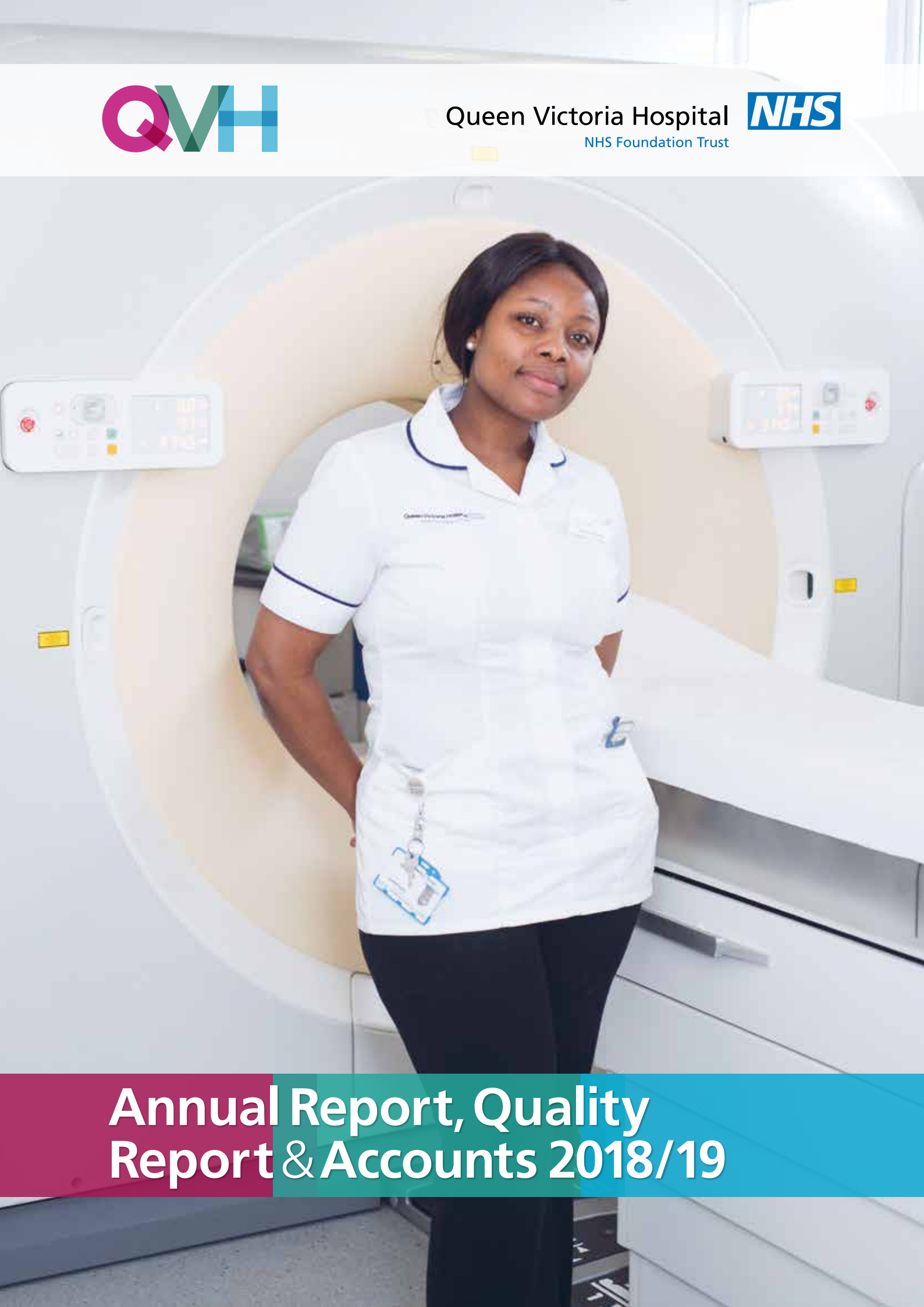
Queen Victoria Hospital
NHS Foundation Trust



Annual Report, Quality Report & Accounts 2018/19

Queen Victoria Hospital NHS Foundation Trust

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Presented to Parliament pursuant to Schedule7, paragraph 25(4)(a) of the National Health Service Act 2006

INTRODUCTION

Chair's introduction

I am pleased to present the 2018/19 annual report, quality report and accounts for Queen Victoria Hospital NHS Foundation Trust (QVH). In the year when the NHS as a whole celebrated its 70th birthday, at QVH we celebrated both our proud heritage and our ongoing reputation for innovation.

QVH continues to receive excellent feedback from patients for the work of our highly skilled clinicians and the individual attention and care shown to every patient by the whole team. Whether a patient benefits from one of the 'world-first' procedures described in our quality report or from a tried and tested treatment, QVH provides an exceptional patient experience and our staff make a real difference.

Our specialist focus, the extensive geography from which our patients come and our position as one of the country's smallest trusts are both challenging and a recognised part of what our patients, staff and other stakeholders tell us is special about QVH. We are working hard to build on all that is best about QVH, in partnership with our commissioners and with the other hospital trusts across the south east where patients benefit from our expertise.

In this year's unannounced Care Quality Commission (CQC) inspection the Trust achieved 'Good' overall with 'Outstanding' patient care. Inspectors noted that our staff are highly motivated and offer care that is exceptionally kind; relationships between patients and staff are strong, caring, respectful and supportive.

I would like to thank our staff, volunteers, governors and board members for all that they do to make sure our work reflects our values of humanity, pride and continuous improvement, and that QVH remains a wonderful place to work and a truly exceptional place to receive treatment.

Beryl Hobson

Beryl Hobson
Chair
24 May 2019

"QVH provides an exceptional patient experience and our staff make a real difference."

PERFORMANCE REPORT

Overview of performance

Statement from Chief Executive

Queen Victoria Hospital (QVH) provides outstanding care. The 'friends and family test' scores published monthly and the latest annual NHS inpatient survey published in June 2018 show that QVH continues to achieve some of the best feedback in the country. Some of the important areas where QVH scores particularly highly include patients feeling they had privacy, respect and dignity; patients having confidence in the staff treating them and being involved in decisions around care and treatment. We review all the feedback we receive from a wide variety of sources to help us monitor and continue to improve patient care.

The hospital has been rated 'Good' with 'Outstanding' care by the Care Quality Commission (CQC) following an unannounced inspection in January and February of this year. In its report, the CQC said QVH was a hospital that "truly respected and valued patients as individuals" and that staff were "highly motivated and inspired to offer care that was exceptionally kind". The report states "relationships between people who used the service, those close to them and staff were strong, caring respectful and supportive … Staff described how they were always able to give patients the time they needed." This report reinforces what I regularly hear directly from our patients; our staff work really hard to make every patient feel cared for with compassion and respect.

QVH is also an exceptional place to work. We are proud of our learning culture and the opportunities we give our staff to develop their skills and careers. Innovations such as the introduction of nursing associate roles to bridge the gap between healthcare assistants and registered nurses allow staff to study and train whilst they earn. We are also in the second year of Leading the Way, our development programme for team leaders and managers, supporting our staff through everything from managing budgets and writing business cases to having meaningful conversations in appraisals. In an NHS where recruitment and retention is a significant challenge, we continue to devote considerable effort to ensuring that we attract and retain the very best staff.

During the summer of 2018 we went through a robust process to improve our reporting and management of our waiting list. This involved bringing together the different waiting lists we had for patients being treated at QVH and at our spoke sites across Sussex and Kent. The accurate, updated waiting list showed a higher total number of patients waiting for treatment at QVH and that some of those patients had waited longer than we or they would have wanted. QVH staff have worked hard to address this and to ensure all patients are treated in a timely manner.

Although QVH has a strong track record of achieving financial surplus, the Trust was clear by the end of 2017/18 that the year-end delivery of the control total was based on non-recurrent actions and that the Trust's future financial performance was at risk. During 2018/19 the financial position deteriorated in the context of workforce challenges, difficulties delivering cost improvements and the decision to provide additional sessions to support the timely treatment of patients. The Trust is forecasting a deficit in 2019/20, with a need for cash support from the Department of Health and Social Care as set out in note 1.1 to the accounts, where the Trust discloses the material uncertainties around its future financial position, and in the Annual Governance Statement of this report.

We continue to work closely with partner organisations, playing a full role in the Sussex and East Surrey strategic transformation partnership as well as contributing to strategic work in Kent. As a specialist trust, we also play an important role in regional and national developments in our areas of expertise.

