was the meeting quorate? Y/N		Y	Y	Y	Y	Y

\*Extraordinary meeting

### 3.12 MEMBERSHIP

Poole Hospital NHS Foundation Trust has a public constituency and a staff constituency. The public constituency has four classes. These are based on geographical areas that reflect our general, emergency and specialist service catchment areas; local government boundaries; and population numbers. They are:

- Poole
- Purbeck, East Dorset and Christchurch
- Bournemouth
- North Dorset, West Dorset, Weymouth and Portland (including the rest of England)

The staff constituency is divided into two classes: clinical and non-clinical.

Anyone aged 12 and over who lives in England and is not employed by Poole Hospital can become a public member.

At 31 March 2019 the trust had 6645 public members. The target was to achieve a year-end total of 6,700 members.

The council's Membership Engagement and Recruitment Group have agreed a year-end target of 6,700 members for 2018/19. Governors are targeting recruitment to achieve a sign up of new members of 100 per quarter to achieve this target and will continue to work with the local college to promote membership to younger people.

The staff and volunteer members total was 5246. All staff and volunteers are members of the Trust automatically unless they choose to opt out.

The membership broadly reflects the populations the trust serves in terms of diversity. However, as may be expected given the demographics of the local area, the trust has proportionally slightly more members in the women and older age groups.

A breakdown by constituency is provided here for information.

<b>Public constituency</b>	
Poole	3396
Purbeck, East Dorset and Christchurch	1799
Bournemouth	1036
North and West Dorset, Weymouth, Portland and rest of England	395
Out of Trust area	6
	<b>6645</b>

<b>Staff constituency</b>	
Clinical	3936
Non-clinical (including volunteers)	1310
<b>Total</b>	<b>5246</b>

### **Membership development strategy**

The main aim of the trust's membership development strategy is to:

- have a meaningful membership that is interested in the future of the trust and is representative of the community we serve
- ensure that members have a say in helping us develop the future quality and type of services provided
- use our membership base to strengthen our links with the community and all stakeholders.

In line with the strategy, the major membership activity has concentrated on the following areas:

- increasing governor participation in the recruitment and engagement of members
- organising membership events to increase opportunities for membership engagement and participation
- working to increase overall public membership number in line with agreed annual

targets

- working to grow a representative membership.

Governors attended a number of public events and venues, including:

- Bournemouth University Fresher's Fair
- Poole College
- Probus Group meeting
- Poole Library
- Residents Association AGM

Elected governors listen to and represent the opinion of the Trust members on a whole range of issues including the objectives, priorities and strategy within the Trust's forward plan. The listening takes place, throughout the year, on an informal basis with one to one governor member contact, clinical presentation events, focussed member event, a range of membership recruitment opportunities and the Trust's annual members' meeting. The governors are given the opportunity to communicate those opinions expressed by members directly or via the council's membership engagement and recruitment group or the council's future plans and priorities group to the council of governors.

Appointed governors are able to present the views of their appointing bodies on the objectives, priorities and strategy within the Trust's forward plan directly or via the council's future plans and priorities group to the council of governors.

The council reserves time in its future plans and priorities group and at formal council of governor meetings governance cycles to pay particular attention to the Trust's forward plan. Those views expressed to the council of governors are communicated to the board of directors via the annual planning processes.

The membership engagement and recruitment reference group of the council of governors had four meetings during the year. The group is chaired by a governor and is supported by the company secretary team.

The trust held its annual members' meeting on 20 September 2018. Members were invited via Connect. The event was publicised in the local press, on our website, on our members Facebook page and throughout the hospital. The event was well attended with presentations on the Acute Pain Service and celebrating the history of the trust over the years as part of the NHS 70 birthday celebrations.

The trust newsletter "Connect", is published three to four times a year and as well as informing members of a range of activities and events taking place a column is provided for governors to give an overview of their role. This gives the governors an opportunity to highlight the relevance of their role and to encourage membership engagement with the trust.

The trust held clinical presentations arranged to give the governors an overview of a particular service and to gain a broader understanding of the work of the trust.

The staff governors are available via email whereby staff members can express views on services and developments within the hospital. This is then anonymously fed back to the chairman and chief executive of the trust.

Members may contact the council of governors through the membership office by telephone 01202 448723, in writing, by email [members.contact@poole.nhs.uk](mailto:members.contact@poole.nhs.uk) or via our website [www.poole.nhs.uk](http://www.poole.nhs.uk). These details are publicised in "Connect", on membership application forms and on our website.

### 3.13 CODE OF GOVERNANCE COMPLIANCE STATEMENT 2018/19

Monitor, now NHS Improvement, the independent regulator of NHS foundation trusts, has produced a code of governance, which consists of a set of principles and provisions which may be viewed on NHS Improvement's website:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/327068/CodeofGovernanceJuly2014.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/327068/CodeofGovernanceJuly2014.pdf)

Poole Hospital NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a comply or explain basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012.

NHS foundation trusts are required to provide a specific set of disclosures to meet the requirements of the *NHS Foundation Trust Code of Governance*, which should be submitted as part of the Annual Report (as referenced in the *NHS Foundation Trust Annual Reporting Manual*). The relevant provisions and disclosures are set out here and include;

1. Provisions A.2.2, A 5.10, A.5.11, A.5.12, A.5.13, A.5.14, A.5.15, B.2.11, B.2.12, B.2.13, B.4.3, B.5.8, B.7.3, B.7.4, B.7.5, D.2.4, E.1.7 and E.1.8 are statutory requirements with which the trust must comply. There is no requirement to report on these provisions but the trust confirms that it is compliant with all the statutory requirements as identified in these provisions from the code of governance.
2. Provisions as set out in A below require a supporting explanation, even in the case that the trust is compliant with the provision.
3. Provisions A.1.3, B.1.4, B.2.10, B.3.2, C.3.2, D.2.1, E.1.1 and E.1.4 require the relevant information to be made publicly available. Poole Hospital Foundation Trust can confirm that all the relevant information has been made publicly available and it is compliant with all the requirements of these provisions from the code of governance. Some of the information is available on request and some is made available on the trust's website.
4. Provision B.7.1 requires that the governors of the trust have been given all relevant information in line with the code provisions. The trust confirms that all governors of the trust have been provided with relevant information and it is compliant with all the requirements of this provision from the code of governance.
5. Provision B.7.2 requires that the members of Poole Hospital Foundation Trust have been given relevant information in line with the code. The trust can confirm that the members have been provided with all relevant information and it is compliant with all the requirements of this provision from the code of governance.
6. Provisions as set out in B below require an explanation if the trust has departed from them.
7. Provisions as set out in C below require an explanation as the trust partially meets or does not meet the requirements of the listed provisions from the code of governance.

**A. The provisions requiring a supporting explanation** are listed below, even in the case that the trust is compliant with the provision. Where the information is already contained within the annual report, a reference to its location has been supplied.

Relevant statutory requirements	Compliance Y/N	Evidence or Non Compliance Explanation
<p>A.1.1. The board of directors should meet sufficiently regularly to discharge its duties effectively. There should be a schedule of matters specifically reserved for its decision. The schedule of matters reserved for the board of directors should include a clear statement detailing the roles and responsibilities of the council of governors (as described in A.5). This statement should also describe how any disagreements between the council of governors and the board of directors will be resolved. The annual report should include this schedule of matters or a summary statement of how the board of directors and the council of governors operate, including a summary of the types of decisions to be taken by each of the boards and which are delegated to the executive management of the board of directors. These arrangements should be kept under review at least annually.</p>	YES	<p>All in place:</p> <ul style="list-style-type: none"> <li>• Disagreement statement- page 29</li> <li>• Summary of decisions- page 29</li> <li>• Board responsibility/ operating/ statement- pages 29</li> <li>• Decision statement- pages 29</li> </ul>
<p>A.1.2. The annual report should identify the chairperson, the deputy chairperson (where there is one), the chief executive, the senior independent directors (see A.4.1) and the chairperson and members of the nominations, audit and remuneration committees. It should also set out the number of meetings of the board and those committees and individual attendance by directors.</p>	YES	<p>Meetings and attendance registers- Pages 36, 38, 39, 40, 41 and 42.</p>

Relevant statutory requirements		Compliance Y/N	Evidence or Non Compliance Explanation
A.5.3.	The annual report should identify the members of the council of governors, including a description of the constituency or organisation that they represent, whether they were elected or appointed, and the duration of their appointments. The annual report should also identify the nominated lead governor. A record should be kept of the number of meetings of the council and the attendance of individual governors and it should be made available to members on request.	YES	Council of Governors and supporting details- pages 42 to 46.
B.1.1.	The board of directors should identify in the annual report each non-executive director it considers to be independent, with reasons where necessary.	YES	Board of Directors- page 35
B.1.4.	The board of directors should include in its annual report a description of each director's skills, expertise and experience. Alongside this, in the annual report, the board should make a clear statement about its own balance, completeness and appropriateness to the requirements of the NHS foundation trust.	YES	Director's skills, expertise and experience- page 30 to 34.  Statement on balance, completeness and appropriateness- page 29
B.2.10.	A separate section of the annual report should describe the work of the nominations committee(s), including the process it has used in relation to board appointments.	YES	NREC Committee- pages 46 to 48.  Appointments Committee – page 42.
B.3.1.	A chairperson's other significant commitments should be disclosed to the council of governors before appointment and included in the annual report. Changes to such commitments should be reported to the council of governors as they arise, and included in the next annual report.	YES	The chairman is a joint interim appointment of this Trust and the Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust.

Relevant statutory requirements		Compliance Y/N	Evidence or Non Compliance Explanation
B.5.6.	Governors should canvass the opinion of the trust's members and the public, and for appointed governors the body they represent, on the NHS foundation trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the board of directors. The annual report should contain a statement as to how this requirement has been undertaken and satisfied.	YES	Membership section - pages 49 to 51.
B.6.1.	The board of directors should state in the annual report how performance evaluation of the board, its committees, and its directors, including the chairperson, has been conducted.	YES	Evaluation of the Board- page 30.
B.6.2.	Where an external facilitator is used for reviews of governance, they should be identified and a statement made as to whether they have any other connection with the trust.	YES	N/A Would do so in any event
C.1.1.	The directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS foundation trust's performance, business model and strategy. There should be a statement by the external auditor about their reporting responsibilities. Directors should also explain their approach to quality governance in the Annual Governance Statement (within the annual report).	YES	Director's Statement- page 74  Auditor's Statement- page 37 to 38.  Annual Governance Statement - pages 75 to 86.



Relevant statutory requirements		Compliance Y/N	Evidence or Non Compliance Explanation
C.2.1.	The annual report should contain a statement that the board has conducted a review of the effectiveness of its system of internal controls.	YES	Page 37.
C.2.2.	A trust should disclose in the annual report: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	YES	Page 37.
C.3.5.	If the council of governors does not accept the audit committee's recommendation on the appointment, reappointment or removal of an external auditor, the board of directors should include in the annual report a statement from the audit committee explaining the recommendation and should set out reasons why the council of governors has taken a different position.	YES	N/A  Would do so in the event.

Relevant statutory requirements		Compliance Y/N	Evidence or Non Compliance Explanation
C.3.9.	<p>A separate section of the annual report should describe the work of the audit committee in discharging its responsibilities. The report should include:</p> <ul style="list-style-type: none"> <li>the significant issues that the committee considered in relation to financial statements, operations and compliance, and how these issues were addressed;</li> <li>an explanation of how it has assessed the effectiveness of the external audit process and the approach taken to the appointment or re-appointment of the external auditor, the value of external audit services and information on the length of tenure of the current audit firm and when a tender was last conducted; and</li> <li>if the external auditor provides non-audit services, the value of the non-audit services provided and an explanation of how auditor objectivity and independence are safeguarded.</li> </ul>	YES	Audit Committee- pages 37 to 38.
D.1.3.	Where an NHS foundation trust releases an executive director, for example to serve as a non-executive director elsewhere, the remuneration disclosures of the annual report should include a statement of whether or not the director will retain such earnings.	YES	<p>Currently N/A</p> <p>Refer to Remuneration Committee Terms of Reference. (director of workforce and organisational development)</p>
E.1.4	Contact procedures for members who wish to communicate with governors and/or directors should be made clearly available to members on the NHS foundation trust's website.	YES	Contact processes on website, connect newsletter and within the annual report.

Relevant statutory requirements		Compliance Y/N	Evidence or Non Compliance Explanation
E.1.5	The board of directors should state in the annual report the steps they have taken to ensure that the members of the board, and in particular the non-executive directors, develop an understanding of the views of governors and members about the NHS foundation trust, for example through attendance at meetings of the council of governors, direct face to face contact, surveys of members' opinions and consultations.	YES	Board engagement with council of governors policy statement- page 30.
E.1.6.	The board of directors should monitor how representative the NHS foundation trust's membership is and the level and effectiveness of member engagement and report on this in the annual report.	YES	Member engagement- pages 48 to 50.

**B. Departure from the code:** The code requires that the provisions A.1.4, A.1.5, A.1.6, A.1.7, A.1.8, A.1.9, A.1.10, A.3.1, A.4.1, A.4.2, A.4.3, A.5.1, A.5.2, A.5.4, A.5.5, A.5.6, A.5.7, A.5.8, A.5.9, B.1.2, B.1.3, B.2.1, B.2.2, B.2.3, B.2.4, B.2.5, B.2.6, B.2.7, B.2.8, B.2.9, B.3.3, B.5.1, B.5.2, B.5.3, B.5.4, B.6.3, B.6.4, B.6.5, B.6.6, B.8.1, C.1.2, C.1.3, C.1.4, C.3.1, C.3.3, C.3.6, C.3.7, C.3.8, D.1.1, D.1.2, D.1.4, D.2.2, D.2.3, E.1.2, E.1.3, E.2.1 and E.2.2 require an explanation if the trust has departed from the code. There have been no departures from the code.

### C. Areas of Non Compliance with the code

**1) Explanation Re: Provisions;** the board considers the trust has met the provisions of the code.

Signature   
Debbie Fleming, Chief Executive  
Date: 22/5/19

## 4. Remuneration report

### 4.1 Annual Statement of Remuneration

Major decisions on senior managers' remuneration and terms of service, including salary arrangements for newly appointed directors, changes to individual remuneration arrangements and amendments to salary ranges are made by the Trust's Remuneration Committee.

The Remuneration Committee reviews the remuneration arrangements for Executive Directors. It is made up of the Chairman of the Board of Directors and all the Non-executive Directors of the Board.

The Director of Workforce and Organisational Development attends except when his/her own performance and/or salary are discussed. The Chief Executive attends to provide advice on issues concerning the performance of Directors and salary ranges, except when his/her own performance and/or salary are discussed.

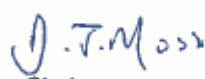
During 2018/19 the Remuneration Committee met to agree the following:

- On 25 July 2018 to approve the minutes of the last meeting, receive and note the NHS providers remuneration survey results for 2017, to consider the report of the chief executive on the performance of executive directors in 2017/18, consider the report of the chairman on the performance of the chief executive in 2017/18 and consider the remuneration of executive directors.
- On 28 November 2018 to approve the minutes of the last meeting and to approve the remuneration of the chief executive and the deputy chief executive.
- On 30 January 2019 to approve the minutes of the last meeting, approve the 2018/19 recommended annual pay increase for very senior managers and note the job description of the deputy chief executive.

The tables on pages 62 to 63 provide details on the salaries and entitlements received by all Directors and incorporate the changes listed above. Further information on the context for changes that took place during the year is provided in the notes to those tables.

Further detail on attendance at the Remuneration Committee during 2018/19 is outlined in the table on page 60.

Signature   
Debbie Fleming, Chief Executive  
Date: 22/5/19

Signature   
David Moss, Chairman  
Date: 22/5/19

## **4.2 Senior Manager's remuneration policy**

All Executive Directors are employed on a Trust contract. Directors' remuneration packages do not include any additional components other than salary and entitlement to be part of the standard NHS pension scheme.

Executive Directors' remuneration is managed through a process of objective setting and annual appraisals. Salaries are reviewed by the Trust's remuneration committee following the executive appraisal cycle. Where a senior manager receives more than £142,500 the Trust satisfies itself that this remuneration is reasonable by reference to NHS Providers benchmarking data on Executive Directors' remuneration. The Trust does not consult with employees with regard to senior manager's remuneration policy.

Executive salary is determined upon appointment in line with NHS very senior manager guidelines and/or professional pay scales and benchmarking across the NHS. It is reviewed annually by the Trusts Remuneration Committee.

All operational practice is in line with employment contracts and aligned to annual plan and delivery.

### **Service contract obligations**

Executive Director Contracts do not contain Service obligations which could give rise to or impact on remuneration payments or loss of office.

### **Payments for loss of office**

The Remuneration Committee, with regard to HM Treasury guidance, if appropriate, would agree termination payments.

Payments for loss of office for Executive Directors would be made in line with national NHS Policy. The Trust does not have a local policy for payments for loss of office for Directors.

Notice periods for Executive Directors are set in line with national NHS guidelines.

### **Consideration of general terms**

Pay levels are determined by salary surveys conducted by independent consultants and comparisons with salary scales for similar posts in other NHS organisations, and from information provided by the Foundation Trust Network.

### **Senior managers' contracts**

All Executive Directors employed during 2018/19 were employed on a substantive (permanent) basis. (More details are available in the notes to the table on page 62).

More information on the appointment dates for senior managers can be found in the Board of Directors section from page 30.

Directors' substantive contracts carry a six-month notice period.

### **Benefits policies**

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 on page 62 to 63.

### **Expenses paid to Governors and Directors**

With regards to expenses paid to Governors, this information is all included on page 43 of the annual report. With regards to Directors' expenses, please see the salary entitlements table on page 62.

### Non-Executive Directors

Non-Executive Directors' remuneration is set out in the 'salary and pension entitlements' table below; decisions on Non-Executive Directors' remuneration are made by the Council of Governors, advised by the nominations, recruitment and evaluation committee (see from page 46 for more details).

**Off payroll arrangements:** None

## 4.3 REMUNERATION COMMITTEE

The remuneration committee reviews the remuneration arrangements for executive directors. It is made up of the chairman of the board of directors and all the non-executive directors of the board. The director of workforce and organisational development attends except when his/her own performance and/or salary is discussed. The chief executive attends only to provide advice on issues concerning the performance of executive directors and salary ranges, except when his/her own performance and/or salary is discussed.

The remuneration committee met on 25 July 2018 to approve the minutes of the last meeting, receive and note the NHS providers remuneration survey results for 2017, to consider the report of the chief executive on the performance of executive directors in 2017/18, consider the report of the chairman on the performance of the chief executive in 2017/18 and consider the remuneration of executive directors. On 28 November 2018 to approve the minutes of the last meeting and to approve the remuneration of the chief executive and the deputy chief executive. On 30 January 2019 to approve the minutes of the last meeting, approve the 2018/19 recommended annual pay increase for very senior managers and note the job description of the deputy chief executive.

<b>NAME OF COMMITTEE:</b>	<b>REMUNERATION COMMITTEE</b>		
<b>REPORTS TO</b>	<b>BOARD OF DIRECTORS</b>		
<b>Membership</b>	<b>MEETING DATES</b>		
<b>(all non-executive directors as per terms of reference)</b>	<b>25 July 2018</b>	<b>28 November 2018</b>	<b>31 January 2019</b>
Steve Erskine, chairman	✓	✓	
David Moss, chairman			✓
Philip Green, non-executive director	✓	✓	x
Stephen Mount, non-executive director	✓	✓	✓
Calum McArthur, non-executive director	✓	✓	x
Caroline Tapster, non-executive director	✓	✓	✓
David Walden, non-executive director	✓	✓	✓
Nick Ziebland, non-executive director	✓	✓	✓

Debbie Fleming, chief executive *	✓	x	✓
Jacqueline Cotgrove, director of workforce and organisational development*	✓	✓	✓
Was the meeting quorate? Y / N	Y	Y	Y

\* left the meeting for items relating to their performance and pay.

David Moss began his tenure as Trust chairman on 1 January 2019  
Steve Erskine ended his role as Trust chairman on 31 December 2018

#### 4.4 Fair Pay Multiples

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 at Poole Hospital NHS Foundation Trust in the financial year 2018/19 was £195,000-£200,000 gross excluding salary recharge to another Trust (£25,000-£30,000) (2017/18 £170,000-£175,000). This was 7.3 times (2017/18 7 times) the median remuneration of the workforce which was £27,146 (2017/18 £24,547) (whole time equivalent). No employee received remuneration in excess of the highest paid director.

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

The median pay calculation is based on:

- Payments made to staff in post on 31 March 2019
- The reported salary used to estimate the median pay is the gross cost to the Trust, less employers Pension and employers Social Security costs. The reported annual salary for each whole time equivalent has been estimated by using contracted values.
- Payments made in March 2019 to staff who were part-time were pro-rated to a whole time equivalent salary.

Included in the calculation is an estimated average cost for agency staff. All agency staff expenditure is processed through dedicated account codes on the financial system. The total expenditure at 31<sup>st</sup> March 2019 on these codes was used to estimate an average salary. This was calculated by dividing the total expenditure by the estimated number of agency staff used during the year. There has been no deduction made for agency fees for the provision of these staff.

The median salary has been calculated as the middle salary if salaries were ranked in ascending order, and equates to £27,146 (2017/2018 £24,547).

The higher paid director is excluded for the median pay calculation.

Signature:   
Debbie Fleming, Chief Executive  
Date: 22/5/19

Salary and pension entitlements of senior managers

Remuneration

Name and Title	2018-19				2017-18			
	Salary	Other Remuneration	Benefits in Kind	Total	Salary	Other Remuneration	Benefits in Kind	Total
	(bands of £5000) £000	(bands of £5000) £000	(bands of £100) £100 Note 2	(bands of £5000) £000	(bands of £5000) £000	(bands of £5000) £000	(bands of £100) £100 Note 2	(bands of £5000) £000
Mrs. Debbie Fleming - Chief Executive (Note 1)	155-160	-	-	155-160	170-175	-	-	170-175
Mr Mark Orchard - Director of Finance	130-135	-	-	130-135	125-130	-	-	125-130
Mr. Mark Mould - Chief Operating Officer/ Deputy Chief Executive (Note 2)	130-135	-	-	130-135	125-130	-	-	125-130
Mrs. Patricia Reid - Director of Nursing	125-130	-	-	125-130	125-130	-	-	125-130
Mr. Angus Wood - Medical Director (Note 3)	115-120	45-50	-	165-170	25-30	10-15	-	40-45
Mrs. Jacqueline Cotgrove - Director of Organisational Development and Workforce	80-85	-	-	80-85	80-85	-	-	80-85
Mr. Peter Gill - Director of Informatics (Note 4)	50-55	-	-	50-55	50-55	-	-	50-55
Mr. Steven Erskine - Chairman (Note 5)	30-35	-	-	30-35	40-45	-	-	40-45
Mr. David Moss - Chairman (Note 6)	5-10	-	-	5-10	-	-	-	-
Dr. Calum McArthur - Non Executive Director	10-15	-	-	10-15	10-15	-	-	10-15
Mr. Nick Ziebland - Non Executive Director	15-20	-	-	15-20	15-20	-	-	15-20
Mr. Philip Green - Non Executive Director	15-20	-	-	15-20	15-20	-	-	15-20
Mrs. Caroline Tapster - Non Executive Director	10-15	-	-	10-15	10-15	-	-	10-15
Mr. David Walden - Non Executive Director	10-15	-	-	10-15	10-15	-	-	10-15
Mr. Stephen Mount - Non Executive Director	15-20	-	-	15-20	5-10	-	-	5-10

Note 1. Mrs Debbie Fleming, previously Chief Executive of Poole Hospital NHS Foundation Trust (PHFT), was appointed as Interim Joint Chief Executive of both PHFT and The Royal Bournemouth and Christchurch Hospital NHS Foundation Trust (RBCH) on 1 January 2019. She is not a member of the NHS Pension Scheme. Mrs Fleming remains employed by PHFT and the salary shown above represents her salary for the nine months ended 31 December 2018 in respect of services as Chief Executive of PHFT, together with the Trust's 50% share in respect of her joint role with effect from 1 January 2019 under the agreed interim joint management arrangements. The total salary and fees for the role at both trusts is within the band £190,000-£195,000.

Note 2. Mr Mark Mould was appointed as Deputy Chief Executive on 16th January 2019.

Note 3. Other remuneration relates to clinical work undertaken during the year. The proportion of clinical work was calculated at 29%.

Note 4. Mr. Peter Gill is a joint appointment with Royal Bournemouth and Christchurch Hospital NHS Foundation Trust (RBCH). Poole's share of Mr Gill's costs are included in the paybandings above.

Note 5. Mr. Steven Erskine's tenure ended on 31st December 2018.

Note 6. Mr. David Moss was appointed Interim Joint Chairman with Royal Bournemouth and Christchurch Hospital NHS Foundation Trust (RBCH) on 1st January 2019. Mr Moss is employed by RBCH and the salary shown above represents the Trust's 50% contribution with effect from 1 January 2019. The total salary and fees for the role at both trusts is within the band £50,000 - £55,000.

Not included in the table above:

The decision to create an interim joint Chief Executive and an interim joint Chair of both organisations from 1 January 2019 was made to assist in the creation of the major planned and the major emergency hospitals for east Dorset, as part of the Dorset Clinical Services Review (CSR), and to assist in the transition towards potential merger. The appointments were supported by both NHS Improvement and the Competition and Markets Authority and, were subject to an independent selection process. Tony Spotswood was the Chief Executive of RBCH until 31 December 2018. As part of the agreed interim joint management arrangements, PHFT paid RBCH £130,000 - £135,000 representing the Trust's 50% share of the contractual termination payment paid to Mr Spotswood. These joint management arrangements result in a significant annual financial saving to both organisations arising from the decision to share the employment cost of both shared posts on a 50% basis.



Salary and Pension entitlements of senior managers

Pension Benefits

Name and title	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 2019	Lump sum at pension age related to accrued pension at 31 March 2019	Cash Equivalent Transfer Value at 1 April 2018	Real Increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2018	Employer's contribution to stakeholder pension
	(bands of £2500) £000	(bands of £2500) £000	(bands of £5000) £000	(bands of £5000) £000	£000	£000	£000	£000
Mrs. Debbie Fleming- Chief Executive (see Note 1)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Mr. Mark Orchard- Director of Finance	0-2.5	n/a	35-40	75-80	465	94	559	n/a
Mr. Mark Mould- Chief Operating Officer	0-2.5	n/a	50-55	120-125	823	124	947	n/a
Mrs. Patricia Reid- Director of Nursing (See Note 2)	0-2.5	2.5-5	30-35	100-105	n/a	n/a	n/a	n/a
Mr. Angus Wood- Medical Director	17.5-20	52.5-55	75-80	230-235	1,319	551	1,870	n/a
Mrs. Jacqueline Cotgrove- Director of Organisational Development and Workforce	0-2.5	n/a	35-40	105-110	703	106	809	n/a
Mr. Peter Gill - Director of Informatics (see Note 3)	0-2.5	0-2.5	15-20	40-45	268	72	340	n/a

Note 1. Mrs. Debbie Fleming is not a member of the NHS pension scheme.

Note 2. There is no CETV for the current year as the postholder is over the normal retirement age therefore CETV is not applicable.

Note 3. Mr. Peter Gill is a joint appointment with RBCH and therefore only Poole's share of Mr Peter Gill's costs have been included above.

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. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures and other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real Increase in CETV - This reflects the increase in CETV effectively funded by the employer. It takes account of 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.

## **5. STAFF REPORT**

### **5.1 National NHS Staff Survey 2018 Findings**

The 2018 Staff Survey results show a small decrease from our trust's 2017 scores whilst evidencing higher scores when compared to other acute trusts.

A trust action plan, agreed at board level, addresses areas of concern with named executive directors responsible for actions on: immediate managers, quality of care, safety culture and staff engagement. The plan includes the provision of board level scrutiny and support to ensure:

- Understanding of staff views across all ten themes in each care group and corporate directorate, incorporating question level results at department level
- Changes to respond to staff views across all ten themes and across the trust.

Staff Survey actions across the trust are part of the quarterly performance review meetings enabling performance to be monitored against actions and board level support and scrutiny to take place.

Full details on the findings of the Survey, and the Trust wide action plan, including clear planned activity responding to views given, can be found in section 2.13 'What Our Patients, The Public And Staff Said' in the Quality Report (pages 143 to 149).

Further staff engagement is planned through a variety of mechanisms, subject to board and other levels of scrutiny, including the People and Engagement programme with 'people and engagement champions' listening and hearing staff views across the trust on areas that matter.

### **5.2 NHS Staff Friends and Family Test 2018/19**

The Staff Friends and Family Test encourages staff and volunteers to give their views, enabling informed and empowered staff to celebrate and build on what is working well in their services and quickly address areas in need of attention. The Trust has demonstrated good results in 2018/19 which continue to be consistently higher than the national average.

Full details on the findings can be found in section 2.13 'What Our Patients, The Public and Staff Said' in the Quality Report (pages 143 to 149).

### **5.3 Equality and Diversity**

Poole Hospital has a commitment to equality and diversity as a provider of healthcare services and as an employer. The provisions of the Equality Act 2010 are applied across the trust in relation to all protected characteristics to progress equality, diversity and inclusion in all services and the employment of our staff.

The trust's positive approach to equality and diversity is supported by the values of the Poole Approach which promote behaviours that progress the delivery of inclusive services. The trust's values within the Poole Approach ensure equality and diversity are values which are valued and present within the workplace; evidenced within the 2018 National NHS Staff Survey, with an above average result for the theme of equality and diversity of 9.3.

Equality and diversity training, based on best practice, is delivered to all new staff on joining the trust and within the Core Skills training which all staff attend on a regular

basis. The trust Staff Experience Group, led by an executive director, progresses equality across services and employment; providing assurance of best practice and the development of skills and understanding in equality across the trust.

The trust implements the national NHS Workforce Race Equality Standard (WRES); enabling assessment of staff experience across nine workforce indicators to identify and compare the experience of employees from BAME (Black and Minority Ethnic backgrounds and White) backgrounds. The trust has a BAME staff network ensuring BAME have a voice in the trust.

The trust has begun the implementation of the Workforce Disability Equality Standard (WDES); a set of ten specific measures that will enable NHS organisations to compare the experiences of disabled and non-disabled staff and act on these.

The Trust has reported information and actions in response to the Gender Pay Gap legislation, measuring the difference between males' and females' average earnings. The pay gap for the last reporting year to March 2018 is 12.02% favourable for male staff based on the median pay gap (in hourly pay) for women and men. The pay gap at Poole can be explained largely by the relative proportion of male and female consultants within their respective gender groups. The trust is carrying out work to develop a deeper understanding of what the data is telling us and to develop Gender Pay Gap actions and reporting; further demonstrating our commitment to equality.

The trust has a LGBT Group which is open to both lesbian, gay, bisexual and transgender staff and also to all staff who wish to work with the group to progress sexual orientation equality for staff and patients; and is member of the Dorset NHS LGBT Network. The trust was present at the Bournemouth Pride LGBT festival in Summer 2018, engaging with many local people and demonstrating the trust's commitment to equality and inclusion for our patients and staff, and has begun working with other Dorset NHS trusts to ensure a county-wide NHS presence at Pride 2019.

The regulators, the Care Quality Commission (CQC), National Trust Development Agency (NTDA) and NHS Improvement use data from the National NHS Staff Survey, the Equality Delivery System and the Workforce Race and Disability Equality Standards to help assess whether NHS organisations are well-led. The standards are applicable to providers and are subject to the clinical commissioning group's assurance process.

### **A fair employer**

The trust is proud to be a holder of the status of Disability Confident Employer. The award recognises a practical commitment to fairness in our recruitment process, including the Guaranteed Interview Scheme. It also acknowledges the trust's commitment to both employing disabled people and delivering a range of support to ensure that staff with disability are developed and retained within the trust.

### **Applications for employment made by disabled persons**

The trust has an active commitment to both recruiting people with disability and developing and retaining staff with disability and has welcomed the introduction of the Workforce Disability Equality Standard.

A wide range of advice, guidance and other practical support is available from line managers, the human resources team, occupational health team, education team and also the staff experience lead, holding the role of workforce equality lead.

The trust holds the Disability Confident award, reflecting the trust's real and practical commitment to best practice, including a guaranteed interview, in the recruitment of people with disability.

The trust considers reasonable adjustments when a suitable applicant has a disability which may affect their ability to carry out the duties of their new role. This activity is also available for members of staff with disability. The trust works closely with the individual to identify and make reasonable adjustments to overcome the effects of the disability. The trust also works with other agencies, including Access to Work, to ensure the carrying out of this commitment. In a rare circumstance where a member of staff may no longer be able to carry out their role due to the effects of disability after the process of considering reasonable adjustments has been carried out, the trust works to retain the talent of the member of staff by supporting the consideration of other potentially suitable roles in the trust, offering appropriate training and development.

The trust's practice in training and developing all staff takes account of any needs of individuals which arise from disability, to ensure fair access to trust programmes and the development of all staff.

#### **5.4 Occupational Health and Employee Assistance Provider (EAP)**

The Trust's occupational health provision in 2018/19 has continued through a service level contract with the Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust (RBCH). This agreement is monitored at the Trust's Workforce and OD Committee to ensure requirements are consistently met and any concerns are robustly addressed.

The service is staffed by a team of registered nurses, all with occupational health experience and a team of administrative staff. Medical expertise is provided by occupational health physicians. Amongst the services offered by occupational health are pre-employment screening, individual casework such as return to work assessments and management referrals, support for 'needlestick' (hypodermic needle) injuries, workplace assessments, Control Of Substances Hazardous to Health (COSHH) assessments and surveillance.

Occupational Health team members are a part of the trust's flu team. The multi-disciplinary flu team, incorporating others within the trust was shortlisted for the national NHS Flu Fighters Award under the category of Best Team, after achieving a vaccination rate of over 90% of frontline staff.

Support to staff is provided through the Trust's independent employee assistance provider (EAP). The service provides staff with free, 24/7 access to a wide range of expert support and guidance. This includes a confidential counselling service, with face-to-face counselling as standard, and telephone advice and information on a wider variety of issues including debt management, legal support and family issues. New online and app services support the aim for wider access to the EAP and staff can now access the enhanced website on health, work and home issues.

#### **Provision of Information to employees on matters of concern**

The trust has a communication strategy to ensure that all staff have access to information through a number of different communication channels. These include staff and team briefings, the staff bulletin and use of the intranet to publish news updates, policies and other information of relevance and interest to staff.

The trust has a Staff Partnership Forum and Local Negotiating Committee whose membership includes staff representatives, local and regional trade union representatives and working in partnership matters of concern can be raised and addressed.

### **Freedom to speak up guardians**

The trust has a number of 'Freedom to speak up guardians' whose role is to support and encourage staff to 'speak up' if they have concerns about safety, quality and issues that have trust wide impact. Speaking up is vital to continue to improve the services that the trust delivers to patients and the working environment for staff.

## **5.5 Breakdown of Staff and Directors by Gender**

<b>Directors</b>	<b>F</b>	<b>M</b>	<b>Total</b>
Executive Directors	3	2	5
Non-Executive Directors	1	6	7

<b>Senior Managers (&gt;= Band 8A)</b>	<b>F</b>	<b>M</b>	<b>Total</b>
Add Prof Scientific and Technic	17	8	25
Administrative and Clerical	33	24	57
Allied Health Professionals	19	5	24
Estates and Ancillary	0	2	2
Healthcare Scientists	9	14	23
Nursing and Midwifery Registered	47	9	56
<b>Grand Total</b>	<b>125</b>	<b>62</b>	<b>187</b>

<b>Other Employees</b>	<b>F</b>	<b>M</b>	<b>Total</b>
Add Prof Scientific and Technic	134	63	197
Additional Clinical Services	1112	155	1267
Administrative and Clerical	698	94	792
Allied Health Professionals	267	51	318
Estates and Ancillary	55	153	208
Healthcare Scientists	52	24	76
Medical and Dental	325	343	668
Nursing and Midwifery Registered	1173	100	1273
Students	5	4	9
<b>Grand Total</b>	<b>3821</b>	<b>987</b>	<b>4808</b>

## **5.6 Staff Sickness**

The Trust's out-turn for 2018-19 (12 months to February) was 3.73% (3.64% in 2018-18) against a target of 3.50%. The greatest loss of calendar days in the year followed the same pattern as in 2016-17: mental health conditions, followed by musculoskeletal conditions and viral illnesses e.g. coughs/colds/flu/gastrointestinal.

The average sickness rate for Trusts in Wessex (latest data December 2017-November 2018) was 3.97%. In the same period Poole's rate was 3.72%, 0.25% below the benchmark.

In a wider benchmark exercise Poole's performance places the Trust at the 20<sup>th</sup> percentile compared to all healthcare providers in England and Wales (i.e. excluding CCGs etc), with the overall average for this benchmark group of 4.41%. The rate for acute Trusts was 4.16% and a local benchmark for Dorset was 3.96%.

#### Month-by-month staff sickness rates March 2018 – February 2019

	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Rolling 12 Months
Poole Hospitals NHSFT	3.48%	3.34%	3.46%	3.54%	3.61%	3.64%	3.48%	3.84%	4.18%	3.75%	4.30%	4.19%	3.73%

## 5.7 Analysis of staff costs and average staff numbers

<b>Employee Expenses</b>													
		<b>Group</b>	<b>Foundation Trust</b>		<b>Group</b>	<b>Foundation Trust</b>							
		<b>2018/19</b>	<b>2018/19</b>		<b>2017/18</b>	<b>2017/18</b>							
		<b>Total</b>	<b>Total</b>		<b>Total</b>	<b>Total</b>							
		£000	£000		£000	£000							
Salaries and wages		136,617	136,617		130,537	130,537							
Social Security Costs		13,060	13,060		12,384	12,384							
Apprenticeship levy		666	666		640	640							
Employer contributions to NHS Pension Scheme		16,330	16,330		15,688	15,688							
Termination Payments		0	0		0	0							
Agency/Contract Staff		8,847	8,847		5,054	5,054							
NHS Charitable funds staff		0	0		60	0							
		<b>175,580</b>	<b>175,580</b>		<b>164,423</b>	<b>164,363</b>							
<b>Average Number of Employees (Note 1)</b>													
		<b>Group</b>	<b>Foundation Trust</b>		<b>Group</b>	<b>Foundation Trust</b>							
		<b>2018/19</b>	<b>2018/19</b>		<b>2017/18</b>	<b>2017/18</b>							
		<b>Total</b>	<b>Total</b>		<b>Total</b>	<b>Total</b>							
		<b>Number</b>	<b>Number</b>		<b>Number</b>	<b>Number</b>							
Medical and dental		448	448		418	418							
Administration and estates		651	651		644	644							
Healthcare assistants and other support staff		174	174		187	187							
Nursing, midwifery and health visiting staff		1,767	1,767		1,668	1,668							
Scientific, therapeutic and technical staff		334	334		326	326							
Healthcare Scientists		33	33		34	34							
Other		355	355		356	356							
Total		<b>3,762</b>	<b>3,762</b>		<b>3,633</b>	<b>3,633</b>							
Note 1. Average number of employees includes bank and agency staff numbers which are estimated based on the average equivalent cost of similar NHS staff positions. All staff numbers relate to the Foundation Trust. All staff working for the NHS Charity have contracts of employment with the Foundation Trust.													
<b>Employee Benefits</b>													
No additional benefits were paid to staff in the financial periods.													
<b>Retirements due to ill-health</b>													
During 2018/19 there were 3 (2017/18 two) early retirements on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £197k (2017/18 £104k). The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensioners													

## 5.8 Exit packages

Staff Exit Packages (Group and Foundation Trust)											
	2018/19								2017/18		
Exit package cost band	Number of Compulsory Redundancies	Cost of Compulsory Redundancies	Number of Other Departures Agreed	Cost of Other Departures Agreed	Total Number of Exit Packages	Total Cost of Exit Packages	Number of departures where special payments have been made	Cost of special payment element included in Exit Packages	Total Number	Total Cost (see Note a)	
		£000		£000		£000		£000		£000	
Less than £10,000	2	16	12	38	14	54	0	0	14	41	
Between £10,000 and £25,000	0	0	3	32	3	32	0	0	3	50	
Between £25,001 and £50,000	0	0	0	0	0	0	0	0	0	0	
Between £50,001 and £100,000	0	0	0	0	0	0	0	0	0	0	
Between £100,001 and £200,000	0	0	0	0	0	0	0	0	0	0	
Total	2	16	15	70	17	86	0	0	17	91	
Note - All Charity staff have contracts of employment with the Foundation Trust. There were no exit packages in the Charity Account and all the figures above relate to the Foundation Trust.											

Note - All Charity staff have contracts of employment with the Foundation Trust. There were no exit packages in the Charity Account and all the figures above relate to the Foundation Trust.

## 5.9 Staff policies and actions applied

The trust has a programme for reviewing and consulting on changes to staff policies prior to approval with local staff side committees. All agreed policies and any other information for staff are subject to an equalities impact assessment and are available on the trust's intranet. The trust regularly monitors workforce KPI's at a number of workforce committees to ensure that staff with disabilities or those from other protected characteristics are not disproportionately involved in formal processes.

### Reporting on Time off for Trade Union Facility Time – 2017/18

**Table 1**

Total number of trust employees who were relevant union officials during the relevant period (1 April 2017 to 31 March 2018)

<i>Number of employees who were relevant union officials during the relevant period</i>	Full-time equivalent employee number
24	18.68 wte

**Table 2**

### Percentage of time spent on facility time for each relevant union representative

Number of trust employees who were relevant union officials employed during the relevant period spending a) 0%, b) 1% - 50%, c) 51% - 99% or d) 100% of their working time hours on facility time?

<i>Percentage of time</i>	<i>Number of employees</i>
0%	2
1-50%	20
51% - 99%	2
100%	0

**Table 3****Percentage of pay bill spent on facility time**

Provide the figures requested in the first column of the table below to determine the percentage of your total pay bill spent on paying employees who were relevant union officials for facility time during the relevant period (2017/18).

<i>Column 1</i>	<i>Figures</i>
Total cost of facility time	£130,858
Trust total pay bill	£163,572,414
Percentage of the total pay bill spent on facility time is calculated as: (total cost of facility time ÷ total pay bill) x 100	0.08%

**Table 4****Paid trade union activities**

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

<i>Column 1</i>	<i>Figures</i>
<i>Time spent on paid trade union activities as a percentage of total paid facility time hours is calculated as:</i>  <i>(total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100</i>	1.89%

**Counter Fraud**

The Trust has a well-established relationship with the local counter fraud team and the work of the Counter Fraud team is actively promoted through Trust procedures and communications with staff.

**5.10 Expenditure on consultancy**

During the year the Trust reported total consultancy expenditure of £994,844 for this year (£248,759 for previous year).

**5.11 Off payroll adjustments**

Nil



## 6. **THE DISCLOSURES SET OUT IN THE NHS FOUNDATION TRUST CODE OF GOVERNANCE**

### **Better Payment Practice Code**

The Better Payment Practice Code requires that the Trust pay all NHS and non-NHS trade payables within 30 calendar days of receipt of goods or a valid invoice (whichever is later), unless other payment terms have been agreed. Compliance with the code is that at least 95% of invoices paid are within thirty days or within agreed contract terms. The table below summarises compliance for the year ended 31 March 2019.

No statutory interest was payable by the Trust in 2018/19 in respect of late payments. Income from the provision of health services is greater than income from other sources.

Better Payment Practice Code	Actual 31/03/2019 YTD Number	Actual 31/03/2019 YTD £'000
<b><u>Non-NHS Invoices</u></b>		
Total bills paid in the year	65,184	98,120
Total bills paid within target	57,166	76,193
Percentage of bills paid within target	87.7%	77.7%
<b><u>NHS Invoices</u></b>		
Total bills paid in the year	2,705	14,349
Total bills paid within target	2,228	11,031
Percentage of bills paid within target	82.4%	76.9%
<b><u>Total</u></b>		
Total bills paid in the year	67,889	112,469
Total bills paid within target	59,394	87,224
Percentage of bills paid within target	87.5%	77.6%

## 7. REGULATORY RATINGS

### NHS Improvement's Single Oversight Framework

#### Single Oversight Framework

NHS Improvement's Single Oversight Framework provides the framework for overseeing providers and identifying potential support needs. The framework looks at five themes:

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

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

The Single Oversight Framework applied from Quarter 3 of 2016/17. Prior to this, Monitor's *Risk Assessment Framework* (RAF) was in place.

#### **Segmentation**

The Trust is in Segment 2, Targeted Support, where it has been since the initial formal segmentation in December 2016.

This segmentation information is the trust's position as at April 2018. Current segmentation information for NHS trusts and foundation trusts is published on the NHS Improvement website.

#### **Finance and use of resources**

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

Area	Metric	2018/19 scores				2017/18 score
		Q4	Q3	Q2	Q1	Q4
Financial sustainability	Capital service capacity	4	4	4	4	2
	Liquidity	4	4	4	4	3
Financial efficiency	I&E margin	4	4	4	4	2
Financial controls	Distance from financial plan	4	2	2	2	1
	Agency spend	4	4	4	4	2
Overall scoring		4	4	4	4	2

## 8. STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITIES

### Statement of the chief executive's responsibilities as the accounting officer of Poole Hospital NHS Foundation Trust

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

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require [name] NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of [name] NHS Foundation Trust and of its income and expenditure, items of other comprehensive income and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Department of Health Group Accounting Manual and the NHS Foundation Trust Annual Reporting Manual and in particular to:

- ☐ observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- ☐ make judgements and estimates on a reasonable basis;
- ☐ state whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual (and the Department of Health Group Accounting Manual) have been followed, and disclose and explain any material departures in the financial statements;
- ☐ confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS foundation trust's performance, business model and strategy;
- ☐ assess Poole Hospital NHS Foundation Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- ☐ use the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve Poole Hospital NHS Foundation Trust without the transfer of its services to another public sector entity<sup>3</sup>.

The accounting officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS foundation trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned Act. The accounting officer is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for safeguarding the assets of the NHS Foundation Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The accounting officer is also responsible for ensuring that the use of public funds complies with the relevant legislation, delegated authorities and guidance.

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

Signature: 

Debbie Fleming, Chief Executive  
Date: 22 May 2019

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<sup>3</sup> The standard wording of the last bullet is "use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so". The only circumstance under which an Accounting Officer would prepare the accounts on a non-going concern basis is if they have been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity.

## **9. Annual Governance Statement 2018-2019**

### **Scope of responsibility**

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

### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Poole Hospital NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Poole Hospital NHS Foundation Trust for the year ended 31 March 2019 and up to the date of approval of the annual report and accounts.

### **Capacity to handle risk**

The Trust recognises that positive and managed risk-taking is essential for growth, development and innovation. 'Risk' should never be set as a barrier to change and improvement; instead risks should be recognised, considered and managed effectively as part of the continual improvement process.

The management of risk is led by the Board of Directors (BoD) and overseen by the key board assurance committee; Quality, Safety and Performance Committee which is chaired by a Non- Executive Director.

The Trust has during 2018/19 continued to develop and enhance its governance and risk management systems and processes recognising the changing and challenging environment in which it operates. The identification and appropriate management of risk forms an integral part of the Trust's overall approach to integrated governance to ensure a risk awareness culture in which all risks are identified, assessed, understood and proactively managed. This promotes a way of working that ensures risk management is embedded in the culture of the organisation and remains an integral part of the Trust's objectives, plans, practices and management systems.

The Board recognises that there is a need for robust systems and processes to support continuous improvement, enabling staff to integrate risk management into their daily activities wherever possible and support better decision making through a good understanding of risks and their likely impact on patient and staff safety.

The success of any risk management plan is dependent on the defined and demonstrated support and leadership provided by the Board as a whole. The BoD has endorsed the Trust's risk management strategy in order to support the delivery of its strategic objectives through ensuring a robust risk management infrastructure is in place. This robust framework includes continued development of the Board Assurance Framework (BAF) closely aligned with the Trust's risk register.

The risk management structure is based on committees and groups which have key roles in the management of risk. This provides the assurance required by the Board that all areas of risk are being adequately managed, monitored and developed. The Audit and Governance Committee receives regular reports with regard to the risk register process including; all new significant risks added to the risk register alternate months, annual risk register report with a 6 month update mid-year, draft annual governance statement, and Internal and External audit reports and audit view.

Risks are assessed using the standard NPSA 5 x 5 (National Patient Safety Agency) risk assessment rating matrix which maps the likelihood of the risk occurring against the consequence. The risk assessment template is used to collate the risks, controls, mitigations and associated risk ratings. The process of risk assessment is outlined in the risk assessment toolkit available to staff on the Trust intranet and is supported by the risk management team on an individual basis to ensure quality and accuracy of assessments.

The Trust purchased a web based version of the risk register in 2017 that has been fully implemented within the Trust. Risk register dashboards identify the risks for each Care Group to increase ownership at local level. Plans are in place to develop the skills and training for ownership and management of risks at Care Group level. However, risk management currently retains oversight to ensure timely reviews and adequate controls are in place.

During July 2018, BDO the Trust's Internal Auditors undertook an Internal Audit of the Risk Register and associated documents to identify if an effective risk management culture was being embedded across the Trust. They highlighted areas of good practice as well as identifying processes that could be improved. These are being developed through an agreed action plan and include; comprehensive risk management training with a focus on staff with significant responsibilities for managing risk, risks on the register should be clearly aligned to objectives and the use of 'Target' risk scores.

During 2018, a scoping exercise commenced to map the existing systems and processes for governance and risk for both Poole Hospital NHS Foundation Trust and The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust (RBCH) in advance of the proposed merger. Work is now underway to align the two Trusts' risk registers and Board Assurance Frameworks in preparation for the launch of the new Integrated Care System (ICS) Risk Register Framework.

The Board of Directors recognises that training is central to staff understanding their roles and responsibilities for risk management across the organisation and are implementing risk management training provided by external providers for mid-2019. This training will provide support and education around risk and risk processes for managers, matrons and the Board and will underpin the Trust's Risk Management Strategy and define the Trust's risk appetite.

Regular Board of Director seminars and separate board development sessions covering key risk and safety topics are provided. The board seminars are held throughout the year to support the executive and non-executive directors in their roles.

The risk management process is led by a nominated Director - the Director of Nursing, and supported by Executive Directors, Clinical Directors, Deputy Director of Nursing, Head of Quality Governance, General Managers, Matrons and Department Leads.

Learning following a serious incident or complaint is extremely important to the Trust in ensuring that we constantly strive to improve the quality and safety of care and treatment to our patients. Sharing learning from incidents is completed through a variety of mechanisms including; a safety newsletter, learning panel reports, dissemination at key meetings, team briefings, directorate and team performance review meetings, action plans, patient stories at Board meetings and review of significant complaints at senior Trust meetings. Serious incident learning panel reviews are regularly held with learning and outcomes shared with staff. The Trust has improved the incident reporting process with the web based incident reporting system since December 2015; this has supported more timely reporting, response and action to incidents. Improved review and management of incidents has been advanced through the development of dashboards across key areas. Scrutiny from our Clinical Commissioning Group (CCG) ensures we maintain a high standard of investigation.

The Trust works closely with external scrutiny committees, internal and external auditors and our local Health Watch to review throughout the year progress against our quality account improvement topics and actions taken following any concerns that they have raised with us.

### **The risk and control framework**

The Trust has a Risk Management Strategy which is a key strategy for the organisation with clear objectives and sets out the leadership, responsibility, risk appetite and accountability arrangements for risk management. These responsibilities are then taken forward through a Board Assurance Framework. This Risk Management Strategy is underpinned by a suite of policies and procedures guiding staff on the day to day delivery of effective risk management processes.

Risk appetite is defined as “the amount of risk at board level that an organisation is willing to take on in order to meet strategic objectives” (2016: Institute of Risk Management). It is the level at which the Trust Board determines whether an individual risk, or a specific category of risks are considered acceptable or unacceptable based upon the circumstances/situation facing the Trust and will be a focus for 2019/2020.

The Risk Management Strategy was reviewed and updated during 2019 to reflect the agreed co-alignment of risk and governance processes with RBCH.

The management of risk, locally and centrally, is underpinned by the following key components of the risk management cycle:

- Risk Identification
- Risk Assessment
- Risk Mitigation
- Risk Review and monitoring

- Risk Registers
- Board Assurance Framework – (BAF)
- Risk Management Education and Training
- Monthly and quarterly performance review process
- Review of Effectiveness
- Risk management annual plan

The key ways in which risk management has been embedded in the activity of the Trust are:-

Trust wide adverse incident reporting procedure applicable to all staff with the development and provision of Datix incident dashboards for all key staff. The dashboards allow live time review of incidents, trends and analysis on a daily basis and for local and Trust wide risk groups.

Risks (corporate, clinical and information governance) and action plans to mitigate risk are discussed at the monthly Clinical Care Group and Clinical Directorate performance meetings. Quarterly performance reviews (involving clinical and corporate directorates) are led by the Executive Directors and focus on performance highlights and challenges.

The monthly Risk Management and Safety Group meetings, chaired by the Director of Nursing, with representation from Clinical Care Groups and Corporate Directorates will be merged with the Clinical Governance Group by April 2019 to co-align with the RBCH governance framework.

Specialist area risk management groups are in place within each Care Group meeting regularly to discuss incidents that have occurred and agree actions to be taken. Clinical Directorate trends and analysis are reviewed. Care Groups/Directorates are also required to maintain risks on the Trust's risk register and review these on a regular basis. The review period for new risks has been updated to co-align with RBCH and will allow greater scrutiny for risks in the early months before accepting a longer review period. Any risks that cannot be managed at a local level and have the potential to affect the whole of the Trust, and/or have a risk rating of 15 and above are reported to the Board and are included in the BAF.

The Board of Directors and its subcommittees receive a report on new significant risks at each meeting. Risks of a rating 8 and above are presented for subcommittees with risk rated 15 and above for the Board. A number of other groups support the risk management process;

- Risk Management and Safety Group.
- Bi-monthly Health and Safety Group meetings.
- Hospital Executive Group (HEG).
- Infection Control Group.
- Quarterly internal performance reviews of Clinical and Corporate Directorates including a requirement to report on risks, risk assessment and action to mitigate risks.

The Trust has an Information Risk and Security policy that relates to all IT Trust activities. It addresses data security and processes for protecting all Trust data, by providing a consistent risk management framework in which information risks are identified, considered and addressed. Any incident involving the actual or potential loss of personal or sensitive corporate information that could lead to identity fraud or has other significant impact on individuals is considered to be serious. No incidents of this nature have been reported during 2018/2019.

The Board Assurance Framework (BAF) is a key mechanism to reinforce the strategic focus of the Board and better manage risk. It is used to help the organisation capture, report and monitor key risks to the strategic objectives, implement corrective action and report to the Board on progress. It is designed to provide assurance that the organisation is delivering on its objectives, supporting the management of the potential and actual risks. The BAF also helps the organisation to assess the controls it has in place to mitigate the risks and review the assurances to check the controls are effective.

NHSI Single Oversight Framework provides the framework for overseeing providers and identifying potential support needs. Providers are segmented from 1 – 4, where 4 reflects providers receiving the most support and 1 reflects providers with maximum autonomy. The framework looks at five themes: quality of care, finance and use of resources, operational performance, strategic change and leadership and improvement capability (well-led). The Trust is in Segment 2, Targeted Support, where it has been since the initial formal segmentation in December 2016. This segmentation information is the Trust's position as at April 2019.

The BAF and related strategic risks are managed and monitored by the Trust Board's key assurance committees on a quarterly basis. The Assurance Committees are: the Finance and Investment Committee (financial risks); the Quality, Safety and Performance Committee (quality, safety and performance risks), and the Workforce and Organisational Development Committee (workforce risks).

The Trust has 5 strategic objectives. The risks associated with failing to achieve these objectives form the basis of the BAF. The strategic objectives for 2018-2019 are;

- The delivery of safe, responsive, compassionate high quality care
- To attract, inspire and develop staff
- Working with partners to develop new models of care and reconfigure services so that clinically and financially sustainable arrangements are in place across Dorset
- Ensuring all resources are used efficiently, effectively and economically to deliver key operational standards and targets
- Be a well governed and well managed organisation that operates collaboratively with local partners

A number of gaps in assurance were identified at the beginning of the year within the BAF. These gaps in assurance and a number of risks relating to the gaps in assurance have subsequently been closed within the year with evidence of assurance reported to the relevant key board assurance committee on a quarterly basis. Those significant risks relating to gaps in assurance that remain open on the risk register are scrutinised regularly by the responsible board key subcommittee and twice yearly by the Board of Directors. The assurance and risk management process is subject to our internal auditors each year and internal auditors BDO undertook a risk maturity audit for Poole Hospital in August 2018. This audit concluded that the Trust scored in line with the average against the key indicators against other Trusts.

The annual corporate governance statement was approved by the Board of Directors in May 2018. The statement confirmed compliance with Condition FT4 of the Licence and anticipated compliance with this condition for the next financial year. The statements made to NHS Improvement are reviewed by the Board in advance of submission. A supplementary report detailing the Trust's assurance and evidence of compliance with the Corporate Governance statement is provided to assist with this. The principal risks to compliance with Condition 4 set out in the Trust's provider



licence have been highlighted to the Board in advance through the regular reporting to the Board at its bi-monthly meetings. The principal risks are:

- Workforce staffing shortages having a direct impact on quality and safety
- The maximum waiting time of four hours in the Emergency Department due to the continued high level of attendances and subsequent admission, turnover of medical workforce and the general acuity of patients presenting;
- The percentage of patients admitted with a fractured neck of femur to be operated on within 36 hours of admission or of being clinically appropriate for surgery;
- 18 weeks referral to treatment times (RTT) performance and breach of the 90% performance target. A detailed RTT recovery plan is in place to bring the Trust back in line, to include additional Oral Surgery weekend sessions and Dermatology Rapid Access Clinics;
- Going Concern and financial sustainability. See Section 2.4 of the Annual Report, page 18.

In addition, the Trust currently has eight significant open risks on the risk register, with 50% of these risks relating to workforce - active recruitment plans, workforce development strategies and planned temporary staff usage are all in place. These risks are closely monitored via the Board sub committees.

The Trust risk around finance has been increased during 2018 to a rating of 20 to reflect the increasing challenges around finance, some of which is related to supporting agency and locum staff to reduce the workforce risks.

Theatres have a risk rated 16 that opened on the 29<sup>th</sup> September 2018 following the inability to appoint a lead for Theatres increased uncertainty and stable leadership. A number of events and incidents have occurred that challenged the theatre staff and their effective team working which has impacted on the department's ability to deliver a reliable and safe level of care. This was confirmed in an unannounced CQC visit and subsequent report. An action plan with close monitoring is in place to ensure the implementation of the changes and actions required is maintained. New leadership and a programme of improvements has now reduced many of the individual components of the risk and is currently being re-assessed to identify any areas outstanding with a view to closing the overarching risk in the near future.

One risk remains significant (15) around breaches to targets and relates to the inability to meet contractual targets; referral to treatment (RTT)

These risks have been notified to the Board and all are closely monitored via the Board sub committees and have associated programmes of work.

Attract, inspire and develop staff is one of the Trust's strategic objectives for 2018-2019. The sustainability of our current and future workforce is therefore one of our key priorities.

As an integrated care system we know that our biggest challenge is workforce. It is no longer limited to one particular service, organisation or profession and the knock on effects within one area are felt across nearly all pathways of care. The demand for medical, clinical, allied health professionals and support staff outstrips traditional supply routes. Integrated workforce planning and redesign is the only way that Dorset will be able to sustain the workforce that it requires to deliver new health and care models, now and in the future.

In recognition, an operating model for system wide workforce development has been established, with a clear mandate from the System Leadership Team to work with,

and alongside, their organisations to deliver and drive workforce solutions. This model provides a delivery vehicle to tackle and respond to workforce issues at a system level, recognising and complimenting what is done at an organisational level, supporting Dorset to retain, attract, recruit and develop its workforce.

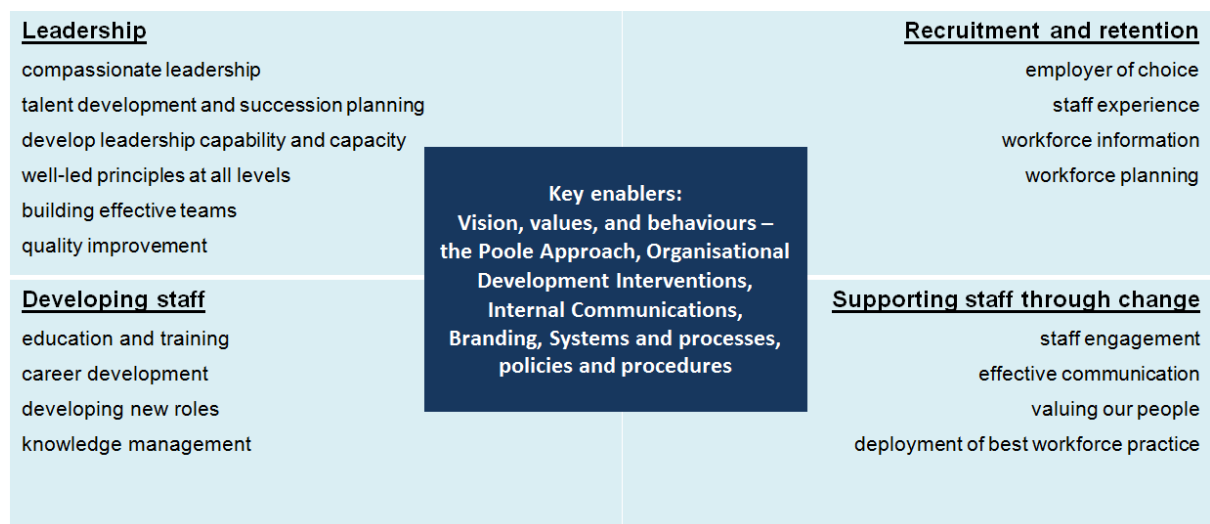
The East Dorset acute hospital reconfiguration component of the Dorset Clinical Services Review and the merger of Poole Hospital NHS Foundation Trust and The Royal Bournemouth & Christchurch Hospitals NHS Foundation Trusts represents a very significant change programme, with workforce and operational continuity challenges extending over the next 5-6 years, and we want to do all we can to ensure that our workforce understand what this means for them and are engaged and supported to meet the opportunities and challenges ahead.

The Trust's People Strategy, approved by the Board of Directors in November 2017, sets out:

- The Trust's aim to ensure a well led, flexible workforce that can demonstrate friendly, professional, person-centred care with dignity and respect for all ("the Poole Approach"), and
- how we will continue to support and develop all our staff to provide the highest possible quality of care to patients in an environment of high demand and change in the way patient services are organised and delivered across south east Dorset.

We are proud of our people and the excellent services they provide and we know that all our staff feel passionately about this and do all they can on a daily basis to get it right. As we go forward into a new and different future we will support our people to develop all that is best about Poole to contribute to the delivery of new service models across east Dorset.

Our focus during 2019/20 is outlined below:



A number of actions and initiatives (outlined below) are in place to support these four key themes and progress against the Trust's People Strategy is reported and monitored by the Workforce & Organisational Development Committee on a bi-monthly basis.

- Staffing establishment reviews led by heads of service in line with safer staffing requirements.

- New appointment to post of Head of Resourcing to look at issues relating recruitment and retention.
- International recruitment initiatives.
- New roles, eg Physician's Associate / Nursing Associate.
- PHT is constituent part of Dorset Integrated Care System.
- Close collaboration with Dorset Workforce Delivery Team ("Our Dorset")

With regard to overall performance the Trust has met the majority of the national standards for the year, including 7 of the 8 Cancer standards, but in the same way as the majority of Trusts across the country, the Trust did not achieve the A&E trajectory in March 2019.

The referral to treatment (RTT) 92% standard has not been achieved at aggregate level, since August 2017 and as at March 2019 was 82.2% (2,602 backlog). The total number of pathways achieved the trajectory of 14,666 based on the March 2018 outturn (14,608 at 31<sup>st</sup> March 2019)

The main driver for the decline in performance against the 92% standard has been a loss of capacity in theatres, and lengthy waits for first outpatient appointment. This metric has been the subject of papers to the Board.

The Trust had zero cases case of MRSA bacteraemia for 2018/19 (none since June 2017). The Clostridium difficile target has been challenging reaching 16 against a target of no more than 15 cases at the end of March 2019. Incidence has improved considerably compared with the previous year, when there had been 16 cases in just 8 months.

The Trust has met the stroke 90% standard for every month this year (2018/19). The standard states that 80% of patients should spend at least 90% of their time on a stroke unit.

The Trust did not achieve the ED trajectory agreed with NHSI in the first part of the year, but was able to deliver the trajectory at the end of Quarter 3 (December 2018). The Trust did not achieve the national requirement of delivering 95% in March 2019.

2018/19 Operational Plan	Q1			Q2			Q3			Q4		
Month	April	May	June	July	August	September	October	November	December	January	February	March
Trajectory	94.97%	92.65%	91.98%	92.85%	91.67%	92.93%	94.79%	93.13%	85.47%			95.00%
Total attendances	6957	7521	7547	7930	7633	7047	7104	6714	6929	6461	6083	7273
4 hour breaches	350	553	605	567	636	498	370	461	1007	581	487	364
performance	85.15%	88.18%	87.52%	90.91%	90.66%	89.60%	94.01%	90.88%	89.28%	88.09%	84.33%	88.05%
Total attendances	7,241	8,242	8,053	8,561	8,178	7,417	7,475	7,142	7,069	7,320	6,651	7,738
4 hour breaches	1,075	974	1,005	778	764	771	448	651	758	872	1,042	925
Quarter	Q1			Q2			Q3			Q4		
Trajectory	93.15%			92.48%			91.14%			92.77%		
Total attendances	22,025			22,610			20,747			19,817		
4 hour breaches	1,508			1,701			1,838			1,432		
			87.02%				90.42%				91.44%	86.92%
Total attendances	23,536			24,156			21,686			21,709		
4 hour breaches	3,054			2,313			1,857			2,839		
Quarter YTD	Q1			Q2 YTD			Q3 YTD			Q4 YTD		
Trajectory YTD	93.15%			92.81%			92.28%			92.40%		
Total attendances YTD	22,025			44,635			65,382			85,199		
4 hour breaches YTD	1,508			3,209			5,047			6,479		
			87.02%				88.75%				89.59%	88.95%
Total attendances	23,536			47,692			69,378			91,087		
4 hour breaches	3,054			5,367			7,224			10,063		

The 15 'key diagnostic tests' standard (DM01 return) of no more than 1% of patient waiting more than 6 weeks at month end has been delivered in 6 of the 12 months in 2018-19.

The Cytology Screening standard (Wessex std 98% in 14 days) has been consistently achieved despite various increases in demand and reductions in capacity, which is to be commended.

### **Data Security and Protection Toolkit**

This is the core internal and external assurance mechanism for information governance in the Trust and is the national annual toolkit assessment. This was previously known as the Information Governance Toolkit (IGT) but was relaunched in April 2018 as the Data Security and Protection Toolkit (DSPT) with a revised mandatory framework and a greater focus on digital information and cyber security.

The previous IGT included 45 assertions and 135 evidence requirements across six key areas. The Trust was required to achieve a minimum of Level 2 in all 45 assertions in order to 'pass' the assessment and deliver a 'satisfactory' submission. The Trust has passed the IGT for the last four financial years and maintained a score of 84% since 2015/16.

The new DSPT includes 40 assertions and 149 evidence requirements across ten data security standards. Some areas are mandatory (equiv. to IGT Level 2) and others are best practice (equiv. to IGT Level 3). The Trust must be 100% compliant in all mandatory areas in order to 'pass' the DSPT and obtain the IGT equivalent of a 'satisfactory' submission.

The Trust has been working through an agreed action plan, and had to submit by 31 March 2019 - this will be the Trust's last submission for 2018/19 which will provide the final published score. The target for this was 84.6% ('satisfactory'), but we actually achieved 90.6% ('satisfactory').

The foundation trust is fully compliant with the registration requirements of the Care Quality Commission. The Trust received an overall rating of good in its inspection visit completed in September and October 2017; this included an overall rating of good in the well-led domain. The Trust underwent a well led review following NHS Improvement's Well Led Review Framework in the autumn of 2016. The main findings from the review were that the Trust is a well-run organisation with clear strengths across all of the well led domains within the framework.

The CQC comprehensive inspections of NHS trusts have shown a strong link between the quality of overall management of a Trust and the quality of its services. For that reason, the CQC looked at the quality of leadership at every level. They also looked at how well a Trust manages the governance of its services – in other words, how well leaders continually improve the quality of services and safeguard high standards of care by creating an environment for excellence in clinical care to flourish.

The Foundation Trust has published an up to date register of interests for decision making staff within the past 12 months, as required by the 'Managing conflicts of interest in the NHS' guidance as follows:

- Board of Directors Register of Interests;
- Council of Governors Register of Interests;
- A Register of Interests for Board Sub-committee attendees;
- A Register of Interests for decision making staff not included in the above.

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.

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

The foundation trust has undertaken risk assessments and has a sustainable development management plan in place which takes account of UK Climate Projections 2018 (UKCP 18). The Trust ensures that its obligations under the Climate Change Act and the Adaption Reporting requirements are complied with.

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

The Trust employs a number of internal mechanisms and external agencies to ensure the best use of resources.

Executive Directors and Managers have responsibility for the effective management and deployment of their staff and other resources to maximise the efficiency of their Clinical Care Groups and Corporate Directorates.

Board of Directors: - A Non-Executive Director chairs the Audit and Governance Committee at which representatives of the internal and external auditors attend. The committee reviewed and agreed the audit plans of both the internal and external auditors. The plans specifically include economy, efficiency and effectiveness reviews which have been reported on. A Non-Executive Director also chairs the Finance and Investment Committee which reviews the Trust's finance plans and performance and the Workforce and Organisational Development Committee is also chaired by a non-executive director. The Board of Directors receives both performance and financial reports at each of its meetings and receives reports of its sub committees to which it has delegated powers and responsibilities.

The Trust also has a significant transformation programme to ensure the Trust maximises the use of all available resources and identifies and manages a number of cost improvement programmes to ensure that scarce resources are used in the most effective manner. As part of this process, the Trust is fully engaged with the productivity and efficiency work streams arising from the Model Hospital.

A benefits realisation process is in place to review all investment decisions to ensure that resources are utilised effectively for the intended purpose. All investment decisions are reviewed on a monthly basis prior to approval to ensure value for money.

The Trust received a rating of 'good' for use of resources in NHS Improvement's assessment in November 2017.

## **Information governance**

During the period 2018-2019 there has been one case of serious data losses recorded, this was reported to the Information Commissioner's Office (ICO) and NHS digital and treated as a serious untoward incident. The incident was appropriately investigated, and following liaison with the ICO, it was considered that the Trust had taken appropriate actions and therefore no further action was required. Details of incident are summarised below:

Date of Incident: 23/06/2018

Summary of Incident:

Handover sheets containing limited personal and medical information relating to a number of patients, was located in a rucksack stolen from a doctor.

The incident was appropriately reported, and a full investigation was undertaken, which included the safe return of documentation to the relevant Doctor, and writing to all related patients to inform them of the incident and actions taken.

## **Annual Quality Report**

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. NHS Improvement (in exercise of the powers conferred on Monitor) has issued guidance to NHS foundation trust boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the *NHS Foundation Trust Annual Reporting Manual*.

The production of the quality report is led by the Director of Nursing and reflects the discussions and decisions of the Board of Directors and the Quality, Safety and Performance Committee during the preceding year.

The Trust has engaged clinical staff, the board, governors, Health Watch and local health scrutiny panels in the process of building the quality report.

The data used in the quality report has been reviewed and a number of data items are the subject of external audit scrutiny to check their validity.

Clinical quality and patient safety have been at the forefront of meetings of the Board of Directors and the Trust has continued to hold a regular Quality, Safety and Performance Committee to provide further assurance on the arrangements for maintaining clinical quality and patient safety.

The Trust's governance structure has been updated during the year.

The reporting of Referral to Treatment (RTT) access times is a key NHS metric, and part of the NHS Constitution. The accuracy and timeliness of RTT data, that underpins both day to day operational management of elective care and also for reporting against this access standard is crucial.

The RTT team undergo daily ongoing validation, picking up staff training needs, patients that require expediting and records that may need amendment to ensure the patient pathway is accurately reflected. There are also weekly reconciliations undertaken as well as month end checks by the lead analyst in preparation for month end reporting. RTT reports including patient level data are made available to the Operational and General Managers at least weekly, with self-service reporting updated daily.

RTT is part of the Data Quality Framework, which is a standing item with the Data Quality Management team and presented annually to the Audit and Governance Committee. RTT is currently subject to Annual External Audit, this is part of a rolling DQ review with Internal Audit. The RTT team also ran a series of training events for all front line staff who interface with RTT during 2018, which were well received and attended.

### **Review of effectiveness**

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS foundation trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the quality report attached to this Annual report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the board, the audit committee, risk/clinical governance committee/ quality, safety and performance committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

### **Conclusion**

Based upon available Department of Health guidance, and the Trust's internal and external auditors' views, the Board of Directors has not identified any significant internal control issues at this time.

Signature: 

Debbie Fleming, Chief Executive

Date: 22/5/19

## SECTION C: QUALITY REPORT

### PART 1 - STATEMENT ON QUALITY

#### 1.1 Chief Executive statement

Welcome to our Poole Hospital Quality Account which forms part of the Trusts annual report and accounts and provides a summary of quality activity over the past financial year. There is much of interest to read within this section.

As highlighted elsewhere, 2018/19 was once again a year of significant pressure for Poole Hospital. Our services have again faced increasing demand, and we are now experiencing the same workforce challenges that have been felt by other NHS providers for some time. Taken together, this has resulted in significant pressure within a number of our wards and departments.

Despite these pressures, our staff have worked tirelessly to do their very best for our patients, and the Trust is once again proud of the high standard of care that has been provided throughout the year. Very importantly, the Trust continues to receive very positive feedback from patients, and is held in very high regard by local people.

Our staff really are our greatest resource, and given our increasing workforce challenges, the recruitment, retention and development of staff continues to be our top priority. Without the right numbers of appropriately skilled people, we cannot deliver the quality of care to which we aspire.

Although staff shortages have at times impacted on our performance - for example, impacting on waiting times in some areas - overall, we continue to be very proud of the standard of care we provide. This is once again evidenced by our performance in the majority of national patient surveys and audits. In 2018/19, the Trust embarked on a number of quality improvement initiatives, aimed at improving outcomes and/or delivering a more positive experience for our patients, and it can be seen that good progress has been made in these areas over the course of the year.

Two issues arose during 2018/19 that were of particular note – (a) the outbreak of *klebsiella pneumoniae*, which caused so much disruption to the day-to-day business of the Trust earlier in the year, and took up so much time on the part of our teams, and (b) the unannounced inspection of our Theatres in June by the CQC, which identified a number of significant areas for improvement. I am pleased to confirm that the Trust has learned a great deal from both these events:-

- the *klebsiella* outbreak is now closed as evidenced by a recent Multi Agency review, and the learning from this has enabled us to achieve a much higher standard overall of infection control across the whole organisation;
- the Improvement Plan developed by our Theatres team following the CQC inspection has been given top priority, including work to strengthen the leadership in this area. At the end of the year, there has been a very demonstrable improvement, which has been recognised by the CQC and our commissioners.



There are a number of quality improvement projects underway across the whole of the organisation, monitored by the Quality, Safety and Performance Committee, the Dorset Clinical Commissioning Group and other external bodies. This report provides an update on these projects, and it is hugely encouraging to see the progress that has been made. The Trust has recently reviewed its overall framework for Quality Improvement so as to ensure that all the improvement activity that is underway across the Trust is properly identified, and that frontline teams are supported in bringing about the necessary changes.

In February 2019, the results of the annual NHS Staff Survey were published and we were once again pleased with the results. More than 1,850 of our staff took part, giving us a response rate of 50 percent which was 6 percent above other acute trusts in England. The annual NHS Staff Survey provides invaluable feedback, being the most comprehensive assessment of how staff working in the NHS feel about their employer

Staff rated Poole Hospital higher than the national average in seven of the 10 areas, including:

- equality and diversity inclusion (9.3/10)
- health and wellbeing (6.1/10)
- quality of immediate managers (6.8/10)
- morale (6.3/10)
- staff engagement (7.1/10).
- 

In addition, 69 percent of staff would recommend the hospital as a place to work (average: 62.6 per cent), with 79.6 per cent recommending us as a place to receive care (average: 71.3 per cent).

It is recognised that there were significant operational pressures within Poole Hospital at times during 2018/19, and that staff are facing a lot of change as a consequence of the Dorset Clinical Services Review. It is therefore very encouraging to see that staff remain so engaged, and continue to see Poole Hospital as a positive place to work. Nevertheless, we cannot take things for granted; the Trust has recently appointed a number of People/Change Champions and has embarked on a comprehensive listening exercise to understand better the things that really matter to our staff as we move forwards. Maintaining an engaged, motivated workforce is critical to the delivery of safe, high quality patient care. As such, it is important that staff within Poole Hospital continue to feel valued, and able to influence the strategy and operational business of the Trust, during the turbulent times ahead.

The Trust has a comprehensive People Strategy and this document reaffirms our commitment to recruiting and retaining high calibre staff. There are indeed some gaps in our workforce (as highlighted above) but the Trust is actively working to address these, including undertaking targeted work to recruit staff from overseas. In January, we were delighted to welcome the first tranche of nurses from overseas, when a large number of Italian Nurses joined us at Poole Hospital. These individuals are now working within elderly medicine, trauma services and on our surgical wards. They have brought a great deal extra to the organisation and are highly valued by their colleagues.

Of course, the greatest strength of our organisation continues to be the unique set of values that are held by staff across the Trust, that contribute so much to our strong and positive culture. Patients really are at the heart of everything we do, with the values of the “Poole Approach” - compassion, openness, respect, accountability and

safety – being very evident across the organisation. These are clearly felt by all those who visit the hospital, and make a real difference to the quality of care that we provide.

Meanwhile, we are making great progress in developing our plans to merge with The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust. Having been given permission by the Competition and Market Authorities to appoint an Interim Joint Chair and Joint Chief Executive, I am extremely proud to have been appointed to the post of Interim Joint Chief Executive across the two organisations. The merger is an important enabler that will allow us to take forward the Dorset Clinical Services Review and in doing so, deliver significant benefits for patients. It will also create greater resilience and allow us to make better use of our workforce as we bring our teams together. We shall be working hard over the next few months and years to better engage with our public so that they are fully sighted on all the benefits associated with these changes.

At the end of 2018/19, I am pleased to report that Poole Hospital finished the year well - having managed the outbreak of klebsiella, tackled the things that needed to be addressed within our theatres, and improved the standard of care in a number of areas:-

- although there is still work to be done, there has been a month-on-month reduction in the pressure ulcers per 1000 bed days since December 2018. This applies to all pressure ulcers, including category 3 and 4 pressure ulcers;
- although the number of falls that have occurred throughout the year has not significantly changed, there has been a reduction in the rate of falls per 1000 bed days. The Trust will continue to prioritise this work in 2019/20, recognising that the very frail nature of so many of our patients makes this a high risk area;
- there has been a very significant reduction in the number of still births within Poole Hospital over the past year, and we are ahead of our target to reduce the number by 30% by 2030. Similarly, the number of term admissions to the neonatal unit continues to be very positive, with the latest figures showing that our rate is below both the regional and national targets;
- the hospital has once again been named as one of the best for treating patients with broken hips - the third time in four years. Whilst it is recognised that there are still areas in which we need to improve (for example, in reducing the time that it takes for patients to get to theatres), our performance was still described as 'excellent over a number of years' in the National Hip Fracture Database (NHFD) 2018 annual report. Very importantly, the Ortho-geriatric service has one of the lowest 30-day mortality rates in England, Wales and Northern Ireland, and despite the challenges associated with theatre capacity, we still have an average length of stay of 15 days compared to the national average of 20;
- we have seen some success from our efforts to reduce delays within the trauma pathway, resulting in far fewer trauma patients being cared for on wards outside the specialty. Reducing the number of outliers is a very important quality indicator, resulting in both improved outcomes and an improved experience for our patients;
- good progress has been made in our work to improve services for patients with a mental illness who are admitted to Poole Hospital. The Trust has worked very closely with Dorset Healthcare University NHS Foundation Trust in this area, and has established a mental health steering group that is overseeing a number of

new initiatives aimed at improving the outcomes and experience for this patient group;

- we were delighted to be named as one of the top 10 in the country for the uptake of the flu jab by frontline healthcare staff, having achieved a staggering 90% by the end of the campaign in January. This is the highest ever percentage uptake for the flu campaign in all the years we have been offering this within the Trust, and demonstrates the commitment of our staff to safeguarding themselves and their patients.

Overall, whilst there is always more work to be done, I am pleased to that the Trust has made good progress in improving the quality of its services in 2018/19, in very challenging circumstances. We look forward to building on these good results in 2019/20, with our priorities continuing to be the delivery of safe, high quality, patient-centred care, the recruitment, retention and development of our staff, and encouraging innovation and improvement across all our services.

To the best of my knowledge, the information contained within this report is accurate.

Signature: 

D M Fleming (Mrs), Chief Executive  
Poole Hospital NHS Foundation Trust

Date: 22/5/19

## PART 2 – PRIORITIES FOR IMPROVEMENT AND STATEMENTS OF ASSURANCE FROM THE BOARD

### QUALITY ACCOUNT - QUALITY IMPROVEMENT FOR THE COMING YEAR 2018-2019

The details of our plans for quality improvements in 2018-2019 are set out in the monitoring tool below: Version 9 Q3 2018 update

These quality improvement priorities will be monitored via the Quality, Safety & Performance Committee, NMG and external scrutiny committees. Year-end progress is reported in detail in the trusts annual quality account 2018/19.

#### 1. Quality improvement priority : Pressure Ulcers

Pressure ulcer prevention is recognised as an ongoing challenge to the quality of care provided across the NHS. The Trust developed a 4 point strategy for pressure ulcer prevention in the Spring of 2017 and has since embarked on a programme of work to reduce the incidence of pressure ulcers. The Trust was invited to join an NHS Improvement sponsored pressure ulcer collaborative programme in the Autumn of 2017 which has supported the ongoing strategy and development of new approaches to pressure ulcer prevention.

Aims	How will we achieve this	Measure	Progress End Q4 2018 update	Due	Lead
To reduce the number of all hospital attributed pressure ulcers by 50% by December 2018.	To ensure all patients are risk assessed within 6 hours of admission.	Number of pressure ulcers of each grade occurring on each ward per month.	Q1 Grade 2 = 65 Grade 3 = 21 Grade 4 = 1 Deep Tissue Injury = 20 Moisture lesions = 50	March 2019	Denise Richards
To reduce the number of avoidable grade 3 pressure ulcers by 50%.		Number of acquired grade 3 pressure ulcers.	Q2 Grade 2 = 60 Grade 3 = 25 Grade 4 = 0 Deep Tissue Injury = 10 Moisture lesions = 42 <b>Portland ward has had no pressure ulcers this year. Lytchett and Lulworth have had no pressure ulcers in Q2.</b>		
		Number of acquired avoidable grade 3 pressure ulcers.	Q3. Grade 2 = 79 Grade 3 = 39 Grade 4 = 0 Deep Tissue Injury = 19 Moisture lesions = 45		
		Number of moisture lesions	Q4. Grade 2 = 71 Grade 3 = 32		

Aims	How will we achieve this	Measure	Progress End Q4 2018 update	Due	Lead
	<p>To ensure all patients are risk assessed within 12 hours of transfer between hospital wards.</p> <p>For all patients to have a personalised care plan for pressure ulcer prevention linked to the risk assessment. Implementation of Waterlow Electronic Nursing Assessment tool. Implementation of moisture lesion care pathway.</p> <p>Implementation of SSKIN care plan. Programme of education</p>	<p>occurring on each ward per month.</p> <p>Percentage compliance with nursing assessments completed within 6 hours of admission.</p> <p>Percentage compliance with nursing assessments completed within 12 hours of transfer.</p> <p>Percentage compliance with completion of the SSKIN pressure ulcer care bundle.</p>	<p>Grade 4 = 0 Deep Tissue Injury = 28 Moisture lesions = 43</p> <p>Overall in total numbers there has been a limited reduction in pressure ulcers. However in terms of pressure ulcers per 1000 bed days there has been a month of month reduction since December 2018 for both all pressure ulcers and category 3 and 4.</p> <p>For all categories of pressure ulcers the rolling average rate since October 2017 is 1.58 per 1000 bed days The rate of category 3 pressure ulcers is 1.13. The rate for March 2019 is 1.6 for all pressure ulcers and 0.3 for category 3 and 4.</p> <p>There has been no reduction in pressure ulcers despite considerable effort to improve standards of care. The increased presence of the TVNs is giving rise to increased reporting of very small skin breaks some of which are noting to heal within 48 hours of reporting.</p> <p>For all grades of pressure ulcers the rate is 3.46 per 1000 bed days The rate of grade 3 pressure ulcers is</p>		

Aims	How will we achieve this	Measure	Progress End Q4 2018 update	Due	Lead
	<p>provided though ANTS group and Safety Pins Group.</p> <p>Use of service improvement methodology to drive changes in practice.</p>		<p>1.13.</p> <p>April 96% / May 96% / June 96%  July 91% / Aug 94%/ Sept 90%  Oct 98% / Nov 98% / Dec 99%  Jan 99% / Feb 97% / Mar 93 %</p> <p>Data to be collected through ENA.  Awaiting reporting tool development.</p> <p>The trust has now implemented the new SSKIN care bundle across all adult in-patient wards. Compliance for Q3 was 96.5%  Q4 was 97%</p> <p>17 Italian nurse recruits and 33 student nurses attended tissue viability training in Oct/Nov.  A new TVN link nurse group was launched in December with 21 staff attending.</p> <p>8 Nurses attended the TVN link meeting in March 2019</p>		

## 2. Quality improvement priority: Falls prevention

Falls are the most commonly reported patient safety incident in the NHS with overall costs to hospitals of £630 million per year. Acute illness, particularly in frail older people or those recovering from serious injury or surgery increases the risk of a fall in hospital. Patients in hospital are vulnerable to delirium, dehydration and deconditioning, all of which affect balance and mobility, especially in unfamiliar surroundings and increase the risk of falls.

Aims	How will we achieve this	Measure	Progress End Q4 Update	Due	Lead
<p>Reduce the number of unwitnessed in-patient falls by 25% by December 2018.</p> <p>Reduce the number of in-patient falls resulting in serious harm by 25% by December 2018.</p> <p>All patients falling with harm are cared for in accordance with the trust post fall protocol.</p>	<p>To ensure all patients are risk assessed within 6 hours of admission.</p> <p>For all patients to have a personalised care plan for falls prevention linked to the risk assessment.</p> <p>Use of service improvement methodology to drive changes in practice.</p> <p>Programme of education provided through Safety Pins Group.</p> <p>Wellbeing rounds delivered in all adult in-patient wards.</p> <p>Use of service improvement methodology to drive changes in practice.</p>	<p>Number of in-patient falls occurring on each ward per month.</p> <p>Number of falls with serious harm occurring in the trust.</p> <p>Percentage compliance with nursing assessments completed within 6 hours of admission.</p> <p>Percentage compliance with completion of the falls prevention care bundle.</p> <p>Percentage compliance with the post-fall protocol.</p>	<p>Q1 All falls 254. Q2 All falls 252 Q3 All falls 252 Q4 All falls 246</p> <p>The number of falls remains consistent when viewed over a year. However, the current rate being <b>4.6 per 1000</b> bed days which is a reduction on the last quarter.</p> <p>Q1 5 severe harm. 5 moderate harm Q2 5 severe harm. 3 moderate. Q3 2 severe harm. 7 moderate harm Q4 1 severe harm. 7 moderate harm</p> <p>The overall rate of falls with moderate or severe harm since October 2017 is <b>0.24 per 1000</b> bed days. This is largely unchanged.</p> <p>April 97% / May 96% / June 97% July 87% / Aug 87% / Sept 87% Oct 96% / Nov 97% / Dec 91% Jan 99 % / Feb 97 % / Mar 99 %</p> <p><b>Q3 Audit; Safe manual handling 100%</b></p>		Denise Richards

Aims	How will we achieve this	Measure	Progress End Q4 Update	Due	Lead
			<p><b>Medical examination documentation 78%</b>  <b>Checklist sticker in notes 46%</b>  <b>Injury checklist 42%</b>  Falls prevention care bundle and ENA implemented across all adult in-patients wards in Q1.</p> <p><b>Bay Watch initiative being implemented in selected wards. Targeted work on C3 and Durlston has demonstrated a marked reduction in falls.</b>  <b>New bedside signage ‘Call don’t fall’ being rolled out across the trust.</b></p> <p>The following wards have seen a reduction in falls during Q4 – A5 and B3. Durlston has sustained the Q3 reduction.</p>		



### 3a. Quality improvement priority: Reducing 'term' admissions to NNU (ATAIN)

There is overwhelming evidence that separation of mother and baby so soon after birth interrupts the normal bonding process, which can have a profound and lasting effect on maternal mental health, breastfeeding, long-term morbidity for mother and child. This makes preventing separation, except for compelling medical reason, an essential practice in maternity services and an ethical responsibility for healthcare professionals.