The QVH board of directors has identified that, as the second smallest trust in the country, the task of remaining sustainable both operationally and financially is a significant challenge. QVH is working closely with Western Sussex Hospitals NHS Foundation Trust and Brighton and Sussex University Hospitals Trust on the benefits of potential closer working as a hospital group. The respective boards have agreed to a partnership approach and the key actions to deliver this.

Our staff are caring, compassionate and dedicated and in a tough year for QVH, and for the NHS as a whole, I want to publicly extend my personal thanks to all our staff. Whether working face to face with patients or behind the scenes in our support services, our staff deserve to feel proud of what we have delivered together.

Statement of the purpose and activities of the foundation trust

QVH is a regional and national centre for maxillofacial, reconstructive plastic and corneoplastic surgery, as well as for the treatment of burns. It is a surgical centre for skin cancer, head and neck cancer, and provides microvascular reconstruction services for breast cancer patients following, or in association with, mastectomy.

QVH has links with the operational delivery network for cancer and trauma care covering Kent, Surrey, and Sussex. In addition, QVH is involved in a number of multidisciplinary teams throughout the region.

In 2018/19, the principal activities of the Trust were the provision of:

- plastic surgery (including reconstructive surgery for cancer patients) and burns care

- head, neck, and dental services (including associated cancer surgery and orthodontics)
- sleep disorders services
- a wide range of therapy services and community-based services
- a minor injuries unit.

QVH operates a networked model from its 'hub' hospital site in East Grinstead, West Sussex. Reconstructive surgery services (a mix of planned surgery and trauma referrals) are provided by QVH in 'spoke' facilities at other major hospital sites across Kent, Surrey and Sussex. These include services provided at the sites of the following trusts:

– Brighton and Sussex University Hospitals NHS Trust

– Dartford and Gravesham NHS Trust

– East Sussex Healthcare NHS Trust

– East Kent Hospitals University NHS Foundation Trust

– Kent Community Health NHS Foundation Trust

– Maidstone and Tunbridge Wells NHS Trust

– Medway NHS Foundation Trust

– Surrey and Sussex Healthcare NHS Trust.

QVH also receives referrals from these hospitals.

In addition, QVH provides community-based clinical services into which GPs can refer, based on a range of sites across Kent and Sussex.

A brief history of the Foundation Trust and its statutory background

QVH is a specialist NHS hospital providing life-changing reconstructive surgery, burns care and rehabilitation services for people across the South of England.

Our world-leading clinical teams also treat common conditions of the hands, eyes, skin and teeth for the people of East Grinstead and the surrounding area. In addition, we provide a minor injuries unit, expert therapies and a sleep disorders service.

We are a centre of excellence, with an international reputation for pioneering advanced techniques and treatments. Everything we do is informed by our passion for providing the highest quality care, the best clinical outcomes and a safe and positive patient experience.

QVH was authorised as one of the country's first NHS foundation trusts in July 2004. We have public members in Kent, Surrey, Sussex and the boroughs of South London.

Key issues and risks that could affect the Foundation Trust in delivering its objectives

The Trust has a strategy called QVH 2020: Delivering Excellence. It has developed its strategic emphasis across five domains of excellence which comprise the following key strategic objectives. These are set out below and also include details of the principal risks identified in each case.

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1. Outstanding patient experience

We put patients at the heart of safe, compassionate and competent care provided by well-led teams in an environment that meets the needs of patients and their families.

The principal risk to delivery of this objective is the ability of the Trust to recruit and retain the right staff with the specialist skills required for caring for all our patients, especially in theatres and critical care.

2. World class clinical services

We provide a portfolio of world class services that are evidenced by clinical and patient outcomes and underpinned by our reputation for high quality education, training and innovative research and development.

As a specialist surgical hospital, without co-located general medical, paediatric and diagnostic services, we must constantly review our admission and discharge criteria, our adherence to safety standards, and our clinical partnerships with neighbouring trusts to ensure we are providing a safe, effective service, particularly outside of normal working hours.

3. Operational excellence

We provide services that ensure that patients are offered choice and are treated in a timely manner.

The principal risk to delivery of this objective is ensuring sufficient service capacity through the availability of specialist clinical staff. Other risk factors include the provision of comprehensive and timely data and delays in pathway from other trusts. The Trust has invested in developing new business information reporting and analysis to support the robust management of waiting lists at the Trust.

4. Financial sustainability

We maximise existing resources to offer cost-effective and efficient care whilst looking for opportunities to grow and develop our services.

The wider challenges to NHS finances and the uncertain policy environment, coupled with significant internal efficiency targets and recruitment concerns, put pressure on the Trust's ability to maintain past performance and achieve future targets. Close collaboration with partners and regulators, plus robust and effective planning are key to delivery.

5. Organisational excellence

We seek to maintain a well led organisation delivering safe, effective and compassionate care through an engaged and motivated workforce.

The principal risk to delivery of this continues to be the availability of specialist clinical staff in theatres and critical care. The Trust's attraction and retention plan and our people and organisational development strategy are key to supporting this objective. The third quarter of 2018/19 saw a measurable improvement in external applicants for jobs and a slight improvement in turnover of staff, as well as improvements in staff survey scores for 2018.

Going concern

These accounts have been prepared on a going concern basis.

The Trust is required under International Accounting Standard 1 to undertake an assessment of the NHS Foundation Trust's ability to continue as a going concern. Due to the materiality of the financial deficit, the Board has carefully considered whether the accounts should be prepared on the basis of being a 'Going Concern'. The factors taken into consideration are set out below.

Control total

The 2019/20 financial control total for the Trust issued on 15 January 2019 from NHS Improvement is a £0.51m surplus. This is based on the control total for 2018/19; it does not reflect the deterioration in the Trust's financial position and the 2018/19 year-end position. The Trust has therefore not been able to accept the allocated control total and is forecasting a deficit in 2019/20 of £7.4m. This financial plan would result in a cumulative deficit of £11.5m by 31 March 2020.

The Trust is developing a recovery plan to minimise the 2019/20 deficit and address the structural deficit.

Contracts

The Board 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."*

In this respect the Trust has agreed contracts for the continued provision and funding of services with local clinical commissioning groups (CCGs) and is expecting to agree contracts shortly with NHS England Specialised Commissioning to cover the 2019/20 financial year. These contracts are reflected in the income assumptions of the financial plan. The Board has reviewed and approved the 2019/20 financial plan.

The Trust has agreed contract values on a cost and volume basis with the key eight CCGs within the Sussex and East Surrey STP and 13 other associate CCGs for 2019/20 to a value of £39m. The NHS England contract for 2019/20 has been agreed at a value of £13m in terms of dental services and is also a cost and volume based contract, with a further value yet to be agreed with specialist commissioning. The total income per the Trust's 2019/20 financial plan is £72.2m. The Trust believes the 2019/20 plan can be delivered in terms of activity demand and capacity and the challenging cost improvement programme.

Contracts are based on realistic capacity and activity assumptions that enable delivery of the referral to treatment target of 92% by the end of March 2020 and the removal of 52-week waits by September 2019, other than patient choice.

The Trust has reasonable expectations that services will continue to be provided by QVH in 2020/21. For example, the Sussex and East Surrey Sustainability and Transformation Partnership (STP) has undertaken medium term financial modelling which includes QVH up to 31 March 2023, covering income, expenditure and capital. Additional assurance of this is provided through work with NHS England specialised commissioning, dental and local CCGs to ensure alignment of commissioners' plans within the local STP through a number of joint contract and quality forums and through adopting an open book approach. The Trust is also working with NHS England specialised commissioning to formalise and develop shared care agreements with Kent, Surrey and Sussex cancer centres through a documented multi-disciplinary team approval approach.

Cost improvement and efficiency plans

The Trust has an ambitious but achievable cost improvement plan for 2019/20 consisting of schemes with a current target value of £1.7m (2.3% of turnover), compared to the national efficiency factor of 1.1%. In 2018/19 the Trust had cost improvement plans totalling £3.0m, of which £1.1m was achieved. In 2017/18 the Trust targeted cost improvement plans of £3.3m and achieved £3.1m. In total, a combination of cost savings, productivity gains and further efficiencies totalling £4.7m is planned for 2019/20 in order to deliver the control total deficit of £7.4m.

The Trust has launched an outpatient improvement plan which aims to improve productivity, utilisation and efficiency as well as patient experience through reduced waiting times and cancellations as well as changes to working practices such as virtual clinics avoiding the need for patients to travel to site.

In 2018/19 the Trust commenced a theatres efficiency programme which continues to deliver results in terms of improved waiting list management and delivery of financial benefit.

Cash flow

The Trust expects to receive cash support in line with the 2019/20 operating plan submitted to NHS Improvement.