Since 2011, the number of care days from avoidable admissions to NNU from hypoglycaemia, hypothermia, hypoxic ischaemic encephalopathy, respiratory distress syndrome and jaundice has increased by 31% nationally. Up to 30% of neonatal unit admissions between 2011 and 2013 were considered avoidable by the NPSA and a Patient Safety Alert was issued in 2017, advising that Maternity Units provide services and staffing models that keep mother and baby together to reduce the harm caused by separation.

Aims	How will we achieve this	Measure	Progress End Q4 update	Due	Lead
<p>Reduce term admissions (babies &gt;37 weeks gestation) to the Neonatal Unit (NNU) due to hypoglycaemia (blood sugar &lt;2) or hypothermia (temperature &lt;36) by 50% by 31st December 2018.</p> <p>In June 2018, the aim was updated and a new target set to:</p> <ul style="list-style-type: none"> <li>• Reduce number of term admissions to NNU from hypoglycaemia (&lt;2.6 mmols/L) to less than 2 per month</li> <li>• Reduce number of term admissions to NNU from hypothermia to less than 1 every 18 months</li> </ul>	<p>Thermoregulation Care Bundle for all babies at risk of hypothermia and hypoglycaemia</p> <p>Improvement of staff knowledge of prevention of hypothermia and hypoglycaemia:</p> <ul style="list-style-type: none"> <li>• Assessment of knowledge of prevention of hypothermia and hypoglycaemia</li> <li>• Training and education regarding the Care Bundle</li> <li>• Weekly MDT meetings to review cases. Good practice and learning points to be shared with staff.</li> </ul>	<p>Numbers of babies admitted to NNU for hypoglycaemia and hypothermia</p>	<p>The Thermoregulation Care Bundle has been revised and disseminated to staff with flow charts to simplify the process.</p> <p>An updated chart has also been produced for staff which highlights risk factors of babies more susceptible to hypoglycaemia and who should therefore follow the hypoglycaemia pathway for early intervention to minimise risk. The updated chart is now in line with BAPM (British Association of Perinatal Medicine) guidelines and the Trust's Transitional Care Unit Operating Policy.</p> <p>The care for each baby admitted to NNU continues to be reviewed at a weekly MDT risk meeting and any learning is shared with staff.</p> <p>Having reviewed the Thames Valley &amp; Wessex Neonatal Network policy for the management of hypoglycaemia in neonates, based on BAPM guidance, a new Neonatal Hypoglycaemia guideline is currently out for consultation to be implemented within the Trust. This will be imbedded in practice after it has been ratified by Drugs and Therapeutics- pending. "Q" cards have been developed to ensure guideline is visible and teaching across the staff groups will support this.</p> <p>The results for term babies admitted to NNU</p>	Dec 2018	Vicky Garner

Aims	How will we achieve this	Measure	Progress End Q4 update	Due	Lead																										
			<p>continue to be encouraging. The Trust’s term admissions to NNU remain below the national target of 6% (our regional target is ≤5%). For quarter 4, the term admissions to NNU (represented as a percentage of total births) data is not due till middle of April, however our year to date data = 4.7% which is within the reginal and national target.</p> <p>With our data analysis, we have seen a downward trend with term admissions to NNU with hypoglycaemia.</p> <div><p><b>Avoidable Term Admissions to NICU</b></p><table><thead><tr><th>Month</th><th>Admissions</th></tr></thead><tbody><tr><td>Feb</td><td>3</td></tr><tr><td>Mar</td><td>5</td></tr><tr><td>Apr</td><td>2</td></tr><tr><td>May</td><td>1</td></tr><tr><td>Jun</td><td>2</td></tr><tr><td>Jul</td><td>2</td></tr><tr><td>Aug</td><td>0</td></tr><tr><td>Sep</td><td>1</td></tr><tr><td>Oct</td><td>0</td></tr><tr><td>Nov</td><td>0</td></tr><tr><td>Dec</td><td>0</td></tr><tr><td>Jan</td><td>0</td></tr></tbody></table></div> <p>Our Advanced Neonatal Nurse Practitioner, who is another of the programme leads, has identified that respiratory distress is another large cause of term admissions to NNU. Work has now begun to explore this as part of our overall QI ATAIN project, but presents many challenges as it is multifactorial and will require detailed analysis and multiple QI to address.</p> <p>Year to date data =47.2% (n=76) of term admissions are due to respiratory causes</p> <p>Networking at national Maternity Neonatal collaborative conference- how have other Trusts addressed this area? -Change ideas obtained</p> <p>Discussions with Local Maternity Set QI improvers for change ideas</p>	Month	Admissions	Feb	3	Mar	5	Apr	2	May	1	Jun	2	Jul	2	Aug	0	Sep	1	Oct	0	Nov	0	Dec	0	Jan	0		
Month	Admissions																														
Feb	3																														
Mar	5																														
Apr	2																														
May	1																														
Jun	2																														
Jul	2																														
Aug	0																														
Sep	1																														
Oct	0																														
Nov	0																														
Dec	0																														
Jan	0																														

Aims	How will we achieve this	Measure	Progress End Q4 update	Due	Lead
			Data collected on EL LSCS – steroids consistently for 37-39 weeks gestation (except diabetic mothers)-> future QI project Data collected on this group to assess correlation with maternal smoking- none		

### 3b. Quality improvement priority: Saving Babies Lives

There is a national ambition to halve the rates of stillbirths using the Saving Babies' Lives is a care bundle, which is designed to support providers, commissioners and professionals take action to reduce stillbirths. The guidance was developed with clinicians, commissioners, charities and royal colleges and is based on the best available evidence and supports the delivery of safer maternity care, as described by the National Maternity Review, in Better Births.

Saving Babies' Lives brings together four elements of care that are recognised as evidence-based and/or best practice:

1. Reducing smoking in pregnancy
2. Risk assessment and surveillance for fetal growth restriction
3. Raising awareness of reduced fetal movement
4. Effective fetal monitoring during labour

The care bundle approach is now a recognised and familiar way to bring about improvement in the NHS. Care bundles typically draw together a small number of focused interventions designed to effect improvement in a particular disease area, treatment or aspect of care. They exemplify known best practice in areas where current practice is unacceptably variable. When implemented as a package, evidence shows that greater benefits are achieved at a faster pace than if those improvements had been implemented individually.

Aims	How will we achieve this	Measure	Progress End Q4 update	Due	Lead
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Aims	How will we achieve this	Measure	Progress End Q4 update	Due	Lead												
By March 2020 the number of stillbirths at Poole Maternity will be reduced by 20% and by March 2030 we will reduce the number of stillbirths at Poole Maternity by 50%.	Reduce smoking in pregnancy	Percentage of women smoking at booking and smoking at the time of birth (Poole and RBH combined %) <table><tr><td>2018/19</td><td>Q2</td><td>Q3</td><td>Q4</td></tr><tr><td>Booking</td><td>14.4%</td><td>10.9%</td><td>14.2%</td></tr><tr><td>At birth</td><td>9.6%</td><td>8%</td><td>10.2% 8.8% PMU 11.5% RBH</td></tr></table>	2018/19	Q2	Q3	Q4	Booking	14.4%	10.9%	14.2%	At birth	9.6%	8%	10.2% 8.8% PMU 11.5% RBH	At Poole we are exceptionally pleased to have not only achieved the 2020 target but also the target set for 2030 by reducing the number of stillbirths by 50%. We aim to continue the excellent work already in progress. <ul style="list-style-type: none"><li>Yearly staff updates are being undertaken.</li><li>NCSCT on line training for all AN staff.</li><li>Fagerstrom assessment utilised and inpatient NRT prescribed.</li><li>Lead 'named' Consultant for SiP service.</li><li>SiP stickers placed on the notes of women who smoke.</li><li>New referral pathway for serial scans for <b>all</b> smokers.</li><li>All women at every AN contact have a CO reading taken and documented.</li><li>Risk Perception Intervention clinics by specialist SiP midwife – Baby Clear Model</li><li>12 week individualised quit programmes by specialist SiP Midwife with direct supply of NRT – Baby Clear Model</li><li>Joint third trimester SiP clinics with named consultant and specialist SiP midwife</li><li>In house twice yearly core 'MECC' training to staff (Making Every Contact Count - NHS England)</li><li>From July – Dec 2018, 97.1% who presented on</li></ul>	March 2020	Sam Dell  Claire White
	2018/19	Q2	Q3	Q4													
	Booking	14.4%	10.9%	14.2%													
	At birth	9.6%	8%	10.2% 8.8% PMU 11.5% RBH													
Risk assessment and surveillance for fetal growth	Percentage of women screened for carbon monoxide at booking (Poole & RBH combined %) <table><tr><td>2018/19</td><td>Q2</td><td>Q3</td><td>Q4</td></tr><tr><td>Booking</td><td>85.3%</td><td>97%</td><td>91%</td></tr></table> <p>Numbers of women smoking at booking that are referred to the Smoking In Pregnancy Service for help to quit</p> <p>Number of women who engage with the Smoking in Pregnancy Service for help to quit</p> <p>Number of successful quits</p> <p>Numbers of women who have carbon monoxide testing when they attend hospital with reduced fetal movements</p>	2018/19	Q2	Q3	Q4	Booking	85.3%	97%	91%								
2018/19	Q2	Q3	Q4														
Booking	85.3%	97%	91%														
Raise mothers awareness of the importance of reduced fetal movement																	
To raise staff awareness																	

Aims	How will we achieve this	Measure	Progress End Q4 update	Due	Lead
	<p>across all disciplines of the saving babies lives project</p> <p>Ensure effective fetal monitoring during labour</p>	<p>Assess staff knowledge through survey monkey before and after introduction of the Saving Babies Lives Care Bundle</p> <p>Percentage of staff who have had CTG training and passed a classroom based competency test</p>	<p>ANDA with reduced movements had a CO monitoring recorded on Medway.</p> <ul style="list-style-type: none"> <li>• Ongoing project work is being undertaken re NRT prescribing and direct supply at the point of CO test and ANDA care.</li> <li>• Participation in incentive voucher research for pregnant smokers</li> <li>• Ongoing project work being undertaken for direct supply NRT to partners and family members who smoke</li> <li>• Ongoing project work to E-Cigarette starter vouchers to the pregnant smoker, her partner and family members who smoke</li> <li>• 6monthly Audits of GROW uptake for learning purposes. Next due June 2019.</li> <li>• Monthly case reviews of missed SGA cases are being undertaken.</li> <li>• Annual data currently being audited for missed SGA cases and to be presented at clinical governance.</li> <li>• New 3rd trimester Midwife sonography clinics have been commenced to reduce waiting times for USS, and improve correct interpretations of plots and findings.</li> <li>• GROW policy being updated to include serial scans 3 weekly as per GROW recommendations for best practice. Currently it is undertaken 4 weekly. This is to reduce the unexpected IUGR rates</li> </ul>		

Aims	How will we achieve this	Measure	Progress End Q4 update	Due	Lead																												
			<div><ul style="list-style-type: none"><li>Poole Kicks Count app introduced and to date there have been 1003 unique accesses.</li></ul></div> <div>Text link opened and accessed in 2018 Jan -Dec</div> <table><tr><td>GROW AUDIT</td><td>Sept 2015</td><td>Jan 2016</td><td>Sept 2016</td><td>sept 2017</td><td>March 2018</td><td>Dec 2018</td></tr><tr><td>IGC in notes</td><td>98%</td><td>100%</td><td>100%</td><td>100%</td><td>100%</td><td>100%</td></tr><tr><td>Correct interpretations of Plots</td><td>76%</td><td>64%</td><td>74%</td><td>86%</td><td>84%</td><td>86%</td></tr><tr><td>Minimum of 6 SFH measurements</td><td>30%</td><td>48%</td><td>58%</td><td>94%</td><td>88%</td><td>87%</td></tr></table> <div>Survey monkey results showed high percentage 98% of all staff levels fully understood/had awareness of the 4 elements of Saving babies lives, Staff reported that Smoking in pregnancy was the element they had the least knowledge in which has been addressed in the yearly mandatory updates and the awareness for the CO testing projects has been widely acknowledged in Poole.</div> <div>81% of all staff have undertaken CTG training and Questions- Ongoing training and updates being undertaken for all staff yearly</div>	GROW AUDIT	Sept 2015	Jan 2016	Sept 2016	sept 2017	March 2018	Dec 2018	IGC in notes	98%	100%	100%	100%	100%	100%	Correct interpretations of Plots	76%	64%	74%	86%	84%	86%	Minimum of 6 SFH measurements	30%	48%	58%	94%	88%	87%		
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IGC in notes	98%	100%	100%	100%	100%	100%																											
Correct interpretations of Plots	76%	64%	74%	86%	84%	86%																											
Minimum of 6 SFH measurements	30%	48%	58%	94%	88%	87%																											

### 3c. Quality improvement priority: Safety Culture (SCORE – Safety, Communication, Operational Reliability and Engagement)

A poor safety culture does not support quality improvement. Understanding the challenges and positives of any health safety culture will allow for quality improvement to be appropriately applied and sustained.

Aims	How will we achieve this	Measure	Progress END Q4 2018/2019 update	Due	Lead
To improve SCORE by 40%, by January 2020, through the use of a Safety Culture Assessment Tool.	<ul style="list-style-type: none"> <li>Assess current level of safety culture</li> <li>Highlight areas within safety culture where improvement is required</li> <li>Increase knowledge and awareness of safety culture</li> <li>Gain experience in utilising a tool to assess safety culture</li> <li>Utilise feedback so that future safety improvements will be effective</li> </ul>	<p>SCORE survey completed by a minimum of 40% of staff in March 2018.</p> <p>SCORE survey to be repeated in December 2019.</p> <p>Although the measure is the result of the SCORE survey which is due to be repeated, there is greater value in qualitative results which are more difficult to measure. The challenge is to identify how this is best captured.</p> <p>A safety culture is not a quality improvement project that should have a finite time. It is a continuous and ever evolving concept which should be established as the norm.</p>	<p>We are in wave 1 of the Wessex Safety Culture quality improvement project. The SCORE survey results have been shared with senior midwifery management and focussed debriefing sessions have been undertaken with staff on prioritise hot topics.</p> <p>Information from debriefing sessions and solutions generated by staff have been and will be used to:</p> <ul style="list-style-type: none"> <li>Issue 'you said, we did posters' with a third element of 'your contribution' added to empower staff, recognising that everyone has a role in a safety culture</li> <li>Provide structured feedback to ward leads for areas to focus on for improvement, emphasising staff well being</li> <li>Regain momentum with RCM 'Caring For You' campaign</li> <li>Develop and launch a 'Poole Safety Culture Toolkit' to raise awareness and give staff the necessary tools to contribute to a safety culture</li> <li>Develop a programme for Labour Ward maternity support workers with rotation to other maternity wards to develop skills, confidence, competence and inter-departmental communication</li> <li>Develop a set of maternity wide values to promote civility, psychological safety, human factors, etc. which will tie in with the toolkit</li> </ul>	January 2020	Vicky Garner



#### 4. Quality improvement priority – Nutrition

**To develop the nutritional assessment and monitoring processes for all patients ensuring that assistance at mealtimes is available if required. Patients requiring assistance are known.**

Aims	How will we achieve this	Measure	Progress End Q4 update	Due	Lead
For all adult in-patients to have a malnutrition universal screening (MUST) assessment within 24 hours of admission.	To introduce an electronic 'MUST' Nutritional assessment tool (eNA)	% compliance of adult in-patients having a completed assessment within 24 hours of admission.	eNA matrix launched 13/3/19 ensuring appropriate access for HCAs and therefore allowing all staff to complete MUST assessments. Ongoing ward checks and ad hoc training to those areas with poor compliance continuing.		Catherine Jones
To ensure that all patients have the necessary help and support to enable them to eat and drink whilst in hospital.	Develop and expand the mealtime's companion programme.	The number of mealtime companions having completed training.	Q4 Ward Watch results indicated 85% compliance of adult inpatients having a completed assessment within 24 hours of admission. This is a significant drop from Q3.		Camila Collins/ Hilary Hall
	Increase the number of trained mealtime companions	The number of wards who have access to mealtime companions.	Ongoing eNA MUST training included with NG/Gastrostomy training and Trust wide sessions booked in Q1 to support staff due to poor compliance.		Jenny Williams/ Joy Janati
To ensure clear signage is available to guide staff in individual patient nutrition and hydration needs.	Introduce new 'over bed' signposting for patients who need assistance with meals and fluids.	Number of wards with signage.	Two sets of supine hoist weighing scales have been ordered, awaiting delivery in Q1.		Denise Richards
	Pilot on one ward (E3 Trauma ) Roll out once pilot reviewed	Staff satisfaction with signage.	Training provided for volunteer mealtime companions on 14/3/19. Further training booked in Q1 and for October		
		Adverse incidents connected with lack of signage.			

## 5. Quality improvement priority – Improving Mental Health patient pathways for patients

In 2017 the Trust held a workshop to explore the care of patients with mental health illness. This work recognised the importance of providing care that embraces mental health as part of a person's full health picture and the importance of parity of esteem for mental ill health. It was acknowledged that some frontline staff can feel underprepared to care for patients presenting with acute mental health crisis alongside acute physical illness and that this was a key area for further development.

Within Dorset the CCG Clinical Services Review has established new models of mental health care which are being implemented alongside plans supporting the NHS Five Year Foreword View for mental health. Poole Hospital is a partner in this work and has already been engaged with work in the support of the development of these services locally whilst strengthening care to patients with mental illness who require acute hospital care.

Aims	How will we achieve this	Measure	Progress End Q4 update	Due	Lead
For mental health to have parity of esteem with physical health.	To develop a trust Mental Health Strategy.	Mental Health Strategy developed and agreed in the Trust.	Mental Health Strategy in draft The Mental Health Strategy - Plan on a Page has 7 work streams; 1. Developing a Governance Framework. 2. Staff capacity and Knowledge 3. Therapeutic and safe environment. 4. Suicide prevention 5. Access to all age specialist services 6. Supporting Staff. 7. Supporting Patients and families.	1.10.19	Denise Richards
Implement the Dorset CCG Suicide Prevention Action Plan in support of the National Suicide Prevention Strategy	Develop local action plan.  Raise awareness of suicide and suicide prevention.  Work with Occupational Health and managers to provide sign posting and support for staff in	Action plan in place and named lead identified.  Training and staff awareness events provide opportunities to learn about suicide prevention and support routes.  A range of support mechanisms and communication of these can be demonstrated.	Action plan in place	31.3.19	Denise Richards

Aims	How will we achieve this	Measure	Progress End Q4 update	Due	Lead
	distress.				
<p>Deliver on the Mental Health CQUIN</p> <ol style="list-style-type: none"> <li>1. Sustain the reductions in ED attendance achieve in 2017/18 for the selected cohort of frequent attenders.</li> <li>2. Reduce the total number of attendances to ED by 10% for all people with primary mental health needs.</li> </ol>	Partnership working with Dorset University Healthcare NHS FT, mental health teams.	<ol style="list-style-type: none"> <li>1. Number of attendances of patients in the cohort.</li> <li>2. Number of attendances overall.</li> </ol>	<p>In Q1 18/19 there were 121 attendances from the original cohort of patients compared to 345 for Q1 16/17. This is a 64.9% reduction</p> <p>In Q2 18/19 there were 105 attendances from the original cohort of patients compared to 378 for Q2 16/17. This is a 72.2% reduction for the Quarter.</p> <p>In Q3 18/19 there were 96 attendances from the original cohort of patients compared to 330 for Q3 16/17. This is a 70.9% reduction for the Quarter.</p> <p>In Q4 18/19 there were 104 attendances from the original cohort of patients compared to 200 for Q3 16/17. This is a 48% reduction for the quarter.</p>	31.3.19	
For staff to have increased confidence to care for patients in mental health crisis	Developing training programmes in partnership with mental health partners.	<p>The number of staff completing the training.</p> <p>The number of staff who report feeling more confident to care for patients in mental health crisis.</p>	<p>Training data</p> <p>Staff survey</p>	31.3.19	

## 6. Quality improvement priority – Medication Safety

### Quality priority :

Medication safety is a serious issue. WHO launched a Global patient safety challenge on 'Medication without harm' which aims to reduce the level of severe avoidable harm related to medications by 50% over 5 years globally. Jeremy Hunt in a speech on 23rd Feb 2018 said medication errors 'is a far bigger problem than generally recognised, causing appalling levels of harm and death that are totally preventable'. A Pharmacist intervention audit showed from data collected on one day across all the wards in January 2018, there were 360 Pharmacist interventions.

The trust has focussed on ensuring structures are in place for 2018-19 to pro-actively manage medication safety. Medicines Safety Group will be re-instated to develop, evaluate and monitor process to ensure safe use of medicines within the trust..

The medication safety and governance pharmacy team has been putting in mechanisms in place to support the culture changes through Directorate groups as well as Medicines optimisation group so that medication safety agenda is not reactive and dependent on resources but is an integral part of everyone's role.

Aims	How will we achieve this	Measure	Progress End Q4 update	Due	Lead
1. To introduce electronic prescribing and admiration (EPMA across the Trust)	EPMA project team will oversee effective implementation on the wards.	EPMA rollout will ensure a reduction in incidents around omitted doses, transcription errors and increase compliance to medication policy and treatment logarithms as well as formulary adherence.	Roll out on 19 ward areas complete		Chief Pharmacist/ Nick Bolton
2.To improve understanding of medication incident themes and ensure actions are developed and delivered to address them	Monthly reporting of medication and controlled drug incidents of Datix.  Discussion at Medicines Safety and Directorate Risk Meetings and oversight by Medicines Optimisation (MO) Group. Quarterly Medicines Optimisation	Decrease in number of medication errors. Themes identified of reported medication incidents causing severe of moderate harm. Evidence of actions taken in minutes ensuring medication	Medication error themes for Jan, Feb and March 2019 shared at Medicines Optimisation and Risk Management Group.  Controlled drugs audits for Oct 2018 and Feb 2019 completed. The structured CD audit reports have been fed back to senior nursing staff, as well as directorate risk		Medication Safety Officer/ Medication Safety and Governance lead Nick Bolton/ Dr R R

Aims	How will we achieve this	Measure	Progress End Q4 update	Due	Lead
3. To improve learning and sharing from incidents.	<p>reports to HEG. Shared learning at the DoN, ward leads meetings</p> <p>Medication Safety themes discussed at Medicines Safety, Optimisation and Risk Management Group. Identified top three areas of medication safety and address shared learning through screensavers. Explore further mechanisms of disseminating shared learning.</p>	<p>safety and share learning with Medicines Optimisation Group members.</p> <p>Implement one key message per month per screensaver and monitor impact by way of reduction in number of repeat medication and controlled drug incidents.</p> <p>Decrease in repeat medication incidents.</p>	<p>meetings to ensure visibility by general management and senior clinician teams. The CD audit findings have been reviewed by the CD Accountable and where wards are non-compliant an action plan has been requested in line with Trust CD Policy.</p> <p>Medicines Safety Group re introduced in April 2019, CCG membership is part of TOR.</p> <p>Evidence of Datix shows reduced incident numbers to be near misses.</p> <p>There has been a decrease critical medicine incidents. Learning from incidents involving missed doses of critical medicines has been shared at Director of Nursing and Ward Leads Meeting on 24<sup>th</sup> Jan 2019.</p> <p>EPMA reports on missed doses are being monitored for future training needs for ward teams and to minimise delays in administration.</p>		<p>Gandecha</p> <p>Medication Safety Officer/ Medication Safety and Governance lead. Nick Bolton/ Dr R R Gandecha</p>
4. Improve safe storage standards are met for medicines.	<p>Regular Peer reviews. Medicines Management audits Audit results discussed at NMG and with matron, sisters and nurses in charge.</p>	<p>Reduction in Datix incidents around safe storage of medicines</p>	<p>Storage, Record Keeping and Governance of Controlled Drug legislation update and shared learning took place at DoN and ward lead meeting on 24<sup>th</sup> Jan 2019</p> <p>Storage review will be aligned with new RBSGB storage standards framework (work in progress). Shared with estates teams to ensure all newly purchased</p>		<p>Chief Pharmacist/ Medication Safety Officer/ Medication Safety and Governance lead. Nick Bolton/</p>

Aims	How will we achieve this	Measure	Progress End Q4 update	Due	Lead
5. To improve management of Controlled Drugs and ensure all legislative requirement are met.	Monitor adherence to updated Controlled Drugs Policy. Controlled drug audit implemented every 4 months. Daily CD checks. Quarterly CD NHSE reporting tool	Reduction in Datix incidents around discrepancy in CD running balance and around Governance and Record keeping.	<p>medicines cabinets meet BS3621 or BS2881 All mitigations and controls are being put in place from CQC identified actions such as safe storage of medicines and review of anaesthetic medicines are drawn up and ensure temperatures are recorded for ambient room temperature appropriately.</p> <p>Evidence of CD Datix errors shows a reduction in Q4 compare to Q3. RAG rated dashboard has been put together to monitor improved compliance across all wards.</p> <p>Quarter 4 CD incident reports in the process of being compiled ready for submission to NHSE. Incident numbers have decreased in Quarter. Detailed action plans in place where incidents occur (ongoing). CD LIN reports submitted, attendance at CD LIN by Chief Pharmacist.</p>		<p>Dr R R Gandechea</p> <p>Chief Pharmacist/ Medication Safety Officer Medication Safety and Governance lead Nick Bolton/ Dr R R Gandechea</p>

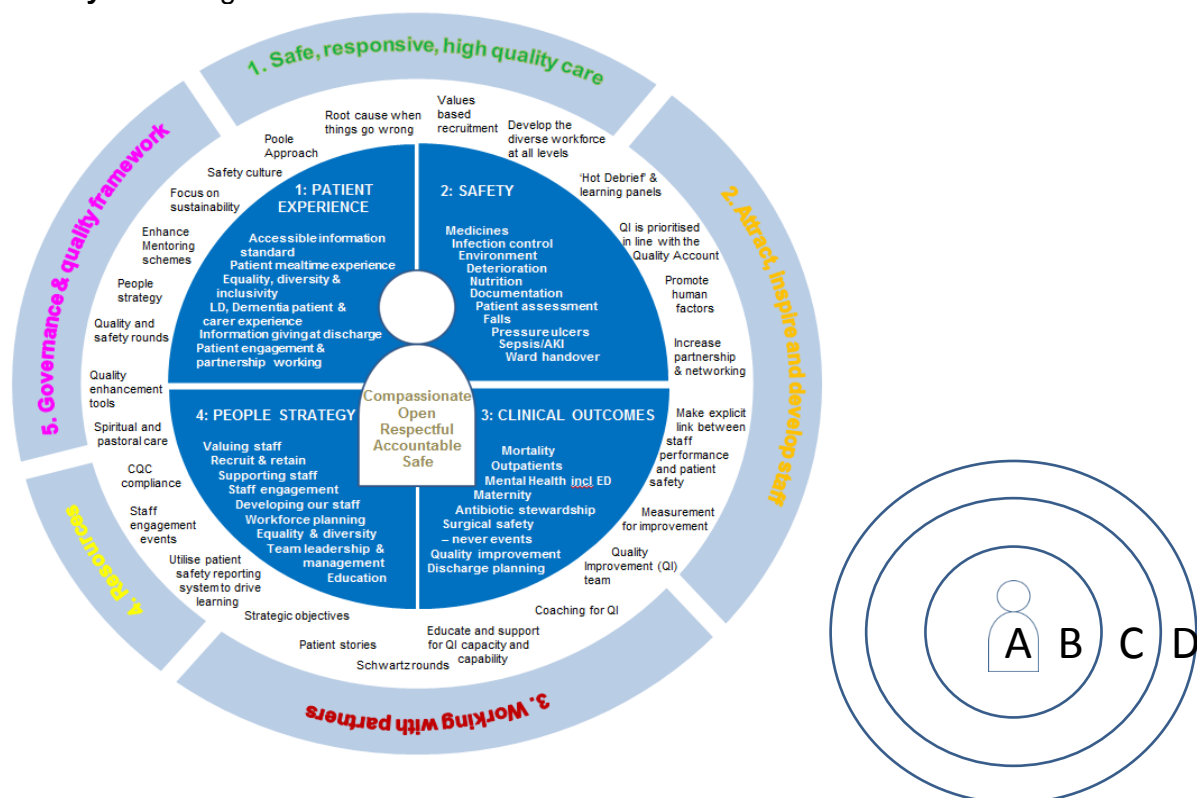
## 2.2 GOVERNANCE ARRANGEMENTS - MONITORING OUR PROGRESS

The Trust's overall vision is to deliver excellent patient centred emergency and planned care. This vision is underpinned by the Trust's values – The Poole Approach, and delivered through the five key strategic objectives:

- Deliver safe, responsive, high quality care.
- Attract, inspire and develop staff
- Work with partners to develop new models of care and reconfigure services so that clinically and financially sustainable arrangements are in place across Dorset
- Ensure all resources are used efficiently, effectively and economically to deliver key operational standards and targets
- Be a well governed and well managed organisation that operates collaboratively with local partners

Our Quality Strategy is designed to support the achievement of the strategic objectives, but specifically ensures that safe, responsive, high quality care is delivered through robust quality governance arrangements. This is supported by the Trusts most recent CQC rating of 'good' in January 2018 which reflects the Trusts ability to grow and improve. The relationship between our values, strategic objectives and quality priorities are expressed within the Quality Wheel; Figure 1 below.

Quality Wheel fig 1.



- A. Aim
- B. Quality Improvement
- Priorities
  - National
  - Local
- C. Quality journey
- D. Strategic priorities

Our quality progress and achievements are monitored via the Quality, Safety and Performance Trust board sub-committee, chaired by a Non-Executive Director. The clinical care groups also produce a quarterly quality report that supports the achievement of our quality strategy and quality improvement goals.

External bodies, Commissioners, members of overview and scrutiny committees including Health Watch and patients representatives are all actively involved in monitoring quality at Poole hospital and have visited areas across the Trust accompanying the director of nursing, the medical director and matrons on rounds and visits. They have heard first-hand from patients, their families and friends about the care and treatment being given. They have also talked to staff about their views and experiences.

Progress following these discussions is monitored through the key quality improvements set out earlier in this report. During each year we engage regularly with our external Overview and Scrutiny bodies, Health watch and Trust Governors who all contribute to the quality monitoring process and identification of ongoing quality improvement goals/indicators.

The Trust's quality priorities are arranged within the domains of quality; safety, patient experience and effectiveness (clinical outcomes). High quality care can only be achieved when all three of these domains are present equally and simultaneously. Additionally we recognise the fundamental role that our staff play in delivering high quality care and our people strategy therefore forms the fourth domain of our quality strategy.

Individual priorities within each domain are derived from the national guidance and triangulation of internal data from a variety of sources including patient feedback, external stakeholders, regulators, governors and incident reports.

#### 2019/20 New quality improvements

- Falls – rolled over from 2018/19;
- Pressure ulcers – rolled over from 2018/19;
- Nutrition – rolled over from 2018/19;
- Mortality- Learning from deaths- new for 2019/20
- Communication with patients – new for 2019/20
- Infection Control Catheter related UTI new for 2019/20 (Governors' choice)

### 2.3 Associated risks

A number of key risks have been identified on the Trust's risk register that link to the quality improvement programme and the actions required in resolving these risks are also supported by the improvement topics above. An example of the type of risks is; Pressure Ulcer development and/or deterioration of existing ulcers. All risks are closely monitored.

The Trust is fully committed to complying with the national guidance with regard to the 'Duty of Candour'. The Trust has a policy which links the duty of candour with the principles of 'being open' to provide a continuum of dialogue with patients and families in support of an open, honest and transparent culture. An annual audit of compliance with the duty of candour is carried out. For 2018-2019 a very high level of compliance was achieved ensuring patients were informed appropriately of a patient safety incident.



The Trust does not rely solely on its own monitoring processes to confirm progress against these significant improvement challenges. A number of internal and external audits are commissioned each year to provide external assurance and recommendations against our quality improvement plans. The Trust also participates in a considerable number of national clinical audits and has an active clinical research programme. Details can be found further on in this report.

## **2.4 Freedom to speak up**

The Trust has a number of 'Freedom to speak up guardians' and currently the role is under review to ensure that sufficient time is being allocated. The Trust's lead guardian attends the monthly induction course to raise awareness of the role. The key messages delivered during the session include; the guardian role provides support and encourages staff to 'speak up' if they have concerns about safety, quality and issues that have a trust wide impact.

Speaking up is vital to continue to improve the services that the Trust delivers to patients and the working environment for staff. The guardian role provides the opportunity for staff to raise any concerns they may have, if following discussions with the line manager they feel their concern has not been addressed.

Staff can contact the guardians by telephone or by completing the raising concerns at work form that is an appendix of the Trust's raising concerns procedure. This form advises staff that it will be used by the guardian the concern is being raised with to help them to decide on the most appropriate form of action. The form gives the member of staff the option of not disclosing their name or state where they work if they wish to remain anonymous, however, this will mean that feedback is unable to be provided.

The guardian provides support throughout the process as required and ensures that staff who do speak up do not suffer a detriment. The guardian will ensure that the member of staff is kept fully informed of how their concern is being addressed and will facilitate any meetings that may be necessary. Details of how to contact the guardians is available on the intranet and over 100 posters have been displayed throughout the trust giving the contact details of the lead guardian.

## **2.5 OTHER QUALITY IMPROVEMENTS**

### **Bowel scope service to screen more patients**

The Dorset Bowel Cancer Screening Programme (DBCSP) has incorporated a new extended service that will serve more of the county's population.

The programme previously only served those aged 60-74 but now men and women aged from 55 will benefit from the complementary bowel scope programme.

The Dorset Bowel Cancer Screening Centre is based at the Trust, with satellite screening sites at the Royal Bournemouth and Christchurch, Dorset County, Wimborne and Swanage hospitals.

The new programme is the first of its kind in the Wessex region to be fully rolled out and only the second in the south of England. Cancer Research UK says that more than 90 per cent of bowel cancer patients will survive for more than five years if they are diagnosed at the earliest stage and expanding our service will help more local people benefit from an early diagnosis.

## **Putting an end to PJ paralysis**

This year saw the launch of our participation in the national 'end PJ paralysis' campaign, an initiative that aims to help patients up, dressed and home from hospital sooner and fitter. End PJ paralysis encourages patients to remain as active and independent as possible while in hospital. Studies show that bed rest can result in a loss of strength and prematurely age muscles for some older patients.

The campaign is part of activities to mark 70 years of the NHS, and nationally hopes to 'give back' to patients one million days that would otherwise be spent in a hospital bed over the next 70 days. The concept was trialled on wards A4 and A5 in March last year, introduced by physiotherapists Lianne Downs and Sammy Reed. The duo received an Innov8 award this week, presented by Jackie Coles, deputy chief operating officer, in recognition of the impact the idea has had there.

The end PJ paralysis ethos is also now in use on Kimmeridge, Portland, E3, B2 and B3. Patricia Reid, director of nursing, said home is very often the right place for a patient to be. "There is an abundance of evidence in medical literature against spending too much time in bed, some of it dating back to the 1940s," she said. "Depending on a patient's age, 10 days of bed rest can age muscles by up to a decade, while just a week can lead to a 10 per cent loss in muscle strength. "Ending PJ paralysis is about supporting patients to return to their normal functional levels so they can get home sooner."

## **Poole Consultant in UK first**

Congratulations to Professor Jonathan Cole, consultant in clinical neurophysiology, who has recently been elected chair of the executive committee of the Europe, Middle East and Africa chapter of the International Federation of Clinical Neurophysiology (IFCN). This effectively makes him president of European Clinical Neurophysiology and is the first person from the UK to receive this honour. The role entails responsibility for day to day running of the chapter, financial support to workshops and meetings in his patch, organising the European Congress and for furthering initiatives to improve training and education, together with a five person committee.

Clinical neurophysiology is concerned mainly with the diagnosis of diseases of peripheral nerve, muscle and of the brain, such as epilepsy. The department at Poole Hospital has three consultants, six highly specialist clinical practitioners (HSCP) and six other support staff. It works closely with neurologists, paediatricians and orthopaedics, and many others. The department also has specialist interests unusual in a district general hospital, including international standard visual and retinal tests, and laryngeal EMG for voice disorder (with our ENT colleagues).

The service has been at the forefront of HSCP-led clinics, and recently introduced home video/ambulatory EEG, which has proved very popular with patients who previously may have needed in-patient monitoring.

## **Rita shortlisted for national diabetes award**

Rita Smith, diabetes specialist dietitian, has been shortlisted for the Diabetes UK national diabetes AHP/nurse specialist researcher award thanks to a three-year long evaluation project. Rita's project focused on the impact that differing attendances at the diabetes clinic had on clinical outcomes, admission rates and diabetes-related complications.

Her work found that engaging young people with diabetes transition teams is leads to better clinical outcomes. The project encouraged teams to consider using outreach techniques to help those who don't attend services regularly. The findings were presented at this year's Diabetes UK Professional Conference at the Excel Arena, London last month. Rita's presentation has helped to showcase the excellent work taking place at the hospital and has since been approached to submit her work to the national diabetes 'Quality in Care' awards later this year.

### **Major investment for radiotherapy services**

The Trust has been awarded £1.7 million to replace its oldest linear accelerator (linac). This will mean less disruption, greater efficiency, shorter waiting times, and an overall increase in the number of patients able to receive treatment each year. There are around 36,000 radiotherapy attendances at the hospital every year, which means that our linac machines are some of the busiest in the country. Whenever a machine breaks down, it disrupts treatment and places great pressure on our staff, all of whom then go to enormous lengths to maintain the service.

The funds have been awarded by NHS England, as part of the national Radiotherapy Modernisation Programme. This investment is good news for both patients needing radiotherapy treatment and for the staff who are committed to providing a high standard of care. We are preparing a mobilisation plan to ensure that the new equipment is operational during the current financial year.

### **Pharmacy and clinical teams save more than £1 million**

More than £1 million has been saved on drug expenditure by our pharmacy department and several clinical teams in the last financial year. Pharmacy worked with rheumatology, gastroenterology, haematology and oncology teams to implement a new national cost and resource saving scheme. The NHS Improvement-led 'Operational Productivity and Performance in English NHS acute hospitals: Unwarranted Variations 2016' asked acute hospitals to identify where they could switch from high-cost branded medicines to biosimilar and generic medicines that are as safe and equally effective while more financially viable.

The success meant the hospital exceeded its initial savings target by 123 per cent and achieved a total of £1.14 million in savings, and more patients are now being treated within the same financial resource. There has been a release of extra resources nationally and more than £324 million has been saved nationwide. Ellen Sinden, pharmacist, said: "It's fantastic that we can now treat more patients more cost-effectively while being just as safe and efficient. "I would like to say a big thank you to all the clinical teams involved.

### **Critical care project - special boxes given to children**

A project which aims to help children come to terms with the loss of a parent has helped nearly 10 families. Memory boxes are small containers that are filled with items intended to evoke happy memories of a deceased mother or father. They are offered to parents on our critical care unit when it has been confirmed that a patient will not recover from an illness or injury.

The contents of the boxes are provided by the unit and include books that help introduce the concept of bereavement to younger children and journals for teenagers to use as a space to express feelings as well as teddies, which often have clothes knitted in different colours such as a favourite sports team. Two identical teddies, one for the adult and one for the child, are offered so that the child's teddy can stay them after their death to create an everlasting bond.

Children are also encouraged to add in objects of their own such as perfume, jewellery, photographs, drawings and letters. The scheme started just over a year ago when a patient on the unit, who had very young pre-school children, died suddenly and staff wanted to do something for her children. Initially staff created their own memory boxes with help from the hospital's children's unit who have a similar initiative that helps grieving parents. Now the boxes are purchased from childhood bereavement charity, Winston's Wish, as the unit staff liked the design of the boxes they offered. The boxes are bought empty from the charity and the contents are still provided by the staff and the patient's family. The funding for the boxes came from a £200 donation by a former patient and approximately £500 has now been donated by charitable contributions.

Suzanne Charles, a sister on the unit, is one of four members of staff involved with the project. "Memory boxes are an extension of the care that we give and can be a positive moment on what is a devastating and upsetting time," she said. "I gave memory boxes to three children recently who had lost their mother and they threw them open and were thrilled to bits. "They left clutching them tight."

### **Pharmacy unveils new robot**

The pharmacy has officially unveiled a prescription dispensing robot that is the first of its type in the UK. The robot is part of a £650,000 five-month refurbishment and members of key partner organisations from as far as Italy attended the official opening event in May. The robot boosts the efficiency, accuracy and speed in which prescriptions are distributed to inpatients, improves medication safety by reducing errors and is projected to reap a financial and an environmental benefit by reducing wastage of expired stock.

The robot can store up to 28,000 items and has two autonomous arms that load and unload medicines for circulation around the hospital. These arms can dispense 200 items in an hour and the robot also has the ability to check expiry dates by reading barcodes on the packaging. This all means decreased waiting times for inpatient prescriptions resulting in a quicker turnaround in bed availability for new inpatients. Dena Godward, chief pharmacist, said: "We're already seeing changes from the robot and we have reduced our turnaround time for discharge prescriptions by 15 minutes. "Patient safety, staff morale and our processes have all improved under this project

### **Staff put carers in the spotlight**

Carers support lead Karen Uphill was on hand in the dome last week to answer questions and meet visitors during Carers Week. Karen, with Lynsey Moore, our dementia education lead, handed out information leaflets and discussed the resources available to carers visiting the hospital, supported by volunteers and staff from the department of medicine for the elderly during the course of the week.

"It was great to meet so many people and offer advice and support to carers," said Karen. "Often the carer is the expert in a person's care, and provide invaluable information to ward staff that can help reduce how long someone needs to stay in hospital, for example encouragement at mealtimes. "It is vital that carers are fully involved in the care we provide, and in helping us to ensure we offer the right support to them, whenever it's needed." For more information on the carers support service contact Karen on ext 8714 or email

## **'Major milestone' for cancer patients in Dorset**

The keys to the new £9 million radiotherapy building at Dorset County Hospital were handed over- 'The Robert White Treatment Centre', has been funded in part by an extraordinarily generous legacy from Poole businessman Robert White, which, together with NHS funds secured by Poole Hospital will provide a range of radiotherapy services on the site. As part of this project, Dorset County Hospital Charity is funding an outpatient department for all cancer patients above the new radiotherapy facility.

The building acts as a satellite centre of the Dorset Cancer Centre, which is based at Poole Hospital and will significantly reduce the journey time that people in the north, south and west of the county currently face in travelling to Poole for vital radiotherapy treatment. Karen Bew, acting general manager oncology, Poole Hospital, received the key to the building on the 15 June. "The handover of the building represents a major milestone for us in the provision of cancer services which will improve care for all our patients and their families battling cancer," said Karen. "It's also an important to recognise the extraordinary generosity of Robert White who's legacy has made such a huge difference by providing funds for this much-needed cancer centre."

The first radiotherapy patient was subsequently treated at the new Robert White Centre in January 2019. It is a satellite of Dorset Cancer Centre's radiotherapy department, which is based at this hospital and staff are now working across both sites in a collaborative effort.

The unit is equipped with the latest linear accelerator which enables patients to receive the best-possible radiotherapy treatment. This means that cancer patients in the centre and west of the county can receive this care in their local hospital, instead of having to travel to Poole for treatment. Robert White was treated at the Dorset Cancer Centre before sadly losing his battle with cancer in November 2015.

## **Jo provides resources to support young adults with diabetes**

Jo Dalton, diabetes transition nurse, has been involved with a new website that aims to provide patient education for young adults with diabetes. 'DigiBete' was created by the paediatric diabetes team at Leeds General Infirmary and some of Jo's lesson plans and resources are to be added to the '16+ years' pages on the website.

Jo talked about the improvements in the Young People's Diabetes Service since she started in December 2014 at a recent national conference and has been asked to talk at another conference in October, specifically about the clinic initiative at Bournemouth and Poole College. The lesson plans she has written over the past two years for this monthly drop-in diabetes education session will soon be added to the national diabetes website, which is great news for our young people's diabetes team. You can visit the website at <https://www.digibete.org/>

## **X-ray service focusses on dementia**

Our radiology department has introduced new ways of ensuring x-ray examinations are more comfortable for patients living with dementia. From booking in patients with dementia at less busy times, to changing a patient's clothes in the x-ray room rather than a separate changing room, to thoroughly preparing all equipment beforehand and decreasing the number of staff involved and working more closely with a patient's carers, staff have adopted a range of new practices to support patients with the condition.