The financial recovery plan will aim to return the Trust to in year financial balance, which means a positive run rate, at the end of 2020/21. The Trust will therefore continue to rely on the Department of Health and Social Care (DHSC) to secure sufficient cash support for this period. In 2019/20 the Trust requires £6.4m deficit cash support, from June 2019 onwards. This has not yet been confirmed by the DHSC. The Trust also has loans totalling £5.9m outstanding as at 31 March 2019; of these, £0.8m fall due within 12 months. 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.

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Key risks to the financial plan

A number of contingency reserves have been established to cover recognised financial risks within the 2019/20 plan.

The key risks to the financial plan are:

Risk: Cost improvement plans (CIPs) of £1.7m. CIPs of £0.8m have been identified and £0.9m is unidentified at present. In 2018/19 the Trust achieved savings of £1.1m. In mitigation of this risk:

- The Trust is identifying robust schemes that will deliver savings in year including workforce efficiencies, the theatres productivity programme and the outpatient improvement programme as described above.
- The Trust income operating plan has been signed off by all the clinical divisions and should be deliverable through the demand and capacity planning.
- The Trust will review feedback from the national Get It Right First Time programme (GIRFT) as reports on QVH specialisms are received.
- The Trust, with the support of NHS Improvement, will work with the Model Hospital team. The Model Hospital is a digital information service designed to help NHS providers improve their productivity and efficiency. Specialist hospitals have yet to be included but the principals may offer benefits for QVH.

Risk: Financial pressures lead commissioners to look for cost savings through increased challenges on data quality, low priority procedures and other contractual challenges increasing the challenge burden on the Trust. The Trust currently estimates this risk to be c.£0.8m. In mitigation of this risk:

- The Trust is working closely with commissioners to ensure a shared understanding of the burden on provision that such challenges create.
- Proactive data quality measures will be implemented internally.
- Communication with commissioners about activity levels is regular and documented.
- QVH staff are fully aware of low priority procedure policies and QVH participates fully in STP work in relation to procedures of limited clinical effectiveness.
- The Trust will discuss with commissioners the possibility of aligned incentive contracts.

Risk: A shortage of specialist workforce, particularly in critical care, theatres and paediatrics, and a resultant pressure on agency costs or limitations on capacity. In 2018/19 the Trust spent £3m on agency staffing, in doing so it breached its agency cap by £1.5m. In the 2019/20 operating plan the Trust has included £2.9m for agency spend, which is £1.3m above the agency cap of £1.6m. In mitigation of this risk:

- The Trust has a medium term proactive recruitment and retention strategy, including an overseas recruitment programme with additional staff arriving in 2019/20.
- The Trust makes use of short term incentives for overtime, improvements in bank rates and weekly bank payment.
- The Trust has set pay budgets using a realistic vacancy factor and a robust vacancy control process which contributed to reducing agency costs to ensure the pay costs remain within budget.
- Over the last 18 months the Trust has reduced both annualised workforce turnover and vacancy rates by more than 2.5%.
- Contingency reserves have been established for cost pressures such as the national pay award including medical pay awards and distinction awards.

Risk: A genuine reduction in demand where the Trust has high fixed costs in place, for example critical care services. In mitigation of this risk:

- The Trust is working closely with commissioners and providers through the STP to ensure planned transition around services, including paediatric and adult burns services and maxillofacial/head and neck services.
- Key contracts include fixed and variable income elements.
- Staffing models and vacancy levels support flexibility.

The level of planned deficit and the risks outlined 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.

After making enquiries, the directors have concluded that there is sufficient evidence that services will continue to be provided. In reaching this conclusion, the board considered the financial provision within the forward plans of commissioners; cost improvement and efficiency plans and the recognised role of the Trust within the STP and the wider regional health care system. The Trust's cash flow provision will be dependent on both acceptance and delivery of the financial recovery plans and support from the Department of Health and Social Care; the board of directors has a reasonable expectation that this will be the case.

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.

Performance analysis

How we measure performance

Queen Victoria Hospital (QVH) measures performance against a range of key indicators that include access targets, quality standards and financial requirements. Priority indicators are those included within the NHS Improvement Single Oversight Framework and the quality schedules of our signed contracts with commissioners.

Oversight and scrutiny of performance is achieved by the adoption and implementation of a performance framework which is used to hold to account and support the relevant directorates and managers. There are internal triggers in place so that all variances against plan are identified as early as possible, to ensure that mitigating actions are put in place. These are monitored at monthly performance review meetings by a panel of executive team members. The panel meets with the relevant clinical directors, business unit managers, and human resources and finance business partners, to review each directorate's performance.

Assurance is provided to the board via the finance and performance committee and also the quality and governance committee as follows:

- To assure the board of directors of in-year delivery of financial and performance targets, the finance and performance committee maintains a detailed overview of the Trust's assets and resources. This includes the achievement of its financial plans, the Trust's workforce profile in relation to the achievement of key performance indicators and the Trust's operational performance in relation to the achievement of its activity plans.
- On behalf of the board of directors, the quality and governance committee is responsible for the oversight and scrutiny of the Trust's performance against the three domains of quality (safety, effectiveness and patient experience), compliance with essential professional standards, established good practice and mandatory guidance and delivery of national, regional, local and specialist care quality (CQUIN) targets.

Analysis and explanation of development and performance

Governance

- The board is assured, as recorded in the annual effectiveness review considered in March 2019, that an effective governance structure is in place to enable and support QVH to meet its strategic objectives and ensure compliance with regulatory requirements. The governance structures are fit for purpose and in line with best practice in the NHS and other sectors.
- In July 2018 the board conducted an annual review of the standing orders and standing financial instructions, the reservation of powers and scheme of delegation.
- A process is in place for the regular review of effectiveness and adequacy of board committees, including terms of reference and work plans. This programme supports the board's annual evaluation of its own performance. The process of board subcommittee reviews has resulted in minor changes to terms of reference and internal processes.
- Foundation Trust boards are required to undertake an external review of governance every three years to ensure that governance arrangements remain fit for purpose. During 2017/18 we appointed an external team to carry out this review. In each of the eight 'key lines of enquiry' QVH demonstrated areas of good practice as well as areas for improvement. As a result QVH has strengthened board reports; developed a board staff engagement plan to record the activity of board members in meeting with staff outside of their functional role and revised the role description for governors on committees to ensure clarity about their role.

Care Quality

The Care quality Commission (CQC) undertook an unannounced inspection of the Trust in January 2019 and a Well Led inspection in February 2019. This included a review of three of the core services offered by QVH. The overall rating for the hospital is 'Good' with a rating of 'Outstanding' for care. Improvements in the critical care unit mean each individual service at QVH, as well as the Trust as a whole, are now rated as 'Good'.

The Trust received no other unannounced CQC inspections during 2018/19. The CQC relationship manager meets with the Trust on a 1-2 monthly basis. Areas that have been reviewed at these meetings this year include paediatrics, critical care, workforce, minor injuries unit, trauma clinic and pharmacy as well meeting with staff via small focus groups.

The Trust is fully compliant with the registration requirements of the CQC.

Infection control

QVH had no trust acquired cases of Clostridium difficile or E. Coli bacteraemia and one Trust acquired MRSA bacteraemia in 2018/19.

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Waiting times

QVH has experienced challenges in the delivery of the national referral to treatment standards due to the availability of specialist clinical staff, an increase in service demand and variable systems and processes.

The Trust, with support from the NHS Improvement intensive support team, undertook a comprehensive review of reporting, systems and processes alongside an extensive programme of validation. This review resulted in an increased total reported waiting list and an increase in the number of patients waiting longer than national standards require for their treatment. A recovery plan was implemented in 2018/19 and, working alongside NHS partners, the Trust delivered significant improvements. Work is ongoing to eliminate long waits and deliver compliance with national standards.

Referral to treatment within 18 weeks – snapshot

Target	Q1	Q2	Q3	Q4
92%	**74.36%**	**74.04%**	**74.48%**	**79.51%**

Figures shown are month-end for each quarter

Waiting times for cancer patients have improved this year across all relevant indicators. A plan is in place which includes working with referring organisations to minimise any delays between providers which can be a risk to delivery of national standards.

Patients beginning first definitive treatment within 62 days following urgent GP referral for cancer – snapshot

Target	Q1	Q2	Q3	Q4
85%	**80.3%**	**84%**	**85%**	**81.4%**

Figures shown are month-end for each quarter

Financial plan

QVH planned to deliver an operational surplus of £2.2m in 2018/19, including an expectation of a £1.3m allocation from the Provider Sustainability Fund (PSF). The Trust had the opportunity in year to potentially increase the surplus by £4m and receive incentive PSF of £8m due to an expected land sale. However the land sale did not take place.

The planned control total for 2018/19 was £2.0m which included the operational surplus of £2.2m less technical adjustments to reflect the impact of donated assets of £0.2m.

2018/19 was a particularly challenging year for the Trust's finances. The Trust delivered a deficit of £4.1m for the year. This was driven principally by continued capacity constraints within staffing which contributed to underperformance against the clinical income plan. There was a shortfall of £1.9m against the cost improvement target of £3.0m. There were significant expenditure pressures incurred delivering activity in year. The expected land sale was not delivered in year. The failure to meet the control total in the final two quarters of the years has reduced PSF available to the Trust to £0.4m and a further £0.5m was allocated to the Trust from the general distribution pot in late April.

In January 2019 the Trust submitted a reforecast of £5.5m deficit (a £5.9m deficit offset by PSF of £0.4m) which represented a deficit of £5.7m compared to the control total. The £5.7m comprised the deficit of £5.5m plus technical adjustments for donated assets of £0.2m.

2018/19 key financial financial performance indicators

Key financial indicators	Plan £000	Actual £000
Reported financial performance	2225	**-4126**
Control total	1951	**-5153**
Provider Sustainability funding	1325	**995**

The control total reported above reflects the control total agreed with NHS Improvement at the beginning of 2018/19. The Trust had an opportunity to improve financial performance by £4.0m and receive further PSF of £8.0m for a potential land sale in year; however the land sale did not take place and as such the Trust was not able to access further PSF incentive funding.

Reported finance performance of £4.1m retained deficit includes a revaluation net impairments of trust assets of £759k. The performance of the Trust is assessed by regulators before the impact of revaluation on the income and expenditure account.

The overall income and expenditure position, as detailed in the statement of comprehensive income set out in the accounts (page 133) is a deficit of £2.7m. This included the effect of revaluation adjustments to the income and expenditure account and the revaluation reserve.

Statement of comprehensive income

Below is an extract of the table from the accounts (page 133) that shows the total value for income and expenditure for the financial year.

Statement of comprehensive income for the period ending 31 March 2019	2018/19 £000
Operating income from patient care activities	**65978**
Other operating income	**4670**
Operating expenses	**-73265**
Operating Surplus / (Deficit)	**-2617**
Net finance costs	**-1510**
RETAINED SURPLUS/DEFICIT FOR THE YEAR	**-4127**
Other comprehensive income:	
Revaluation gains/ losses on property plant and equipment	**1406**
Impairment through revaluation reserve	**-22**
Total comprehensive income for the period	**-2743**

An independent professional valuer completed an interim (desk top) revaluation of all land, buildings and fixtures in-year. There was a £2.1m increase in the assets' values arising from the revaluation exercise, £1.4m was recognised in the revaluation reserve, and there was a £0.8m net impairment reversal for revaluation to the income and expenditure account.

Income

Total income for the Trust was £70.6m. The Trust received £66.0m, the majority of its income, from the provision of patient care activities. In addition, the Trust received other operating income of £4.7m this includes £1.6m from Health Education England to support the cost of providing training and education to medical and other NHS staff, other contract income of £0.9m, £1.0m of PSF funding and £0.5m of capital grants and donations.

Operating expenses

The Trust incurred £73.3m of operating expenses in 2018/19. This includes costs of £48.9m (67% of total operating expenditure) to employ, on average over the year, 952 members of staff. This includes £3.3m for agency/contract staff and £0.2m for the apprenticeship levy.

Operational non-pay expenditure includes supplies and services costs of £13.9, drug costs of £1.5m, premises costs of £2.8m, depreciation and amortisation of £2.9m, transport costs (including patient travel) of £0.7m, clinical negligence costs of £0.6m and reversal of historic impairment due to revaluation of £0.8m.

Capital

Capital expenditure equated to £4.4m in 2018/19, materially in line with the agreed plan. The table below details the investments made.

2018/19 key financial financial performance indicators

Capital programme 2018/19	£000
Building and infrastructure	**1623**
Medical Equipment	**1015**
Information, Management and Technology	**1761**
Total	**4399**

Cash

The Trust has a cash balance of £3.9m prior to the receipt of PSF funds, which represents c.19 days of operating expenditure. The interest received by the Trust during 2018/19 was low, reflecting current economic conditions. The majority of funds are invested with the Government Banking Service (GBS).

Environmental and Sustainability Report

As a Trust, we acknowledge our responsibility for environmental protection and the requirement to contribute to the delivery of the national sustainable development targets.

The key objectives with regards to sustainability are:

- To continue to reduce our carbon footprint year on year through behavioural change and introducing low carbon technologies
- To embed sustainability considerations (energy and carbon management) into our core business strategy
- To procure goods and services in a sustainable manner
- To consider the design and operation of our buildings
- To implement phased action plans to address energy, water and carbon management reduction programmes, including the use of grey water systems and sustainable drainage systems on the estate.

In 2018/19 key successes included:

- Smart metering installation throughout the Trust to provide better data analysis on usage
- Programme of installation of variable speed drives to larger fan motors
- Programme of upgrades of aged and inefficient plant, including installation of energy efficient condensing boilers
- Ongoing programme to replace existing lighting with low energy and low maintenance LED.

Our carbon footprint

Our carbon footprint from gas and electricity sources during 1 April 2018 - 31 March 2019 was 2205 tonnes of CO_2 equivalent.

Greenhouse gas emission 1 April 2018 to 31 March 2019

Emissions Source	Tonnes of CO_2 equivalent
Gas	**1,072**
Electricity	**1,133**
Total	**2,205**

Specific carbon reducing projects identified for implementation in 2019/20 are:

- Review and reduction of overnight electricity consumption in theatres
- Continued programme of installation of variable speed drives to larger fan motors, with connection to the building management system so that efficiency gain can be calculated
- Review of the building management system seeking opportunities to contract for carbon reduction
- Continuation of the programme to replace existing lighting with low energy and low maintenance LED
- Full participation in sustainability and transformation partnership (STP) carbon efficiency scheme review

Total energy consumption

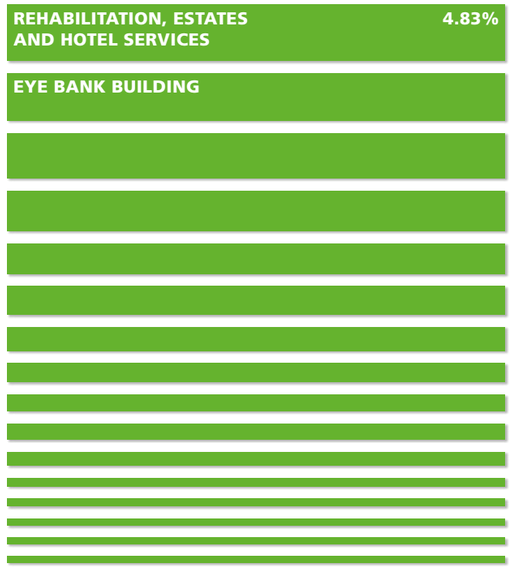
Energy type	Annual (kWh)
Gas	**5,827,011** kWh
Electricity	**4,003,929** kWh

Around 60% of total energy is associated with heating and hot water, with the remaining energy use split between lighting, ventilation, air conditioning, small power and pumps.

The largest proportion of energy use is associated with the theatre complex which accounts for 26% of the total.