The results are a calmer and more reassuring environment so the examination can be undertaken with the least possible distress to the patient. Some patients who may have previously become distressed during examinations are now being scanned with very little discomfort. As well as in x-ray, the entire radiology team - including the CT, MRI, ultrasound and breast screening departments – have all committed to undertaking dementia awareness training and are sharing the x-ray team's innovations to benefit even more patients.

Lynsey Moore, dementia nurse specialist, said: "I'm very pleased that these new ways of working have been introduced into our x-ray examinations and are a real step forward." Tracey Tuskin, senior radiographer and dementia champion for the x-ray department, added: "I'm really pleased that we've been able to improve our service for people living with dementia.

### **Nurses providing complex procedure for first time**

Waiting times for a complex diagnostic test for some neurological conditions are set to tumble. Patients requiring a lumbar puncture can now be seen by a nurse, performing a role traditionally provided by a doctor, on our medical investigations unit.

A lumbar puncture is used to take a sample, or measure the pressure, of fluid in the spinal cord. It can help in the diagnosis of conditions including multiple sclerosis and pressure-related headaches. From July, the procedure is now offered by senior nurse, Sister Joy Peeke, who has undergone months of training from doctors specialising in neurology at the hospital, led by Dr Amy Ross Russell.

Waiting times for non-urgent lumbar punctures have been around two months – now patients can have the test in just two weeks. "We're driven to improve our practice on the unit every day," said Joy. "Offering lumbar punctures is a further extension of the extended roles nurses perform here. It means that not only can patients be seen and diagnosed sooner, but doctors can focus on giving the expert care they provide." Amy, who joined the hospital last year, says she was keen to introduce the service here, having seen it work well elsewhere.

### **Saskie's story wins national award**

Joe's story wins prestigious national award. 'Joe's Liver Transplant Story' was the winner in the Information for Children category at last month's British Medical Association's annual Patient Information Awards.

The book was written by Dr Saskie Dorman, a consultant in palliative medicine, during her son Joe's recovery from a life-saving liver transplant in 2015. Saskie was inspired to write the story after not being able to find a book to read to Joe about his transplant. It was described by judges at the awards as "a unique resource – vitally important in explaining a life changing massive operation to young children."

The book was made available to the UK's three specialist paediatric liver transplant centres in London, Birmingham and Leeds in January and is now used as part of the process of preparing children for a liver transplant "As a doctor myself, providing patients with information they can understand is really important to me," said Saskie. "I'm so pleased to know that the information we couldn't find for Joe is now available to all children facing this process and to receive this award from the BMA makes it really

### **Children's unit given splash of colour with vibrant artwork**

Walls, pillars and doors on the children's unit have been adorned with decorative artwork to make the ward more welcoming for families. The bright, vivid and colourful decorations were suggested by ward staff to give the unit a friendlier and less clinical feel and were funded by donations totalling almost £4,000 from the Rotary Club of Poole, a supporter of Poole Hospital Charity.

The specially-commissioned artwork has been going up across the unit for the last few months. Karen Fernley, matron for acute children's services, said how positive the reaction has been. "Families have said that the decoration is a nice splash of colour that makes the ward more family-friendly," she said. "It has given the unit less of a clinical feel and an overall more welcoming experience for children." John Clement, joint president for the Rotary Club of Poole, said: "We contacted the hospital charity last year asking if there were any projects the club could get involved in and this one came up and we thought it was a great idea." "The environment of a ward is so important to a child's health and wellbeing and, for me, the whole ambience of the unit has been instantly lifted."

### **Health and social care professional's sign up to Dorset Care Record**

More than 100 health and social care professionals have signed up to the Dorset Care Record (DCR), marking a milestone for the project which aims to create a comprehensive and up to date record for every resident having treatment in the county.

DCR is an electronic record linking health and social care information from Dorset General Practices (doctors' surgeries), Borough of Poole Council, Bournemouth Borough Council, Dorset County Council, Dorset County Hospital, Dorset Healthcare University NHS Foundation Trust, NHS Dorset Clinical Commissioning Group (CCG), Poole Hospital, and Royal Bournemouth and Christchurch Hospitals to improve care in Dorset.

Information that can be shared through the system among health and care professionals includes up to date contact details and care needs, lists of diagnosed conditions, medications, allergies, tests results and referrals, clinic letter and discharge information.

### **Ultrasound machine donated to CT department**

A new £35,000 ultrasound machine has been purchased for the CT department by Poole Hospital Cancer Treatment Trust. The department previously shared one with the emergency department but the addition makes it more readily available for patients.

The machine arrived in March and helps guide radiologists with Hickman line insertions when administering chemotherapy, making the insertions safer, the chemotherapy more effective and the patient more comfortable. It can see where the blood vessels are for the Hickman line and where fluid has built up in late stage cancer so it can be drained and only one insertion per course is required.

Mandy Tanner, radiology general manager, said: "Having our own ultrasound machine is really important and it's always fantastic to have such cutting-edge technology readily available in our department. "It looks great and makes patients feel secure when they're undergoing treatment.

## **New PACT for stroke patients**

Supporting people who have communication problems after a stroke is the aim of a new group to be launched at Poole Hospital. People with Aphasia Communicating Together (PACT) supports current inpatients and those who have been discharged from hospital who find returning home challenging because of communications issues. Aphasia describes a condition in which people find it harder to understand, speak, read, write or type, and is usually caused by damage to the left hand side of the brain following a stroke or other brain injury.

Bill Lindsay had a stroke in 2011 and has been volunteering at Poole Hospital's stroke unit for the past five years. Bill, who has aphasia, put forward the idea for a support group for people like him to therapists on the unit. The group will not only support patients and former patients, but their families and carers too.

## **Diabetes service wins prestigious national award**

The young people's diabetes service has been awarded the Diabetes Team Initiative of the Year at the national annual Quality in Care Diabetes awards. The team triumphed in the 'Diabetes Team Initiative of the Year, Children, Young People and Emerging Adult' category and accepted the award at the ceremony in Guildford on 18 October. The team's initiative, 'The Poole Young People's Diabetes Service – Improving Contact, Improving Care', aims to enhance care for young people aged 15-23 years with diabetes in east Dorset.

The success of the project has seen an improvement in diabetes control in patients aged 15-23 years, with the most marked benefits in those aged 20-23. The judges at the awards said: "The judges really loved Poole Hospital NHS Foundation Trust's entry from start to finish. It was simple, answers some very tough questions and most importantly it's transferrable.

The team used their own resources and delivered some dramatic, remarkable results. Thoroughly impressive." Barry Duell, general manager for medicine, said, "I'm delighted that the team has been recognised with this award. "Everyone in the team has worked so hard and the award is very much well earned. Congratulations to all involved as we continue to give our patients the best treatment and service we can."

## **New carer and patient information hub to open**

A new carer and patient information hub will open within the new main entrance currently under construction. This will provide a central area for patients, carers and visitors to access information and advice give feedback about their experiences of being in hospital and participate in engagement events. It will also be a base for volunteers.

The hub will have three computer stations with touch screen monitors connected to the Trust website and selected resources such as My Life My Care and NHS Choices. A member of the patient experience team will be available in the centre from 10.30am-3pm on weekdays to assist with feedback and queries and to provide discharge information.

Jenny Williams, head of patient experience, is excited by the new initiative. "It has a great potential to be an engaging and interactive hub and I'm looking forward to it opening," said Jenny. "Any patient, carer or visitor who wants to discuss a concern or wants to know how to make a complaint will continue to be signposted to the patient experience centre, where we can provide a quiet and confidential space to talk."



## **Improving the quality and quantity of patients' sleep**

Sleep is important to overall health, wellbeing and healing, however it's sometimes hard to have a good night's rest while in hospital. To help patients have a comfy snooze, sleep packs comprising of an eye mask and ear plugs are now available for staff to distribute. The pack also contains tips on how to relax, rest and get to sleep quickly and comfortably.

The sleep packs are a new initiative by the patient experience team, which were co-developed with undergraduate healthcare students from Bournemouth University. Jenny Williams, head of patient experience, said: "The sleep packs are available to help our patients have a better night's sleep, improve their experience while in our care and to promote recovery. "Better rested patients are likely to return home more quickly, which will also help the hospital's bed capacity."

"Staff also have an important part to play by following simple measures to aid sleep such as, dimming ward lights and reducing the volume of equipment alarms where possible, talking quietly, reducing ring volume on ward phones and coordinating all essential patient interruptions."

## **Hospital flu team shortlisted for flu fighter award**

Congratulations to our flu vaccination team which has been shortlisted in this year's flu fighter awards. The team has been nominated in the best team category and the winner will be announced at the NHS Employers awards ceremony in March. We achieved an uptake of 90 percent for staff vaccinations and were one of the top 10 performing trusts in the country.

## **Smoking rates among pregnant women halved**

A midwife who has halved smoking rates among pregnant women under the care of the hospital has been placed second after being shortlisted from hundreds of nominations in a prestigious awards scheme. January saw Heidi Croucher named runner-up in The British Journal of Midwifery Awards in the innovation in practice scheme. She has led the smoking in pregnancy service for the past four years at the hospital, and has seen the percentage of mums-to-be who smoke under the care of midwives there fall from 16 per cent to eight per cent, three per cent lower than the national average. Still births – one of the key risks associated with smoking – have also halved in the same time to around six per year.

The reason for the success is in empowering women to understand the consequences for themselves, rather than handing out lots of literature and information. "At around 12 per cent, the smoking rate in Dorset is higher than average," says Heidi. "I use motivational interviewing – the women are the experts in themselves and they have the power to give up smoking. "I've found it isn't about leaflets and talking about risks, but about what's important to the individual."

## **Team introduce model that reduces days in hospital due to alcohol**

Jon Ashworth MP, Shadow Secretary of State for Health and Social Care, has heaped praise on our alcohol care and treatment service (ACTS) during a visit in January. Impressed with what he learned, describing it as "the model we want to see everywhere". ACTS is widely recognised for the innovative way it has dramatically reduced the number of days patients spend in hospital due to alcohol. Bespoke treatment is provided for those who are resistant to attending traditional addiction services and, overall, the team is improving the health and wellbeing of patients and

reducing demand on the hospital. What the ACTS team does is a real bit of innovation that's incredibly forward thinking and I want to see it delivered in every hospital in the country,

### **Gemma scoops maternity support worker of the year award**

Congratulations to Gemma Douglas who is the Royal College of Midwives (RCM) Maternity Support Worker of the Year for 2019. Gemma, a trainee nursing associate, fought off competition nationally to claim the prestigious award at the RCM Awards 2019 in London on Tuesday evening (5 March). The award recognises the importance of maternity support workers in providing holistic care to women and their families. Gemma herself orchestrated a new project called 'Time Out' which provides support to those suffering anxiety as they wait for induction of labour.

### **Enhanced gynaecology unit officially opened**

The Harbourside Ambulatory Gynaecology Centre has undergone an extensive refurbishment, which will provide additional treatment bays and reduce waiting times. The ten-week renovation is part of a £1 million investment programme, financed by national capital funding, to increase capacity and flow by reconfiguring several departments. These latest improvements will provide the women of Dorset with expert gynaecology services in a dedicated, purpose-built unit providing patients with faster access to treatment.

The refurbished centre has been in use since 4 February and was officially opened on Friday (15 March) by BBC South Today presenter and advocate of women's health campaigns, Sally Taylor.

### **Stroke team receive top marks for quality and organisation**

Congratulations to the stroke team which has achieved a grade 'A' in the Sentinel Stroke National Audit Programme (SSNAP) – the highest mark possible for the quality and organisation of stroke care.

The grade was awarded for the quarter between October-December 2018 and is a result of the ongoing hard work of all members of the team. SSNAP is a major national healthcare quality improvement programme with the aim of providing timely information to clinicians, commissioners, patients, and the public on how well stroke care is being delivered so it can be used as a tool to improve care.

## **2.6 STATEMENTS OF ASSURANCE FROM THE BOARD OF DIRECTORS**

As a provider of healthcare services, the trust is required to make a number of statements. The trust has reviewed the data and has satisfied itself that it covers the three dimensions of patient experience, clinical effectiveness and patient safety accurately and correctly.

### **2.6.1 Provision of clinical services**

- During 2018-2019, Poole Hospital NHS Foundation Trust provided a range of NHS services however did sub-contract a number of services.
- The Trust has reviewed all the data available to us on the quality of care of these NHS services.

- The income generated by the NHS services reviewed in 2018-2019 represents 100 per cent of the total income generated from the provision of these services.
- During 2018-2019 47 national clinical audits and 3 national confidential enquiries covered the relevant health services that Poole Hospital NHS Foundation Trust provides.
- Our compliance with the four priority standards for seven day hospital services most recent audit was reported in Autumn 2018, using data from Spring 2018 and showed;

### 2.6.2 Seven day services;

Clinical standard 2	Consultant review within 14 hours	60% compliance
Clinical standard 5	Diagnostic tests	Standard met
Clinical standard 6	Timely access to consultant directed interventions	Standard met
Clinical standard 8	Regular consultant review	80% compliance

An action plan has been agreed with NHSE. The team will submit the new board assessment framework (trial run on old data) by the end of February 2019. Validation exercises on the old data confirm figures with no obvious errors, but results might be improved by more complete returns.

### 2.6.3 Rota gaps

The Trust continues to experience rota gaps within its junior doctor workforce across a number of specialties. Some of these roles are proving difficult to recruit across the NHS and there has been a notable increase in the number of less than full-time trainees.

Currently the Trust has vacancies within the following areas:

Post	WTE	Specialty
St1	1.0	Anaesthetics
St3	1.0	
St3	1.0	Cardiology
St3	1.0	Diabetes
St3	1.0	Elderly Medicine
St3	1.5	Emergency
St1	1.0	Histopathology
St 1	1.0	Oncology
St3	1.0	Oral & Maxillofacial
St3	1.0	Paediatrics
St3	1.0	Rehabilitation

The Trust is aware of the negative impacts of rota gaps and is fully committed to improving the health and wellbeing of its junior doctors. The following actions/initiatives to reduce our rota gaps have been put in place:

- Effective forward planning by rota co-ordinators to minimise the impact of rota gaps
- Implementation of Best Practice rostering guidance
- Junior doctors are fully supported to exception report with clear processes for reporting excess hours, missed breaks or training opportunities
- Rota gaps and ideas for improvement are considered by the Junior Doctor Forum and Local Negotiating Committee
- Junior Doctors are encouraged to raise any difficulties they may be experiencing in the workplace, supported by clear processes
- Junior Doctors are supported in developing skills in resilience and health and wellbeing through training and on-going support from a range of sources
- Creation of F3/St1 Trust Posts – These posts are offered on a fixed term rotational basis across a variety of specialties. Roles include a period of shadowing, formal teaching, study leave, access to an e-portfolio and support of an educational supervisor, in order to provide professional development, educational benefit and increased flexibility
- Support of Physician Associate student placements
- Implementation of Locums Nest which has enabled the Trust to expand its medical bank and increase fill rates

## **2.7 CLINICAL AUDIT AND NATIONAL CONFIDENTIAL ENQUIRIES**

### **Participation in Clinical Audits**

The following report provides information on national and local clinical audits as requested in the Quality Accounts reporting requirements for 2018/19 (NHS Improvement Quality accounts letter 2018/19:

<https://improvement.nhs.uk/resources/quality-accounts-requirements/>). The Clinical Audit department do not manage the national confidential enquiry process and therefore this information is not included in this section.

As per the Clinical Audit Policy, the Trust states its intent to participate in national audits as below:

“The Trust seeks as a priority to participate where applicable in the national clinical audits which NHS England advises Trusts to prioritise for participation and inclusion in their Quality Accounts. Where a national clinical audit falls outside of these terms, participation is at the discretion of the specialty or the Lead Clinician for Clinical Audit”.

The above statement provides clarity regarding the Trust's intention to undertake national clinical audit, clearly identifying the master list of national audits and enables quarterly reporting of participation rates. The following information is based on this master list of national audits.

In reference to Table 2, it is recognised the reported case ascertainment rates for 5 of the national audits has not been updated since the publication of the 2017/18 Quality Accounts return (Table 2: Items 24, 25, 31, 32 and 35). This is since, nationally, there has been a bottleneck with publication of the reports from national clinical audits. This has been addressed by HQIP and, through discussion with NHS England, has been rectified.

## Participation in Clinical Audits

- During **2018/19**, **47** national clinical audits covered relevant health services that **Poole Hospital** provides.
- During that period **Poole Hospital** participated in **96%** of the national clinical audits which it was eligible to participate in.
- The national clinical audits that **Poole Hospital** was eligible to participate in during **2018/19** are as follows:

Eligible and participated	
1	Adult Community Acquired Pneumonia (BTS)
2	Bowel Cancer (NBOCA)
3	Cardiac Rhythm Management (CRM)
4	Case Mix Programme (ICNARC CMP)
5	Falls and Fragility Fractures Audit Programme – Fracture Liaison Service Database
6	Falls and Fragility Fractures Audit Programme – Inpatient Falls Audit
7	Falls and Fragility Fractures Audit Programme – National Hip Fracture Database (NHFD)
8	Feverish Children (RCEM)
9	Major Trauma Audit (TARN)
10	Mandatory Surveillance of Bloodstream Infections and Clostridium Difficile Infection
11	Myocardial Ischaemia National Audit Project (MINAP)
12	National Asthma and COPD Audit Programme – Asthma adult in secondary care
13	National Asthma and COPD Audit Programme – Asthma paediatric in secondary care
14	National Asthma and COPD Audit Programme – COPD Secondary Care
15	National Audit of Breast Cancer in Older Patients (NABCOP)
16	National Audit of Cardiac Rehabilitation
17	National Audit of Care at the End of Life (NACEL)
18	National Audit of Dementia
19	National Audit of Seizures and Epilepsies in Children and Young People
20	National Cardiac Arrest Audit (NCAA)
21	National Clinical Audit for Rheumatoid and Early Inflammatory Arthritis (NCAREIA)
22	National Comparative Audit of Blood Transfusion programme: Management of massive haemorrhage
23	National Comparative Audit of Blood Transfusion programme: Use of Fresh Frozen Plasma and Cryoprecipitate in neonates and children (FFP)
24	National Core Diabetes Audit (ANDA)
25	National Diabetes Foot Care Audit (NDFA)
26	National Diabetes Inpatient Audit (NaDIA)
27	National Diabetes Inpatient Audit - Harms (NaDIA-Harms)

28	National Emergency Laparotomy Audit (NELA)
29	National Cardiac Audit Programme (previously Heart Failure audit)
30	National Joint Registry – Hip replacement (NJR)
31	National Lung Cancer Audit (NLCA)
32	National Maternity and Perinatal Audit (NMPA)
33	National Neonatal Audit Programme (NNAP)
34	National Paediatric Diabetes Audit (NPDA)
35	National Pregnancy in Diabetes Audit
36	National Prostate Cancer Audit (NPCA)
37	Non-Invasive Ventilation – Adults (BTS)
38	Oesophago-gastric Cancer (NOGCA)
39	Reducing the impact of serious infection (Antimicrobial Resistance and Sepsis): Antibiotic Consumption
40	Reducing the impact of serious infection (Antimicrobial Resistance and Sepsis): Antimicrobial Stewardship
41	Sentinel Stroke National Audit Programme (SSNAP)
42	Serious Hazards of Transfusion (SHOT): UK National haemovigilance scheme
43	Seven Day Hospital Services
44	Surgical Site Infection Surveillance Service (Orthopaedics)
45	UK Cystic Fibrosis Registry – Paediatric service
<b>Eligible but did not participate</b>	
46	Vital Signs in Adults (RCEM)
47	VTE Risk in Lower Limb Immobilisations (RCEM)

The national clinical audits that **Poole Hospital** participated in, and for which data collection was completed during **2018/19**, are listed below alongside the number of cases submitted to each audit as a percentage of the number of registered cases required by the terms of that audit.

<b>Eligible and Participated</b>		<b>Data collection completed in 2018/19</b>	<b>% Cases Submitted</b>	<b>Comments</b>
1	Adult Community Acquired Pneumonia (BTS)	No	Deadline date for data submission is 31/05/2019.	
2	Bowel Cancer (NBOCA)	Yes	Awaiting publication of the 2019 national report to confirm case ascertainment rate. Case ascertainment rate reported as 111% within the 2018 national report.	
3	Cardiac Rhythm Management (CRM)	Yes	Awaiting publication of 2019 national report to confirm case ascertainment rate. Most recent national report (prepared Dec 18) covered 2016/17, for which 253 cases were submitted.	
4	Case Mix Programme (ICNARC CMP)	Yes	Continual data submission process. Awaiting national report to confirm case submission numbers for 2018/19. Data on 724 cases submitted for 2017/18.	
5	Falls and Fragility Fractures	Yes	Awaiting publication of 2019 national	

	Audit Programme – Fracture Liaison Service Database		report to confirm case ascertainment rate. Most recent national report (published 2018) covered 2017, for which 1339 cases were submitted (estimated caseload 4310).	
6	Falls and Fragility Fractures Audit Programme – Inpatient Falls Audit	No	Data submissions started 01/01/2019 for the refreshed version of the National Inpatient Falls Audit.	
7	Falls and Fragility Fractures Audit Programme – National Hip Fracture Database (NHFD)	Yes	Awaiting 2019 national report to confirm case ascertainment rate for 2018/19. 867 cases were submitted and reported on within the 2018 national report.	
8	Feverish Children (RCEM)	Yes	100%	50 cases submitted (minimum required number)
9	Major Trauma Audit (TARN)	Yes	Awaiting publication of the 2019 national report to confirm case ascertainment rate. Most recent national report covered 2017, for which 588 cases were submitted (94-100+% case ascertainment banding, as reported by TARN).	
10	Mandatory Surveillance of Bloodstream Infections and Clostridium Difficile Infection	Yes	100%	Mandatory surveillance with all reportable cases submitted to PHE.
11	Myocardial Ischaemia National Audit Project (MINAP)	Yes	No case ascertainment rates are published for Poole for this national audit as the number of eligible cases is too low.	
12	National Asthma and COPD Audit Programme – Asthma adult in secondary care	No	Audit launched November 2018. First published data entry deadline is 10/05/2019.	
13	National Asthma and COPD Audit Programme – Asthma paediatric in secondary care	No	Audit to be launched June 2019.	
14	National Asthma and COPD Audit Programme – COPD Secondary Care	No	Data submission deadline for 2018/19 data is 10/05/2019. Provisional case ascertainment reported as 74% (175/235) for the 6-month period Apr to Sep 2018.	
15	National Audit of Breast Cancer in Older Patients (NABCOP)	Yes	Not appropriate to report case submission rate as data is obtained through existing sources of patient data collected by national organisations, such as the National Cancer Registration and Analysis Service (NCRAS) in England and the Cancer Network Information System Cymru (CANISC) in Wales. Most recent national report, published June 2018, covered the period 01/01/14 to 31/12/16 and included 1245 cases from Poole.	
16	National Audit of Cardiac Rehabilitation	Yes	Awaiting publication of the 2019 national report to confirm case ascertainment rate. Most recent national report	

			covered 2017/18, for which 555 records from Poole were included.	
17	National Audit of Care at the End of Life (NACEL)	Yes	100%	
18	National Audit of Dementia	Yes	100%	
19	National Audit of Seizures and Epilepsies in Children and Young People	Yes	Data collection started July 2018. Awaiting publication of national report.	
20	National Cardiac Arrest Audit (NCAA)	Yes	49 cases submitted	Continual data submission process. No case ascertainment rate calculated due to the nature of the audit.
21	National Clinical Audit for Rheumatoid and Early Inflammatory Arthritis (NCAREIA)	No	Data collection closes 08/05/2019.	
22	National Comparative Audit of Blood Transfusion programme: Management of massive haemorrhage	Yes	Awaiting publication of the national report. Only 2 eligible cases; data submission completed for both of these.	
23	National Comparative Audit of Blood Transfusion programme: Use of Fresh Frozen Plasma and Cryoprecipitate in neonates and children (FFP)	Yes	Participated but no eligible cases to submit.	
24	National Core Diabetes Audit (ANDA)	Yes	Awaiting publication of the national report. Most recent report for 2016/17 cohort, for which 2195 cases submitted.	
25	National Diabetes Foot Care Audit (NDFA)	Yes	Awaiting publication of the national report. Most recent report for 2016/17 cohort, for which 42 cases were submitted.	
26	National Diabetes Inpatient Audit (NaDIA)	Yes	Hospital characterisation data set only collected for 2018/19.	
27	National Diabetes Inpatient Audit - Harms (NaDIA-Harms)	No	Data submission deadline is 31/05/2019.	
28	National Emergency Laparotomy Audit (NELA)	Yes	83%	90 cases submitted. Estimated 9 cases per month.
29	National Cardiac Audit Programme (previously Heart Failure audit)	Yes	Awaiting national report to confirm case ascertainment rate for 2018/19. Case ascertainment was 138% for 2016/17 (most recently published national report – Nov 18).	
30	National Joint Registry – Hip replacement (NJR)	Yes	Awaiting 2019 national report to confirm case ascertainment rate for 2018/19. 146 cases were submitted and reported in the 2018 national report (reported 131% case ascertainment rate).	
31	National Lung Cancer Audit (NLCA)	Yes	Awaiting national report to confirm case ascertainment rate for 2018/19. Most recent report for 2016 cohort, for which 174 cases were submitted.	
32	National Maternity and	Yes	Continual data submission process.	



	Perinatal Audit (NMPA)		Most recent report for 2015/16 cohort, for which 5036 cases were submitted.	
33	National Neonatal Audit Programme (NNAP)	Yes	100%	
34	National Paediatric Diabetes Audit (NPDA)	Yes	Awaiting publication of the 2019 national report to confirm case ascertainment rate. Most recent national report (published Feb 19) covered 2017/18, for which 229 cases were submitted and reported.	
35	National Pregnancy in Diabetes Audit	Yes	Awaiting national report to confirm case ascertainment rate for 2018/19. Most recent national report (published Oct 17) covered 2014-2016, for which 55 cases (2016 cohort) were submitted and reported.	
36	National Prostate Cancer Audit (NPCA)	Yes	MDS-1 (initial management) data submitted via the Urology MDT at RBH. MDS-3 (radiotherapy) data submitted by Poole Hospital (PHFT). 228 PHFT MDS-3 records reported on within the 2018 national report, but no case ascertainment rate provided.	
37	Non-Invasive Ventilation – Adults (BTS)	No	Data submission deadline is 30/06/19.	
38	Oesophago-gastric Cancer (NOGCA)	Yes	Awaiting 2019 national report to confirm case ascertainment rate for 2018/19. Case ascertainment rate was reported as >90% (115 cases) within the 2018 national report.	
39	Reducing the impact of serious infection (Antimicrobial Resistance and Sepsis): Antibiotic Consumption	Yes	Ongoing process of data submission through the national CQUIN system. Information on case ascertainment rate is unavailable.	
40	Reducing the impact of serious infection (Antimicrobial Resistance and Sepsis): Antimicrobial Stewardship	Yes	Ongoing process of data submission through the national CQUIN system. Information on case ascertainment rate is unavailable.	
41	Sentinel Stroke National Audit Programme (SSNAP)	Yes	Awaiting national report to confirm case submission rate for 2018/19. Case ascertainment rate was 90%+ (banding as reported by the Royal College of Physicians) (473 cases) in the 2018 annual report (2017/18 cohort).	
42	Serious Hazards of Transfusion (SHOT): UK National haemovigilance scheme	Yes	Data is submitted as required to SHOT but, due to the nature of the project, no case ascertainment rate is provided / calculated.	
43	Seven Day Hospital Services (Spring 2018)	Yes	89%	174 cases submitted from a suggested sample size of 195.
44	Surgical Site Infection Surveillance Service (Orthopaedics)	Yes	Awaiting remaining reports for 2018/19. In most recently received report (Q3 2018), data for 200 cases was reported.	
45	UK Cystic Fibrosis Registry –	Yes	Awaiting national report to confirm case	

	Paediatric service		submission rate for 2018/19. Case ascertainment rate was 100% (27 cases) within the 2018 national report (2017 cohort). Note, all eligible cases are submitted via University Hospital Southampton.
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The reports of **26** national clinical audits were reviewed by the provider in **2018/19** and **Poole Hospital** intends to take the following actions to improve the quality of healthcare provided.

#### National Clinical Audits Reviewed in 2018/19 and Local Action Plans

No	Title	Actions being taken
1	National Audit of Chronic Obstructive Pulmonary Disease (COPD) 2016 – Secondary Care Audit	No local action plan required.
2	National Diabetes Audit – Adults (ANDA) (1st April 2016 to 31st March 2017)	1. Doctor and patient education about importance of doing urine samples by discussion at team meeting posters in the diabetes centre.
3	National Diabetes Inpatient Audit (NaDIA) September 2017	1. Develop electric referrals and work on delivery of central glucose monitoring to enable staff to focus reviews on those who need it most.  2. Meet monthly to review diabetes related errors and report quarterly. Use these errors to develop and inform a staff education programme.  3. Develop and pilot a new teaching programme for hospital staff.
4	Parkinson's UK: National Parkinson's Audit 2017	1. All clinic letters to be copied to patients.  2. Highlight the importance of both impulse control disorders and sleep, particularly on dopamine agonists (and also levodopa as per NICE).
5	National Elective Surgery Patient Reported Outcome Measures (PROMs) (1st April 2016 to 31st March 2017)	No local action plan required.
6	Re-audit National Comparative Audit of Patient Blood Management in Scheduled Surgery 2016	1. To encourage broader use of tranexamic acid with it becoming the standard of care for surgical patients expected to have moderate/ significant blood loss (unless contraindicated).  2. To promote the accumulating evidence on the benefits of tranexamic acid in minimising blood loss and subsequent transfusion.  3. To investigate the use of tranexamic acid in fracture

		<p>Neck of Femur cases.</p> <p>4. Single unit transfusion. To instigate rechecking of Hb &gt; 1 unit for avoidance of 2nd unit if possible.</p> <p>5. Laboratory staff to challenge the request before issuing the blood if &gt; 1 unit RBC is requested for routine pre-operative patients.</p> <p>6. To make clinical staff aware of evidence in large randomised trials demonstrating no benefit to transfusing to higher thresholds.</p> <p>7. To undertake a local audit on single unit transfusion.</p>
7	Re-audit National Comparative Audit of Red Cell and Platelet Transfusion in Haematology	No local action plan required.
8	National Audit of the Management of Patients at Risk of Transfusion Associated Circulatory Overload (TACO) 2017	<p>1. Continue to promote single unit transfusions and assessment between units transfused at trust training.</p> <p>2. Include TACO Risk Assessment (RA) on prescription.</p> <p>3. Continue to use trust screen savers, newsletters and updates to promote TACO awareness and RA.</p> <p>4. When e-prescribing is implemented in the trust, ensure a TACO RA is included and mandatory, also look at electronic decision support for blood component prescription.</p>
9	National Audit of Fresh and Frozen Plasma and Cryoprecipitate in Children and Neonates Spring 2018	No local action plan required as no eligible cases to submit.
10	UK Serious Hazards of Transfusion (SHOT) National UK Haemovigilance Scheme 2017	<p>1. Inclusion of further details on blood group compatibility in training tools, specifically Rh status.</p> <p>2. Implementation of electronic bedside tracking.</p>
11	National Audit of Dementia Spotlight Audit 2017: Information on the Content of Delirium Screening and Assessment	<p>1. To add the confusion assessment method (CAM) screen to the patient clerking forms.</p> <p>2. To add delirium screen to the inpatient discharge summary (IDS).</p> <p>3. To continue to use the AMTS 10 for all patients over 65 on clerking.</p> <p>4. The dementia team will continue to screen all patients over 75yrs who are an emergency admission. (within a maximum 72 hour time frame).</p> <p>5. A delirium management plan will be written and used as a guide for all patients with a positive CAM screen.</p> <p>6. Delirium education will continue to be incorporated</p>

		<p>within the dementia training half day study session.</p> <p>7. Delirium policy to be written.</p>
12	Intensive Care National Audit and Research Centre (ICNARC): Case Mix Programme (1st April 2017 to 31st March 2018)	1. Work towards the prioritisation of critical care discharges.
13	ICNARC: National Cardiac Arrest Audit (NCAA) (1st April 2017 to 31st March 2018)	No local action plan required.
14	National Paediatric Diabetes Audit (NPDA) - (1st April 2016 to 31st March 2017)	<p>1. Ensure all patients have all annual review appointments.</p> <p>2. Liaise with Dorset Eye Screening Service to ask for their help in ensuring compliance.</p> <p>3. Review compliance with processes in December to ensure majority coverage.</p>
15	The National Heart Failure Audit (1 <sup>st</sup> April 2016 to 31 <sup>st</sup> March 2017)	1. Appointment of an additional part-time (30 hours per week) heart failure nurse to ensure continuing care, optimisation of medication and discharge planning to address the areas of underperformance in this recent audit
16	National RCEM Procedural Sedation in Adults 2017/18 (1 <sup>st</sup> January – 31 <sup>st</sup> December 2017)	1. Encourage full completion of the proforma.
17	National Elective Surgery Patient Reported Outcome Measures (PROMs) (1st April 2017 to 30th September 2017)	No local action plan required.
18	7 Day Services Survey - Spring 2018	<p>1. Development of new reporting Toolkit Feb 19 to ensure Board ownership and awareness.</p> <p>2. To share best practice amongst specialities within Poole Hospital.</p> <p>3. Recruitment of Advanced Nurse Practitioners.</p> <p>4. Extension of shared roles with RBCH.</p> <p>5. Locums Nest Medical Staffing App to be installed to increase bank staff and improve fill rates.</p> <p>6. Review of defined clinical pathways (#NOF, Epistaxis and Simple abscess) to assess if consultant review is necessary.</p> <p>7. Undertake a review of audit notes to assess if review times were reported correctly.</p> <p>8. To review ward round planning - move to later in the</p>

		day.
19	National Joint Registry (NJR): 15th Annual Report (1st January 2017 to 31st December 2017)	No local action plan required.
20	National Neonatal Audit Programme (NNAP) (1st January 2017 to 31st December 2017)	No local action plan required.
21	National Clinical Audit of Oesophago-gastric Cancer (1st April 2015 to 31st March 2017)	No local action plan required.
22	National Falls and Fragility Fractures Audit Programme (FFFAP) – Fracture Liaison Service Database (FLS-DB) 2017	<p>1. Consultant to act as clinical lead for future audits.</p> <p>2. FLS Lead to liaise with Radiology to assist with vertebral fracture identification and clarification of vertebral fracture diagnostic terminology.</p> <p>3. FLS to ensure that patients are recorded accurately on FLS-DB as being referred for strength and balance training as opposed to Falls generally.</p>
23	The National Hip Fracture Database: National Report 2018 (1st January 2017 to 31st December 2017)	<p>1. Ongoing review of the fractured neck of femur pathway.</p> <p>2. Re-introduction of the fitness for theatre check list.</p>
24	Hip Hemiarthroplasty Infection Re-audit: April 2018 to September 2018	No local action plan required.
25	National Audit of Breast Cancer in Older Patients (NABCOP) (1st January 2014 - 31st December 2016)	<p>1. Clinical Nurse Specialist contact – information to be checked.</p> <p>2. Performance Status – needs to be documented in the MDT.</p> <p>3. Triple assessment for symptomatic patients – to look into.</p>
26	National Prostate Cancer Audit (from 1st April 2016 to 31st March 2017)	No local action plan required.

## National Clinical Audit Reports Currently Being Reviewed by the Local Clinical Teams

No.	Title
1	National RCEM Emergency Department Audit of Pain in Children 2017/18
2	Myocardial Infarction National Audit Project (MINAP) (1st April 2016 to 31st March 2017)
3	National RCEM Fractured Neck of Femur 2017/18
4	National Bowel Cancer Audit (1st April 2016 to 31st March 2017)

The reports of **109\*** local clinical audits were reviewed by the provider in **2018/19** and **Poole Hospital** intends to take the following actions to improve the quality of healthcare provided:

\*Of the 109 local clinical audits reviewed, 21 identified that change in practice was not required due to good performance.

Of the remaining 88, **Poole Hospital** has undertaken the following actions to improve the quality of healthcare provided. The following are a number of examples:

### Patient information and support

Posters within the Diabetes Centre highlighting the importance of urine samples to patients.

Development of a strength training group for children with cerebral palsy.

### Staff education and training

Addition of session on 'Record Keeping and Importance of Information Sharing' to the Surgical Fellowship Programme.

Teaching session on the management of open fractures added to the orthopaedics trauma teaching.

Educational sessions on targeted temperature management after cardiac arrest undertaken within Critical Care.

Teaching session on medication reconciliation added to the orthopaedics trauma teaching.

Revision to 10-point training regarding inpatient diabetes management, with inclusion within clinical induction training programme.

Poster campaign and education of all staff regarding Sexual Exploitation Risk Assessment Form (SERAF) and safeguarding issues in children.

Introduction of the idea of Pain Pledges in oncology and throughout hospital wards.

Provided team in-service training on muscle training for children with cerebral palsy.

Awareness training to promote the requirement to always record the indication for prescribing and administering opiates for a dying patient.

Training provided to staff in community and hospital regarding the completion of Gestation Related Optimal Weight (GROW) charts.

Specific Mental Capacity Act and Deprivation of Liberty Safeguard training now included on induction and mandatory training update.

Improved education on febrile neutropenia now part of mandatory Band 5/6 annual paediatric nurse update and part of induction training for doctors.

### **Policy and guidance documents**

Update to the post-partum haemorrhage guidelines which now incorporates an estimation of circulating blood volume.

Update to the Critical Care Cardiac Arrest Guidelines with addition to the intranet.

Update to Propranolol guidelines to reflect current clinical practice.

Guidelines developed for out of hours nasogastric tube insertion.

Update of Induction of Labour Guidelines

### **Documentation: proformas / charts / forms**

Revision of the Surgical Safety Checklist together with the introduction of observational audits which focus on the quality of the surgical checklist process.

Review of Obstetrics drug chart to facilitate the recording of the time Dalteparin is administered.

Sepsis form within the Emergency Department is now printed automatically as part of the documentation pack when a child is triaged as 'fever' or 'reduced consciousness'.

Within the Emergency Department, addition of fluid balance charts with the sepsis proforma to serve as a reminder of the need to monitor urine output.

Within the Emergency Department, update to the proforma for fascia iliac blocks to include a section for observations post procedure.

Within the Emergency Department, the SERAF is now printed automatically as part of the documentation pack when a child is highlighted as at risk of deliberate self-harm, drug use or intoxication

Introduction of a new flow-chart to support the assessment and treatment of pre and post-operative nausea in children having a general anaesthetic.

Safeguarding Risk Assessment Form integrated into the paediatric admission document to prompt completion on all admissions.

ADHD prescribing proforma redesigned with simplified version to facilitate recording of mental health and social assessment of patients.

Updated Modified Early (Obstetric) Warning System (ME(O)WS) chart to include observation of wound dressing and site.

"Do not attempt cardiopulmonary resuscitation" (DNACPR) forms have been updated to include a prompt to seek legal advice in the case of patients that have an advance decision to refuse treatment in place.

Clinical indication for use of opiates included in the e-prescribing bundle for end of life medications.

Introduction of a Rapid Discharge Planning Tool; promoted through the Perfect Patient Pathway Week, screensaver, and awareness training programme for staff.

## **Clinical working practice**

Orthopaedic team access to the Emergency Department camera to enable the photographic documentation of open fracture injuries.

Introduction of a new virtual fracture clinic.

Change of working practice within Orthopaedics so that post-take team to complete medication reconciliation process for patients admitted after post-take ward round.

Development of electronic referrals to diabetes team and work on delivery of central glucose monitoring to enable staff to focus reviews on those who need it most.

Extended consultant presence on older people service's RACE (Rapid Access Consultant Evaluation) unit (8am to 8pm Monday to Friday and extended weekend and bank holiday cover up to 6pm).

Introduction of electronic prescribing across the Trust.

Additional middle grade doctor recruited in the Paediatric department.

7 day service to provide face-to-face Specialist Palliative Care review in the hospital and community is now in place via Forest Holme.

### **2.7.1 National confidential enquiries**

The national confidential enquiries that the Trust participated in during 2018-2019 are as follows;

- Failure to Function – A review of the care received by patients who died in hospital following an admission with acute heart failure [published November 2018]
- On the Right Course – A review of the quality of care provided to patients aged 24 years and under who were receiving systemic anti-cancer therapy and subsequently died or were admitted to critical care
- Highs and Lows – A review of the quality of care provided to patients over the age of 16 who had diabetes and underwent a surgical procedure

A Trust clinical lead is appointed by the Medical Director for each NCEPOD report and a full self-assessment against the report recommendations is undertaken. A monitoring tool is maintained which records compliance against each element of the recommendations and outlines actions being taken where any gaps in compliance are apparent.

The monitoring tool is presented at each quarterly Clinical Governance Group, chaired by the Medical Director; with the Clinical lead providing an update.

From a total of 13 open NCEPOD action plans the Trust has currently reviewed its compliance against the recommendations for 9 with 4 remaining under review outstanding. Outstanding partially completed action plans are reviewed annually. Cross reference with NCEPODs against new NICE Guidance is undertaken to identify any links to enable effective joint working. Any exceptions in compliance against the recommendations are escalated to the relevant board sub-committee and Board of Directors as appropriate



## 2.8 Participation in Clinical Research

### Quality Accounts 2018/19: Participation in Clinical Research

The following report provides information on participation in clinical research as requested in the Quality Accounts report requirement for 2018/19. The following report provides information on ethically approved research studies as requested in the Quality Accounts reporting requirements for 2018/19 (NHS Improvement: publication code 25/18, January 2018).

The following information is based on Poole Hospital recruitment figures due to the lag time in receipt of the National Institute of Health Research (NIHR) figures. All data is subsequently cross checked with the NIHR to ensure consistency in reporting.

### Participation in Clinical Research

The number of patients receiving NHS services provided or sub-contracted by Poole Hospital in 2018/19 that were recruited during that period to participate in research approved by a research ethics committee was 2482 (taken from EDGE database as at 02/04/2019) non-commercial & commercial – Portfolio & non Portfolio.

Participation in clinical research demonstrates Poole Hospital's commitment to improving the quality of care we offer and to making our contribution to wider health improvement. Our clinical staff, stay abreast of the latest possible treatment possibilities and active participation in research leads to successful patient outcomes.

Poole Hospital actively recruited to 87 clinical research studies during 2018/19 in the following specialities:

- Ageing
- Anaesthesia, perioperative medicine and pain management
- Cancer:
- Cardiovascular Disease
- Critical care
- Dementias & Neurodegeneration
- Dermatology
- ENT
- Gastroenterology
- Haematology
- Health Services Research
- Infection
- Injuries and Emergencies
- Metabolic & Endocrine Disorders
- Musculoskeletal Disorders
- Neurological Disorders
- Paediatrics
- Primary Care
- Reproductive Health and childbirth
- Stroke
- Surgery

There was 19.27 whole time equivalent (WTE) clinical staff participating in research approved by The Health Research Authority and a Research Ethics Committee at Poole Hospital during 2018/19. These staff participated in research covering 21 medical specialties.

As well, in the last three years, several publications have resulted from our involvement in NIHR research, which shows our commitment to transparency and desire to improve patient outcomes and experience across the NHS.