Energy consumption by building service:

Energy consumption by building:



BUILDING	ENERGY (kWh)	%
New Theatre	**2,772,018**	26.46%
American Wing and Rowntree Theatres	**1,943,165**	18.55%
Burn Unit	**986,114**	9.41%
Canadian Wing and Pharmacy	**790,940**	7.55%
Jubilee Centre and Minor Injuries Unit	**692,951**	6.61%
Rehabilitation, Estates and Hotel Services	**505,699**	4.83%
Eye Bank Building	**425,831**	4.06%
Macmillan Information and Support Centre and Prosthetic Clinic	**407,329**	3.89%
Kitchens	**363,682**	3.47%
Main Outpatients Modulars	**276,229**	2.64%
Children's Ward	**255,155**	2.44%
Physio / Occupational Therapy	**172,871**	1.65%
Day Surgery	**148,640**	1.42%
Surgeon's Mess and Health Records Stores	**144,831**	1.38%
Admissions / Speech Therapy	**123,965**	1.18%
Staff Development Centre	**77,828**	0.74%
Medical Photography	**68,714**	0.66%
Paediatric Assessment Unit	**59,384**	0.57%
Gardens Store	**29,733**	0.28%
Hurricane Café	**15,075**	0.14%

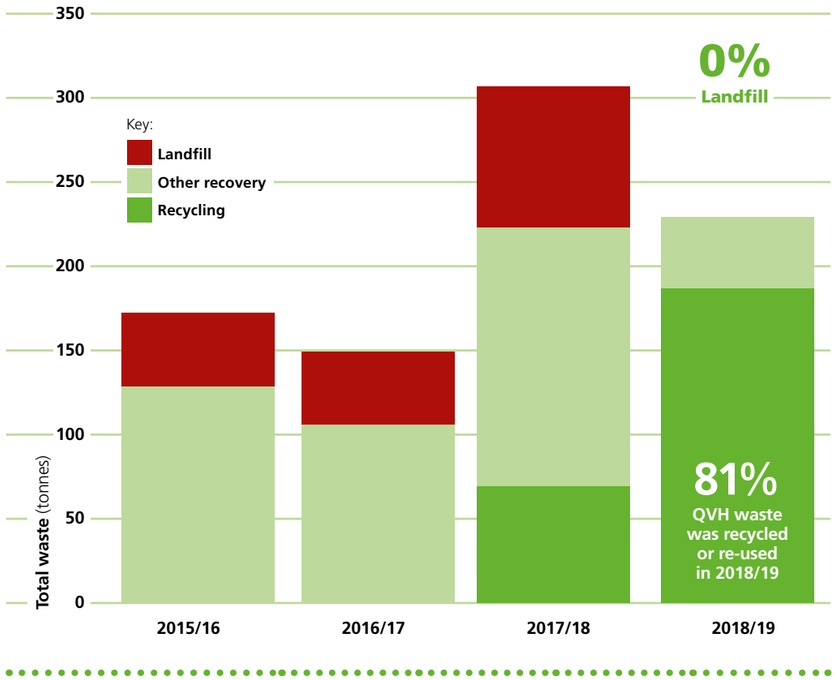
Waste reduction and recycling

Recycling facilities are available across QVH and we continue to work to improve waste segregation.

Waste recycling

WASTE		2015/16	2016/17	2017/18	2018/2019
Recycling	tonnes	0.00	0.00	68.00	**187.30**
	t CO_2e	0.00	0.00	1.43	**3.93**
Other recovery	tonnes	129.00	106.00	155.00	**42.78**
	t CO_2e	2.71	2.12	3.26	**0.89**
High Temp disposal	tonnes	0.00	0.00	0.00	**0.00**
	t CO_2e	0.00	0.00	0.00	**0.00**
Landfill	tonnes	44.00	44.00	85.00	**0.00**
	t CO_2e	10.75	10.75	26.35	**0.00**
Total Waste (tonnes)		**173.00**	**150.00**	**308.00**	**230.08**
% Recycled or Re-used		**0%**	**0%**	**22%**	**81%**
Total Waste tCO_2e		**13.46**	**12.87**	**31.03**	**4.83**

Waste breakdown



Social, community, anti-bribery and human rights issues

QVH maintains close connections with the local community in East Grinstead and the surrounding areas, including regularly sharing information through the local press and engaging through social media. Almost half of our c.7,400 foundation trust members have provided the Trust with an email address which enables us to keep them up to date in real time. A presentation has been developed by governors which they use to provide information on the work of the Trust and its services to clubs, societies or groups within the local community. All governors are invited to participate in this initiative.

QVH seeks to remain relevant to the local community in East Grinstead as well as the wider community of its patient population through the provision of services. In addition to the minor injuries unit, the hospital provides rapid assessment and treatment through a number of community services including rheumatology and cardiology clinics. Our specialist Parkinson's disease nurse visits patients at home as well as in clinic, and our partnership with the Royal Alexandra Children's Hospital in Brighton means that younger patients can be treated for many common ailments without needing to travel further afield.

We have worked with the Healthy East Grinstead Partnership to create a model of integrated care for local people, and supported the ongoing work of the group to ensure sustainable and quality care for the people of Sussex and East Surrey through the ongoing Sustainability and Transformation Plan development processes.

Regular and open dialogue with stakeholders such as Healthwatch West Sussex gives us an additional method for ensuring we are involving and responding to our local community.

The rules and procedures relating to bribery are set out in the counter fraud policy, and those relating to the provision or receipt of gifts or hospitality are set out in the Trust's standards of business conduct policy. The Trust maintains a register of gifts, hospitality and sponsorship received and staff are made aware of the need to declare any potential conflict of interest.

Important events since end of financial year

Not applicable

Overseas operations

QVH has no overseas operations

Steve Jenkin
Chief Executive and Accounting Officer
24 May 2019

"The engagement of staff is key in helping the Trust meet both current and future challenges."

ACCOUNTABILITY

Directors' report

Directors' disclosures

In 2018/19 the following individuals served as directors of Queen Victoria Hospital NHS Foundation Trust.

Beryl Hobson
Chair (voting)

John Thornton
Non-executive director and Senior independent director (voting)

Ginny Colwell
Non-executive director (voting)

Kevin Gould
Non-executive director (voting)

Gary Needle
Non-executive director (voting)

Steve Jenkin
Chief Executive (voting)

Michelle Miles
Director of Finance and Performance (voting)

Ed Pickles
Medical Director (voting)

Jo Thomas
Director of Nursing and Quality (voting)

Sharon Jones
Director of Operations to 27 April 2018 (non-voting)

Abigail Jago
Director of Operations from 8 May 2018 (non-voting)

Geraldine Opreshko
Director of Workforce and Organisational Development (non-voting)

Clare Pirie
Director of Communications and Corporate Affairs (non-voting)

Biographies for all current directors of the Trust are provided on page 168. Details of company directorships and other significant interests held by directors or governors which may conflict with their management responsibilities can be accessed from the papers of meetings of the board of directors held in public. These are available in full from the Queen Victoria Hospital (QVH) website at www.qvh.nhs.uk/about-us/board-of-directors/meetings-in-public

The directors of QVH are responsible for preparing this annual report and the quality report and accounts and consider them, taken as a whole, to be fair, balanced and understandable and to provide the information necessary for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy.

For each individual who is a director at the time this annual report was approved:

- as far as the directors are aware, there is no relevant audit information of which the NHS foundation trust's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the NHS foundation trust's auditor is aware of that information.

Other disclosures

In 2018/19 the Trust neither made nor received any political donations.

The better payment practice code requires QVH to pay all valid invoices within the contracted payment terms or within 30 days of receipt of goods or a valid invoice, whichever is later. The performance achieved in 2018/19 compared to 2017/18 is shown overleaf.

In 2018/19 the Trust did not incur any expenditure relating to the late payment of commercial debt under the Late Payment of Commercial Debts (Interest) Act 1998 statement describing the better payment practice code, or any other policy adopted on payment of suppliers, and performance achieved.

The Trust has at all times complied with the cost allocation and charging guidance issued by HM Treasury.

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Better Payment Practice Code	2018/19 Number	2018/19 £000	2017/18 Number	2017/18 £000
Total non-NHS trade invoices paid	21	34,881	20	21,583
Total non-NHS trade invoices paid within target	17	30,487	18	18,501
Percentage of non-NHS trade invoices paid within target	**83%**	**87%**	**88%**	**86%**
Total NHS trade invoices paid	1	5,323	1	4,181
Total NHS trade invoices paid within target	1	3,324	1	2,020
Percentage of NHS trade invoices paid within target	**63%**	**62%**	**59%**	**48%**
Total NHS and non-NHS trade invoices paid	21	40,204	21	25,765
Total NHS and non-NHS trade invoices paid within target	18	33,811	18	20,520
Percentage of trade invoices paid within target	**82%**	**84%**	**86%**	**80%**

Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) requires that the income from the provision of goods and services for the purposes of the health service in England must be greater than its income from the provision of goods and services for any other purposes. In 2018/19 QVH met this requirement.

Section 43(3A) of the NHS Act 2006 requires an NHS foundation trust to provide information on the impact that other income it has received has had on its provision of goods and services for the purposes of the health service in England. QVH does not receive any other income that materially impacts (subsidises) its provision of goods and services for the purposes of the health service.

NHS Improvement's well-led framework

QVH has had regard to NHS Improvement's well led framework in considering the organisation's performance, internal control, board assurance framework and the governance of quality. More detail can be found on page 13 of this report; the analysis and explanation of development and performance also includes information on the Trust's external review of governance.