## Multi-Site National Studies that Poole Hospital participated in:

- 1 **C-Change** – Phase of illness in Palliative Care: Cross sectional analysis of clinical data from community, hospital and hospice patients. Published in Cicely Saunders International Nov 17
- 2 **Persephone** – Shorter trastuzumab treatment for HER2 + Breast Cancer can be as effective, with fewer cardiac side effects May 16 2018 – AMMRC Delivering Discoveries Expanding the reach of precision medicine
- 3 **TARDIS** – Antiplatelet therapy with aspirin, clopidogrel & dipyndomole v clopidogrel alone or aspirin & dipynamole in patients with acute cerebral ischaemia. Published in The Lancet Vol 391 March 3<sup>rd</sup> 2018
- 4 **TICH 2** – Tranexamic acid for hyperacute primary inter-cerebral haemorrhage Published in The Lancet 2018 V391: 2017-15
- 5 **AIRWAYS-2** : Effect of a Strategy of a Supraglottic Airway Device vs Tracheal Intubation during out-of hospital Cardiac Arrest on Functional Outcome – Randomized clinical Trial – Published in JAMA 2018. Pages 779-791
- 6 **CORTICOSTEROID THERAPY FOR SEPSIS**: A Clinical Practice Guideline published in the BMJ 10 August 2018 under Rapid Recommendations
- 7 **FOCUS**: Effects of fluoxetine on functional outcomes after acute stroke: a pragmatic, double-blind, randomised, controlled trial. Published online in the LANCET - December 5 2018
- 8 **HEAD 2 HEAD**:: Ingenol Mebutate vs Diclofenac in Subjects with AK on Face or Scalp published in the British Journal of Dermatology on the 14 Oct 2017
- 9 **SELECT D**: Oral anticoagulation is preferable to injected, but only if it is safe and effective: An interview study of patient and carer experience of oral and injected anticoagulant therapy for cancer-associated thrombosis in the select-d trial. First Published in Sage Journals in November 29, 2018
- 10 **BREATHE**: Effect of Protocolized Weaning With Early Extubation to Noninvasive Ventilation vs Invasive Weaning on Time to Liberation From Mechanical Ventilation Among Patients With Respiratory Failure: Published in JAMA (Journal of the American Medical Association) 22 October 2018
- 11 **TREAT**: Randomized Controlled Trial Protocol assessing the Effectiveness, Safety and Cost-effectiveness of Methotrexate vs Ciclosporin in the Treatment of Severe Atopic Eczema in Children - Published in The British Journal of Dermatology. 2018;179(6):1297-1306
- 12 **POPPI** - Effect of a Nurse-Led Preventive Psychological Intervention on Symptoms of Posttraumatic Stress Disorder Among Critically Ill Patients. *JAMA*. 2019;321(7):665-675
- 13 **OTTER II**: The Osteoarthritis Thumb Therapy Trial A study protocol for a three arm multi centre randomised placebo controlled trial of the clinical effectiveness and efficacy and cost effectiveness of splints for symptomatic thumb base osteoarthritis. Accepted to BMJ Open. bmjopen-2018-028342.R1
- 1.6 Our engagement with clinical research also demonstrates **Poole Hospitals'** commitment to testing and offering the latest medical treatments and techniques. One example of this was highlighted at the **CRN Wessex Awards March 2019**. Poole Hospital was shortlisted for a CRN Wessex award as follows:

- Clinical Research Network Awards - Outstanding Collaborative Working Whilst we did not receive the aforementioned award, Poole Hospital is very proud of the Midwives on the Haven Birthing Suite and the Labour Ward, Pathology Dept. and Micro Biology Dept. to have been nominated.
- Furthermore, an abstract Poole have been involved with has won the prestigious Axel Ingleman-Sundberg best Abstract Prize at this year's IUGA meeting in Vienna. The abstract was one of over 600 submitted. The abstract is entitled:

PERINEAL TRAUMA IN SUBSEQUENT DELIVERY AFTER PREVIOUS  
OBSTETRIC ANAL SPHINCTER INJURY: A MULTI-CENTRE  
STUDY **D'Souza JC, Monga A, Tincello DG, Sultan AH, Thakar R, Hillard  
T, Grigsby S, Kibria A. Jordon CF, Ashmore C**

Joanna D'Souza is an ST1 in Southampton who has been working on this project which is a joint collaboration between Southampton, Poole, Croydon and Leicester. The study analysed over 200,000 births over a 12 year period with over 2000 women delivering following a previous OASI. This is by far and away the biggest data set ever collected on this issue and the findings have significant implications for clinical practice and are being submitted for publication. My particular thanks to Stephanie Grigsby who has been the main link midwife here.

## **2.9 GOALS AGREED WITH THE COMMISSIONERS (CQUIN)**

A proportion of Poole Hospital NHS Foundation Trust's income in 2018-2019 was conditional on achieving quality improvement and innovation goals agreed between the Trust and its lead commissioner, NHS Dorset Clinical Commissioning Group. NHS Dorset Clinical Commissioning Group and Poole Hospital NHS Foundation Trust had a contract for the provision of NHS services that included a commissioning for quality and innovation payment framework (CQUIN).

In 2018-2019 this was equivalent to £3.712 million, which was paid to the Trust as part of the contractual arrangements. This is in comparison to the monetary total for the previous year 2017-2018 of £3.676 million. The value of CQUIN in the contract with Dorset CCG for 18/19 is £3.712 million. There is also a CQUIN value for the contract with Wessex Area Team for specialised services £395k, secondary care dental £121k, West Hampshire CCG £75k and public health £172k.

Further details of the agreed CQUIN goals and outcomes for 2017-2018 and for the following twelve month period (2018-2019- combined contract values £4.5 million) are available from:

Director of Nursing,  
Poole Hospital NHS Foundation Trust,  
Longfleet Road,  
Poole,  
Dorset, BH15 2JB

## **2.10 REGISTRATION WITH THE CARE QUALITY COMMISSION (CQC)**

Poole Hospital NHS Foundation Trust is required to register with the Care Quality Commission

- The Trust is registered unconditionally with the Care Quality Commission since 1 April 2010.
- The Care Quality Commission has not taken any enforcement action against Poole Hospital NHS Foundation Trust during 2018-2019, however the CQC issues a section 29a warning notice following an unannounced inspection in our Theatres in June 2018. (Details can be found below)

- Poole Hospital NHS Foundation Trust has not participated in any special reviews or investigations by the CQC in the reporting period.
- The Trust was subject to the new-style inspection in October 2017 summary results can be found below;
- The Trust was subject to an unannounced inspection of Theatres in the summer of 2018 – summary results can be found below;

### 2.10.1 CQC inspection report January 2018

A further CQC unannounced visit to our Theatres took place in the summer of 2018 where a number key improvements were identified. This proved to be a challenging time for our theatre teams which also included a change of leadership. The department has subsequently seen improvements in the estate such as repainting, new operating lights, storage, staff kitchen and staff room furnishings.

The theatre leadership has also supported improved governance around patient safety and multiple streams of work have been carried out with engagement from theatre staff. This allows teams to have more structure and guidance to treat patients in the appropriate environment with the correct staff and equipment. Teams have been working together with admissions, day ward and clinicians to pilot new ways of reducing late starts, overruns and cancellations while improving staff morale.

A pilot using the recovery unit as a holding bay for the 'golden' patient first on the morning lists has shown a reduction of late starts throughout the surgical specialities, with a specific mention to Gynaecology and ENT.

Subsequently the CQC revisited Theatres in April 2019 to review progress against the action plan and the report is awaited.

### 2.10.2 CQC Rating table 2018- The Trust was pleased to be rated as 'good' by the CQC following its most recent inspection in the autumn of 2017, this is an improvement on the previous rating of requires improvement.

	Safe	Effective	Caring	Responsive	Well Led	Overall
Urgent and emergency services	Good Jan 2016	Good Jan 2016	Good Jan 2016	Good Jan 2016	Good Jan 2016	Good Jan 2016
Medical care (including older people's care)	Requires improvement Jan 2016	Good Jan 2016	Good Jan 2016	Good Jan 2016	Good Jan 2016	Good Jan 2016
Surgery	Requires improvement ↓ Sept 2017	Good ↔ Sept 2017	Good ↔ Sept 2017	Good ↔ Sept 2017	Requires improvement ↓ Sept 2017	Requires improvement ↓ Sept 2017
Critical care	Requires improvement ↔ Sept 2017	Good ↔ Sept 2017	Good ↓ Sept 2017	Good ↑ Sept 2017	Good ↔ Sept 2017	Good ↑ Sept 2017
Maternity	Requires improvement Jan 2016	Good Jan 2016	Good Jan 2016	Good Jan 2016	Good Jan 2016	Good Jan 2016
Services for children and young people	Good ↑ Sept 2017	Good ↔ Sept 2017	Outstanding ↑ Sept 2017	Good ↔ Sept 2017	Good ↑ Sept 2017	Good ↑ Sept 2017
End of life care	Good Jan 2016	Good Jan 2016	Good Jan 2016	Requires improvement Jan 2016	Good Jan 2016	Good Jan 2016
Outpatients and diagnostic imaging	Good Jan 2016	Not rated Jan 2016	Good Jan 2016	Good Jan 2016	Good Jan 2016	Good Jan 2016
Overall	Requires improvement ↔ Sept 2017	Good ↔ Sept 2017	Good ↔ Sept 2017	Good ↑ Sept 2017	Good ↔ Sept 2017	Good ↑ Sept 2017

## 2.11 DATA QUALITY TEXT

- Poole Hospital NHS Foundation Trust submitted records during 2018/19 to the Secondary Uses Service (SUS) for inclusion in the Hospital Episode Statistics. The following data quality comparisons are from the latest published data from SUS for the eleven months to February 2019.
- The percentage of records submitted which included the patient's valid NHS number was (national averages are shown in brackets):  
99.7% (99.4%) for admitted care  
99.9% (99.6%) for outpatient care  
98.8% (97.6%) for accident and emergency care
- The percentage of records submitted data which included the patient's General Practitioner practice code was:  
100% (99.9%) for admitted care  
100% (99.8%) for outpatient care  
100% (99.3%) for accident and emergency care

### Data Security and Protection Toolkit

This is the core internal and external assurance mechanism for information governance in the Trust and is the national annual toolkit assessment. This was previously known as the Information Governance Toolkit (IGT) but was relaunched in April 2018 as the Data Security and Protection Toolkit (DSPT) with a revised mandatory framework and a greater focus on digital information and cyber security.

The previous IGT included 45 assertions and 135 evidence requirements across six key areas. The Trust was required to achieve a minimum of Level 2 in all 45 assertions in order to 'pass' the assessment and deliver a 'satisfactory' submission. The Trust has passed the IGT for the last four financial years and maintained a score of 84% since 2015/16.

The new DSPT includes 40 assertions and 149 evidence requirements across ten data security standards. Some areas are mandatory (equiv. to IGT Level 2) and others are best practice (equiv. to IGT Level 3). The Trust must be 100% compliant in all mandatory areas in order to 'pass' the DSPT and obtain the IGT equivalent of a 'satisfactory' submission.

The Trust has an action plan in place, and has to submit by 31 March 2019 - this will be the Trust's last submission for 2018/19 which will provide the final published score. The target for this is 84.6% ('satisfactory').

- The SUS data quality dashboard confirms however that the accuracy and completeness of clinical coding within admitted patient care records submitted over the eleven months continues to compare favourably with national averages (shown in brackets) as follows:
- 100% (98.4%) for primary diagnosis
- 100% (99.8%) for primary procedure

Notes regarding section 3.10; Note 5 - These results should not be extrapolated further than the actual sample audited. Note 6 - All services have been reviewed within the sample. Note 7 - Data quality is subject to regular audits and any identified actions to improve data quality will be taken by the Trust.

## 2.12 LEARNING FROM DEATHS

Prescribed information		Form of statement
2.16.1 (27.1)	The number of its patients who have died during the reporting period, including a quarterly breakdown of the annual figure.	During [2018-2019] 1171 of Poole Hospital NHS Foundation Trust] patients died. This comprised the following number of deaths which occurred in each quarter of that reporting period: 308 in the first quarter; 245 in the second quarter; 290 in the third quarter; 328 in the fourth quarter.
2.16.2 (27.2)	The number of deaths included in item 27.1 which the provider has subjected to a case record review or an investigation to determine what problems (if any) there were in the care provided to the patient, including a quarterly breakdown of the annual figure.	By March 2019], [393] case record reviews and [2] investigations have been carried out in relation to 1171 of the deaths included in item 27.1. In [2] cases a death was subjected to both a case record review and a SIRS investigation. The number of deaths in each quarter for which a case record review or an investigation was carried out was: 128 in the first quarter; 94 in the second quarter; 105 in the third quarter; 66 in the fourth quarter; Overall 34% of case records had a review completed in the 2018-2019 period.
2.16.3 (27.3)	An estimate of the number of deaths during the reporting period included in item 27.2 for which a case record review or investigation has been carried out which the provider judges as a result of the review or investigation were more likely than not to have been due to problems in the care provided to the patient (including a quarterly breakdown), with an explanation of the methods used to assess this.	9 representing 0.76% 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: 2 representing 0.17% for the first quarter; 5 representing 0.42% for the second quarter; 1 representing 0.08% for the third quarter; 1 representing 0.08% for the fourth quarter. These numbers have been estimated using the Death in hospital Review Form developed at Poole Hospital which is based on national recommendations and the Prism 2 study. Some comments relate to care decisions made prior to admissions to hospital
2.16.4 (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.	Falls in Hospital: 1 case involved a patient at high risk of falls. The use of falls prevention strategies was assessed and reviewed by the falls prevention team.  Thromboprophylaxis: 2 reviews identified that thromboprophylaxis had not been given prior to death. This raises the possibility of possible Pulmonary Embolism. Thromboprophylaxis use is regularly audited and highlighted across the Trust to reinforce its use. Patients identified as developing a pulmonary embolism while an inpatient are also reviewed separately to ensure

		<p>and improve medical practice.</p> <p>Anticoagulation: 2 cases of significant haemorrhage resulting in death were identified as being on anticoagulant medications. Although appropriate to be on treatment, the risks of anticoagulants were highlighted.</p>
2.16.5 (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).	<p>2 SIRS investigations are awaiting finalisation and outcomes to be shared for trust wide learning during the reporting period.</p> <p>Inpatient thromboprophylaxis is audited and highlighted across the Trust. Inpatient thrombotic episodes are investigated to improve processes and share learning.</p> <p>Falls prevention strategies are under review and the findings of any RCA process are used to feedback to departments and teams to improve care.</p>
2.16.6 (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.	<p>0 Falls prevention strategies work is ongoing.</p> <p>The introduction of EPMA (electronic prescribing) has led to an overall reduction in medication incidents in those areas where it has been adopted, though it has not yet been established whether this has made a difference in thromboprophylaxis specifically.</p>
2.16.7 (27.7)	The number of case record reviews or investigations finished in the reporting period which related to deaths during the previous reporting period but were not included in item 27.2 in the relevant document for that previous reporting period.	[1] investigations completed after [2017/18] which related to deaths which took place before the start of the reporting period.
2.16.8 (27.8)	An estimate of the number of deaths included in item 27.7 which the provider judges as a result of the review or investigation were more likely than not to have been due to problems in the care provided to the patient, with an explanation of the methods used to assess this.	[1] death before the reporting period, is judged to be more likely than not to have been due to problems in the care provided to the patient. A comprehensive investigation and learning panel chaired by the medical director was used as the method of determination.].
2.16.9 (27.9)	A revised estimate of the number of deaths during the previous reporting period stated in item 27.3 of the relevant document for that previous reporting period, taking account of the deaths referred to in item 27.8.	<p>[See below] representing [number as percentage of number in item 27.1 of the relevant document for the previous reporting period]% of the patient deaths during [the previous reporting period] are judged to be more likely than not to have been due to problems in the care provided to the patient .</p> <p><b>NB Data not available in this format for this period.</b></p>

## 2.13 WHAT OUR PATIENTS, THE PUBLIC AND STAFF SAID 2018/19

The Trust encourages feedback from patients, carers and families, in a variety of different ways:

- Friends and Family Test
- National Surveys
- Comment cards & suggestion boxes
- NHS choices/Patient Opinion/Trust website
- Patient engagement events
- Enquires, concerns and complaints

Seeking and responding to patient feedback is an integral part of the Trust's quality improvement plan. We actively seek views from patients and the public to help develop and improve our services; and work with patients through the PALS and complaints service, when things haven't gone as well as they should.

### Friends and Family test (FFT)

The national FFT gives patients the opportunity to provide the Trust with feedback using the question: ***"How likely are you to recommend our services to friends and family if they needed similar care or treatment?"*** Feedback can range from extremely unlikely to extremely likely.

During 2018/19, the % of eligible patients who have responded to the FFT survey has been 28%. This compares favourably against the national average of 26%. This was achieved through asking patients to complete a 'survey'-style form and posting it in FFT/suggestion boxes around the hospital, or via a text call-back service.

The % of patients who would recommend Poole Hospital to their friends and family can be found in Table 1, indicating that on average, 94% of patients are satisfaction with the care and treatment received at Poole Hospital NHSFT. Also included in Table 1 is patient feedback on two additional questions, designed to examine different aspects of patient experience.

To support our drive to use patient feedback to help develop and improve our services, patient feedback has been collected this year on two aspects of care where the National Patient Survey Programme indicates patient feedback is not always rated positively.

The feedback shows that when patients are asked these questions at the time of discharge, the responses are more positive. The Trust has excellent feedback in response to staff explaining the purpose of take-home medication in a way that is easy to understand. Patients are also telling us that the bathroom or toilet they used whilst in hospital was very clean.



<b>TABLE 1: FFT RESULTS</b>	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
% patients who responded likely or extremely likely to recommend Poole Hospital	94	93	94	93	94	94	94	94	95	95	94	94
Of patients who needed an explanation % who responded, yes completely, staff explain the purpose of medication given to take home, in a way that is understood	93	91	89	92	92	91	91	91	91	90	93	92
% patients who tell us that the hospital toilet and/or bathroom they used, was very clean	82	82	81	83	81	84	81	81	83	85	87	85

### 2.13.1 National Surveys

The Trust fully participates in the NHS patient experience survey programme. This year the Trust has/is participating in the following national surveys.

Survey	Data collection period closed	Official (or expected official) publication date
2017 Adult In-patient Survey	Complete	June 2018
2017 Cancer Patient Experience	Complete	September 2018
2018 Survey of Women's Experience of Maternity Care	August 2018	January 2019
2018 Adult In-patient Survey	September 2018	May 2019
2018 Emergency Department	October 2018	August 2019 (tbc)
2018 Children and Young People	May 2019	September 2019 (tbc)

The results of the 2017 National Inpatient Survey were published June 2018. Overall, when compared with other Trusts across England, Poole Hospital scores overall, are within the expected range. However, our scores in response to three questions are better when compared to other Trusts:

- Did the hospital staff explain the reasons for being moved in a way you could understand?
- If you brought your own medication with you, were you able to take it when you needed to?
- Did you get enough support from health or social care professionals to help you recover and manage your condition?

There are also areas of care where the Trust performs less well and a quality improvement plan has been developed in response to this.

The results of the National Cancer Patient Experience Survey, published September 2018, indicate that the Trust continues to perform well when compared to other Trusts across the country. Specifically, the Trust scored well with regards to:

- Patients found it easy to contact the Clinical Nurse Specialist.
- Patients report getting understandable answers to important questions.
- Doctors and nurses did not talk in front of patients as if they were not there.

The result of the 2018 National Maternity Services Survey shows that overall, when compared nationally, the Trust scores are within the expected range. There were no questions where the Trust scores were worse than expected, but two areas where the Trust scored better than others:

- When you were at home after the birth of your baby, did you have a telephone number for a midwife or midwifery team that you could contact?
- In the six weeks after the birth of your baby did you receive help and advice from a midwife or health visitor about feeding your baby?

All survey results are used to help us celebrate areas of good practice and to identify areas of care that require improvement, incorporating this in our quality improvement plans.

### 2.13.2 NATIONAL NHS STAFF SURVEY 2018 FINDINGS

The full census survey resulted in 1880 staff taking part securing a 50% response rate which is 6% above the average for acute trusts in England and higher than the 47% 2017 rate.

Results, in the new format of ten themes on a scale of 1 to 10, show a relatively small decrease in score, in comparison to 2017 results, whilst the Trust generally performed better in many areas when compared with the comparator group of other acute trusts in England.

National NHS Staff Survey Theme (scored 1 to 10)		Poole Score 2018	Poole Score 2017	Change from 2017 to 2018	Poole Score 2016		National 2018 (average for acute trusts)	Poole 2018 score difference
Equality, diversity and inclusion		9.3	9.3	No change	9.3		9.1	+ 0.2
Health and wellbeing		6.1	6.2	- 0.1	6.1		5.9	+ 0.2
Immediate managers		6.8	7.0	- 0.2	6.8		6.7	+ 0.1
Morale		6.3	Not included	Not available	Not available		6.1	+ 0.2
Quality of appraisals		5.2	5.2	No change	5.2		5.4	- 0.2
Quality of care		7.3	7.5	- 0.2	7.4		7.4	- 0.1
Safe environment - Bullying harassment		8.2	8.1	+ 0.1	8.0		7.9	+ 0.3
Safe environment – Violence		9.4	9.3	+ 0.1	9.3		9.4	Equal
Safety culture		6.7	6.8	- 0.1	6.7		6.6	+0.1
Staff engagement		7.1	7.3	- 0.2	7.2		7.0	+0.1

### **2.13.3 Measuring progress**

The national results and benchmarking reports have been made available to all staff and reported both internally and externally; following the trust communication plan.

The Trust has again commissioned Quality Health, the survey provider, to provide additional question level results by departments in 'heat map' format. This information will be available to the 75 departments where at least 11 staff participated in the survey; an increase from the 66 departments which secured this level of reporting for the 2017 survey; enabling them to act on results at a local level.

A trust wide Staff Survey action plan is in place and is supported by a series of local staff survey response activity. This work will continue to feature within the Quarterly Performance Review process, enabling discussion with executive board members' and enabling board level support and scrutiny.

### **2.13.4 NHS STAFF FRIENDS AND FAMILY TEST 2018/19**

The Staff Friends and Family Test encourages staff and volunteers to give their views, enabling informed and empowered staff to celebrate and build on what is working well in their services and also quickly address areas in need of attention.

Three times a year, in quarters 1, 2 and 4, all trust staff and volunteers are asked to answer the questions: 'How likely are you to recommend Poole Hospital NHS Foundation Trust to family and friends if they need care and treatment?' and 'How likely are you to recommend Poole Hospital NHS Foundation Trust to family and friends as a place to work?' In quarter 3, both these questions are asked within the National NHS Staff Survey by staff responding to the statements 'I would recommend my organisation as a place to work' and 'If a friend or relative needed treatment I would be happy with the standard of care provided by this organisation'.

The Trust has demonstrated excellent results in 2018/19 which continue to be consistently higher than the national average. This evidences that Trust members of staff continue to feel very positive about the quality of care and treatment provided to patients and are happy to recommend the trust as a good place to work.

The Quarter 1 results evidenced staff recommendations which were much higher than the national averages for both care and work. Poole was 6 per cent higher than the national average for recommending the Trust as a place to receive care and treatment with a total of 86 per cent and with 64 per cent for staff recommending the trust as a place to work was 1 per cent above the average.

The Quarter 2 Staff Friends and Family Test results showed 88 per cent of staff recommending Poole as a place to receive care and treatment, which placed the trust in the best 20 per cent of all trusts; with 66 per cent of staff that responded recommending Poole as a place to work.

The Quarter 3 Staff Friends and Family Test score within the National NHS Staff Survey results were both above the national average for other acute trusts in England. The 79.6 per cent score relating to the standard of care provided by the trust was 8.7 per cent higher than the average of other NHS organisations and the 69 per cent result for staff recommending the trust as a place to work was 7.5 per cent higher than the average for all NHS organisations.

## Summary of Staff Friends and Family Results 2018/19

Question 1	Trust Quarter 1	National Quarter 1	Trust Quarter 2	National Quarter 2	Quarter 3 – Staff Survey : 79.6% for Care and 69% Work*	Trust Quarter 4	National Quarter 4
How likely are you to recommend the Trust to friends and family if they needed care or treatment?							
Positive Score	86%	80%	88%	81%		88%	tbc
Negative Score	5%	6%	4%	6%		5%	tbc
Question 2	Trust Quarter 1	National Quarter 1	Trust Quarter 2	National Quarter 2		Trust Quarter 4	National Quarter 4
How likely are you to recommend the Trust to friends and family as a place to work?							
Positive Score	64%	63%	66%	64%		67%	tbc
Negative Score	14%	18%	14%	17%		17%	tbc

Results are made public through NHS England. In addition, comments made by staff when completing the survey are available to the Trust. Staff comments made in the Friends and Family Test during 2018/19 include:

How likely are you to recommend the Trust to friends and family if they needed care or treatment?

- Care is provided with compassion and the patient is placed at the heart of it. It is clear to see that the Poole Approach is truly embedded across the workforce.
- Always had excellent treatment of my family and personally know that the quality of care patients receive is outstanding.
- I feel at Poole Hospital we offer a fantastic level of care and support with all our patients and we find the time to make our patients and families feel supported.
- I know how amazing the clinical staff are here and how hard they work and care.
- Staff at Poole put our patients first and are committed to best practice care and treatment.

How likely are you to recommend Poole Hospital NHS Foundation Trust to family and friends as a place to work?

- It's the friendliest place I have ever worked. I feel valued and invested in.
- Good positive environment to work in. I love my job!

- I have good working relationships with my colleagues. We have a very supportive team and I am happy in my job.
- Poole remains a great place to work with an opportunity to work with colleagues committed to looking after our patients in all our services.
- I have always been happy here as an employee and would always recommend the Trust to friends who are seeking employment.

## **Social, Community and Human Rights**

### **Equality and Diversity**

Poole Hospital has a commitment to equality and diversity as a provider of healthcare services and as an employer. The provisions of the Equality Act 2010 are applied across the Trust in relation to all protected characteristics to progress equality, diversity and inclusion in all services and the employment of our staff.

The Trust's positive approach to equality and diversity is supported by the values of the Poole Approach which promote behaviours that progress the delivery of inclusive services. The Trust's values within the Poole Approach ensure equality and diversity are values which are valued and present within the workplace. This was evidenced within the 2018 National NHS Staff Survey, with an above average result for the theme of equality and diversity of 9.3.

Equality and diversity training is delivered to all new staff on joining the Trust and within the Core Skills training which all staff attend on a regular basis. This training has a clear commitment to best practice in equality, diversity and inclusion; recognising that this supports the delivery of high quality and person centred patient care and secures best practice in employment.

The Trust has an active Staff Experience Group, led by an executive director, which works to progress equality across services and employment and provide assurance of a range of actions which are in place to support best practice and the development of skills and understanding in equality across the Trust.

The Trust continues to report on and progress actions for the NHS Workforce Race Equality Standard (WRES). This national Standard enables the trust to look at staff experience across nine workforce indicators to identify and compare the experience of employees from Black and Minority Ethnic backgrounds and White backgrounds.

The Trust has set in place arrangements to ensure that BAME (Black, Asian and minority ethnic staff) have a voice in the trust, through membership of a BAME staff network.

The Trust has begun the implementation of the Workforce Disability Equality Standard (WDES); a set of ten specific measures that will enable NHS organisations to compare the experiences of disabled and non-disabled staff and act on these through action planning to respond to findings and make changes where these may be necessary. The Trust is working to report this information and associated actions by the national deadline of 1 August.

The Trust has reported information and actions in response to the Gender Pay Gap legislation requiring the trust to publish gender pay gap data annually, measuring the difference between males' and females' average earnings.

The pay gap for the last reporting year to March 2018 is 12.02% favourable for male staff based on the median pay gap (in hourly pay) for women and men. The pay gap at Poole can be explained largely by the relative proportion of male and female

consultants within their respective gender groups. The Trust is carrying out work to develop a deeper understanding of what the data is telling us and to develop Gender Pay Gap actions and reporting; further demonstrating our commitment to equality.

The Trust has a LGBT Group which is open to both lesbian, gay, bisexual and transgender staff and also to all staff who wish to work with the group to progress sexual orientation equality for staff and patients. The Trust is a member of the Dorset NHS LGBT Network and is present on the committee. The Trust was present at the Bournemouth Pride LGBT festival in Summer 2018, engaging with many local people and demonstrating the trust's commitment to equality and inclusion for our patients and staff, and has begun working with other Dorset NHS trusts to ensure a county-wide NHS presence at Pride 2019.

The regulators, the Care Quality Commission (CQC), National Trust Development Agency (NTDA) and NHS Improvement use data from the National NHS Staff Survey, the Equality Delivery System and the Workforce Race and Disability Equality Standards to help assess whether NHS organisations are well-led. The standards are applicable to providers and are subject to the clinical commissioning group's assurance process.

### **A fair employer**

The Trust is proud to have been a holder of the status of Disability Confident Employer. The award recognises a practical commitment to fairness in our recruitment process, including the Guaranteed Interview Scheme. It also acknowledges the Trust's commitment to both employing disabled people and delivering a range of support to ensure that staff with disability are developed and retained within the trust.

### **Applications for employment made by disabled persons**

The Trust has an active commitment to both recruiting people with disability and developing and retaining staff with disability and has welcomed the introduction of the Workforce Disability Equality Standard.

A wide range of advice, guidance and other practical support is available from line managers, the human resources team, occupational health team, education team and also the staff experience lead, holding the role of workforce equality lead.

The Trust holds the Disability Confident award, reflecting the trust's real and practical commitment to best practice, including a guaranteed interview, in the recruitment of people with disability.

The Trust considers reasonable adjustments when a suitable applicant has a disability which may affect their ability to carry out the duties of their new role. This activity is also available for members of staff with disability. The Trust works closely with the individual to identify and make reasonable adjustments to overcome the effects of the disability. The Trust also works with other agencies, including Access to Work, to ensure the carrying out of this commitment. In a rare circumstance where a member of staff may no longer be able to carry out their role due to the effects of disability after the process of considering reasonable adjustments has been carried out, the Trust works to retain the talent of the member of staff by supporting the consideration of other potentially suitable roles in the trust, offering appropriate training and development.

The Trust's practice in training and developing all staff takes account of any needs of individuals which arise from disability, to ensure fair access to trust programmes and the development of all staff.

## PART 3 – OTHER INFORMATION & ANNEXES

### 3.1 REPORTING AGAINST CORE INDICATORS

The Trust has selected a number of measures to indicate the progress made during 2018-2019 in three key areas: patient safety, clinical effectiveness and patient experience. The reported areas have remained the same as in the previous years' quality reports, to provide the reader with a view of performance over several years. They remain unchanged as the board of directors consider them to be appropriate measures and wished to ensure continuity of measurement year on year.

The data presented here is derived from nationally collected data (MRSA; Mortality; Cancelled Operations; Patient Experience; PLACE and Privacy & Dignity) or locally collected data presented to the board of directors. In the final column of each table the data source is identified. Where information is collected from national data the information is governed by standard national definitions;

#### 3.1.1 Patient safety

MEASURE	2018-2019	2017-2018	2016-2017	2015-2016	Data Source
Hospital acquired MRSA bacteraemia	0	1	0	0	National
Hospital acquired pressure ulcer Grade 3 or Grade 4	86	53	51	37	Local
Patient falls from bed or trolley	Data no longer collected  See below	3	3	16	Local

Incidents by Incident type tier two and Incident date (Month and year)													
	Apr 2018	May 2018	Jun 2018	Jul 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Total
Suspected Slips/Trips/Falls (un-witnessed, Includes faints)	74	59	68	61	63	70	72	62	62	65	51	58	765
Witnessed Slips/Trips/Falls (includes faints)	22	14	20	28	16	17	21	27	18	37	19	18	257
Total	96	73	88	89	79	87	93	89	80	102	70	76	1022

#### MRSA

The Trust has maintained its zero tolerance to MRSA bacteraemia and continues with strategies to prevent infection including education of staff, screening and barrier nursing of patients who are found to be carriers of the bacterium and continued emphasis on the importance of hand hygiene.

#### Pressure ulcers

The Trust continues with work to reduce pressure ulcer incidence and improve reporting accuracy. Further work is now being undertaken to implement the revised national standards for pressure ulcer reporting. Please also see the monitoring tool in section 2.

**Patient falls** - Please see monitoring tool in section 2

### 3.1.2 Clinical effectiveness

MEASURE	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	Data Source
Hospital mortality rate (figure in brackets is expected levels) (Note 9)	102.28 Period April 2018 – Jan 2019	105.70	98.96	101.9	112.41	National
Cancelled operations not readmitted within 28 days	0% (8)	0% (12)	0% (9)	0% (5)	0% (8)	National
Stroke high risk patients treated in 24 hours (60%% target)	66% As at March 2019	38% As at March 2018	77% As at March 2017	61% As at March 2016)	65% As at March 2015	National

### 3.1.3 Patient experience

MEASURE (National average)	2018-2019	2017-2018	2016-2017	2015-2016	Data Source
Overall Patient Experience Score	Awaiting results	81.6 (78.4)%	79.2 (76.7)%	79.9 (77.3)%	National
Patient led assessment of the care environment (PLACE) Inspection Report 2017 (2017 National Average in Brackets)	Cleanliness 98.1% (98.5) Food 91.9 (90.2) Organisation food 94.5 (90.2) Ward food 91.6 (90.2) Privacy, dignity and wellbeing 77.6 (84.2) Condition and appearance 94.4 (94.3) Dementia 77.6 (78.9) Disability 81.7 (84.2)	Cleanliness 99.3% (98.4) Food 93.1 (89.5) Organisation food 91.3 (89.0) Ward food 93.4 (89.7) Privacy, dignity and wellbeing 82.9 (83.4) Condition and appearance 95.3 (93.8) Dementia 77.9 (75.5) Disability 83.2 (81.5)	Cleanliness 98% (98%) Food 84% (88%) Condition and appearance 94% (93%) Privacy Dignity and Wellbeing 92% (84%) Dementia 88% (75%) New - Disability 87% (79%)	Cleanliness 99% (97%) Food 95% (97%) Condition and appearance 93% (90%) Privacy, Dignity and Wellbeing 90% -New Dementia 86% -New	National
Patient rating of always being treated with privacy and dignity	Awaiting results	89.1 (90.8)%	90.3 (90.8)%	89.4 (90.9)%	National



The Trusts responsiveness to the personal needs of patients during the reporting period 2018-2019 – results expected June 2019.

The 2018/19 Trust scores will be compared to national trends when the report is published in June 2019. Scores where the Trust has seen an improved will be celebrated and best practice shared. Where scores show a downward trend, further work will be undertaken to aid understanding and set targets for improvement.

### 3.2 Enquiries, concerns and complaints

Enquiries, concerns and complaints received at Poole Hospital NHSFT are managed by the Patient Experience Team. Having one point of contact for patients, whether this is to make a simple enquiry or to raise a complex complaint, simplifies and streamlines the process for patients. The service is focused on the early resolution of concerns and complaints, putting the patient at the centre of the service.

Learning from concerns and complaints can occur: a) in response to a specific upheld complaint; and b) in response to recurring themes from complaints, concerns and other forms of feedback. This year, the reporting of themes from concerns and complaints has been simplified, aiming to improve the way this data is triangulated and translated into service improvements.

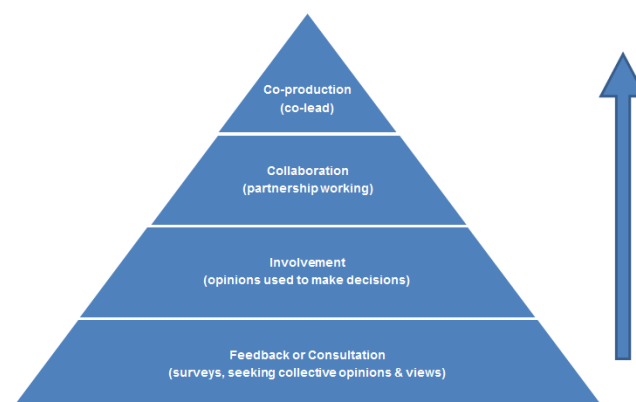
### Engaging with our patients, carers and families

Engaging people to tell us about their experience of care, and involving our patients in decisions about the design, delivery and evaluation of services is integral to improving patient experience.

The Trust continues to seek patient feedback and regularly uses patients' views to support decision making, for example, our Experts by Experience programme: a planned programme of mystery shopper and listening events to help inform changes in service delivery and training of staff.

The patient engagement framework demonstrates the Trust's ambition to move up the patient engagement ladder, to more actively collaborate and co-produce service improvements with our patients. This will not mean stopping any of our feedback or involvement work; the type of engagement undertaken will depend on the type of service, the client group and the **change/s being considered**.

### Patient engagement framework;



### **3.2.1 Feedback and seeking collective views**

The Trust encourages patients to feedback in a variety of ways: Friends and Family Test, suggestion boxes, Trust website, NHS Choices and Patient Opinion websites.

Patient Stories: Patients are invited to talk about their experience and have this recorded and the Board hear the reality of what it's like to be a patient in Poole Hospital, including the impact of our processes, systems and care.

The Trust Metastatic Breast Cancer Nurse Specialist asked patients for their views on what matters most to them. Actions have been taken, based on this feedback, to help improve services for local people diagnosed with secondary breast cancer.

The need for advice, information, support and friendship for patients, family and friends following radiotherapy treatment has been recognised and a new support group called 'After Glow' has been set up.

Patients have said that the hospital site is confusing and it is easy to get lost. We have introduced volunteer guides who are based in the hospital 'dome' to signpost, direct and sometimes escort patients. This has now grown to a base of twenty 'Guide Volunteers'. We are regularly considering other supporting roles where our volunteers can make a positive difference to patients.

### **3.2.3 Patient involvement**

A parent's forum has been set up to hear the experience of parents, both past and present, who have first-hand experience of care. This meeting enables staff to hear suggestions for improvements directly from the parents and also acts as a platform where parents can be kept informed of any forthcoming plans.

Experts by Experience: this planned programme of mystery shopper and listening events recognises that inequality and social exclusion can prevent individuals or groups from becoming involved in patient engagement events. The was launched with a Learning Disability mystery shopper event

Primary Breast Cancer Service Pledge: The Trust has been working with the charity 'Breast Cancer Now' to develop a service pledge for breast cancer. Both patients and staff were involvement in identifying good practice as well as areas for improvement.

A 'whose shoes' patient experience/service improvement event was attended by maternity service users' internal and external stakeholders. Patients have been involved in developing and taking forward actions for improvement.

### **3.2.4 Collaboration and partnerships**

The Trust is collaborating with carers and other health and social care organisations to deliver the Dorset carers strategy 'Valuing Carers in Dorset'. This year we have been promoting unrestricted visiting and promoting partnership working. We have introduced subsidised meals and parking for those who are actively caring. Carer awareness is promoted during events such as Carers Rights Day and is now included in our monthly staff induction programme.

A Birth 'after thoughts' service offers women the opportunity to talk to a midwife about their experience of giving birth. The midwife will review the medical records to help explain their experience of care and utilise this opportunity to consider service improvements.

The Living Well Partnership, involving the 'Building on the Best Programme leads and patients / the public, identifies issues and discusses initiatives aimed at improving end of life care. This year we have been piloting a new Advanced Care Plan.

### 3.2.5 Co-production

A member of the public sits on the Questionnaire Review Panel and has an equal contribution in discussions & decision making. The panel meets monthly to review and approve patient questionnaires, ensuring quality of content and design.

## 3.3 PERFORMANCE AGAINST NATIONAL TARGETS

The following table details the performance of Poole Hospital NHS Foundation Trust against the national priorities as defined by the Department of Health and declared to the Care Quality Commission. The figures are taken from the March 2018 integrated performance report or, where the latest data is available. The Trust has tried to replicate its reporting year on year to provide readers with a consistent view. Other key indicators are described in section 3.5 . All these data items are nationally collected and to prescribed national definitions.

Target Description	2018-2019	2017-2018	2016-2017	2015-2016	Target
Care Quality Commission Standards/Regulated Activities – intelligence monitoring reports		N/A	N/A	Band 6 Lowest risk	16
C. difficile – meeting the C. difficile objective. (Clostridium Difficile Infections)	16	21	16	18	<=14
All cancers: 62-day wait for first treatment from: <ul style="list-style-type: none"> <li>Urgent GP referral for suspected cancer (85%)</li> <li>NHS Cancer Screening Service referral. (60%)</li> </ul>	83% Note all but Q3 achieved 85%  85%	87.5%  96.6%	88.4%  95.9%	85.7%  93.6%	85%  60%
Maximum time of 18 weeks from point of referral to treatment (RTT)  (% of patients waiting less than 18 weeks)	Incomplete pathways as at 31/3/19 82% +	Incomplete pathways as at 31/3/18 87.2%	Incomplete pathways as at 31/3/17 92.6%	Incomplete pathways as at 31/3/16 92.3%	92%
Number of incomplete RTT pathways at 31 <sup>st</sup> March (New 2018/19)	<14,666	14,666			14666

A&E: maximum waiting time of four hours from arrival to admission/transfer/discharge  (Less than 4 hour wait in A&E)	89.95% Incl type 3 MIU's  Poole type 1 ED only 86.09%	91.44% Incl type 3 MIU's  Poole type 1 ED only 88.72%	91.55% (incl type 3 MIUs since Nov 2016)  Poole type 1 ED only 90.81%	91.67%	95%
Performance against the 6 week wait for diagnostic procedures					
Performance against the thresholds set out in the NHSI oversight documents	Please see annual report section page;				

### 3.4 National target performances:

#### 62 Day Cancer Wait.

The indicator is expressed as a percentage of patients receiving first definitive treatment for cancer within 62 days of an urgent GP referral for suspected cancer. An urgent GP referral is one which has a two week wait from date that the referral is received to first being seen by a consultant.

The indicator only includes GP referrals for suspected cancer (i.e. excludes consultant upgrades and screening referrals and where the priority type of the referral is National Code 3 – Two week wait). The clock start date is defined as the date that the referral is *received* by the trust. The clock stop date is the date of first definitive cancer treatment as defined in the NHS Dataset Set Change Notice. In summary, this is the date of the first definitive cancer treatment given to a patient who is receiving care for a cancer condition or it is the date that cancer was discounted when the patient was first seen or it is the date that the patient made the decision to decline all treatment.

#### Clostridium difficile

The Trust objective for hospital attributed clostridium difficile associated disease (CDAD) was for no more than 15 cases. This year saw a decrease in the number of cases reported (16) and work continues to reduce cases further. Additional measures have been put in place and there has been a doubling of effort to reduce the incidence of CDAD through antimicrobial stewardship, staff education and an ongoing commitment to hand hygiene and other principles of good infection prevention.

#### MRSA

The Trust has maintained its zero tolerance to MRSA bacteraemia and continues with strategies to prevent infection including education of staff, screening and barrier nursing of patients who are found to be carriers of the bacterium and continued emphasis on the importance of hand hygiene. The Trust had no cases of MRSA blood stream infection this year which is an improvement.