Patient care

A detailed account of how the Trust delivers and monitors the quality of patient care can be found in the quality report which includes performance against key heath care targets, arrangements for monitoring national improvements in the quality of healthcare, patient experience.

Fees and charges

During 2017/18, the Trust incurred consultancy costs of £367,000. This was largely for external resource to support the theatre productivity initiative which was delivered in year.

Steve Jenkin
Chief Executive and Accounting Officer
24 May 2019

Remuneration report

Annual statement on remuneration

In 2018/19 very senior management (VSM) pay guidance from NHS Improvement was delayed until December 2018. Correspondence made clear that this guidance was for both foundation and non-foundation trusts and no action could be taken on VSM pay until it was released; the QVH nomination and remuneration committee therefore postponed scheduled meetings.

Following receipt of guidance, the salaries of the executive directors and chief executive were increased, pro-rata, in line with NHS Improvement guidance. The director of operations and director of finance salaries were also increased in line with contractual agreements on completion of their six month probationary periods. The director of nursing and quality received an award for deputising for the chief executive on a more formal basis reflecting increased levels or responsibility and accountability. The committee remained assured that the Trust was in step with comparable benchmarked trusts at the median level.

John Thornton

Senior independent director on behalf of chair of the nomination and remuneration committee

24 May 2018

Senior managers' remuneration policy

The salary and pension entitlements of senior managers are set out in the section below showing information subject to audit. The QVH approach to remuneration continues to be influenced by national policy and local market factors. The majority of staff receive pay awards determined by the Department of Health in accordance with their national terms and conditions, such as Agenda for Change, and the pay review bodies for doctors and dentists. All junior doctors at QVH are now on the new contract.

QVH does not intend to implement separate arrangements for performance related pay or bonuses until further guidance from NHS Improvement is issued.

All senior managers' pay arrangements are subject to approval by the nomination and remuneration sub-committee of the board of directors.

In relation to agreeing and reviewing very senior managers (VSM) pay, the committee refers to the guidance on pay for very senior managers in NHS trusts and foundation trusts published by NHS Improvement; there was no consultation with employees on the senior managers' remuneration policy in 2018/19.

The members of QVH nomination and remuneration committee agreed simple principles in relation to setting, agreeing and reviewing VSM pay. For new director appointments the director of workforce will review benchmarking data as well as seek market intelligence on the salaries being offered to directors which will also take account of supply and demand at that time. The review of existing VSM pay will continue to take place once a year, the timing is dependent on information being published by NHS Improvement and the committee will also take account of:

- The outcome of annual appraisal conducted by the chief executive (or chair in the case of the chief executive's pay)
- The level of the national pay award for the workforce on Agenda for Change
- Any extenuating circumstances/market conditions highlighted by the chief executive.
- Updated benchmarking information and guidance.

The effectiveness and performance of senior managers is determined through performance appraisal, linked to the Trust's five key strategic objectives from which a set of individual objectives are developed. These are reviewed through the year by the chief executive (or chair in the case of the chief executive) to determine progress and achievement. The Trust's key strategic objectives also underpin the board assurance framework which is reviewed at every board meeting and every committee to the board.

The majority of staff, whether on national terms and conditions or local arrangements, are contracted on a permanent, full time or part time basis. Exceptions to this are in positions where it is felt that an individual needs to be recruited on a fixed-term contract or through an agency to carry out a specific project which is time limited. This approach enhances control of staffing resources and enables flexibility where this is appropriate to the role.

National guidance on notice periods for Agenda for Change staff is followed and is determined by salary banding. The maximum in such cases is three months' salary and is in line with current employment legislation.

During third quarter of the year the executive management team introduced robust pay and vacancy controls for all roles.

Remuneration tables
The salary and pension entitlements of senior managers and of non-executive directors are set out in the tables below showing information subject to audit. During the year no senior manager was paid more than £150,000.

Service contracts obligations
There are no service contract obligations to disclose.

Policy on payment for loss of office
Termination payments are made within the contractual rights of the employee and are therefore subject to income tax and national insurance contributions. This applies to senior managers whose remuneration is set by the nomination and remuneration committee. Where a senior manager receives payment for loss of office, this is determined by their notice period. For all executive directors the notice period is three months and the chief executive six months.

Statement of consideration of employment conditions elsewhere in the foundation trust
The Trust, through the nomination and remuneration committee, takes into account the annual pay awards for all staff in determining pay increases for senior managers and directors. Pay at senior levels was reviewed in 2018/19 in line with clear guidance from NHS Improvement and the nomination and remuneration committee approved the recommended fixed sum increase (pro rata) to members of the executive team and chief executive. This took into account NHS Improvement benchmarking of very senior management pay across the UK. Two directors received an additional pay award in line with contractual arrangements on successful completion of a six month probation period and one to formally recognise deputising for the chief executive as accountable officer. This was in line with benchmarking reports.

Annual report on remuneration

Information not subject to audit

Remuneration committee
The nomination and remuneration committee met once in 2018/19 to review and make recommendations to the board of directors on the composition, balance, skill mix, remuneration and succession planning of the board. Additionally, the committee makes recommendations on the appointment of executive directors. The board of directors has delegated authority to the committee to be responsible for the remuneration packages and contractual terms of the chief executive, executive directors and other senior managers reporting to the chief executive.

Details of the membership of the nomination and remuneration committee and of the number of meetings and individuals' attendance at each is disclosed in the Appendix on page 166.

The committee was materially assisted in its considerations at all meetings held in 2018/19 by Geraldine Opreshko, Director of Workforce and Organisational Development.

Disclosures required by the Health and Social Care Act

Information on the remuneration of the directors and on the expenses of directors is provided in the section overleaf setting out information subject to audit.

Governors
Information on the expenses of the governors is provided in the tables below.

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SERVICE CONTRACTS	Start date	Term	Notice period
Steve Jenkin Chief Executive	**14 November 2016**	**Permanent**	**6 months**
Geraldine Opreshko Director of Workforce and Organisational Development	**26 July 2017**	**Permanent**	**3 months**
Abigail Jago Director of Operations from 8 May 2018	**8 May 2018**	**Permanent**	**3 months**
Sharon Jones Director of Operations to 27 April 2018	**1 June 2015**	**Permanent**	**3 months**
Ed Pickles Medical director	**1 October 2016**	**Permanent**	**3 months**
Clare Pirie Director of Communications and Corporate Affairs	**1 May 2017**	**Permanent**	**3 months**
Jo Thomas Director of Nursing and Quality	**15 May 2015**	**Permanent**	**3 months**
Michelle Miles Director of Finance and Performance	**1 February 2018**	**Permanent**	**3 months**

Governors expenses 1 April 2018 – 31 March 2019

Total number of governors in office	**27 served for all or part of 2018/19**
Number of governors receiving expenses in 2018/19	**1**
Aggregate sum of expenses paid in 2018/19 (rounded to the nearest £00)	**£500**

1 April 2017 – 31 March 2018

Total number of governors in office	**32 served for all or part of 2017/18**
Number of governors receiving expenses in 2018/19	**0**
Aggregate sum of expenses paid in 2018/19 (rounded to the nearest £00)	**0**

Salary and Pension entitlements of senior managers

Information subject to audit **REMUNERATION 2018/19**	2018/19 Salary & fees £000s (Band of £5k)			2018/19 Benefits in kind £s (nearest £100)	2018/19 Annual performance-related bonuses £000s (Band of £5k)	2018/19 Long-term performance-related bonuses £000s (Band of £5k)	2018/19 All pension-related benefits £000s (Band of £2.5k)			2018/19 Other remuneration £000s (Band of £5k)	2018/19 Total £000s (Band of £5k)			
Colwell V – Non-Executive Director	10	-	15	0	-	-	-	-	-	-	**10**	-	**15**	Colwell
Gould K – Non-Executive Director	10	-	15	200	-	-	-	-	-	-	**15**	-	**20**	Gould
Hobson B – Chair	40	-	45	900	-	-	-	-	-	-	**45**	-	**50**	Hobson
Jago A – Director of Operations*	90	-	95	0	-	-	57.5	-	60.0	-	**145**	-	**150**	Jago A
Jenkin S – Chief Executive	140	-	145	0	-	-	30.0	-	32.5	-	**170**	-	**175**	Jenkin
Jones S – Director of Operations**	5	-	10	0	-	-	-	-	-	-	**5**	-	**10**	Jones
Miles M – Director of Finance	115	-	120	0	-	-	-	-	-	-	**115**	-	**120**	Miles
Needle G – Non-Executive Director	10	-	15	0	-	-	-	-	-	-	**10**	-	**15**	Needle
Opreshko G – Director of Workforce and OD	100	-	105	0	-	-	22.5	-	25.0	-	**125**	-	**130**	Opreshko
Pickles E – Medical Director ***	140	-	145	0	-	-	12.5	-	15.0	-	**150**	-	**155**	Pickles
Pirie C – Director of Comms. and Corp. Affairs	70	-	75	0	-	-	7.5	-	10.0	-	**75**	-	**80**	Pirie
Thomas J – Director of Nursing	110	-	115	0	-	-	-	-	-	-	**110**	-	**115**	Thomas
Thornton J – Non-Executive Director	10	-	15	0	-	-	-	-	-	-	**10**	-	**15**	Thornton

* with effect from 08 May 2018 ** until 27 April 2018 *** salary attributable to Medical Director's clinical role is £129k

REMUNERATION 2017/18	2017/18			2017/18	2017/18	2017/18	2017/18			2017/18	2017/18			
Colwell V – Non-Executive Director	10	-	15	700	-	-	-	-	-	-	**15**	-	**20**	Colwell
Gould K – Non-Executive Director	5	-	10	100	-	-	-	-	-	-	**5**	-	**10**	Gould
Hobson B – Chair	40	-	45	1,100	-	-	-	-	-	-	**45**	-	**50**	Hobson
Jenkin S – Chief Executive	135	-	140	0	-	-	30.0	-	32.5	-	**170**	-	**175**	Jenkin
Jones S – Director of Operations	115	-	120	0	-	-	115.0	-	117.5	-	**230**	-	**235**	Jones
Mcintyre J – Acting Director of Finance	35	-	40	0	-	-	27.5	-	30.0	-	**65**	-	**70**	Mcintyre
Miles M – Director of Finance	15	-	20	0	-	-	2.5	-	5.0	-	**20**	-	**25**	Miles
Needle G – Non-Executive Director	10	-	15	0	-	-	-	-	-	-	**10**	-	**15**	Needle
Opreshko G – Director of Workforce and OD	95	-	100	0	-	-	22.5	-	25.0	-	**120**	-	**125**	Opreshko
Pickles E – Medical Director *	140	-	145	0	-	-	77.5	-	80.0	-	**220**	-	**225**	Pickles
Pirie C – Director of Comms. and Corp. Affairs	65	-	70	0	-	-	92.5	-	95.0	-	**160**	-	**165**	Pirie
Porter L – Non-Executive Director	5	-	10	0	-	-	-	-	-	-	**5**	-	**10**	Porter
Stafford C – Director of Finance	60	-	65	0	-	-	15.0	-	17.5	-	**75**	-	**80**	Stafford
Thomas J – Director of Nursing	105	-	110	0	-	-	-	-	-	-	**105**	-	**115**	Thomas
Thornton J – Non-Executive Director	10	-	15	0	-	-	-	-	-	-	**10**	-	**15**	Thornton

* salary attributable to Medical Director's clinical role is £128k

Information subject to audit **PENSION BENEFITS**	Real increase in pension at age 60 **£'000** (bands of £2,500)	Lump sum at age 60 related to real increase in pension **£'000** (bands of £2,500)	Total accrued pension at age 60 at 31-Mar-19 **£'000** (bands of £5.000)	Lump sum at age 60 related to accrued pension at 31-Mar-19 **£'000** (bands of £5.000)	Cash equivalent transfer value at 01 April 2018 **£'000**	Real increase in cash equivalent transfer value **£'000**	Cash equivalent transfer value at 31-Mar-19 **£'000**	
Jago A – Director of Operations	2.5-5	2.5-5.0	20-25	45-50	260	76	352	Jago A
Jenkin S – Chief Executive	2.5-5	0-2.5	5-10	0	54	48	104	Jenkin
Jones S – Director of Operations	0-2.5	0-2.5	45-50	145-150	982	78	1089	Jones
Miles M – Director of Finance	0-2.5	0-2.5	0-5	0	375	0	386	Miles
Opreshko G – Director of Workforce and OD	0-2.5	0-2.5	0-5	0	30	31	62	Opreshko
Pickles E – Medical Director	0-2.5	0-2.5	40-45	95-100	576	117	710	Pickles
Pirie C – Director of Comms. and Corp. Affairs	0-2.5	0-2.5	15-20	35-40	260	47	314	Pirie
Thomas J – Director of Nursing	0-2.5	0-2.5	35-40	105-110	673	85	778	Thomas

All taxable benefits shown in the tables left are in relation to expenses allowances that are subject to UK income tax and paid or payable to the director in respect of qualifying service.

No performance related bonus was paid in 2018/19 or 2017/18.

Abigail Jago was appointed to the post of Director of Operations and joined the Trust on 8 May 2018.

As non-executive directors do not receive pensionable remuneration, there are no entries in respect of pensions for non-executive directors.

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 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.

The real increase in CETV 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.

Fair Pay Multiple

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

The banded remuneration of the highest paid director in QVH in the financial year 2018/19 was £140k to £145k (2017/18, £140k to £145k). This was 4.8 times (2017/18, 5.1 times) the median remuneration of the workforce, which was £29k (2017/18, £28k). This reduction in the median pay multiple is due to QVH following NHS Improvement guidance in limiting any salary increases of executive directors, whereas the NHS Terms and Conditions of Service 2018 pay deal was more favourable to other staff groups.

In 2017/18, 13 (2017/18, 15) employees received remuneration in excess of the highest-paid director. Remuneration ranged from £151k to £205k (2017/18 £143k-£210k).

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.

Payment for loss of office

There were no payments to senior managers for loss of office during the year.

Payments to past senior managers

There were no payments to past senior managers during the financial year.

Steve Jenkin, Chief Executive and Accounting Officer – 24 May 2019

Staff report

Analysis of average staff numbers – the average number of staff employed by the Trust each month in 2018/19.

PERMANENTLY EMPLOYED — 2018/19 data

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Average
Headcount	979	971	967	974	987	985	989	1000	1005	1005	1009	1007	**990**
Fte	831.75	824.67	822.27	828.55	841.76	840.51	843.19	851.38	854.65	854.72	857.53	853.38	**842.03**

TEMPORARY STAFF-BANK, LOCUM, AGENCY — 2018/19 data

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Average
Non-medical Bank	47.00	52.97	58.77	56.21	51.16	49.83	52.23	58.21	44.49	53.44	63.57	70.70	**54.88**
Non-medical Agency	40.54	45.10	34.82	36.71	42.49	42.04	43.39	40.13	27.14	31.44	39.31	36.77	**38.32**
Medical Locums	10.86	9.98	4.16	4.84	2.8	2.94	1.92	5.57	5.98	5.48	4.06	4	**5.22**
Medical Bank	0.54	1.16	0.55	0.53	0.53	0.77	0.4	3	3.11	3.25	2.08	2.82	**1.56**
Medical Agency	3.82	5.85	4.24	5.06	1.93	1.38	1.06	0.00	2.17	1.05	0.00	0.00	**2.21**
Total Average Full Time Equivalent Staff Numbers 2018/19													**944.23**

2018/19 Gender breakdown in the Trust – male and female directors, other senior managers and employees

	Chief Executive	Executive Directors	Non-executive Directors	Other senior managers	All other employees	Total
Female	0	2	2	3	771	**778**
Male	1	1	3	0	230	**235**
Total						**1013**

Sickness absence data

This data is taken from electronic staff records *(ESR Data, report 8 April 2019).*

In line with national guidance, the table shows the sickness absence for the calendar year January-December 2018.