### 3.5 Performance against Nationally Prescribed Indicators

<b>PRESCRIBED INDICATOR</b>	<b>PHT POSITION 2018/2019</b>	<b>COMPARISON WITH OTHER TRUSTS</b>	<b>PHT POSITION 2017/2018</b>	<b>COMPARISON WITH OTHER TRUSTS 2017/2018</b>	<b>PHT POSITION 2016/2017</b>	<b>COMPARISON WITH OTHER TRUSTS 2016/2017</b>	<b>SOURCE</b>
<b>a) The value and banding of the summary hospital-level mortality indicator ('SHMI') for the trust for the reporting period;</b>	86.66  April to Sept 2018 (Most recent reported period available)	Peer value 95.27  Trust performed better than the small acute peer group	87.13  12 months to March 2018	Peer value 101.24  Trust performed better than the small acute peer group	84.98  12 months to March 2017	Peer value 103.88  Trust performed better than the small acute peer group	Source: CHKS
Poole Hospital NHS Foundation Trust considers that this data is as described because of the excellent work of clinical staff							
Poole Hospital NHS Foundation Trust will continue the work on improving mortality that it already undertakes							
Poole Hospital NHS Foundation Trust considers that this data is as described because of the excellent work of clinical staff. The data is presented as							

<b>PRESCRIBED INDICATOR</b>	<b>PHT POSITION 2018/2019</b>	<b>COMPARISON WITH OTHER TRUSTS</b>	<b>PHT POSITION 2017/2018</b>	<b>COMPARISON WITH OTHER TRUSTS 2017/2018</b>	<b>PHT POSITION 2016/2017</b>	<b>COMPARISON WITH OTHER TRUSTS 2016/2017</b>	<b>SOURCE</b>
available from the national database.							
Poole Hospital NHS Foundation Trust will continue the work on improving mortality that it already undertakes							
<b>1. Patient reported outcome score for groin hernia surgery</b>			97.44% (Reporting ceased Q2)	N/A	89.50%		N/A
*Poole Hospital NHS Foundation Trust considers that this data is as described because of the very small numbers of patients having this procedure at the Trust.	For information the following procedures are not carried out at this Trust; Varicose vein. Hip replacement . Knee replacement						

<b>PRESCRIBED INDICATOR</b>	<b>PHT POSITION 2018/2019</b>	<b>COMPARISON WITH OTHER TRUSTS</b>	<b>PHT POSITION 2017/2018</b>	<b>COMPARISON WITH OTHER TRUSTS 2017/2018</b>	<b>PHT POSITION 2016/2017</b>	<b>COMPARISON WITH OTHER TRUSTS 2016/2017</b>	<b>SOURCE</b>
Poole Hospital NHS Foundation Trust will continue to seek to improve patients responding to the questionnaire on their satisfaction.							
<b>Percentage of patients readmitted to hospital within 28 days of being discharged:</b> <ul style="list-style-type: none"> <li>0 to 15 years old</li> <li>16 and over</li> <li>Total</li> </ul>	13.01% 8.49 % 9.32% April 2018 to Jan 2019		13.00% 8.86 % 9.61%		13.81% 8.56% 9.54%		
Poole Hospital NHS Foundation Trust considers that this data is as described because the data has been internally validated.							
Poole Hospital NHS Foundation Trust will be working across the health and social care							

<b>PRESCRIBED INDICATOR</b>	<b>PHT POSITION 2018/2019</b>	<b>COMPARISON WITH OTHER TRUSTS</b>	<b>PHT POSITION 2017/2018</b>	<b>COMPARISON WITH OTHER TRUSTS 2017/2018</b>	<b>PHT POSITION 2016/2017</b>	<b>COMPARISON WITH OTHER TRUSTS 2016/2017</b>	<b>SOURCE</b>
community to reduce unnecessary patient readmissions							
<b>2. Percentage of patients who were admitted to hospital and who were risk assessed for venous thrombo-embolism</b>	97.1%		96.6%		97.17%		96%
Poole Hospital NHS Foundation Trust considers that this data is as described because of the good work being undertaken by clinical staff.							
Poole Hospital NHS Foundation Trust will continue the work on improving VTE assessment that it already undertakes							
<b>3. Rate per 100,000 bed days of cases of C.difficile reported within the trust amongst patients aged 2 or</b>	Annual data will be published in July		Annual data will be published in July		16		



<b>PRESCRIBED INDICATOR</b>	<b>PHT POSITION 2018/2019</b>	<b>COMPARISON WITH OTHER TRUSTS</b>	<b>PHT POSITION 2017/2018</b>	<b>COMPARISON WITH OTHER TRUSTS 2017/2018</b>	<b>PHT POSITION 2016/2017</b>	<b>COMPARISON WITH OTHER TRUSTS 2016/2017</b>	<b>SOURCE</b>
<b>over.</b>							
Poole Hospital NHS Foundation Trust considers that this data is as described because of the excellent work in preventing infections in the trust. There were no cases of C.Diff cross contamination in either year.							
Poole Hospital NHS Foundation Trust will continue the work on improving infection prevention that it already undertakes.							
<b>4. Number and, where available, rate of patient safety incidents and;</b>	4197		4592		4929		N/A
<b>The rate of patient safety incidents</b>	49		54.64		50.94		N/A
<b>Number and, Percentage rate</b>	0.18%		0.33%		0.8%		

<b>PRESCRIBED INDICATOR</b>	<b>PHT POSITION 2018/2019</b>	<b>COMPARISON WITH OTHER TRUSTS</b>	<b>PHT POSITION 2017/2018</b>	<b>COMPARISON WITH OTHER TRUSTS 2017/2018</b>	<b>PHT POSITION 2016/2017</b>	<b>COMPARISON WITH OTHER TRUSTS 2016/2017</b>	<b>SOURCE</b>
<b>of patient safety incidents that resulted in severe harm or death</b>							
Poole Hospital NHS Foundation Trust considers that this data is as described because of the open reporting culture and encouragement to staff in the trust. The degree of harm caused to patients is very low. It should be noted that this data is for the six month period April to September each year.							

Note 13: Patient safety incidents resulting in severe harm or death

The National Reporting and Learning Service (NRLS) was established in 2003. The system enables patient safety incident reports to be submitted to a national database on a voluntary basis designed to promote learning. It is mandatory for NHS Trusts in England to report all serious patient safety incidents to the Care Quality Commission as part of the Care Quality Commission registration process. To avoid duplication of reporting, all incidents resulting in death or severe harm should be reported to the NRLS who then report them to the Care Quality Commission. Although it is not mandatory, it is common practice for NHS trusts to report patient safety incidents under the NRLS's voluntary arrangements.

As there is not a nationally established and regulated approach to reporting and categorising patient safety incidents, different trusts may choose to apply different approaches and guidance to reporting, categorisation and validation of patient safety incidents. The approach taken to determine the classification of each incident, such as those 'resulting in severe harm or death', will often rely on clinical judgement. This judgement may, acceptably, differ between professionals. In addition, the classification of the impact of an incident may be subject to a potentially lengthy investigation which may result in the classification being changed. This change may not be reported externally and the data held by a trust may not be the same as that held by the NRLS. Therefore, it may be difficult to explain the differences between the data reported by the Trusts as this may not be comparable.

### **3.6 STATEMENTS INVITED FROM EXTERNAL BODIES**

This quality report was sent to:

- Dorset Clinical Commissioning Group (Lead Commissioner)
- Borough of Poole, Overview and Scrutiny Committee
- Borough of Bournemouth, Overview and Scrutiny Committee
- Health Watch Dorset
- Council of Governors

The following comments have been received:

#### **3.6.1 Dorset Clinical Commissioning Group**

##### **Response to Poole Hospital NHS Foundation Trust's Quality Account 2018/19**

Dorset CCG welcomes the opportunity to provide this statement on Poole Hospital NHS Foundation Trust's Quality Account. The information contained within this Quality Account is consistent with information supplied to commissioners throughout the year and the CCG recognises the areas of improvement achieved during the significant operational pressures at the Trust during the year.

In particular, there was significant success in the implementation of the 'Saving babies lives' bundle with early achievement of the 2020 target of a 50 % reduction in the number of stillbirths. The Trust also performed excellently as one of the top ten in the country with 90% of staff receiving the flu vaccination. The CCG welcomes the continuation of the quality priorities for nutrition, pressure ulcer and falls prevention to build on the improvements made in 2018/19. The CCG also supports the new priorities identified including learning from deaths, to improve communication with patients and reduce the number of urinary catheter related infections.

The CCG, in partnership with NHS Improvement, have provided oversight to the Trust Improvement Plan put in place following the CQC unannounced inspection of theatres in June 2018. With the challenge posed during the year in relation to infection prevention and control the Trust has focussed on a programme of cultural change required to sustain improvement.

As Commissioners we look forward to continuing to work with the Trust during 2019/20 and we commend the commitment to work collaboratively as part of the Dorset Integrated Care System to improve the experience for the population which the Trust serves.

Please do not hesitate to contact me if you require any further information.

Yours sincerely



Vanessa Read  
Director of Nursing & Quality

### **3.6.2 People Overview and Scrutiny Committee (Health and Social Care) response to Poole Hospital NHS Foundation Trust's Quality Account 2018/19 (Borough of Poole)**

#### **Response to Poole Hospital NHS Foundation Trust's Quality Account 2018/19**

The Council would like to thank Poole Hospital NHS Foundation Trust for their professional and open approach to meeting with representatives of Borough of Poole's, Health and Social Care Overview and Scrutiny committee throughout the year. Some very productive discussions have been held around the progress made in key quality improvement areas. We would like to thank the hospital for allowing the Council an opportunity to comment on this account regarding the achievements and areas for improvement detailed in the Quality Report for 2018/19. The Report gives a clear outline of how Poole Hospital is meeting its requirements for delivering high quality healthcare.

We are encouraged that the Trust set out some challenging priority areas for improvement during 18/19 and what it has achieved regarding improving performance around 6 of its key quality improvement measures:

Pressure ulcers- It is good to note that the Trust have carried over this priority area from last year, however there has been no reduction in the numbers despite efforts to improve standards of care. We note that reporting of skin breaks has increased and could be overinflating figures; however it is encouraging that the increased presence of the tissue viability nurse in helping to detect skin breaks early on is preventing further skin deterioration.

Falls prevention- It is encouraging to see that there is a high level of compliance with completing nursing assessments within 6 hours of admission and also that there is an improving picture in regards to the number of falls causing moderate to severe harm decreasing.

Reducing 'term' admissions to Neo Natal Unit (NNU)- we acknowledge that the Trust are working hard to buck the national trend of an increasing proportion of babies needing to be admitted to NNU after birth; especially when there is a substantial body of evidence to say that this has a detrimental effect on the bonding process for mother and child. It appears that good progress is being made in this area, and that Poole is performing well in achieving below the national target of 6%. Saving babies lives- the hard work is heartening in trying to achieve another national ambition in reducing the number of still births with a 20% reduction by 2020. It will be interesting to receive further updates in regards to whether the Trust achieve this ambition in the fullness of time.

Nutrition- It is reassuring to note that measures have been put in place in order to improve patient nutrition and meal provision. Improving the offer of assistance to all patients who need it at meal times and that an assessment is completed within 24 hours of admittance is an imperative for the healing process.

Improving mental health patient pathways- it is pleasing to hear that the mental health CQUIN in regards to reducing the number of attendances from the frequent attenders cohort

has reduced significantly during the last year. It is also encouraging to note that staff training in this area has been stepped up working in conjunction with mental health partners.

Medication safety-it is pleasing to note the continual service improvement in this key area and that the Trust has taken strides over the last two years to improve medication errors with evidence to suggest this downward trajectory.

Thank you for the opportunity to comment on an interesting Quality Review and Account. We look forward to reading the published version but please take this letter as Borough of Poole's response to that document based on the draft version sent to the Council on 22nd March 2019.

Yours sincerely



Phil Hornsby  
Head of Commissioning and Improvement, People Services  
Borough of Poole

### **3.6.3 Borough of Bournemouth, Overview and Scrutiny Committee**

Invited to comment but none received

### **3.6.4 Health Watch Dorset comment on Poole Hospital NHS Foundation Trust Quality Account 2017/18**

Invited to comment but none received

## **3.6 .5 STATEMENTS FROM TRUST GOVERNORS**

### **Governor Response to the 2018/19 Quality Report**

The Council of Governors is pleased to continue to comment on the Trust's Quality report showing transparency and achievement through many of its goals.

The Trust has continued to face significant challenges from increased activity, financial and workforce pressures. However the Council of Governors would like to note the commitment of staff to deliver high quality, safe patient care.

Additionally, the Council of Governors would also like to highlight the following improvements and successes of the year:

- Portland Ward's achievement of no pressure ulcers for the year;
- The overall reduction in pressure ulcers, Grades 3 and 4 since December 2018;
- The successful launch of the national campaign, "putting an end to PJ paralysis";
- Examples of the number of national awards including winner in the information for children category at the British Medical Association's annual Patient Information Awards, winner of the Diabetes Initiative of the Year at the national annual Quality of Care Diabetes awards.
- There is a national ambition to halve the rates of stillbirths using the Saving Babies' Lives programme which is designed to support hospitals, clinicians and commissioners take action to reduce stillbirths. The Maternity team were delighted to

report that not only had they achieved the 2020 target, but also the target set for 2030 by reducing the number of stillbirths by 50%.

•  
Due to the transparent nature of the document and the involvement of the quality reference group, the Governors feel they are aware of the areas of concern and are reassured that the Board of Directors is working on areas highlighted in the quality report to address them.

Some of the key quality issues identified by the Quality Reference group from the quality report are highlighted below:

- The continued challenge of reducing falls with harm;
- Continuing to focus on Learning from Deaths which will be a key Quality Improvement topic for the 2019/20 Quality Account.
- The increased focus on recruitment and retention particularly nursing staff which remains a challenge nationally and has an impact on the quality and safety of our services to patients.
- Whilst the percentage of staff who would recommend the Trust as a place work was 7.5% higher than the national average, the percentage of 69% reflects the need for a focus on the general morale of staff.
- Following an unannounced visit to Theatres in the summer of 2018, a number of key improvements were identified which have been a focus for the Trust.

The Council of Governors previously have approved the Quality Reference Group's endorsement that the Trust's Summary Hospital Level Mortality Index (SHMI) should be externally audited.

The Governors have been involved in discussions during the drafting of this report and as Governors have been able to put forward our recommendations on the priorities going forward. These have been included in this report.

In conclusion, the Council of Governors has reviewed this comprehensive report and would like to endorse the progress and achievements outlined and the recommendation recorded to ensure the Trust continues to deliver first class care.

### 3.7 ANNEX 1 to QUALITY REPORT 2018-2019

#### STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE QUALITY REPORT

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

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

In preparing the quality report, directors are required to take steps to satisfy themselves that:

- the content of the quality report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2018-2019;
- the content of the quality report is not inconsistent with internal and external sources of information including:
  - \* board minutes and papers for the period April 2018 to May 2019
  - \* papers relating to Quality reported to the board over the period April 2018 to May 2019
  - \* feedback from commissioners dated 20 May 2019
  - \* feedback from governors dated 25<sup>th</sup> April 2019
  - \* feedback from local Health watch organisations – Invited but none supplied
  - \* feedback from Poole Overview and Scrutiny Committee 26 March 2019
  - \* feedback from the Bournemouth Overview and Scrutiny Committee – invited but none supplied
  - \* the Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, July 2018
  - \* the [latest] national patient survey 2018
  - \* the [latest] national staff survey 2018
  - \* the Head of Internal Audit's annual opinion over the Trust's control environment dated May 2019
  - \* CQC inspection report dated 23 January 2018
- the Quality Report presents a balanced picture of the NHS foundation Trust's performance over the period covered
- the performance information reported in the Quality Report is reliable and accurate
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice
- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review and
- the Quality Report has been prepared in accordance with NHS Improvement's annual reporting manual and supporting guidance (which incorporates the Quality Accounts regulations) as well as the standards to support data quality for the preparation of the Quality Report

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

By order of the board

22/5/19 Date J. S. Mon. Chairman  
22/5/19 Date D. H. Henry Chief Executive



## **INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF POOLE HOSPITAL NHS FOUNDATION TRUST ON THE QUALITY REPORT**

We have been engaged by the Council of Governors of Poole Hospital NHS Foundation Trust to perform an independent assurance engagement in respect of Poole Hospital NHS Foundation Trust's Quality Report for the year ended 31 March 2019 (the 'Quality Report') and certain performance indicators contained therein.

### **Scope and subject matter**

The indicators for the year ended 31 March 2019 subject to limited assurance consist of the following two national priority indicators:

- A&E: maximum waiting time of four hours from arrival to admission, transfer or discharge; and
- maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers.

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

### **Respective responsibilities of the directors and auditors**

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

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

- the Quality Report is not prepared in all material respects in line with the criteria set out in the *NHS Foundation Trust Annual Reporting Manual* and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in the *Detailed requirements for quality reports for foundation trusts 2018/19* ('the Guidance'); and
- the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the Guidance.

We read the Quality Report and consider whether it addresses the content requirements of the NHS Foundation Trust Annual Reporting Manual and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the Quality Report and consider whether it is materially inconsistent with:

- Board minutes and papers for the period April 2018 to May 2019;
- papers relating to quality reported to the board over the period April 2018 to May 2019;
- feedback from Dorset CCG commissioners, dated 21 May 2019;
- feedback from governors, dated 25 May 2019;
- feedback from local Healthwatch organisations, none supplied;
- feedback from Overview and Scrutiny Committee, dated May 2019;
- the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009;
- the latest 2018 national patient survey
- the latest 2018 national staff survey;

- Care Quality Commission Inspection, dated 26 January 2018;
- the 2018/19 Head of Internal Audit's annual opinion over the trust's control environment, dated 16 May 2019; and
- any other information included in our review.

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

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

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

### **Assurance work performed**

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

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicator;
- making enquiries of management;
- testing key management controls;
- limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation;
- comparing the content requirements of the NHS Foundation Trust Annual Reporting Manual to the categories reported in the Quality Report; and
- reading the documents.

A limited assurance engagement is smaller in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

### **Limitations**

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable measurement techniques which can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these criteria, may change over time. It is important to read the quality report in the context of the criteria set out in the *NHS Foundation Trust Annual Reporting Manual* and supporting guidance.

The scope of our assurance work has not included governance over quality or the non-mandated indicator, which was determined locally by Poole Hospital NHS Foundation Trust.

**Basis for qualified conclusion on the maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers indicator**

As set out in the Statement on Quality from the Chief Executive of the Foundation Trust on pages 87 to 90 of the Trust's Quality Report, the Trust currently has concerns with the accuracy of data for the maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers indicator due to the accuracy of clock start and stop dates. In our testing we found:

- Of 25 sampled patients classed as non-breaches, one case was identified where the incorrect start date had been used to calculate performance, although it was still correct to be classified as a non-breach.
- In one case it was identified that the data had been manually amended incorrectly. This resulted in the identification of a non-breach which should have been classed as a breach.

**Qualified conclusion**

Based on the results of our procedures, except for the effects of the matters described in the 'Basis for qualified conclusion' section above, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2019:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual;
- the Quality Report is not consistent in all material respects with the sources specified in the Guidance; and
- the indicators in the Quality Report subject to limited assurance have not been reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the Guidance.

KPMG LLP

KPMG LLP  
Chartered Accountants  
66 Queen Square  
Bristol  
BS1 4BE  
22 May 2019



## SECTION D: ANNUAL ACCOUNTS

## SECTION D: ANNUAL ACCOUNTS





# Independent auditor's report

## to the Council of Governors of Poole Hospital NHS Foundation Trust

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### 1. Our opinion is unmodified

We have audited the financial statements of Poole Hospital NHS Foundation Trust ("the Trust") for the year ended 31 March 2019 which comprise the Group and Trust Statements of Comprehensive Income, Group and Trust Statements of Financial Position, Group and Trust Statements of Changes in Equity and Group and Trust Statements of Cash Flows, and the related notes, including the accounting policies in note 1.

#### In our opinion:

- the financial statements give a true and fair view of the state of the Group and the Trust's affairs as at 31 March 2019 and of the Group and Trust's income and expenditure for the year then ended; and
- the Group and the Trust's financial statements have been properly prepared in accordance with the Accounts Direction issued under paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006, the NHS Foundation Trust Annual Reporting Manual 2018/19 and the Department of Health and Social Care Group Accounting Manual 2018/19.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group and Trust in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

#### Overview

<b>Materiality:</b>	£4.9 million
Group financial statements as a whole	2% of total income from operations

<b>Materiality:</b>	£4.8 million
Trust financial Statements	2% of total income from operations

#### Risks of material misstatement

<b>Recurring risks</b>	Material uncertainty related to going concern
	Valuation of land and buildings
	Recognition of NHS and Non-NHS income
	Non- Pay expenditure recognition



## 2. Material uncertainty related to going concern

	The risk	Our response
<p><b>Going concern</b></p> <p>We draw attention to note 1 to the financial statements which indicates that the Group has deficit for the year for year ended 31 March 2019 of £11.7 million. The Group is also forecasting a deficit for the year ending 31 March 2020 and will require ongoing loan support from the Department of Health and Social Care, and non-repayment of current funding in order to meet the future financial obligations of the Group.</p> <p>These events and conditions, along with the other matters explained in note 1, constitute a material uncertainty that may cast significant doubt on the group and the parent company's ability to continue as a going concern.</p> <p>Our opinion is not modified in respect of this matter.</p>	<p><b>Disclosure quality</b></p> <p>The financial statements explain how the Board has formed a judgement that it is appropriate to adopt the going concern basis of preparation for the Group and Trust.</p> <p>That judgement is based on an evaluation of the inherent risks to the Group's and Trust financial plan, including the impact of Brexit, and how those risks might affect the Group's and Trust's financial resources or ability to continue operations over a period of at least a year from the date of approval of the financial statements.</p> <p>The risk for our audit is whether or not those risks are such that they amount to a material uncertainty that may cast significant doubt about the ability to continue as a going concern. If so, that fact is required to be disclosed (as has been done) and, along with a description of the circumstances, is a key financial statement disclosure.</p>	<p>Our procedures included:</p> <p><b>Funding assessment:</b></p> <ul style="list-style-type: none"> <li>— We inspected and challenged the assumptions in the 2019/20 financial plan to ensure that adequate future loan funding is included.</li> </ul> <p><b>Our NHS experience:</b></p> <ul style="list-style-type: none"> <li>— We assessed the likelihood of NHS Improvement transferring services to other NHS bodies using our own NHS experience.</li> <li>— We assessed the likelihood of DHSC not demanding repayment of existing loans in the 12 month period under assessment.</li> </ul> <p><b>Historical comparisons:</b></p> <ul style="list-style-type: none"> <li>— We assessed the Group's performance in meeting its financial targets set in the 2018/19 financial plan, including the Control Total, Agency Cap and Cost Improvement Programme.</li> </ul> <p><b>Assessing transparency:</b></p> <ul style="list-style-type: none"> <li>— We assessing the completeness and accuracy of the matters covered in the going concern disclosure.</li> </ul> <p><b>Our findings</b></p> <ul style="list-style-type: none"> <li>— We found the disclosure of the material uncertainty to be balanced.</li> </ul>

### 3. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below, the key audit matters in decreasing order of audit significance, in arriving at our audit opinion above together with our key audit procedures to address those matters and our findings from those procedures in order that the Trust's governors as a body may better understand the process by which we arrived at our audit opinion. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In arriving at our audit opinion above, the key audit matters, in decreasing order of audit significance, were as follows:

All of these key audit matters relate to the Group and the parent Trust.

	The risk	Our response
<p><b>Valuation of Land and Buildings</b></p> <p>(£112.3 million; 2018: £107.2 million)</p> <p><i>Refer to page 37 (Audit and Governance Committee Report), note 1 of the financial statements (accounting policies) and note 8 of the financial statement (financial disclosures)</i></p>	<p><b>Subjective estimate:</b></p> <p>Land and buildings are required to be held at current value in existing use. As hospital buildings are specialised assets and there is not an active market for them they are valued on the basis of the cost to replace them with a modern equivalent asset (Depreciated Replacement Cost).</p> <p>When considering the cost to build a replacement asset the Trust may consider whether the asset would be built to the same specification or in the same location. Assumptions about changes to the asset must be realistic. The valuations are inclusive of VAT as this is not recoverable by the trust.</p> <p>Valuation is completed by an external expert engaged by the Trust using construction indices and so accurate records of the current estate are required. Full valuations are completed every five years, with interim desktop valuations completed in interim periods. Valuations are inherently judgmental, therefore our work focused on whether the valuer's methodology, assumptions and underlying data, are appropriate and correctly applied.</p> <p>The Trust last had a full valuation undertaken at 31 March 2017. In the current year the valuers performed an interim desktop revaluation.</p> <p>The effect of these matters is that, as part of our risk assessment, we determined that the valuation of land and buildings has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>— <b>Assessing valuer's credentials:</b> We considered the scope, qualifications and experience of the Trust's valuers, to identify whether the valuer was appropriately experienced and qualified to undertake the valuation;</li> <li>— <b>Methodology choice:</b> We considered the overall methodology of the external valuation performed to identify whether the approach was in line with industry practice;</li> <li>— <b>Benchmarking assumptions:</b> We critically assessed the assumptions used by the valuer to assess the valuation of assets against BCIS all in tender price index and industry norms;</li> </ul> <p><b>Tests of details:</b></p> <ul style="list-style-type: none"> <li>— We assessed the carrying value of the land and buildings, including any material movements from the previous revaluations;</li> <li>— We compared the base data used by the valuer for the interim desk-top valuation against the Trust's estate records;</li> <li>— We assessed whether the accounting for valuation changes was in accordance with the requirements of the DHSC Group Accounting Manual; and</li> <li>— For a sample of assets added during the year we agreed that an appropriate valuation basis had been adopted when they became operational and that the Trust would receive future benefits.</li> </ul> <p><b>Our findings</b></p> <ul style="list-style-type: none"> <li>— We found the resulting valuation and accounting treatment of land and buildings to be balanced.</li> </ul>

Significant Risk	Description	Work carried out and judgements
<p><b>Recognition of NHS and non-NHS income</b></p> <p>(£259.0 million; 2018: £250.2 million)</p> <p><i>Refer to page 37 (Audit and Governance Committee Report), note 1 of the financial statements (accounting policies) and note 2 of the financial statement (financial disclosures)</i></p>	<p><b>Effects of Irregularities:</b></p> <p>Of the Group's reported income, £219.4 million (2017/18: £208.3 million) came from commissioners (Clinical Commissioning Groups (CCG) and NHS England). Income from CCGs and NHS England make up 98% of the Group's income. The majority of this income is contracted on an annual basis, however actual achievement is based on completing the planned level of activity and achieving key performance indicators (KPIs). If the Trust does not meet its contracted KPIs then commissioners are able to impose penalties, reducing the level of income.</p> <p>An agreement of balances exercise is undertaken between all NHS bodies to agree the value of transactions during the year and the amounts owed at the year end. 'Mismatch' reports are available setting out discrepancies between the submitted balances from each party in transactions and variances over £300,000 are required to be reported to the National Audit Office to inform the audit of the Department of Health consolidated accounts.</p> <p>The Group reported total income of £34.5 million (2017/18: £38 million) from other activities principally, Education and Training and Non patient care activities. Much of this income is generated by contracts with other NHS and non-NHS bodies which are based on varied payment terms, including payment on delivery, milestone payments and periodic payments.</p> <p>In 2018/19, the Group received Provider Sustainability Funding (PSF) from NHS Improvement. This is received subject to achieving defined financial and operational targets on a quarterly basis. The Trust was allocated £8.6 million of PSF funding.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>— <b>Control observations:</b> We tested the design and operation of process level controls over revenue recognition;</li> <li>— <b>Test of detail:</b> We have agreed a sample of NHS income back to the contracts, cash and invoices.</li> <li>— <b>Test of detail:</b> We inspected invoices for material income, in two weeks prior to and following 31 March 2019 to determine whether income was recognised in the correct accounting period, in accordance with the amounts billed to corresponding parties;</li> <li>— We assessed the outcome of the agreement of balances exercise with CCGs and other NHS providers and compared the values they are disclosing within their financial statements to the value of income captured in the financial statements. We sought explanations for any variances over £300,000, and all balances in dispute, and challenged the Group's assessment of the level of income they were entitled to and the receipts that could be collected;</li> <li>— We assessed the PSF funding recorded in the financial statements and the Trust's performance against the required targets to confirm eligibility for the income and agreed bonus amounts to correspondence from NHSI; and</li> <li>— <b>Non NHS Income:</b> We tested material other income balances by agreeing a sample of income transactions through to supporting documentation and/or cash receipts.</li> </ul> <p><b>Our findings</b></p> <ul style="list-style-type: none"> <li>— The results of our test of details were satisfactory and we found that the Trust's recognition of NHS and Non NHS income was balanced.</li> </ul>

Significant Risk	Description	Work carried out and judgements
<p><b>Recognition of non-pay expenditure</b></p> <p>(£85.1 million; 2018: £76.2 million)</p> <p><i>Refer to page 37 (Audit and Governance Committee Report), note 1 of the financial statements (accounting policies) and note 3 of the financial statement (financial disclosures)</i></p>	<p><b>Effect of Irregularities</b></p> <p>In the public sector, auditors consider the risk that material misstatements due to fraudulent financial reporting may arise from the manipulation of expenditure recognition (for instance by deferring expenditure to a later period). This may arise due to the audited body manipulating expenditure to meet externally set targets.</p> <p>As most public bodies are net spending bodies, then the risk of material misstatement due to fraud related to expenditure recognition may in some cases be greater than the risk of material misstatements due to fraud related to revenue recognition and so we had regard to this when planning and performing our audit procedures.</p> <p>This risk relates to completeness of the non-pay and non-depreciation expenditure balance.</p>	<p>Our procedures included:</p> <p><b>Control observations</b></p> <ul style="list-style-type: none"> <li>— We tested the design and operation of process level controls over purchase invoice approval;</li> </ul> <p><b>Test of detail</b></p> <ul style="list-style-type: none"> <li>— We inspected invoices for material expenditure, in the month prior to and following 31 March 2019 to determine whether income was recognised in the correct accounting period, in accordance with the amounts billed to corresponding parties;</li> <li>— We tested a sample of expenditure transactions through to supporting documentation and/or cash payments; and</li> <li>— We inspected confirmations of balances provided by the Department of Health as part of the AoB exercise and compared the relevant payables recorded in the Trust's financial statements to the receivables balances recorded within the accounts of other providers and other bodies within the AoB boundary. Where applicable we investigated variances and reviewed relevant correspondence to assess the reasonableness of the Trust's approach to recognising expenditure with other providers and other bodies within the AoB boundary.</li> </ul> <p><b>Our findings</b></p> <p>We found the resulting expenditure recognition to be balanced.</p>

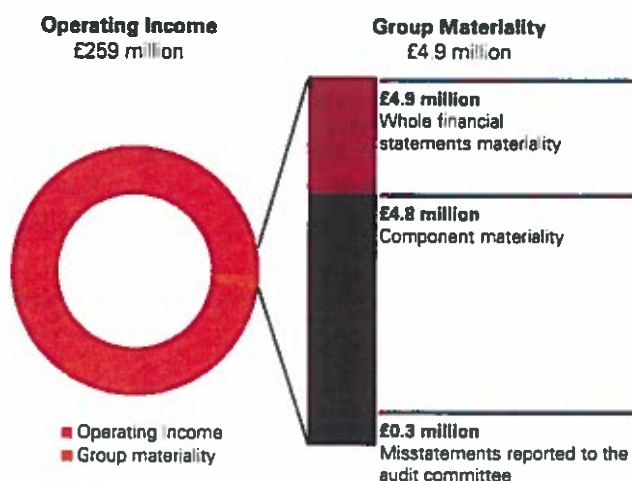
#### 4. Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements as a whole was set at £4.9 million, determined with reference to a benchmark of total operating income (of which it represents approximately 2%). We consider operating income to be more stable than a surplus- or deficit-related benchmark.

Materiality for the parent Trust's financial statements as a whole was set at £4.8 million, determined with reference to a benchmark of operating income (of which it represents approximately 2%).

We agreed to report to the Audit Committee any corrected and uncorrected identified misstatements exceeding £0.25 million, in addition to other identified misstatements that warranted reporting on qualitative grounds.

Of the group's two reporting components, we subjected one component to a full scope audit for group reporting purposes. The remaining component was not individually financially significant enough to require a full scope audit for group reporting purposes, but did present specific individual risks that needed to be addressed. The components within the scope of our work accounted for the percentages illustrated below.



#### 5. We have nothing to report on the other information in the Annual Report

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.



In our opinion the other information included in the Annual Report for the financial year is consistent with the financial statements.

#### Remuneration report

In our opinion the part of the remuneration report to be audited has been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2018/19.

#### Corporate governance disclosures

We are required to report to you if:

- we have identified material inconsistencies between the knowledge we acquired during our financial statements audit and the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for stakeholders to assess the Group's position and performance, business model and strategy; or
- the section of the annual report describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee; or
- the Annual Governance Statement does not reflect the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2018/19, is misleading or is not consistent with our knowledge of the Group and other information of which we are aware from our audit of the financial statements.

We have nothing to report in these respects.

#### 6. Respective responsibilities

##### Accounting Officer's responsibilities

As explained more fully in the statement set out on page 74, the Accounting Officer is responsible for the preparation of financial statements that give a true and fair view. They are also responsible for: such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Group and parent Trust without the transfer of their services to another public sector entity.

##### Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at

[www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities)



## REPORT ON OTHER LEGAL AND REGULATORY MATTERS

### **We have nothing to report on the statutory reporting matters**

We are required by Schedule 2 to the Code of Audit Practice issued by the Comptroller and Auditor General ('the Code of Audit Practice') to report to you if:

- any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006.
- any matters have been reported in the public interest under Schedule 10(3) of the National Health Service Act 2006 in the course of, or at the end of the audit.

We have nothing to report in these respects.

### **Our conclusion on the Group's arrangements for securing economy, efficiency and effectiveness in the use of resources is qualified/adverse**

Under the Code of Audit Practice we are required to report to you if the Group has not made proper arrangement for securing economy, efficiency and effectiveness in the use of resources.

#### **Qualified conclusion**

Subject to the matters outlined in the basis for qualified conclusion paragraph below we are satisfied that in all significant respects Poole Hospital NHS Foundation Trust put in place proper arrangements for securing economy, efficiency and effectiveness in the use of resources for the year ended 31 March 2019.

#### **Basis for qualified conclusion**

As at 31 March 2019, the Group reported a £11.7 million deficit and the Trust reported a £11.0 million deficit. The Group operational plan for 2019/20 forecasts a breakeven position after receipt of transition funding and other provider support of £27.0 million, and the Group does not currently have plans in place to address the underlying deficit. Whilst the Group has identified efficiency schemes that will support the achievement of the Group and Trust's short-term financial plans, its long-term plans are not yet sufficiently progressed to achieve a break-even position in the foreseeable future or allow the Trust to repay its loans from the DHSC.

This demonstrates weaknesses in the Trust's arrangements to plan its finances effectively to support the sustainable delivery of its strategic priorities and maintain its statutory functions

### **Respective responsibilities in respect of our review of arrangements for securing economy, efficiency and effectiveness in the use of resources**

The Group is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of resources.

Under Section 62(1) and Schedule 10 paragraph 1(d), of the National Health Service Act 2006 we have a duty to satisfy ourselves that the Group has made proper arrangements for securing economy, efficiency and effectiveness in the use of resources.

We are not required to consider, nor have we considered, whether all aspects of the Group's arrangements for securing economy, efficiency and effectiveness in the use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the specified criterion issued by the Comptroller and Auditor General (C&AG) in November 2017, as to whether the Group had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. We planned our work in accordance with the Code of Audit Practice and related guidance. Based on our risk assessment, we undertook such work as we considered necessary.

### **Report on our review of the adequacy of arrangements for securing economy, efficiency and effectiveness in the use of resources**

We are required by guidance issued by the C&AG under Paragraph 9 of Schedule 6 to the Local Audit and Accountability Act 2014 to report on how our work addressed any identified significant risks to our conclusion on the adequacy of the Group's arrangements to secure economy, efficiency and effectiveness in the use of resources. The 'risk' in this case is the risk that we could come to an incorrect conclusion in respect of the Group's arrangements, rather than the risk of the arrangements themselves being inadequate.

We carry out a risk assessment to determine the nature and extent of further work that may be required. Our risk assessment includes consideration of the significance of business and operational risks facing the Group, insofar as they relate to 'proper arrangements'. This includes sector and organisation level risks and draws on relevant cost and performance information as appropriate, as well as the results of reviews by inspectorates, review agencies and other relevant bodies.

The significant risks identified during our risk assessment are set out below together with the findings from the work we carried out on each area.

Significant Risk	Description	Work carried out and judgements
<b>Financial Sustainability</b>	<p>Whilst the context of the financial challenges within the NHS are well known, as well as the decision by the Board to merge with Royal Bournemouth &amp; Christchurch Hospitals NHS FT to support future financial sustainability, the forecast deficit and stretching CIP target presents a significant risk to our assessment of the adequacy of arrangements in place at the Trust specifically in relation to planning finances effectively.</p> <p>The Trust continues to operate with an underlying deficit, and has plans to rely on DHSC loans to support the cash position in the coming year.</p>	<p><b>Our work included:</b></p> <ul style="list-style-type: none"> <li>— Considering the nature of cash support the Trust is receiving from NHSI and its performance against any conditions attached to the support.</li> <li>— Assessing the Trust's arrangements for managing working capital, including the processes for forecasting and monitoring cash flows and delivering cash savings.</li> <li>— Considering the arrangements in place to deliver recurrent cost improvements by assessing the Trust CIP delivery against the planned CIP target and the use of recurrent and non-recurrent savings.</li> <li>— Comparing the Trust use of agency staff against the agency cap set by NHS Improvement.</li> <li>— Evaluating the Trust position as at 31 March 2019 against the forecast position and considering the future financial plans to assess the ongoing financial sustainability.</li> </ul> <p><b>Our findings on this risk area:</b></p> <ul style="list-style-type: none"> <li>— As at 31 March 2019 the Parent Trust has reported a £10.9 million deficit against planned deficit of £3.7 million.</li> <li>— The Group cash balance at year end was £5.5 million, with the Trust requiring £14.0 million of revenue cash support in 2019/20.</li> <li>— The 2019/20 operational plan forecasts a breakeven position following £9.3 million of transitional support from Dorset CCG and a further £17.7 million funding related to hitting the breakeven position. The Trust plan no further loan drawdown from DOHSC in 2019/20.</li> <li>— The Group delivered £6 million of the £10.9 million Cost Improvement Plans for 2018/19, of which £3.1 million are recurrent savings.</li> <li>— The Group has incurred £8.8 million of agency expenditure against an agreed agency cap of £4.2 million.</li> </ul> <p>These issues are evidence of weaknesses in the Trust's arrangements to plan its finances effectively to support the sustainable delivery of its strategic priorities and maintain its statutory functions.</p>

#### THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

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



#### CERTIFICATE OF COMPLETION OF THE AUDIT

We certify that we have completed the audit of the accounts of Poole Hospital NHS Foundation Trust in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice issued by the National Audit Office.

*Jonathan Brown*

**Jonathan Brown**  
for and on behalf of KPMG LLP (Statutory Auditor)

Chartered Accountants  
66 Queen Square,  
Bristol, BS1 4BE  
22nd May 2019

**FOREWORD TO THE ACCOUNTS**

**Poole Hospital NHS Foundation Trust**

These accounts for the year ended 31 March 2019 of Poole Hospital NHS Foundation Trust have been prepared in accordance with paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006 and comply with the annual reporting guidance for NHS Foundation Trusts within the NHS Foundation Trust Annual Reporting Manual (and the Department of Health and Social Care Group Accounting Manual) for the financial period.

Signed  Chief Executive and Accounting Officer

**Name: Debbie Fleming**

**Date: 22nd May 2019**





## Statement of Accounting Officer's responsibilities

### Statement of the Chief Executive's responsibilities as the Accounting Officer of Poole Hospital NHS Foundation Trust

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


NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require Poole Hospital NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Poole Hospital NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Department of Health and Social Care Group Accounting Manual and in particular to:

- observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the *NHS Foundation Trust Annual Reporting Manual* (and the *Department of Health and Social Care Group Accounting Manual* ) have been followed, and disclose and explain any material departures in the financial statements;
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance
- confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS foundation trust's performance, business model and strategy; and
- prepare the financial statements on a going concern basis.

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

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

.....Signature

**Debbie Fleming, Chief Executive**

**Date: 22nd May 2019**



STATEMENT OF FINANCIAL POSITION AS AT  
31 March 2019

	NOTE	Group 31 March 2019 £000	Foundation Trust 31 March 2019 £000	Group 31 March 2018 £000	Foundation Trust 31 March 2018 £000
<b>NON CURRENT ASSETS</b>					
Intangible assets	7	1,840	1,840	1,300	1,300
Property, plant and equipment	8	141,743	141,542	134,841	134,837
Trade and other receivables	11	1,216	1,216	1,073	1,073
		<u>144,599</u>	<u>144,598</u>	<u>137,214</u>	<u>137,210</u>
<b>CURRENT ASSETS</b>					
Inventories	10	2,179	2,179	2,088	2,088
Trade and other receivables	11	18,386	17,409	19,694	17,574
Cash and cash equivalents	16	14,517	5,471	11,057	2,599
<b>TOTAL CURRENT ASSETS</b>		<u>34,881</u>	<u>25,059</u>	<u>32,739</u>	<u>22,661</u>
<b>CURRENT LIABILITIES</b>					
Trade and other payables	12	(38,539)	(31,527)	(25,528)	(25,407)
Other liabilities	12	(843)	(843)	(528)	(628)
Borrowings	13	(2,282)	(2,282)	(1,306)	(1,306)
Provisions	15	(1,148)	(1,148)	(129)	(129)
<b>TOTAL CURRENT LIABILITIES</b>		<u>(42,812)</u>	<u>(36,581)</u>	<u>(28,121)</u>	<u>(28,060)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>144,362</u>	<u>133,076</u>	<u>142,440</u>	<u>132,396</u>
<b>NON CURRENT LIABILITIES</b>					
Borrowings	13	(23,881)	(23,881)	(16,000)	(16,000)
Provisions	15	(627)	(627)	(775)	(775)
<b>TOTAL NON CURRENT LIABILITIES</b>		<u>(24,508)</u>	<u>(24,508)</u>	<u>(16,775)</u>	<u>(16,775)</u>
<b>TOTAL ASSETS EMPLOYED</b>		<u>119,854</u>	<u>108,568</u>	<u>125,665</u>	<u>115,621</u>
<b>FINANCED BY:</b>					
<b>TAXPAYERS' EQUITY</b>					
Public dividend capital		98,004	98,004	91,250	91,250
Revaluation reserve		23,579	23,579	24,203	24,203
Income and expenditure reserve		(8,429)	(8,429)	981	981
Charitable Funds reserves		14,517	0	11,151	0
<b>TOTAL TAXPAYERS' EQUITY</b>		<u>118,071</u>	<u>113,154</u>	<u>127,585</u>	<u>116,434</u>

The financial statements on pages 1 to 39 were approved and authorised for issue by the Board on 22nd May 2019 and signed on its behalf by:

Signed:  Chief Executive  
Name: Debbie Fleming

Signed:  Director of Finance  
Name: Mark Orchard

The accompanying notes form an integral part of these financial statements.



Data entered below will be used throughout the workbook:

Trust name:	Poole Hospital NHS Foundation Trust
This year	2018/19
Last year	2017/18
This year ended	31 March 2019
Last year ended	31 March 2018
Last year beginning	1 April 2017
This year beginning	1 April 2018



STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED  
31 March 2019

	NOTE	Group (see Note a) 2018/19 £000	Foundation Trust (see Note b) 2018/19 £000	Group 2017/18 £000	Foundation Trust 2017/18 £000
Operating Income	2	259,876	258,849	250,166	249,453
Operating expenses	3	(268,329)	(266,610)	(247,103)	(246,727)
<b>OPERATING (DEFICIT)/SURPLUS</b>		<b>(8,453)</b>	<b>(7,761)</b>	<b>3,063</b>	<b>2,726</b>
Finance Costs					
Finance income	5	140	82	66	34
Finance expense	6	(431)	(431)	(299)	(299)
Public Dividend Capital dividends payable		(2,925)	(2,925)	(2,967)	(2,967)
<b>Net Finance Costs</b>		<b>(3,216)</b>	<b>(3,274)</b>	<b>(3,200)</b>	<b>(3,232)</b>
Gains on disposal of assets		0	0	1	1
<b>DEFICIT FOR THE YEAR (See Note b below)</b>		<b>(11,669)</b>	<b>(11,035)</b>	<b>(136)</b>	<b>(505)</b>
Other comprehensive income					
Revaluations to revaluation reserve (Note c.)		0	0	4,972	4,955
<b>TOTAL COMPREHENSIVE (DEFICIT)/INCOME FOR THE YEAR</b>		<b>(11,669)</b>	<b>(11,035)</b>	<b>4,836</b>	<b>4,450</b>

Note a. Group figures include Poole Hospital NHSFT Charitable Fund (registered charity number 1056808).

	2018/19 £000	2017/18 £000
<b>Note b. 2018/19 Control Total</b>	<b>(11,669)</b>	<b>(505)</b>
Deficit for the year (above)		
Add back impairment	75	1,332
Less donated capital/fixed asset disposal adjustment	93	301
<b>Control total (deficit)/surplus including PSF</b>	<b>(10,887)</b>	<b>1,128</b>
Less PSF received	(8,609)	(10,005)
<b>Control total (deficit)/surplus</b>	<b>(19,476)</b>	<b>(8,877)</b>

Note c. The revaluation movement in 2017/18 relates to property, plant and equipment following the revaluation of the estate by the Trust's Valuer (GVA) as at 31 March 2018.

The accompanying notes form an integral part of these financial statements.

All income and expenditure is derived from continuing operations.



STATEMENT OF FINANCIAL POSITION AS AT  
31 March 2019

	NOTE	Group 31 March 2019 £000	Foundation Trust 31 March 2019 £000	Group 31 March 2018 £000	Foundation Trust 31 March 2018 £000
<b>NON CURRENT ASSETS</b>					
Intangible assets	7	1,640	1,640	1,930	1,930
Property, plant and equipment	8	141,743	141,542	134,841	134,637
Trade and other receivables	11	1,215	1,215	1,073	1,073
		<u>144,598</u>	<u>144,397</u>	<u>137,844</u>	<u>137,640</u>
<b>CURRENT ASSETS</b>					
Inventories	10	2,179	2,179	2,088	2,088
Trade and other receivables	11	18,385	17,409	19,684	17,574
Cash and cash equivalents	16	14,317	5,471	11,957	2,989
<b>TOTAL CURRENT ASSETS</b>		<u>34,881</u>	<u>25,059</u>	<u>33,729</u>	<u>22,661</u>
<b>CURRENT LIABILITIES</b>					
Trade and other payables	12	(30,833)	(31,327)	(25,528)	(25,407)
Other liabilities	12	(843)	(843)	(528)	(528)
Borrowings	13	(2,262)	(2,262)	(1,938)	(1,938)
Provisions	15	(1,149)	(1,149)	(129)	(129)
<b>TOTAL CURRENT LIABILITIES</b>		<u>(35,087)</u>	<u>(35,581)</u>	<u>(28,123)</u>	<u>(28,002)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>144,392</u>	<u>133,875</u>	<u>143,450</u>	<u>132,299</u>
<b>NON CURRENT LIABILITIES</b>					
Borrowings	13	(23,895)	(23,895)	(15,090)	(15,090)
Provisions	15	(827)	(827)	(775)	(775)
<b>TOTAL NON CURRENT LIABILITIES</b>		<u>(24,722)</u>	<u>(24,722)</u>	<u>(15,865)</u>	<u>(15,865)</u>
<b>TOTAL ASSETS EMPLOYED</b>		<u>119,670</u>	<u>109,153</u>	<u>127,585</u>	<u>116,434</u>
<b>FINANCED BY:</b>					
<b>TAXPAYERS' EQUITY</b>					
Public dividend capital		95,004	95,004	91,250	91,250
Revaluation reserve		23,578	23,578	24,203	24,203
Income and expenditure reserve		(9,429)	(9,429)	981	981
Charitable Funds reserves		10,517	0	11,151	0
<b>TOTAL TAXPAYERS' EQUITY</b>		<u>119,670</u>	<u>109,153</u>	<u>127,585</u>	<u>116,434</u>

The financial statements on pages 1 to 39 were approved and authorised for issue by the Board on 22nd May 2019 and signed on its behalf by:

Signed: ..... Chief Executive

Date: 22nd May 2019

Name: Debbie Fleming

Signed: ..... Director of Finance

Date: 22nd May 2019

Name: Mark Orchard

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY (GROUP)

	Public dividend capital (PDC)	Revaluation reserve	Income and Expenditure Reserve	Charitable Fund Reserves	Total
	£000	£000	£000	£000	£000
Balance at 1 April 2018	91,250	24,203	981	11,151	127,585
Changes in taxpayers' equity for 2018/19					
Retained surplus/(deficit) for the year	0	0	(11,941)	272	(11,669)
Public Dividend Capital received	3,754	0	0	0	3,754
Impairments/Revaluations charged to the Revaluation Reserve (refer to Notes 8.1 and 8.2)	0	0	0	0	0
Revaluations and impairments- charitable funds	0	0	0	0	0
Transfers between Reserves	0	(625)	625	0	0
Other reserve movements - charitable funds consolidation adjustment	0	0	906	(906)	0
Other reserve movements	0	0	0	0	0
Balance at 31 March 2019	95,004	23,578	(9,429)	10,517	119,670
Balance at 1 April 2017	88,661	19,831	903	10,765	120,160
Changes in taxpayers' equity for 2017/18					
Retained surplus/(deficit) for the year	0	0	(1,970)	1,834	(136)
Public Dividend Capital received	2,589	0	0	0	2,589
Impairments/Revaluations charged to the Revaluation Reserve (refer to Notes 8.3 and 8.4)	0	4,955	0	0	4,955
Revaluations and impairments- charitable funds	0	0	0	17	17
Transfers between Reserves	0	(583)	583	0	0
Other reserve movements - charitable funds consolidation adjustment	0	0	1,465	(1,465)	0
Other reserve movements	0	0	0	0	0
Balance at 31 March 2018	91,250	24,203	981	11,151	127,585

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY (FOUNDATION TRUST)

	Public dividend capital (PDC)	Revaluation reserve	Income and Expenditure Reserve	Total
	£000	£000	£000	£000
Balance at 1 April 2018	91,250	24,203	981	116,434
Changes in taxpayers' equity for 2018/19				
Retained surplus/(deficit) for the year	0	0	(11,035)	(11,035)
Public Dividend Capital received	3,754	0	0	3,754
Impairments/Revaluations charged to the Revaluation Reserve (refer to Notes 8.5 and 8.6)	0	0	0	0
Transfer of the excess of current cost depreciation over historical cost depreciation to the Income and Expenditure Reserve	0	(625)	625	0
Other Reserve movements	0	0	0	0
Balance at 31 March 2019	95,004	23,578	(9,429)	109,153
Balance at 1 April 2017	88,661	19,831	903	109,395
Changes in taxpayers' equity for 2017/18				
Retained surplus for the year	0	0	(505)	(505)
Public Dividend Capital received	2,589	0	0	2,589
Impairments/Revaluations charged to the Revaluation Reserve (refer to Notes 8.7 and 8.8)	0	4,955	0	4,955
Transfer of the excess of current cost depreciation over historical cost depreciation to the Income and Expenditure Reserve	0	(583)	583	0
Other Reserve movements	0	0	0	0
Balance at 31 March 2018	91,250	24,203	981	116,434

The accompanying notes form an integral part of these financial statements.

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED**
**31 March 2019**

	<b>Group</b>	<b>Foundation</b>		<b>Foundation</b>
	<b>2018/19</b>	<b>Trust</b>	<b>Group</b>	<b>Trust</b>
	<b>£000</b>	<b>2018/19</b>	<b>2017/18</b>	<b>2017/18</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Operating (deficit)/surplus from continuing operations	(8,453)	(7,761)	3,064	2,726
<b>Non-cash income and expense:</b>				
Depreciation and amortisation	6,672	6,669	7,040	7,037
Impairments	75	75	1,332	1,332
Decrease/(increase) in trade and other receivables	41	239	(6,075)	(4,296)
(Increase)/decrease in inventories	(91)	(91)	351	351
Increase/(decrease) in trade and other payables	3,345	3,999	(262)	(536)
Increase/(decrease) other liabilities	315	315	(112)	(112)
Increase/(decrease) in provisions	1,071	1,071	(784)	(784)
NHS Charitable Funds - net adjustment for working capital movements, non-cash transactions and non-operating cash flows	1,374	0	(294)	0
NHS charitable Funds: other movements in operating cash flows	58	0	32	
Other movements in operating cash flows	(2)	1	2	3
<b>Net cash generated from operations</b>	<b>4,405</b>	<b>4,517</b>	<b>4,294</b>	<b>5,721</b>
<b>Cash flows from investing activities</b>				
Interest received	77	77	34	34
Purchase of property, plant and equipment	(10,870)	(10,870)	(14,343)	(14,343)
Purchase of intangible assets	(440)	(440)	(411)	(411)
Sales of property, plant and equipment	0	0	0	0
<b>Net cash generated generated used in investing activities</b>	<b>(11,233)</b>	<b>(11,233)</b>	<b>(14,720)</b>	<b>(14,720)</b>
<b>Cash Flows from financing activities</b>				
Public dividend capital received	3,754	3,754	2,589	2,589
Loans received from the Department of Health and Social Care	11,210	11,210	6,650	6,650
Other loans received	0	0	0	0
Other loans repaid	(296)	(296)	(166)	(166)
Loans repaid to the Department of Health and Social Care	(1,837)	(1,837)	(1,312)	(1,312)
Capital element of finance lease rental payments	(49)	(49)	(68)	(68)
Interest paid to Department of Health and Social Care on loans	(404)	(404)	(222)	(222)
Interest element of finance lease	(3)	(3)	(8)	(8)
PDC Dividend paid	(3,187)	(3,187)	(2,949)	(2,949)
<b>Net cash used in financing activities</b>	<b>9,188</b>	<b>9,188</b>	<b>4,514</b>	<b>4,514</b>
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>2,360</b>	<b>2,472</b>	<b>(5,912)</b>	<b>(4,485)</b>
<b>Cash and Cash equivalents at 1 April 2018 (1 April 2017)</b>	<b>11,957</b>	<b>2,999</b>	<b>17,869</b>	<b>7,484</b>
<b>Cash and Cash equivalents at 31 March 2019 (31 March 2018)</b>	<b>14,317</b>	<b>5,471</b>	<b>11,957</b>	<b>2,999</b>

The accompanying notes form an integral part of these financial statements.

## NOTES TO THE ACCOUNTS

### 1 ACCOUNTING POLICIES

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

#### Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, inventories and certain financial assets and financial liabilities.

#### Going Concern

The Board is required under IAS 1 Presentation of Financial Statements to undertake an assessment of the Trust's ability to continue as a going concern. Due to the materiality of the financial deficit, the Board has carefully considered the advice in the Department of Health and Social Care Group Accounting Manual 2018/19 that "The anticipated continuation of the provision of a service in the future, as evidenced by inclusion of financial provision for that service in published documents, is normally sufficient evidence of going concern." These accounts have been prepared on a going concern basis and the factors taken into consideration in making this assessment are set out below.

The accounts have been prepared on a going concern basis as the Trust will continue to access cash support from the Department of Health and Social Care in the form of an Uncommitted Interim Revenue Support Facility. The Trust has agreed its 2019/20 income with the NHS Dorset Clinical Commissioning Group. In addition, the Trust has accepted its 2019/20 financial control total with the regulator thereby enabling access to national financial performance income. As with any Trust placing reliance on the DHSC for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The dependency on delivering key planning assumptions to achieve the control total is consistent with the Trust's operational and strategic plans approved by the board and agreed with the regulator. The need to access cash support, and will continue until such time that a financially sustainable plan is implemented, and the associated efficiency benefits realised, as part of the Dorset Clinical Services Review.

The Board of Directors acknowledge that there is a material uncertainty related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. Specifically, an uncertainty exists around whether the Trust will continue to earn all planned income related to its financial control total (£17.7 million during 2019/20) and continue to achieve cost improvement plans above nationally assumed minimum levels (£9 million or 3.4% of planned operating expenses in 2019/20, against a national tariff efficiency factor of 1.1%). However, these risks are well understood and action can and will be taken to ensure that the risks are managed.

Based on these indications the directors believe that it remains appropriate to prepare the accounts on a going concern basis. However, the matters referred to above represent a material uncertainty that may cast significant doubt on the Trust's ability to continue as a going concern and, therefore, to continue realising its assets and discharging its liabilities in the normal course of business. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Further detail is provided within the Annual Report

#### 1.1 Consolidation

##### Poole Hospital NHS Foundation Trust Charitable Fund

The NHS Foundation Trust is the corporate trustee to Poole Hospital NHS Foundation Trust Charitable Fund (registered Charity Commission number 1058808). The Foundation Trust has assessed its relationship to the Charitable Fund and determined it to be a subsidiary because the Foundation Trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to affect those returns and other benefits through its power over the fund.

The Charitable Fund's statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on UK Financial Reporting Standard (FRS) 102. On consolidation, necessary adjustments are made to the Charity's assets, liabilities and transactions to:

- \* recognise and measure them in accordance with the Foundation Trust's accounting policies; and
- \* eliminate intra-group transactions, balances, gains and losses.

The reserves of the Charity at 31 March 2019 amounted to £8,069k. For consolidation purposes grants amounting to £2,448k awarded by the Charity to the Foundation Trust but unspent at 31 March 2019 have been added back to the Charity reserves in the Group Accounts. The Charity reserves shown in the Group Accounts therefore amount to £10,517k. These funds are comprised of restricted funds of £9,785k and unrestricted funds of £732k. Restricted funds were donated for specified purposes for a ward or department and the Trustee may only use these funds for the specified purpose. Unrestricted funds may be used at the discretion of the Trustee for any purpose throughout the Hospital.

The reported reserves of the Charity at 31 March 2018 amounted to £8,234k. Consolidation adjustments amounted to £2,908k. The Charity reserves shown in the Group Accounts therefore amounted to £11,151k.



## NOTES TO THE ACCOUNTS (continued)

### 1.2 Revenue from contracts with customers

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

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

#### Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for health care services. A performance obligation relating to delivery of a spell of health care is generally satisfied over time as healthcare is received and consumed simultaneously by the customer as the Trust performs it. The customer in such a contract is the commissioner, but the customer benefits as services are provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligns with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that are substantially the same and have a similar pattern of transfer. At the year end, the Trust accrues income relating to activity delivered in that year, where a patient care spell is incomplete. Other income includes funding from the NHS South of England in respect of training and education for training posts (primarily junior doctors) and also recharges of clinical staff to local foundation trusts.

#### NHS injury cost recovery scheme

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

## NOTES TO THE ACCOUNTS (continued)

### 1.3 Expenditure on Employee Benefits

#### *Short-term Employee Benefits*

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

#### *Pension costs*

##### *NHS Pension Scheme*

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://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 2019, is based on valuation data as 31 March 2018, updated to 31 March 2019 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

#### *b) Full actuarial (funding) valuation*

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

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

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

## NOTES TO THE ACCOUNTS (continued)

### *Pension costs continued*

#### *NHS Pension Scheme*

##### *c) Scheme provisions*

The NHS Pension Scheme provides defined benefits, which are summarised below. This list is an illustrative guide only, and is not intended to detail all the benefits provided by the Scheme or the specific conditions that must be met before these benefits can be obtained:

The Scheme is a "final salary" scheme. Annual pensions are normally based on 1/80th for the 1995 section and of the best of the last three years pensionable pay for each year of service, and 1/60th for the 2008 section of reckonable pay per year of membership. Members who are practitioners as defined by the Scheme Regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service.

With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This new provision is known as "pension commutation".

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year. From 2011-12 the Consumer Price Index (CPI) has been used and replaced the Retail Prices Index (RPI).

Early payment of a pension, with enhancement, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year's pensionable pay for death in service, and five times their annual pension for death after retirement is payable.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the employer and is fully provided for in the Accounts.

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVC's run by the Scheme's approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

The Trust paid £16,390k employer contributions to the NHS Pension Scheme in 2018/19 and the contributions for 2019/20 are forecast to be approximately £17,623k. This excludes the 6.3% employer contribution increase in 2019/20 which is to be funded centrally.



## NOTES TO THE ACCOUNTS (continued)

### 1.4 Expenditure on other goods and services

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

### 1.5 Property, Plant and Equipment

#### *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; and
- the cost of the item can be measured reliably.

Property, Plant and Equipment assets are capitalised if they are capable of being used for a period which exceeds one year and they:

- individually have a cost of at least £5,000; or
- collectively have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- form part of the initial equipping and setting-up cost of a new building or refurbishment of a ward or unit irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives e.g. plant and equipment, then these components are treated as separate assets and depreciated over their own useful lives.

## NOTES TO THE ACCOUNTS (continued)

### 1.5 Property, Plant and Equipment continued

#### 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. They are measured subsequently at valuation.

Non-current assets are stated at the lower of replacement cost and recoverable amount. The carrying values of property, plant and equipment are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable. The costs arising from the financing of the construction of fixed assets are not capitalised but are charged to the Statement of Comprehensive Income in the year to which they relate.

In accordance with International Accounting Standard 16, all land and buildings are professionally revalued regularly, so that the carrying amount of an asset does not differ materially from its fair value at the end of the reporting period.

Professional valuations are carried out by the Foundation Trust's appointed external Valuer. The valuations are carried out in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual.

A full asset valuation (excluding Assets Under Construction/ Work In Progress) was undertaken as at 31 March 2018; and this value, together with indexation applied to buildings in line with the Valuers advice has been included in the closing Statement of Financial Position. Revised RICS guidance was issued in January 2019. This is not retrospective and will impact fully from 1st April 2019. There is a small impact this year in terms of new buildings, but this is not material.

The valuations are carried out primarily on the basis of Modern Equivalent for specialised operational property and Existing Use Value for non-specialised operational property.

The value of land for existing use purposes is assessed at Existing Use Value. For non-operational properties including surplus land, the valuations are carried out at Open Market Value.

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

##### 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 derecognised. 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 lives on a straight line basis in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

The estimated useful lives of assets are summarised below:

Buildings and dwellings	40-90 years
Plant & Machinery	5-15 years
Transport Equipment	1-7 years
Information Technology	5-10 years
Furniture & Fittings	1-10 years

##### Revaluation gains and losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating income.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

## NOTES TO THE ACCOUNTS (continued)

### 1.5 Property, Plant and Equipment Continued

#### Impairments

In accordance with the FT ARM, impairments that are due to a loss of economic benefits or 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.

#### De-recognition

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 i.e.:
  - management are committed to a plan to sell the asset;
  - an active programme has begun to find a buyer and complete the sale;
  - the asset is being actively marketed at a reasonable price;
  - the sale is expected to be completed within 12 months of the date of classification as 'Held for Sale'; and
- the actions needed to complete the plan indicate it is unlikely that the plan will be abandoned or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged and the assets are not re-valued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met. 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 useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

#### Donated, government grant and other 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.

## NOTES TO THE ACCOUNTS (continued)

### 1.6 Intangible assets

#### *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.

#### *Internally generated intangible assets*

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use;
  - the Trust intends to complete the asset and sell or use it;
  - the Trust has the ability to sell or use the asset;
  - how the intangible asset will generate probable future economic or service delivery benefits e.g. the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
  - adequate financial, technical and other resources are available to the Trust to complete the development and sell or use the asset;
- and
- the Trust can measure reliably the expenses attributable to the asset during development.

#### *Software*

Software which is integral to the operation of hardware e.g. an operating system is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware e.g. application software, is capitalised as an intangible asset.

#### *Measurement*

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management. Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluation gains and losses and impairments are treated in the same manner as for Property, Plant and Equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 of IFRS 5. Intangible assets held for sale are measured at the lower of their carrying amount or "fair value less costs to sell".

#### *Amortisation*

Intangible assets are amortised over their expected useful lives (between five and ten years on a straight line basis) in a manner consistent with the consumption of economic or service delivery benefits.

### 1.7 Government grants

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

## NOTES TO THE ACCOUNTS (continued)

### 1.8 Inventories

Inventories are valued at the lower of cost and net realisable value. The material management stock system values the stock at latest invoice price. Pharmacy stock is valued at average price.

### 1.9 Financial assets and financial liabilities

#### *Recognition*

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

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

#### *Classification and Measurement*

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

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

Financial assets are classified as subsequently measured at amortised cost.

Financial liabilities are classified as subsequently measured at amortised cost.

#### *Financial assets and financial liabilities at amortised cost*

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

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

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

#### *Impairment of financial assets*

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

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

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

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

#### *De-recognition*

All financial assets are de-recognised when the rights to receive cashflows 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.

## NOTES TO THE ACCOUNTS (continued)

### 1.10 Leases

#### *Finance leases*

Where substantially all risks and rewards of ownership of a leased asset are borne by the NHS Foundation 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 an item of property, plant and equipment.

The annual rental charge 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 expired.

#### *Operating leases*

Other leases are regarded as operating leases and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease.

#### *Leases of land and buildings*

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

### 1.11 Provisions

The NHS Foundation 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.

#### *Clinical negligence costs*

NHS Resolution operates a risk pooling scheme under which the NHS Foundation 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 NHS Foundation Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the NHS Foundation Trust is disclosed at Note 15 but is not recognised in the NHS Foundation Trust's accounts.

#### *Non-clinical risk pooling*

The NHS Foundation Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the NHS Foundation 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.

## NOTES TO THE ACCOUNTS (continued)

### 1.12 Contingencies

Contingent liabilities are not recognised, but are disclosed in note 19, unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

### 1.13 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 Trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

A charge, reflecting the cost of capital utilised by the NHS Foundation 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 NHS Foundation 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 Loan Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and (iii) any PDC dividend balance receivable or payable. In accordance with the requirements laid down by the Department of Health 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 of the audit of the annual accounts.

### 1.14 Value Added Tax

Most of the activities of the NHS Foundation Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

### 1.15 Corporation Tax

The NHS Foundation Trust has carried out a review of corporation tax liability on its non-healthcare activities. At present all activities are either ancillary to the Trust's patient care activity or are below the de minimus level at which corporation tax is due.

### 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 NHS Foundation 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.

### 1.17 Description of Reserves

Revaluation Reserve relates to revaluation gains on the estate following valuations by the appointed Trust Valuer. Income and Expenditure Reserve relates to accumulated surpluses by the Foundation Trust.

### 1.18 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 NHS Foundation Trust not been bearing its own risks (with insurance premiums then being included as normal revenue expenditure).

Losses and Special Payments are disclosed in Note 25 and relate mainly to the bad debts and NHS Resolution policy excesses on third party and employer's liability claims against the Trust.

### 1.19 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

## NOTES TO THE ACCOUNTS (continued)

### 1.20 Accounting Standards issued but not adopted

The DH GAM does not require the following Standards and Interpretations to be applied in 2018/19. These standards are still subject to HM Treasury FReM adoption, with IFRS 16 being for implementation in 2019/20:

- IFRS 16 Leases – Application required for accounting periods beginning on or after 1 January 2019, but not yet adopted by the FReM: early adoption is not therefore permitted.
- IFRS 17 Insurance Contracts – Application required for accounting periods beginning on or after 1 January 2021, but not yet adopted by the FReM: early adoption is not therefore permitted.

All other revised and new standards have not been listed here as they are not considered to have an impact on the Foundation Trust.

### 1.21 Critical accounting estimates and judgements

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### Going Concern

Refer to note on going concern in section 1 - Accounting Policies.

#### Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations that management have made in the process of applying the Trust's accounting policies and that have made the most significant effect on the amounts recognised in the financial statements:

#### Impairments, estimated asset lives and revaluations

The Trust is required to review property, plant and equipment and investment properties for impairment. Between formal valuations by qualified surveyors, management make judgements about the condition of assets and review their estimated lives. Estimates are used to assess the fair value of land and buildings assets at each year end, in comparison to the carrying values, which may result in revaluation surpluses or deficits being recognised.

### 1.22 Other accounting estimates and judgements

#### Provisions

A provision is recognised when the Trust has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. In addition to widely used estimation techniques, judgement is required when determining the probable outflow of economic benefits relating to early voluntary retirement pension and injury benefit liabilities.

#### Provision for impairment of receivables

Management will use their judgement to decide when to write off revenue or to provide against the probability of not being able to collect debt.

#### Key sources of estimation uncertainty

Management has made the following critical judgements in the process of applying the entity's accounting policies where this has had a significant effect on the amounts recognised in the accounts:

The use of estimated asset lives in calculating depreciation (see Notes 1.5 and 8) and professional valuations that can result in increases and decreases to property values. The estimated effect of increasing/decreasing the asset lives of buildings by +/- one year would decrease/increase annual depreciation by some £147k. The estimated effect of changing the indices used by the valuer in the estate valuation by +/- 5% would be an increase/decrease of £3,777k in the estate's value.

In the view of the Trust there are no further estimates or judgements which if wrong could materially affect financial performance. Final contract sums have been agreed with all Commissioners in respect of activity undertaken during 2018/19. This income is included in the Accounts.

### 1.23 Cash and Cash Equivalents

The Foundation Trust's cash is held primarily in the Government Banking Service. Small balances are maintained in a current account at Barclays plc.

The Poole Hospital Charitable Fund aims to spend all funds within a 2-3 year period and the Trustee has therefore decided to invest all of the charitable funds in short term fixed and instant access deposit accounts. The cash at the year-end is held in a deposit account at CCLA; fixed term deposits at Lloyds and Barclays and the balance is held in a deposit/current account at Barclays plc.



## 2 Operating Income

All income from patient care activities relates to contract income recognised in line with accounting policy 1.2

	Foundation		Foundation	
	Group	Trust	Group	Trust
2.1 Operating Income	2018/19	2018/19	2017/18	2017/18
Income from Patient Care Activities (by nature)	£000	£000	£000	£000
Elective income	27,045	27,045	26,410	26,410
Non elective income (Note 1)	80,620	80,620	59,960	59,960
First outpatient income	14,930	14,930	15,664	15,664
Follow up outpatient income	13,569	13,569	13,203	13,203
A & E income	9,190	9,190	8,020	8,020
High cost drugs income from commissioners	19,768	19,768	17,486	17,486
Other NHS Clinical Income (Note 1)	54,622	54,622	67,988	67,988
Private patient income	973	973	1,897	1,897
Other types of activity income	1,388	1,388	1,512	1,512
AfC pay award central funding	2,411	2,411	0	0
	<u>224,516</u>	<u>224,516</u>	<u>212,140</u>	<u>212,140</u>
<b>Other Operating Income</b>	<b>2018/19</b>	<b>2018/19</b>	<b>2017/18</b>	<b>2017/18</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Other operating income from contracts with customers:</b>				
Education and training	8,933	8,933	7,966	7,966
Sustainability and Transformation Fund income (Note 2)	8,609	8,609	10,005	10,005
Additional income for delivery of healthcare services (Note 3)	0	0	1,388	1,388
Non-patient care services to other bodies	7,339	7,339	7,275	7,275
NHS income for staff costs accounted on a gross basis	2,350	2,350	2,422	2,422
Research income	350	350	932	932
Income generation (Note 4)	2,156	2,156	1,905	1,905
Other income	2,988	2,988	2,863	2,863
<b>Other non-contract operating income</b>				
Cash donations for the purchase of capital assets - received from NHS charities	-	635	-	578
Charitable and other contributions to expenditure - received from NHS charities	-	271	-	887
Charitable and other contributions to expenditure - received from other bodies	702	702	1,092	1,092
NHS Charitable Funds: Incoming Resources excluding Investment Income	1,933	0	2,178	0
	<u>35,360</u>	<u>34,333</u>	<u>38,026</u>	<u>37,313</u>
<b>Total Operating Income</b>	<b><u>259,876</u></b>	<b><u>258,849</u></b>	<b><u>250,166</u></b>	<b><u>249,453</u></b>

Note 1. Reclassification of non-elective non-emergency income in 2018-19 from Other NHS Clinical income to non-elective income

Note 2. This income relates to funding from NHS England for the delivery of an agreed financial control total position and the delivery of agreed performance trajectories. Core funding in the year was £4,982k (2017/18 £5,819k).

Note 3. The income in 2017/18 relates to funding for the approved 'Developing One NHS in Dorset' (Vanguard Project) provided by the Department of Health via Dorset CCG.

Note 4. Income generation relates mainly to restaurant income and car park income received by the Trust

## 2.2 Mandatory and Non-Mandatory Income from Activities

	2018/19	2018/19	2017/18	2017/18
	£000	£000	£000	£000
Mandatory	222,155	222,155	208,731	208,731
Non-Mandatory	2,361	2,361	3,409	3,409
<b>Actual</b>	<b><u>224,516</u></b>	<b><u>224,516</u></b>	<b><u>212,140</u></b>	<b><u>212,140</u></b>

### 2.3 Income from Activities by Source

	Group	Foundation	Group	Foundation
	2018/19	Trust	2017/18	Trust
	£000	£000	£000	£000
CCGs and NHS England	219,424	219,424	208,346	208,346
Department of Health and Social Care	2,411	2,411	-	-
Local Authorities (see Note 1)	0	0	37	37
NHS Other	320	320	385	385
Non NHS: Private patients	973	973	1,897	1,897
Non-NHS: Overseas patients non-reciprocal (Note 2)	243	243	166	166
NHS injury scheme (see Note 3)	1,120	1,120	1,234	1,234
Non NHS: Other	25	25	75	75
	<u>224,516</u>	<u>224,516</u>	<u>212,140</u>	<u>212,140</u>

Note 1. Local authority income relates mainly to the reimbursement of costs associated with delayed patient discharges.

Note 2. Overseas patient income for the year amounted to £243k (2017/18 £166k). Cash received amounted to £165k (2017/18 £80k) in respect of current and previous years' income. The amount added to the allowance for impairment of receivables in respect of current and prior years amounted to £73k (2017/18 £17k). The amounts written off in respect of current and prior years amounted to £61k (2017/18 £53k).

Note 3. NHS injury scheme income is subject to a provision for doubtful debts of 21.89% (2017/18 22.84%) to reflect expected rates of collection.

### 3 Operating Expenses and Operating Lease Costs

#### 3.1 Operating Expenses (by type):

	Group	Foundation	Group	Foundation
	2018/19	Trust	2017/18	Trust
	£000	£000	£000	£000
Services from other Foundation Trusts	7,312	7,312	8,092	8,092
Services from NHS trusts	62	62	88	88
Services from other NHS bodies	163	163	189	189
Purchase of healthcare from non NHS bodies	271	271	168	168
Employee Expenses - Non Executive Directors' costs	137	137	142	142
Staff and executive directors costs Note 4)	175,580	175,580	164,423	164,363
Redundancy - net charge after provisions	653	653	0	0
Supplies and services - clinical drugs	24,985	24,985	22,930	22,930
Supplies and services - clinical other	19,545	19,545	17,861	17,861
Supplies and services - general	5,679	5,679	5,909	5,909
Establishment	1,719	1,719	1,385	1,385
Transport - other (including patient travel)	248	248	256	256
Rentals under operating leases - minimum lease payments	49	49	46	46
Charges to operating expenditure for off-SoFP IFRIC 12 schemes	153	153	158	158
Premises	8,320	8,320	6,424	6,424
Movement in credit loss allowance: contract receivables/assets	56	56	75	75
Depreciation and amortisation	6,672	6,669	7,040	7,037
Impairment of property, plant and equipment	75	75	1,332	1,332
Audit fees - statutory audit (see Note a below)	64	58	91	85
Audit fees - other auditor remuneration (see Note a below)	46	46	0	0
Consultancy Costs	1,066	1,066	310	310
Internal Audit and Local Counter Fraud Services	99	99	102	102
Clinical negligence Insurance Costs	9,550	9,550	8,279	8,279
Other Services including External Payroll	1,538	1,538	1,185	1,185
Training and course fees etc.	706	706	621	621
Legal Fees	200	200	65	65
NHS Charitable Funds - Other resources expended	1,710	0	307	0
Other	1,671	1,671	(375)	(375)
	<b>268,329</b>	<b>266,610</b>	<b>247,103</b>	<b>246,727</b>

**Note a.** The Council of Governors has appointed KPMG LLP as external auditors of the Trust with effect from 6th April 2018.

The professional fees (excluding Vat) earned by KPMG LLP (previous year Deloitte) in the 2018/19 Audit of the Trust and Charity are as follows:

	2018/19	2017/18
	£000	£000
<b>Statutory Audit</b>		
Financial Statement audit - Foundation Trust	47	49
Consolidation of Trust's Charitable Fund	1	3
Whole of Government Accounts	0	3
Going Concern work/enhanced audit report	0	2
Charity Accounts	5	5
Implementation of new standards	1	0
<b>Total Statutory Audit Fee excluding Vat</b>	<b>54</b>	<b>62</b>
Vat	10	12
<b>Total Statutory Audit Fee including Vat</b>	<b>64</b>	<b>74</b>
<b>Non Audit Fees</b>		
Quality Accounts work	6	14
Other advance	32	0
<b>Non Audit Fees excluding Vat</b>	<b>38</b>	<b>14</b>
Vat	8	3
<b>Non Audit Fees Including Vat</b>	<b>46</b>	<b>17</b>
<b>Total Audit Fees (Including Vat)</b>	<b>110</b>	<b>91</b>

### 3.2 Segmental Reporting

IFRS 8 defines the term of Chief Operating Decision Maker (CODM) as a group or individual whose 'function is to allocate resources to and assess the performance of the operating elements of the entity'. For the Trust, the most appropriate interpretation is that the Board of Directors represents the CODM. Operational performance is monitored at the monthly board meetings and key resource allocation decisions are agreed there.

Information is presented to the Board as a single operating segment and is under full IFRS. This mirrors the information that is submitted to NHS Improvement and enables the Board to make strategic decisions on the Annual Plan.

This information for the years ending 31<sup>st</sup> March 2019 and 31<sup>st</sup> March 2018 is shown in the table to this note.

The Trust generates the majority of its income from healthcare and related services. The information as displayed in the accounts reflects that which is submitted to the Board.

The Trust had two major customers during the year 2018/19 as follows: Dorset CCG and NHS England - Wessex Local Area Team, representing 65% and 23% of its total income respectively.

The comparative figures for 2017/18 were as follows: Dorset CCG and NHS England - Wessex Local Area Team, representing 63% and 23% of its total income respectively.

#### Summary of Key Financial Information (Foundation Trust)

	Year to 31 March 2019			Year to 31 March 2018		
	Actual £'000	Original Plan £'000	Variance £'000	Actual £'000	Original Plan £'000	Variance £'000
Income	258,849	250,122	8,727	249,453	240,437	9,016
Operating Expenditure	259,864	245,857	(14,007)	238,306	233,581	(4,725)
EBITDA (Excl Charitable Income)	-2,625	5,412	(8,037)	8,590	6,452	2,138
EBITDA % (Excl. Charitable Income)	-1.02%	2.15%		3.48%	2.69%	
(Deficit)/Surplus before impairment	(10,960)	(4,053)	(6,907)	827	(3,178)	4,005
Impairment	(75)	0	(75)	(1,332)	0	(1,332)
(Deficit)/Surplus after impairment	(11,035)	(4,053)	(6,982)	(505)	(3,178)	2,673
Cost Improvement Savings	4,877	9,582	(4,705)	9,490	9,746	(256)
Cost Improvement Savings (Incl. Income)	6,017	10,934	(4,917)	10,625	10,931	(306)
Cash Balance	5,471	1,249	4,222	2,999	755	2,244
Capital Expenditure	13,359	13,848	(489)	14,577	17,492	(2,915)

#### 4 Employee costs and numbers

##### 4.1 Employee Expenses

	Group	Foundation Trust	Group	Foundation Trust
	2018/19 Total	2018/19 Total	2017/18 Total	2017/18 Total
	£000	£000	£000	£000
Salaries and wages	136,617	136,617	130,597	130,597
Social Security Costs	13,060	13,060	12,384	12,384
Apprenticeship levy	666	666	640	640
Employer contributions to NHS Pension Scheme	16,390	16,390	15,688	15,688
Termination Payments	0	0	0	0
Agency/Contract Staff	8,847	8,847	5,054	5,054
NHS Charitable funds staff	0	0	60	0
	<u>175,580</u>	<u>175,580</u>	<u>164,423</u>	<u>164,363</u>

##### 4.2 Average Number of Employees (Note 1)

	Group	Foundation Trust	Group	Foundation Trust
	2018/19 Total Number	2018/19 Total Number	2017/18 Total Number	2017/18 Total Number
Medical and dental	448	448	418	418
Administration and estates	651	651	644	644
Healthcare assistants and other support staff	174	174	187	187
Nursing, midwifery and health visiting staff	1,767	1,767	1,668	1,668
Scientific, therapeutic and technical staff	334	334	326	326
Healthcare Scientists	33	33	34	34
Other	355	355	356	356
Total	<u>3,762</u>	<u>3,762</u>	<u>3,633</u>	<u>3,633</u>

Note 1. Average number of employees includes bank and agency staff numbers which are estimated based on the average equivalent cost of similar NHS staff positions. All staff numbers relate to the Foundation Trust. All staff working for the NHS Charity have contracts of employment with the Foundation Trust.

##### 4.3 Employee Benefits

No additional benefits were paid to staff in the financial periods.

##### 4.4 Retirements due to ill-health

During 2018/19 there were 3 (2017/18 two) early retirements on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £197k (2017/18 £104k). The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division. This information has been supplied by NHS Pensions.

4 Employee costs and numbers - continued  
4.5 Staff Exit Packages (Group and Foundation Trust - see Notes a and b))

Exit package cost band	2018/19			2017/18		
	Number of Compulsory Redundancies	Cost of Compulsory Redundancies £000	Number of Other Departures Agreed	Cost of Other Departures Agreed £000	Total Number of Exit Packages	Total Cost of Exit Packages £000
Less than £10,000	2	16	12	38	14	54
Between £10,000 and £25,000	0	0	3	32	3	32
Between £25,001 and £50,000	0	0	0	0	0	0
Between £50,001 and £100,000	0	0	0	0	0	0
Between £150,001 and £200,000	0	0	0	0	0	0
<b>Total</b>	<b>2</b>	<b>16</b>	<b>15</b>	<b>70</b>	<b>17</b>	<b>86</b>
					<b>17</b>	<b>86</b>
					<b>17</b>	<b>91</b>

Note - All Charity staff have contracts of employment with the Foundation Trust. There were no exit packages in the Charity Account and all the figures above relate to the Foundation Trust.

4.6 Remuneration of Directors - Foundation Trust (see Notes c and d)

	2018/19			2017/18		
	Total	Benefits in Kind	Employer's Pension Contributions £000	Employer's National Insurance £000	Remuneration	£000
Executive Directors	1,202	0	100	111	991	991
Non Executive Directors	137	0	0	10	127	127
<b>Total</b>	<b>1,339</b>	<b>0</b>	<b>100</b>	<b>121</b>	<b>1,118</b>	<b>1,118</b>

	2017/18			2017/18		
	Total	Benefits in Kind	Employer's Pension Contributions £000	Employer's National Insurance £000	Remuneration	£000
Executive Directors	1,163	0	81	124	958	958
Non Executive Directors	142	0	0	10	132	132
<b>Total</b>	<b>1,305</b>	<b>0</b>	<b>81</b>	<b>134</b>	<b>1,090</b>	<b>1,090</b>

Note c: The detail of the Directors' remuneration has been disclosed in the 2018/19 remuneration report within the Annual Report of the Foundation Trust. The above sums reflect actual payments made in the year.

Note d: All the costs in respect of the Remuneration of Directors above relate to the Foundation Trust. No additional sums were paid by the Charity to the Directors.

<b>5 Finance Income</b>	<b>Group 2018/19 £000</b>	<b>Foundation Trust 2018/19 £000</b>	<b>Group 2017/18 £000</b>	<b>Foundation Trust 2017/18 £000</b>
Interest on Loans and Receivables	82	82	34	34
NHS Charitable Funds Investment Income	58	0	32	0
	<u>140</u>	<u>82</u>	<u>66</u>	<u>34</u>

<b>6 Finance Costs - Interest Expense</b>	<b>Group 2018/19 £000</b>	<b>Foundation Trust 2018/19 £000</b>	<b>Group 2017/18 £000</b>	<b>Foundation Trust 2017/18 £000</b>
Capital loans from the Department of Health and Social Care	374	374	289	289
Revenue support loans from the Department of Health and Social Care	53	53	0	0
Finance Leases	3	3	8	8
Unwinding of discount (see Note 15)	1	1	2	2
	<u>431</u>	<u>431</u>	<u>299</u>	<u>299</u>

<b>7 Intangible Assets</b>	<b>Group 2018/19</b>		<b>Foundation Trust 2018/19</b>	
	<b>Software licences £000</b>	<b>Total £000</b>	<b>Software licences £000</b>	<b>Total £000</b>
Gross cost at 1 April 2018	5,916	5,916	5,916	5,916
Additions - Purchased	440	440	440	440
Additions - Donated	0	0	0	0
<b>Gross cost at 31 March 2019</b>	<u><b>6,356</b></u>	<u><b>6,356</b></u>	<u><b>6,356</b></u>	<u><b>6,356</b></u>
Amortisation at 1 April 2018	3,986	3,986	3,986	3,986
Charged during the year	730	730	730	730
<b>Amortisation at 31 March 2019</b>	<u><b>4,716</b></u>	<u><b>4,716</b></u>	<u><b>4,716</b></u>	<u><b>4,716</b></u>
<b>Net book value</b>				
- Purchased at 1 April 2018	1,838	1,838	1,838	1,838
- Donated at 1 April 2018	92	92	92	92
<b>- Total at 1 April 2018</b>	<u><b>1,930</b></u>	<u><b>1,930</b></u>	<u><b>1,930</b></u>	<u><b>1,930</b></u>
- Purchased at 31 March 2019	1,580	1,580	1,580	1,580
- Donated at 31 March 2019	60	60	60	60
<b>- Total at 31 March 2019</b>	<u><b>1,640</b></u>	<u><b>1,640</b></u>	<u><b>1,640</b></u>	<u><b>1,640</b></u>

Note: No intangible assets are held by the Charity and all the figures quoted relate to the Foundation Trust

<b>Intangible Assets</b>	<b>Group 2017/18</b>		<b>Foundation Trust 2017/18</b>	
	<b>Software licences £000</b>	<b>Total £000</b>	<b>Software licences £000</b>	<b>Total £000</b>
Gross cost at 31 March 2017	5,505	5,505	5,505	5,505
Additions - Purchased	411	411	411	411
Additions - Donated	0	0	0	0
<b>Gross cost at 31 March 2018</b>	<u><b>5,916</b></u>	<u><b>5,916</b></u>	<u><b>5,916</b></u>	<u><b>5,916</b></u>
Amortisation at 31 March 2017	3,114	3,114	3,114	3,114
Charged during the year	872	872	872	872
<b>Amortisation at 31 March 2018</b>	<u><b>3,986</b></u>	<u><b>3,986</b></u>	<u><b>3,986</b></u>	<u><b>3,986</b></u>
<b>Net book value</b>				
- Purchased at 1 April 2017	2,183	2,183	2,183	2,183
- Donated at 1 April 2017	208	208	208	208
<b>- Total at 1 April 2017</b>	<u><b>2,391</b></u>	<u><b>2,391</b></u>	<u><b>2,391</b></u>	<u><b>2,391</b></u>
- Purchased at 31 March 2018	1,838	1,838	1,838	1,838
- Donated at 31 March 2018	92	92	92	92
<b>- Total at 31 March 2018</b>	<u><b>1,930</b></u>	<u><b>1,930</b></u>	<u><b>1,930</b></u>	<u><b>1,930</b></u>

Note: No intangible assets are held by the Charity and all the figures quoted relate to the Foundation Trust

8.1 Property, Plant and Equipment 2018/19 Group

Property, Plant and Equipment at the Statement of Financial Position date comprise the following elements:

	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and machinery	Transport equipment	Information technology	Furniture & fittings	NHS Charitable Fund Assets	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Cost or valuation at 1 April 2018</b>	<b>9,373</b>	<b>97,780</b>	<b>1,773</b>	<b>7,591</b>	<b>52,188</b>	<b>17</b>	<b>17,473</b>	<b>485</b>	<b>204</b>	<b>186,984</b>
Additions purchased	0	3,405	0	1,335	6,152	0	1,392	0	0	12,284
Additions donated (Note 1)	0	10	0	0	625	0	0	0	0	635
Additions leased	0	0	0	0	0	0	0	0	0	0
Revaluations (Notes 3 and 4)	0	0	0	0	0	0	0	0	0	0
Reclassifications	0	4,086	0	(4,390)	304	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0	0
<b>Cost or Valuation at 31 March 2019</b>	<b>9,373</b>	<b>105,281</b>	<b>1,773</b>	<b>4,536</b>	<b>59,269</b>	<b>17</b>	<b>18,865</b>	<b>485</b>	<b>204</b>	<b>199,803</b>
<b>Depreciation at 1 April 2018</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>38,255</b>	<b>17</b>	<b>13,301</b>	<b>470</b>	<b>0</b>	<b>52,043</b>
Charged during the year	0	2,299	41	0	2,515	0	1,082	2	3	5,942
Impairments (Note 3)	0	75	0	0	0	0	0	0	0	75
Revaluations (Notes 3 and 4)	0	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0	0
<b>Depreciation at 31 March 2019</b>	<b>0</b>	<b>2,374</b>	<b>41</b>	<b>0</b>	<b>40,770</b>	<b>17</b>	<b>14,383</b>	<b>472</b>	<b>3</b>	<b>58,060</b>

Net book value

- Purchased at 31 March 2018	9,373	91,504	1,773	6,260	10,400	0	4,172	15	204	123,701
- Donated at 31 March 2018	0	6,276	0	1,331	3,459	0	0	0	0	11,066
- Finance Lease at 31 March 2018	0	0	0	0	74	0	0	0	0	74
<b>- Total at 31 March 2018</b>	<b>9,373</b>	<b>97,780</b>	<b>1,773</b>	<b>7,591</b>	<b>13,933</b>	<b>0</b>	<b>4,172</b>	<b>15</b>	<b>204</b>	<b>134,841</b>
- Purchased at 31 March 2019	9,373	95,587	1,732	4,536	14,861	0	4,482	13	201	130,785
- Donated at 31 March 2019	0	7,320	0	0	3,610	0	0	0	0	10,930
- Finance Lease at 31 March 2019	0	0	0	0	28	0	0	0	0	28
<b>- Total at 31 March 2019</b>	<b>9,373</b>	<b>102,907</b>	<b>1,732</b>	<b>4,536</b>	<b>18,499</b>	<b>0</b>	<b>4,482</b>	<b>13</b>	<b>201</b>	<b>141,743</b>

8.2 Analysis of Property, Plant and Equipment at 31 March 2019

<b>Net book value (Note 2)</b>										
- NBV - Protected assets at 31 March 2019	9,373	102,907	1,732	0	0	0	0	0	201	114,213
- NBV - Unprotected assets at 31 March 2019	0	0	0	4,536	18,499	0	4,482	13	0	27,530
<b>- Total at 31 March 2019</b>	<b>9,373</b>	<b>102,907</b>	<b>1,732</b>	<b>4,536</b>	<b>18,499</b>	<b>0</b>	<b>4,482</b>	<b>13</b>	<b>201</b>	<b>141,743</b>

Note 1. The value of donated assets purchased during the year is similar to the fair value of these assets. There were no restrictions imposed by the donor in respect of these assets.

Note 2. Of the totals at 31 March 2019, £988k related to land valued at open market value and £1,732k related to buildings valued at open market value.

Note 3. The Impairments movement in the year arose due to the revaluation of a Linear Accelerator Bunker.

Note 4. The indices used in the revaluation of the estate were the Building Cost Information (BCIS) for Q1 2018.



8.3 Property, Plant and Equipment 2017/18 Group

Property, Plant and Equipment at the Statement of Financial Position date comprise the following elements:

	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and machinery	Transport equipment	Information technology	Furniture & fittings	NHS Charitable Fund assets	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Cost or valuation at 1 April 2017</b>	<b>8,940</b>	<b>84,764</b>	<b>1,667</b>	<b>8,185</b>	<b>50,454</b>	<b>17</b>	<b>16,431</b>	<b>485</b>	<b>190</b>	<b>171,113</b>
Additions purchased	0	5,912	0	5,682	1,212	0	764	18	0	13,588
Additions donated (Note 1)	0	215	0	0	363	0	0	0	0	578
Additions leased	0	0	0	0	18	0	0	0	0	18
Revaluations (Note 3)	433	1,169	106	0	0	0	0	0	14	1,722
Reclassifications	0	5,720	0	(6,256)	258	0	278	0	0	0
Impairments (Note 3)	0	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(117)	0	0	0	0	(117)
<b>Cost or Valuation at 31 March 2018</b>	<b>9,373</b>	<b>97,780</b>	<b>1,773</b>	<b>7,591</b>	<b>52,188</b>	<b>17</b>	<b>17,473</b>	<b>503</b>	<b>204</b>	<b>186,902</b>
<b>Depreciation at 1 April 2017</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>35,342</b>	<b>17</b>	<b>12,084</b>	<b>467</b>	<b>0</b>	<b>47,910</b>
Charged during the year	0	1,877	38	0	3,030	0	1,217	3	3	6,168
Impairments	0	1,608	0	0	0	0	0	0	0	1,608
Revaluations	0	(3,485)	(38)	0	0	0	0	0	(3)	(3,526)
Disposals	0	0	0	0	(117)	0	0	0	0	(117)
<b>Depreciation at 31 March 2018</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>38,255</b>	<b>17</b>	<b>13,301</b>	<b>470</b>	<b>0</b>	<b>52,043</b>

Net book value

- Purchased at 31 March 2017	8,940	78,964	1,667	6,834	11,278	0	4,339	19	190	112,231
- Donated at 31 March 2017	0	5,800	0	1,331	3,712	0	8	0	0	10,851
- Finance Lease at 31 March 2017	0	0	0	0	122	0	0	0	0	122
<b>- Total at 31 March 2017</b>	<b>8,940</b>	<b>84,764</b>	<b>1,667</b>	<b>8,165</b>	<b>15,112</b>	<b>0</b>	<b>4,347</b>	<b>19</b>	<b>190</b>	<b>123,204</b>
- Purchased at 31 March 2018	9,373	91,504	1,773	6,260	10,400	0	4,172	15	204	123,701
- Donated at 31 March 2018	0	6,276	0	1,331	3,459	0	0	0	0	11,066
- Finance Lease at 31 March 2018	0	0	0	0	74	0	0	0	0	74
<b>- Total at 31 March 2018</b>	<b>9,373</b>	<b>97,780</b>	<b>1,773</b>	<b>7,591</b>	<b>13,933</b>	<b>0</b>	<b>4,172</b>	<b>15</b>	<b>204</b>	<b>134,841</b>

8.4 Analysis of Property, Plant and Equipment at 31 March 2018

<b>Net book value (Note 2)</b>	<b>9,373</b>	<b>97,780</b>	<b>1,773</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>204</b>	<b>109,130</b>
- NBV - Protected assets at 31 March 2018	0	0	0	7,591	13,933	0	4,172	15	0	25,711
- NBV - Unprotected assets at 31 March 2018	<b>9,373</b>	<b>97,780</b>	<b>1,773</b>	<b>7,591</b>	<b>13,933</b>	<b>0</b>	<b>4,172</b>	<b>15</b>	<b>204</b>	<b>134,841</b>

Note 1. The value of donated assets purchased during the year is similar to the fair value of these assets. There were no restrictions imposed by the donor in respect of these assets.

Note 2. Of the totals at 31 March 2018, £988k related to land valued at open market value and £1,773k related to buildings valued at open market value.

Note 3. The Impairments/Revaluation movement in the year relates to property, plant and equipment following the revaluation of the estate by the Trust's Valuer (GVA) as at 31 March 2018. Within the Land revaluation of £433k is a reversal of previous impairment of £276k.

## 8.5 Property, Plant and Equipment 2018/19 Foundation Trust

Property, Plant and Equipment at the Statement of Financial Position date comprise the following elements:

	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Cost or valuation at 1 April 2018</b>	<b>9,373</b>	<b>97,780</b>	<b>1,773</b>	<b>7,591</b>	<b>52,188</b>	<b>17</b>	<b>17,473</b>	<b>485</b>	<b>186,680</b>
Additions purchased	0	3,405	0	1,335	6,152	0	1,392	0	12,284
Additions donated (Note 1)	0	10	0	0	625	0	0	0	635
Additions leased	0	0	0	0	0	0	0	0	0
Revaluations (Notes 3 and 4)	0	0	0	0	0	0	0	0	0
Reclassifications	0	4,086	0	(4,390)	304	0	0	0	0
Impairments (Note 3)	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
<b>Cost or Valuation at 31 March 2019</b>	<b>9,373</b>	<b>105,281</b>	<b>1,773</b>	<b>4,536</b>	<b>59,269</b>	<b>17</b>	<b>18,865</b>	<b>485</b>	<b>199,599</b>
<b>Depreciation at 1 April 2018</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>38,255</b>	<b>17</b>	<b>13,301</b>	<b>470</b>	<b>52,043</b>
Charged during the year	0	2,299	41	0	2,515	0	1,082	2	5,939
Impairments (Note 3)	0	75	0	0	0	0	0	0	75
Revaluations (Notes 3 and 4)	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
<b>Depreciation at 31 March 2019</b>	<b>0</b>	<b>2,374</b>	<b>41</b>	<b>0</b>	<b>40,770</b>	<b>17</b>	<b>14,383</b>	<b>472</b>	<b>58,057</b>

### Net book value

- Purchased at 31 March 2018	9,373	91,504	1,773	6,260	10,400	0	4,172	15	123,497
- Donated at 31 March 2018	0	6,276	0	1,331	3,459	0	0	0	11,066
- Finance Lease at 31 March 2018	0	0	0	0	74	0	0	0	74
<b>- Total at 31 March 2018</b>	<b>9,373</b>	<b>97,780</b>	<b>1,773</b>	<b>7,591</b>	<b>13,933</b>	<b>0</b>	<b>4,172</b>	<b>15</b>	<b>134,637</b>
- Purchased at 31 March 2019	9,373	95,587	1,732	4,536	14,861	0	4,482	13	130,584
- Donated at 31 March 2019	0	7,320	0	0	3,610	0	0	0	10,930
- Finance Lease at 31 March 2019	0	0	0	0	28	0	0	0	28
<b>- Total at 31 March 2019</b>	<b>9,373</b>	<b>102,907</b>	<b>1,732</b>	<b>4,536</b>	<b>18,499</b>	<b>0</b>	<b>4,482</b>	<b>13</b>	<b>141,542</b>

## 8.6 Analysis of Property, Plant and Equipment at 31 March 2019

<b>Net book value (Note 2)</b>	<b>9,373</b>	<b>102,907</b>	<b>1,732</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>114,012</b>
- NBV - Protected assets at 31 March 2019	0	0	0	4,536	18,499	0	4,482	13	27,530
- NBV - Unprotected assets at 31 March 2019	<b>9,373</b>	<b>102,907</b>	<b>1,732</b>	<b>4,536</b>	<b>18,499</b>	<b>0</b>	<b>4,482</b>	<b>13</b>	<b>141,542</b>

Note 1. The value of donated assets purchased during the year is similar to the fair value of these assets. There were no restrictions imposed by the donor in respect of these assets.

Note 2. Of the totals at 31 March 2019, £988k related to land valued at open market value and £1,732k related to buildings valued at open market value.

Note 3. The impairments movement in the year arose due to the revaluation of a Linear Accelerator Bunker.

Note 4. The indices used in the revaluation of the estate were the Building Cost Information (BCIS) for Q1 2018.

8.7 Property, Plant and Equipment 2017/18 Foundation Trust

Property, Plant and Equipment at the Statement of Financial Position date comprise the following elements:

	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2017	8,940	84,764	1,667	8,165	50,454	17	16,431	485	170,923
Additions purchased	0	5,912	0	5,682	1,212	0	764	0	13,570
Additions donated (Note 1)	0	215	0	0	363	0	0	0	578
Additions leased	0	0	0	0	18	0	0	0	18
Revaluations (Note 2)	433	1,169	106	0	0	0	0	0	1,708
Reclassifications	0	5,720	0	(6,256)	258	0	278	0	0
Impairments (Note 2)	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(117)	0	0	0	(117)
Cost or Valuation at 31 March 2018	9,373	97,780	1,773	7,591	52,188	17	17,473	485	186,680
Depreciation at 1 April 2017	0	0	0	0	35,342	17	12,084	467	47,910
Charged during the year	0	1,877	38	0	3,030	0	1,217	3	6,165
Impairments	0	1,608	0	0	0	0	0	0	1,608
Revaluations	0	(3,485)	(38)	0	0	0	0	0	(3,523)
Disposals	0	0	0	0	(117)	0	0	0	(117)
Depreciation at 31 March 2018	0	0	0	0	39,255	17	13,301	470	52,043

Net book value

- Purchased at 31 March 2017	8,940	78,864	1,667	6,834	11,278	0	4,339	19	112,041
- Donated at 31 March 2017	0	5,800	0	1,331	3,712	0	8	0	10,851
- Finance Lease at 31 March 2017	0	0	0	0	122	0	0	0	122
- Total at 31 March 2017	8,940	84,764	1,667	8,165	15,112	0	4,347	19	123,014
- Purchased at 31 March 2018	9,373	91,504	1,773	6,260	10,400	0	4,172	15	123,497
- Donated at 31 March 2018	0	6,276	0	1,331	3,459	0	0	0	11,066
- Finance Lease at 31 March 2018	0	0	0	0	74	0	0	0	74
- Total at 31 March 2018	9,373	97,780	1,773	7,591	13,933	0	4,172	15	134,637

8.8 Analysis of Property, Plant and Equipment at 31 March 2018

Net book value (Note 2)									
- NBV - Protected assets at 31 March 2018	9,373	97,780	1,773	0	0	0	0	0	108,926
- NBV - Unprotected assets at 31 March 2018	0	0	0	7,591	13,933	0	4,172	15	25,711
- Total at 31 March 2018	9,373	97,780	1,773	7,591	13,933	0	4,172	15	134,637

Note 1. The value of donated assets purchased during the year is similar to the fair value of these assets. There were no restrictions imposed by the donor in respect of these assets.

Note 2. Of the totals at 31 March 2018, £988k related to land valued at open market value and £1,773k related to buildings valued at open market value.

Note 3. The Impairments/Revaluation movement in the year relates to property, plant and equipment following the revaluation of the estate by the Trust's Valuer (GVA) as at 31 March 2018. Within the Land revaluation of £433k is a reversal of previous impairment of £276k.

Note 4. The indices used in the revaluation of the estate were the Building Cost Information (BCIS) for Q1 2018.

**8.9 The net book value of Property, Plant and Equipment at 31 March 2018 comprises:**

	Group 31 March 2019	Foundation Trust 31 March 2019	Group 31 March 2018	Foundation Trust 31 March 2018
	£000	£000	£000	£000
Freehold				
Protected	114,213	114,012	109,130	108,926
Unprotected	27,530	27,530	25,711	25,711
<b>TOTAL</b>	<b>141,743</b>	<b>141,542</b>	<b>134,841</b>	<b>134,637</b>

**9 Net book value of assets held under finance leases - Group and Foundation Trust**

**Property, Plant and Equipment at the Statement of Financial Position date held under finance leases:**

	Plant and machinery	Total
	£000	£000
Cost or valuation at 1 April 2018	321	321
Additions during the year	0	0
<b>Cost or Valuation at 31 March 2019</b>	<b>321</b>	<b>321</b>
Depreciation at 1 April 2018	247	247
Charged during the year	46	46
<b>Depreciation at 31 March 2019</b>	<b>293</b>	<b>293</b>
<b>Net book value</b>	<b>74</b>	<b>74</b>
- Purchased at 1 April 2018		
<b>- Total at 1 April 2018</b>	<b>74</b>	<b>74</b>
- Purchased at 31 March 2019	28	28
<b>- Total at 31 March 2019</b>	<b>28</b>	<b>28</b>

Finance leases relate to medical equipment assets. All finance leases relate to the Foundation Trust.

10 Inventories	Group 31 March 2019 £000	Foundation Trust 31 March 2019 £000	Group 31 March 2018 £000	Foundation Trust 31 March 2018 £000
Consumables	2,179	2,179	2,088	2,088
<b>TOTAL</b>	<b>2,179</b>	<b>2,179</b>	<b>2,088</b>	<b>2,088</b>

Note: all inventories relate to the Foundation Trust

#### 11 Trade receivables and other receivables (Group) Note a.

	Total 31 March 2019 £000	Financial Assets 31 March 2019 £000	Non- financial Assets 31 March 2019 £000	Total 31 March 2018 £000	Financial Assets 31 March 2018 £000	Non- financial Assets 31 March 2018 £000
<b>11.1 Current</b>						
NHS Receivables (comparative only)	0	0	0	12,723	12,723	0
Contract receivables (IFRS 15): Invoiced - NHS bodies	6,969	6,969	0	0	0	0
Contract receivables (IFRS 15): not yet Invoiced - NHS bodies	4,441	4,441	0	0	0	0
Contract receivables (IFRS 15): Invoiced - external to Government	1,101	1,101	0	0	0	0
Contract receivables (IFRS 15): not yet Invoiced - external to Government	1,964	1,964	0	0	0	0
Other receivables with related parties	0	0	0	0	0	0
Allowance for impaired contract receivables	(518)	(518)	0	(552)	(130)	(422)
Prepayments	2,717	0	2,717	1,342	0	1,342
Accrued income (comparative only)	0	0	0	121	121	0
NHS Charitable Funds: Trade and other receivables	976	976	0	2,312	2,312	0
VAT receivable	515	0	515	0	0	0
PDC dividend receivable	215	0	215	0	0	0
Interest receivable	5	5	0	0	0	0
Other receivables (comparative only)	0	0	0	3,738	1,606	2,132
<b>Total Current Trade and Other Receivables</b>	<b>18,385</b>	<b>14,938</b>	<b>3,447</b>	<b>19,684</b>	<b>16,632</b>	<b>3,052</b>
<b>11.2 Non-Current</b>						
Allowance for impaired contract receivables	(340)	(340)	0	(317)	0	(317)
Contract receivables (IFRS 15): not yet Invoiced - non NHS and other WGA bodies	1,555	1,555	0	0	0	0
Other receivables (comparative only)	0	0	0	1,390	0	1,390
<b>Total Non Current Trade and Other Receivables</b>	<b>1,215</b>	<b>1,215</b>	<b>0</b>	<b>1,073</b>	<b>0</b>	<b>1,073</b>

Note a. Following the application of IFRS 15 from 1 April 2018, the Trust's entitlements to consideration for work performed under contracts with customers are shown separately as contract receivables and contract assets. This replaces the previous analysis into trade receivables and accrued income. IFRS 15 is applied without restatement therefore the comparative analysis of receivables has not been restated under IFRS 15.

#### 11.3 Allowance for Impaired contract receivables

	2018/19 £000	2017/18 £000
At 1 April 2018 (1 April 2017)	868	884
Increase in provision	56	75
Utilisation of allowances (where receivable is written off)	(67)	0
Amounts utilised	0	(90)
Unused amounts reversed	0	0
<b>At 31 March 2019 (31 March 2018)</b>	<b>858</b>	<b>869</b>

## 11.4 Trade receivables and other receivables (Foundation Trust) Note a.

	Total 31 March 2019 £000	Financial Assets 31 March 2019 £000	Non- financial Assets 31 March 2019 £000	Total 31 March 2018 £000	Financial Assets 31 March 2018 £000	Non- financial Assets 31 March 2018 £000
<b>Current</b>						
NHS Receivables (comparative only)	0	0	0	12,723	12,723	0
Contract receivables (IFRS 15): invoiced - NHS bodies	6,969	6,969	0	0	0	0
Contract receivables (IFRS 15): not yet invoiced - NHS bodies	4,441	4,441	0	0	0	0
Contract receivables (IFRS 15): invoiced - external to NHS	1,101	1,101	0	0	0	0
Contract receivables (IFRS 15): not yet invoiced - external to NHS	1,964	1,964	0	0	0	0
Contract receivables (IFRS 15): invoiced - NHS charitable funds	0	0	0	202	202	0
Allowance for impaired contract receivables	(518)	(518)	0	(552)	(130)	(422)
Prepayments	2,717	0	2,717	1,342	0	1,342
Accrued income (comparative only)	0	0	0	121	121	0
VAT receivable	515	0	515	0	0	0
PDC dividend receivable	215	0	215	0	0	0
Interest receivable	5	5	0	0	0	0
Other receivables (comparatives only)	0	0	0	3,738	1,606	2,132
<b>Total Current Trade and Other Receivables</b>	<b>17,409</b>	<b>13,962</b>	<b>3,447</b>	<b>17,574</b>	<b>14,522</b>	<b>3,052</b>
<b>Non-Current</b>						
Allowance for impaired contract receivables	(340)	(340)	0	(317)	0	(317)
Contract receivables (IFRS 15): not yet invoiced - non NHS and other WGA bodies	1,555	1,555	0	0	0	0
Other receivables (comparatives only)	0	0	0	1,390	0	1,390
<b>Total Non Current Trade and Other Receivables</b>	<b>1,215</b>	<b>1,215</b>	<b>0</b>	<b>1,073</b>	<b>0</b>	<b>1,073</b>

Note a. Following the application of IFRS 15 from 1 April 2018, the Trust's entitlements to consideration for work performed under contracts with customers are shown separately as contract receivables and contract assets. This replaces the previous analysis into trade receivables and accrued income. IFRS 15 is applied without restatement therefore the comparative analysis of receivables has not been restated under IFRS 15.

## 11.5 Allowance for impaired contract receivables

	2018/19 £000	2017/18 £000
<b>At 1 April 2018 (1 April 2017)</b>	<b>869</b>	<b>884</b>
Increase in provision	56	75
Utilisation of allowances (where receivable is written off)	(67)	0
Amounts utilised	0	(90)
Unused amounts reversed	0	0
<b>At 31 March 2019 (31 March 2018)</b>	<b>858</b>	<b>869</b>

## 12 Current and Non Current Liabilities

### 12.1 Trade and other payables (Group)

	Total 31 March 2019 £000	Financial Liabilities 31 March 2019 £000	Non-financial Liabilities 31 March 2019 £000	Total 31 March 2018 £000	Financial Liabilities 31 March 2018 £000	Non-financial Liabilities 31 March 2018 £000
<b>Current</b>						
Receipts in advance	216	0	216	546	0	546
NHS payables - capital	0	0	0	127	127	0
NHS payables - revenue	4,071	4,071	0	4,757	4,757	0
PDC payable	0	0	0	47	0	47
Amounts due to other related parties	2,464	2,464	0	2,272	2,272	0
Trade payables - capital	5,647	5,647	0	3,471	3,471	0
Other trade payables (Note a.)	8,655	8,655	0	5,749	5,749	0
Taxes payable	3,658	0	3,658	3,460	0	3,460
Other payables	286	286	0	305	305	0
Accruals	5,677	5,677	0	4,673	4,673	0
NHS Charitable Funds - trade and other payables	159	159	0	121	121	0
<b>Total Current Trade and Other Payables</b>	<b>30,833</b>	<b>26,959</b>	<b>3,874</b>	<b>25,528</b>	<b>21,475</b>	<b>4,053</b>

### 12.2 Trade and other payables (Foundation Trust)

	Total 31 March 2019 £000	Financial Liabilities 31 March 2019 £000	Non-financial Liabilities 31 March 2019 £000	Total 31 March 2018 £000	Financial Liabilities 31 March 2018 £000	Non-financial Liabilities 31 March 2018 £000
<b>Current</b>						
Receipts in advance	216	0	216	546	0	546
NHS payables - capital	0	0	0	127	127	0
NHS payables - revenue	4,071	4,071	0	4,757	4,757	0
PDC payable	0	0	0	47	0	47
Amounts due to other related parties	2,464	2,464	0	2,272	2,272	0
Trade payables - capital	5,647	5,647	0	3,471	3,471	0
Other trade payables (Note a.)	8,655	8,655	0	5,749	5,749	0
Taxes payable	3,658	0	3,658	3,460	0	3,460
Other payables	286	286	0	305	305	0
Accruals	5,677	5,677	0	4,673	4,673	0
NHS Charitable Funds - trade and other payables	653	653	0	0	0	0
<b>Total Current Trade and Other Payables</b>	<b>31,327</b>	<b>27,453</b>	<b>3,874</b>	<b>25,407</b>	<b>21,354</b>	<b>4,053</b>

Note a. Following adoption of IFRS 9 on 1 April 2018, loans are measured at amortised cost. Any accrued interest (2017/18 £80k) is now included in the carrying value of the loan within note 13. IFRS 9 is applied without restatement therefore comparatives have not been restated.

### 12.3 Other Liabilities (Group and Foundation Trust)

	Group 31 March 2019 £000	Foundation Trust 31 March 2019 £000	Group 31 March 2018 £000	Foundation Trust 31 March 2018 £000
Deferred Income	843	843	528	528
<b>TOTAL</b>	<b>843</b>	<b>843</b>	<b>528</b>	<b>528</b>

### 13 Borrowings

	Group 31 March 2019 £000	Foundation Trust 31 March 2019 £000	Group 31 March 2018 £000	Foundation Trust 31 March 2018 £000
<b>Current</b>				
Capital loans from Department of Health and Social Care (Note a. and d.)	1,920	1,920	1,591	1,591
Revenue support /working capital loans from Department of Health and Social Care (Note b. and d.)	19	19	0	0
Other loans (Note c. and d.)	296	296	297	297
Obligations under finance leases	27	27	50	50
<b>Total Other Current Liabilities</b>	<b>2,262</b>	<b>2,262</b>	<b>1,938</b>	<b>1,938</b>
<b>Non-current</b>				
Capital loans from Department of Health and Social Care (Note a. and d.)	13,619	13,619	14,103	14,103
Revenue support /working capital loans from Department of Health and Social Care (Note b. and d.)	9,610	9,610	0	0
Other loans (Note c. and d.)	666	666	960	960
Obligations under finance leases	0	0	27	27
<b>Total Other Non- Current Liabilities</b>	<b>23,895</b>	<b>23,895</b>	<b>15,090</b>	<b>15,090</b>

Note a. During 2014/15 the Trust agreed a loan facility of £20 million with the Department of Health and Social Care to fund capital schemes over a three/four year period. £10.9m of this facility is repayable within 10 years from the date of drawdown at an annual interest rate of 1.93%. The remaining £9.1m is repayable over 20 years from the date of drawdown at an annual interest rate of 2.63%. £1.6m was drawn down during the year to fund 2018/19 capital schemes. £6.65 million of this facility was drawn down during 2017/18. £3.0 million of this facility was drawn down in 2016/17; £3.95 million was drawn down in 2015/16 and £4.8 million was drawn down in 2014/15. £1,837k of this loan facility was repaid in 2017/18 (£1,312k).

Note b. During the year the Trust agreed revenue support/working capital loans of £9.61 million with the Department of Health and Social Care. The loans are repayable three years from the date of drawdown.

Note c. During 2015/16 the Trust agreed an interest free loan facility of £1,441k with Salix, which is capital available to the public sector to fund energy efficient schemes, such as lighting upgrades, CHP etc. The loan is repayable over a five year period. The full amount of £1,441k was drawn down by 31st March 2017. £296k of this facility was repaid in 2018/19 (£166k).

Note d. Following adoption of IFRS 9 on 1 April 2018, loans are measured at amortised cost. Any accrued interest is now included in the carrying value of the loan within this note. IFRS 9 is applied without restatement therefore comparatives have not been restated.

Details of the phasing of repayments on borrowings shown above are as follows: due within one year £2,262k; due within two to five years £17,625k; over five years £6,270k

All borrowings relate to the Foundation Trust.

### 14 Finance Lease Obligations - Group and Foundation Trust

	Minimum Lease Payments		Present Value of Minimum Lease Payments	
	At 31 March 2019 £000	At 31 March 2018 £000	At 31 March 2019 £000	At 31 March 2018 £000
<b>Gross lease liabilities</b>				
<b>of which liabilities are due:</b>				
not later than one year;	27	27	27	50
later than one year and not later than five years;	0	0	0	31
later than five years;	0	0	0	0
Finance charges allocated to future periods	0	0	0	(4)
<b>Total Gross Lease Liabilities</b>	<b>27</b>	<b>27</b>	<b>27</b>	<b>77</b>
<b>Net lease liabilities</b>				
not later than one year;	27	27	27	50
later than one year and not later than five years;	0	0	0	27
later than five years;	0	0	0	0
<b>Total net lease liabilities</b>	<b>27</b>	<b>27</b>	<b>27</b>	<b>77</b>

Note: Finance Leases relate mainly to medical equipment assets. All finance leases relate to the Foundation Trust.



## 15 Provisions for Liabilities and Charges (see Note a)

	Group 31 March 2019 £000	Foundation Trust 31 March 2019 £000	Group 31 March 2018 £000	Foundation Trust 31 March 2018 £000
<b>Current</b>				
Pensions - early departure costs	12	12	12	12
Pensions- Injury benefits	37	37	36	36
Other legal claims	71	71	81	81
Redundancy	648	648	0	0
Other	381	381	0	0
<b>Total Current Provisions for Liabilities and Charges</b>	<b>1,149</b>	<b>1,149</b>	<b>129</b>	<b>129</b>
<b>Non-current</b>				
Pensions- Early departure costs	86	86	87	87
Pensions- Injury benefits	741	741	688	688
<b>Total Non-current Provisions for Liabilities and Charges</b>	<b>827</b>	<b>827</b>	<b>775</b>	<b>775</b>

Note a: All provisions relate to the Foundation Trust and the Charity had no provisions in its accounts.

## Provisions for liabilities and charges

	31 March 2019 Pensions - early departure costs Note 1 £000	Pensions - injury benefits costs Note 1 £000	Other legal claims Note 2 £000	Redundancy £000	Other £000	Total £000
<b>At 1 April 2018</b>	<b>99</b>	<b>724</b>	<b>81</b>	<b>0</b>	<b>0</b>	<b>904</b>
Change in the discount rate	0	(16)	0	0	0	(16)
Arising during the period	11	96	48	648	381	1,184
Utilised during the period	(12)	(27)	(53)	0	0	(92)
Reversed unused	0	0	(5)	0	0	(5)
Unwinding of discount	0	1	0	0	0	1
<b>At 31 March 2019</b>	<b>98</b>	<b>778</b>	<b>71</b>	<b>648</b>	<b>381</b>	<b>1,976</b>
<b>At 1 April 2017</b>	<b>102</b>	<b>742</b>	<b>150</b>	<b>242</b>	<b>450</b>	<b>1,686</b>
Change in the discount rate	0	11	0	0	0	11
Arising during the period	9	5	33	0	0	47
Utilised during the period	(12)	(36)	(70)	0	0	(118)
Reversed unused	0	0	(32)	(242)	(450)	(724)
Unwinding of discount	0	2	0	0	0	2
<b>At 31 March 2018</b>	<b>99</b>	<b>724</b>	<b>81</b>	<b>0</b>	<b>0</b>	<b>904</b>
<b>Expected timing of cashflows at 31 March 2019:</b>						
Not later than one year	12	37	71	648	381	1,149
Later than one year and not later than five years	49	148	0	0	0	197
Later than five years	37	593	0	0	0	630
<b>Total</b>	<b>98</b>	<b>778</b>	<b>71</b>	<b>648</b>	<b>381</b>	<b>1,976</b>

Note 1. Pension early departure costs relate to the estimated actuarial pension liabilities in respect of staff who retired due to sickness, injury or redundancy prior to 2004.

Note 2. Legal claims relate to employer and third party liability claims against the Trust.

## Clinical Negligence Liabilities:

£168,178k is included in the provisions of NHS Resolution at 31 March 2019 in respect of clinical negligence liabilities of the NHS Trust (31 March 2018 £123,320k).

## Non Clinical Liabilities

Refer to Note 19 re Contingent Liabilities for Non Clinical claims.

## 16 Cash and Cash Equivalents

	Group 31 March 2019 £000	Foundation Trust 31 March 2019 £000	Group 31 March 2018 £000	Foundation Trust 31 March 2018 £000
Balance at 1 April 2018 (1 April 2017)	11,957	2,999	17,869	7,484
Net change in year - Foundation Trust	2,472	2,472	(4,485)	(4,485)
Net change in year - Charitable Funds	(112)	0	(1,427)	0
Balance at 31 March 2019 (31 March 2018)	<u>14,317</u>	<u>5,471</u>	<u>11,957</u>	<u>2,999</u>
Broken down into:				
Cash at commercial banks and in hand - Foundation Trust	174	174	240	240
Cash at commercial banks and in hand - Charitable Funds	8,846	0	8,958	0
Cash with the Government Banking Service - Foundation Trust	5,297	5,297	2,759	2,759
Cash and Cash Equivalents as in SoFP and SoCF at 31 March 2019 (31 March 2018)	<u>14,317</u>	<u>5,471</u>	<u>11,957</u>	<u>2,999</u>

## 17 Contractual Capital Commitments

	Group 31 March 2019 £000	Foundation Trust 31 March 2019 £000	Group 31 March 2018 £000	Foundation Trust 31 March 2018 £000
Property, Plant and Equipment	1,032	1,032	958	958
Total at 31 March 2019 (31 March 2018)	<u>1,032</u>	<u>1,032</u>	<u>958</u>	<u>958</u>

## 18 Events after the Reporting Period

There were no events after the reporting period having a material effect on the accounts.

## 19 Contingent Liabilities

	Group 31 March 2019 £000	Foundation Trust 31 March 2019 £000	Group 31 March 2018 £000	Foundation Trust 31 March 2018 £000
Gross value of contingent liabilities	(37)	(37)	(22)	(22)
Total Contingent Liabilities	<u>(37)</u>	<u>(37)</u>	<u>(22)</u>	<u>(22)</u>

The above contingency relates to the Liabilities to Third Party Scheme (LTPS) administered by NHS Resolution on behalf of the Trust. NHS Resolution is currently resolving a total of 12 (2017/18 14) claims made against the Trust and the above represents their view of the net amount the Trust would have to pay if cases provided for were to be settled in favour of the claimant.

## 20 Related Party Transactions (Foundation Trust)

Poole Hospital NHS Foundation Trust is a body corporate established by order of the Secretary of State for Health and Social Care.

During the year none of the Board Members or members of the key management staff or parties related to them has undertaken any material transactions with Poole Hospital NHS Foundation Trust, with the exception of the contractual pay which has been disclosed in the Remuneration Report within the Directors' Report.

The Department of Health and Social Care and any other body within the Whole of Government Accounts is regarded as a related party. During the year Poole Hospital NHS Foundation Trust has had a significant number of material transactions with the Department and with other entities as follows:

The Foundation Trust is anticipating similar levels of income from Dorset and NHS England CCG's for 2019/20 and would expect to carry out similar services for this level of income.

There were no significant transactions or debtor/creditor balances between the Poole Hospital Charity and the related parties of the Foundation Trust.

	2018/19		2017/18	
	Income £'000	Expenditure £'000	Income £'000	Expenditure £'000
<b>20.1 Value of Transactions with Other Related Parties (Foundation Trust)</b>				
NHS Dorset CCG	162,866	184	156,893	207
NHS England	59,179	4	58,018	4
Royal Bournemouth and Christchurch NHS FT	5,096	4,504	4,956	4,977
Dorset County Hospital FT	1,142	738	1,127	1,429
Dorset Healthcare FT	2,024	1,884	2,118	1,614
West Hampshire CCG	3,205	0	3,129	0
Public Health England	190	188	192	183
Health Education England	8,659	12	7,645	16
University Hospital Bristol FT	0	16	2	21
University Hospital Southampton FT	1,334	726	1,363	710
NHS Resolution	0	9,550	0	8,279
Dept. of Health	2,502	0	158	6
NHS Blood and Transport	0	1,003	0	978
NHS Pension Scheme	0	16,390	0	15,688
HM Revenue & Customs - Employer NI Contributions	0	13,726	0	13,024
Other NHS/WGA Bodies	3,529	1,469	2,731	1,485
<b>Total Value of Transactions with Other Related Parties</b>	<b>249,727</b>	<b>50,394</b>	<b>238,332</b>	<b>48,621</b>

Note: The Trust paid income tax of £18,638k (2017/18 £17,926k); National Insurance of £9,893k (2017/18 £9,490k) on behalf of its employees to HMRC and recovered net VAT amounting to £3,185k (2017/2018 £3,580k). These amounts have not been included in the schedule above as income or expenditure. De minimis rules apply to disclosure whereby only expenditure or income in excess of £0.5 million is disclosed.

	31 March 2019		31 March 2018	
	Receivables £'000	Payables £'000	Receivables £'000	Payables £'000
<b>20.2 Balances with Other Related Parties (Foundation Trust)</b>				
Royal Bournemouth and Christchurch NHS FT	2,623	1,879	2,404	2,905
NHS Dorset CCG	448	643	641	735
NHS England	5,603	0	7,744	0
Dorset County Hospital NHS FT	354	151	606	304
Dorset Healthcare NHS FT	745	1,503	539	601
West Hampshire CCG	32	0	5	0
University Hospital Southampton NHS FT	398	200	313	515
NHS Pension Scheme	0	2,363	0	2,255
Dept. of Health	0	0	0	0
Charitable Funds	0	653	202	0
HM Revenue & Customs - National Insurance and Income Tax	0	3,658	0	3,460
HM Revenue & Customs - VAT	515	0	283	0
Other NHS/WGA Bodies	1,244	388	648	370
<b>Total Balances with Other Related Parties</b>	<b>11,961</b>	<b>11,438</b>	<b>13,385</b>	<b>11,145</b>

## **21 Private Finance Transactions**

### **PFI schemes deemed to be off-SoFP**

#### **Staff Residences**

£123k (£128k 2017/18) is included within operating expenses in respect of PFI transactions deemed to be off SoFP.

The Trust is committed to make a payment of £123k (during the next year) and £51k (later than one year but not later than five years) in respect of a PFI scheme that is expected to expire in just over one year.

The estimated capital value of the PFI scheme is £3.5 million.

The scheme started on 1 April 1996 and is contracted to end on 31 August 2021.

Western Challenge Housing Association (now Sovereign) acquired the staff residences from the Trust in September 1996 on a 99 year lease with a break clause after 25 years. The Trust is committed to pay £28k rent subsidy per annum (fixed through the period of the lease) and also a management fee of £56k (increased annually by the Retail Price Index) for the duration of the lease.

#### **Nursery**

£30k (£30k 2017/18) is included within operating expenses in respect of PFI transactions deemed to be off SoFP.

The Trust is committed to make a payment of £13k during the next year in respect of a PFI scheme that is expected to expire in under one year.

The estimated capital value of the PFI scheme is £0.4 million.

The scheme started on 1 September 2004 and is contracted to end on 31 August 2019.

The Trust entered (in August 2004) into a 15 year lease with BDL Systems Ltd. Retirement Benefit Scheme (now assigned to Blackhill Investments) in respect of the rental of a building at Denmark Lane, Poole for the purpose of providing a nursery, mainly for Poole Hospital staff. The nursery is managed by TOPS Day Nursery. The Trust leased back the building to TOPS on the same terms and conditions as the original lease. The Trust will pay Blackhill Investments Limited a sum of £30k per annum for the remainder of the 15 year period. TOPS will pay a similar amount to the Trust over the same period.

#### **Hospital Front Entrance**

Legal documents were completed and exchanged on 22 October 2018. The arrangement comprises 30 year ground and occupational lease agreements between Poole Hospital and Noviniti (Poole) Limited - a specialist project vehicle (SPV) established to deliver the overall project; with an initial 15 year retail sub lease granted to the Compass Group in return for three retail outlets. The gross development cost to Practical Completion including financing is £3.6m, which includes £3.2m construction (£2m works cost and contingencies, £732k for the retail fit-out/ asset recovery from the current small Costa Coffee unit and the £440k one-off contribution payable to Poole Hospital). Approval of the legal agreements exchanged on 22 October 2018 triggered the following two payments by Noviniti Limited in favour of the Trust:

- £30k Ground Lease Premium
- £410k one-off income receipt, as agreed in the original financial model

## 22 Financial Instruments (Foundation Trust)

Financial reporting standard IFRS7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Because of the continuing service provider relationship that the NHS Foundation Trust has with local Clinical Commissioning Groups (CCGs) and the way those CCGs are financed, the NHS Foundation 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 the listed companies to which the financial reporting standards mainly applies. The NHS Foundation Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS Foundation Trust in undertaking its activities.

The Foundation Trust's financial assets and liabilities are valued at amortised cost and these are the only type of financial instrument held.

### Market Risk

Market risk is the possibility that financial loss might arise as a result of changes in such measures as interest rates and stock market movements. Market risk comprises three types of risk, where the fair value or future cash flows could fluctuate because of movements in the underlying Interest rate risk, Currency risk; and Price risk

#### *Interest rate risk:*

The Foundation Trust invests surplus funds with Barclays Bank plc and the Government Banking Service (GBS). There were no short term investments held at the year end. Therefore the Foundation Trust's financial assets and liabilities carry nil or fixed rates of interest and the Foundation Trust's income and operating cash-flows are substantially independent of changes in market interest rates.

#### *Currency risk*

The Foundation Trust's transactions are all undertaken in sterling and so it is not exposed to foreign exchange risk.

#### *Price risk*

The Foundation Trust has got a number of contractual arrangements which are linked to the UK Retail Price Index (RPI). As such the Foundation Trust is exposed to price risk in line with movements in the UK economy.

### Credit Risk

Credit risk is the possibility that other parties might fail to pay amounts due to the Foundation Trust. Credit risk arises from deposits with banks as well as credit exposures to the Foundation Trust's debtors. The Foundation Trust's cash assets are held with Barclays Bank plc and the Government Banking Service (GBS).

As set out in Note 16 - £5,297k (31 March 2018 £2,759k) of the Trust's cash deposits is held with the Government Banking Service (GBS). At the end of the financial year there were no sums held in the form of short term investments (2017/18: £nil).

An analysis of the ageing of receivables and provision for impairment can be found at Note 11.1 "Receivables". The majority of the outstanding debt relates to other NHS bodies, related parties and the Compensation Recovery Unit (CRU) mainly in respect of Road Traffic Act (RTA) income. Receivables from other NHS bodies and related parties is considered to be fully recoverable. A bad debt provision of 21.89% (2017/2018 22.84%) is made against the CRU (i.e. mainly RTA income) receivables.

### Liquidity risk

The NHS Foundation Trust's net operating costs are incurred under annual service agreements with local Clinical Commissioning Groups (previously Primary Care Trusts), which are financed from resources voted annually by Parliament. The Foundation Trust also largely finances its capital expenditure from funds generated from its activities in addition to loans from the Department of Health and Social Care and Salix (see Note 13). Capital commitments at 31 March 2019 amounted to £1,032k (£958k at 31 March 2018) - see Note 17 and Finance Lease commitments amounted to £27k (£77k at 31 March 2018) - see Note 14. The NHS Foundation Trust is not, therefore, exposed to significant liquidity risks (however refer to Note 1 re Going Concern).

### 23 Financial Assets and Liabilities by Category

Set out below are the Group and Foundation Trust's financial assets and liabilities as at 31 March 2019. There are no material differences between the book value and fair value.

	Loans and Receivables	
	Group 31 March 2019 £000	Foundation Trust 31 March 2018 £000
<b>Carrying Value of Financial assets (Note a)</b>		
Cash	14,317	11,957
NHS and WGA Receivables	11,410	12,723
Accrued Income (comparative only)	0	121
Other Receivables	3,767	1,476
Other Receivables - Charitable Funds	976	2,312
<b>Total</b>	<b>30,470</b>	<b>17,521</b>

IFRS 9 Financial Instruments is applied retrospectively from 1 April 2018 without restatement of comparatives. As such, comparative disclosures have been prepared under IAS 39 and the measurement categories differ to those in the current year analyses.

Note a. The following are not considered to be financial instruments and therefore have been excluded from the above table (Group and Foundation Trust):

- Prepayments amounting to £2,717k (2017/18 £1,316k).
- Val recoverable amounting to £515k (2017/18 £283k).
- PDC dividend recoverable amounting to £215k (2017/18 £0k).

#### Other Financial Liabilities

	31 March 2019 Group £000	31 March 2018 Foundation Trust £000	31 March 2018 Group £000
<b>Financial Liabilities</b>			
<b>Trade and Other Payables</b>			
NHS payables	4,071	4,071	4,757
Accruals	5,677	5,677	4,673
Capital payables	5,647	5,647	3,598
Other payables	11,405	11,405	8,326
Other payables - Charitable Funds	159	653	121
<b>Total Trade and Other Payables</b>	<b>26,959</b>	<b>27,453</b>	<b>21,354</b>
<b>Other Financial Liabilities</b>			
Borrowings excluding finance lease obligations	26,130	26,130	16,951
Finance lease obligations (Note 1)	27	27	77
Provisions under contract (Note 2)	876	876	823
<b>Total Other Financial Liabilities</b>	<b>27,033</b>	<b>27,033</b>	<b>17,851</b>
<b>Total</b>	<b>53,992</b>	<b>54,486</b>	<b>39,205</b>

The following are not considered to be financial instruments and therefore have been excluded from the above table:

- Other tax payables amounting to £3,658k (2017/18 £3,460k).
- Provisions not under contract amounting to £1,100k (2017/18 £81k).
- Receipts in advance amounting to £216k (2017/18 £546k).
- Deferred Income amounting to £843k (2017/18 £528k).
- PDC payable amounting to £0k (2017/18 £47k).

Note 1 - Fair value is not significantly different from book value, in the calculation of book value, the expected cash flows have been discounted by the discount rate of 6.0% in real terms.

Note 2 - Fair value is not significantly different from book value, in the calculation of book value, the expected cash flows have been discounted by HM Treasury pension discount rate of 0.29% (2017/18 0.10%) in real terms.

## 24 Third Party Assets

The Trust held £1k cash at bank and in hand at 31 March 2019 (£1k - at 31 March 2018) which relates to monies held by the NHS Trust on behalf of patients. This has been excluded from cash at bank and in hand figure reported in the accounts.

## 25 Losses and Special Payments

	2018/19 Total number of cases Number	2018/19 Total value of cases £000's	2017/18 Total number of cases Number	2017/18 Total value of cases £000's
<b>1. LOSSES:</b>				
<i>Losses of cash due to:</i>				
Overpayment of salaries etc.	0	0	0	0
<i>Bad debts and claims abandoned in relation to:</i>				
Private patients	206	1	50	31
Overseas visitors	42	61	34	53
Other	82	6	85	6
<i>Damage to buildings, property etc. (including stores losses) due to:</i>				
Stores losses	1	52	1	55
Other	0	0	0	0
<b>TOTAL LOSSES</b>	<b>331</b>	<b>120</b>	<b>170</b>	<b>145</b>
<b>2. SPECIAL PAYMENTS:</b>				
<i>Ex gratia payments in respect of:</i>				
Loss of personal effects	9	3	18	9
Personal Injury with advice	10	53	17	70
<b>TOTAL SPECIAL PAYMENTS</b>	<b>19</b>	<b>56</b>	<b>35</b>	<b>79</b>
<b>TOTAL LOSSES AND SPECIAL PAYMENTS</b>	<b>350</b>	<b>176</b>	<b>205</b>	<b>224</b>

There were no cases exceeding £300k in the current year (2017/18 no cases).

These amounts are included on an accruals basis and exclude provisions for future losses.