	Total full-time equivalent staff years available	Total days lost	Average number of days of sickness per full-time equivalent employee
2018	838	9,937	7.3
2017	833	8,689	6.4

Employee benefits	**2018/19 £000**	2017/18 £000
Salaries and wages	**37,681**	34,918
Social Security Costs	**3,831**	3,598
Apprenticeship levy	**170**	158
Employer's contributions to NHS Pension scheme	**4,210**	4,052
Pension cost – other	**11**	4
Agency/contract staff	**3,351**	2,289
Total gross staff costs	**49,254**	45,020
Recoveries in respect of seconded staff	**-**	(410)
Total staff costs	**49,254**	44,610
Of which – costs capitalised as part of assets	**373**	326
Total staff costs excluding capitalised costs	**48,881**	44,284

Staff policies and actions applied during the financial year

During 2018/19, QVH continued to ensure all staff policies are systematically reviewed and updated and comply with changes in legislation, and that employment policies are in line with current good practice and ensure that applicants and employees are treated fairly and equitably. Key staff policies reviewed in 2018/19 include:

– **Annual leave policy** (October 2018)
– **Appeals policy** (December 2018)
– **Attendance policy** (January 2019)
– **Capability policy** (September 2018)
– **Employment break scheme policy** (June)
– **Flexible retirement guidance** (October 2018)
– **Flexible working policy** (October 2018)
– **Grievance policy** (September 2018)
– **Induction policy** (June 2018)
– **Leavers policy** (September 2018)
– **Management of probation periods policy** (June 2018)
– **Management of stress at work policy** (January 2019)
– **Managing allegations against staff guidance** (May 2018)
– **Non-medical e-rostering operational policy and management guidelines** (September 2018)
– **Policy for the checking of professional registration** (June 2018)
– **Raising concerns (whistleblowing) policy** (September 2018)
– **Recruitment and selection policy** (October 2018)
– **Redeployment policy** (October 2018)
– **Relationships at work policy** (September 2018)
– **Special leave policy** (October 2018)
– **Work experience policy** (February 2019)
– **Occupational health immunisation policy** (October 2018)
– **Clinical excellence awards procedures** (February 2019)
– **First aid at work policy** (March 2019)
– **Appraisal and pay progression** (March 2019)
– **Dignity and respect at work policy** (March 2019)

Other action taken in year included the provision of:

- further improvements to the appraisal scheme and toolkit
- a change in approach to induction for new employees
- the approval and implementation of a multi -faceted staff engagement and retention plan
- the approval of the people and organisational development strategy 2019

Policies applied during the financial year for giving full and fair consideration to applications for employment made by disabled persons, having regards to their particular aptitudes and abilities

- QVH has a positive approach to applications from people with disabilities and makes adjustments where appropriate for interview and employment. The Trust is registered as a Disability Confident Employer, and the revised recruitment and selection training for managers covers in detail the required steps for supporting disabled candidates during the recruitment process.

Policies applied during the financial year for continuing the employment of, and arranging appropriate training for, employees who have become disabled persons during the period.

- The Trust continues to provide training sessions and ongoing support for managers and staff around disability, including a successful programme around mental wellbeing. Our occupational health provider is very supportive of our disabled staff and is working with managers to ensure reasonable adjustments are made when recommended. The Trust's redeployment policy and attendance policy were updated in this financial year, with attention given to specifically supporting those with disabilities.

Actions taken in the financial year to consult with employees and their representatives on a regular basis so that the views of employees can be taken into account in making decisions which are likely to affect their interests

- QVH has good working relationships with its staff-side representatives and meets with them regularly to discuss the performance of the Trust in terms of its financial position and continuous improvement of care quality, workforce challenges and so on.
- Formal consultation with staff is driven through the joint consultation and negotiating committee comprising trade union and management representatives; and local negotiating committee involving managers and medical staff representatives and including a British Medical Association representative.

Actions taken in the financial year to provide employees systematically with information on matters of concern to them as employees

- During 2018/19 executive team members hosted regular staff briefing sessions. Chaired by the chief executive, the sessions included briefings on the Trust's latest quality, operational, financial and workforce performance metrics and analysis as well as plans for future development of the Trust.
- The team brief cascade staff briefing system which was launched in 2017/18 continued, providing face to face briefing throughout the organisation.
- The chief executive writes a monthly blog which directly encourages comment from staff and continues to receive helpful feedback.
- A weekly staff newsletter provides an effective method of communication. Important news and developments are reported to staff in real time by email whenever necessary.
- The intranet site for staff, Qnet, was further enhanced to improve navigation and appearance and also includes new pages for clinical and medical education.
- Members of the executive team regularly attend local team meetings for Q&A sessions.

Actions taken in the financial year to encourage the involvement of employees in the NHS foundation trust's performance

- During 2018/19 breakfast sessions for staff with the chief executive and chair have been increasingly utilised by staff and have been expanded to afternoon tea to facilitate access to different staff groups. The team brief approach has been implemented and a range of other initiatives were successfully continued including staff excellence awards and recognition for long service and educational achievements. There are monthly meetings of the hospital management team, with senior clinical leaders from across the Trust involved in strategy and decision making.
- Whilst QVH has an open and supportive culture, it is important that we also provide other opportunities for staff to raise concerns safely without fear. The Trust successfully appointed to the role of Freedom to Speak up Principal Guardian after the first appointee left the Trust. The individual was elected by the workforce.

Policies applied during the financial year for training, career development and promotion of disabled employees

- QVH works with disabled staff as individuals, discussing their needs on a case-by-case basis. QVH is registered with the Disability Confident scheme and is committed to deliver against the NHS Employers recommended workforce disability equality standard within the next year.

Information on health and safety performance and occupational health

- The Trust's health and safety group regularly receives reports highlighting any risks and how they are being addressed, with quarterly information on the support provided to staff through our occupational health and employee assistance providers. Data on this is also included in the workforce reports to board and committees of the board. Throughout the year our occupational health service was provided by a neighbouring trust, Surrey and Sussex Healthcare NHS Trust. The QVH staff physiotherapy self-referral service has continued to be successful in supporting individuals and preventing some workplace absences.
- Our employee assistance provider gives all staff access to a range of personal and professional support including confidential counselling and legal advice for both work related and non-work issues; stress management; advice to staff on injuries at work; access to an online well-being portal and a 24-hour employee assistance programme which provides comprehensive advice for all staff including legal advice.

Information on policies and procedures with respect to countering fraud and corruption

- QVH takes fraud and corruption very seriously and takes steps to regularly review processes to ensure that opportunities for fraud to take place are minimised. This includes training sessions for staff and managers from the counter fraud team. We also act upon information provided by staff and encourage them to be open at all times where they feel their colleagues are not acting in the best interests of patients or the Trust. NHS Protect training has been revised and an annual counter fraud survey undertaken.

The board of directors was provided with an annual report on workplace diversity in October 2018, with progress marked against various equality initiatives and contractual requirements. This is published on the Trust's public website.

Employee policy and service developments in the Trust require an equality impact assessment to encourage reflection on potential impacts to those with protected characteristics and human rights principles. Equality impact assessment is now also embedded within the business case development process, and updated guidance for managers on carrying out these assessments has been shared.

Retention and attraction challenges

The significant workforce challenges across the NHS continued to impact on the Trust during 2018/19. This has been demonstrated in the turnover of clinical staff, particularly nursing staff in theatres, critical care and inpatient areas, and also reflected in the staff survey and staff friends and family feedback although some small important gains have been made. The Trust is also aware that we have an ageing workforce with a relatively high proportion of staff who could retire in the near future.

NHS Employers and NHS Improvement have stated that workforce is the single biggest challenge and risk in the NHS nationally. The Trust board agreed to an ambitious multi-faceted attraction and retention programme linked to a number of KPIs. Progress in delivering the various aspects of this programme has been well received in many areas by existing clinical staff and to a large extent is now business as usual, however attraction remains a challenge as all local trusts are targeting the same staff groups with similar incentives and in our geographical location we are disadvantaged by high cost of living and supplements offered by other trusts.

Off payroll engagements

Use of off-payroll arrangements is subject to authorisation by the board of directors' nomination and remuneration committee.

In the financial year 2018/19 the Trust has had no off-payroll arrangements.

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

Number of existing engagements as of 31 March 2018	**0**
Of which:	
Number that have existed for less than one year at the time of reporting	0
Number that have existed for 1-2 years at the time of reporting	0
Number that have existed for 2-3 years at the time of reporting	0
Number that have existed for 3-4 years at the time of reporting	0
Number that have existed for 4+ years at the time of reporting	0
All existing off-payroll engagements, outlined above, have at some point been subject to a risk based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where necessary, that assurance has been sought.	n/a

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

Number of new engagements, or those that reached six months in duration, between 1 April 2017 and 31 March 2018	0
Of which:	
Number assessed as within the scope of IR35	0
Number assessed as not within the scope of IR35	0
Number engaged directly (via PSC contracted to Trust) and are on the Trust's payroll	0
Number of engagements reassessed for the consistency/assurance purposes during the year	0
Number of engagements that saw a change to IR35 status following the consistency review	0

Any off-payroll engagements of board members, and/or senior officials with significant financial responsibility, between 1 April 2018 and 31 March 2019

Number of off-payroll engagements of board members, and/or senior officials with significant financial responsibility, during the financial year	0
Number of individuals that have been deemed 'board members and/ or senior officials with significant financial responsibility' during the financial year, including both off-payroll and on-payroll engagements.	0

Exit packages

Foundation trusts are required to disclose summary information on the use of exit packages agreed in the financial year. Staff exit packages are payable when the Trust terminates the employment of an employee before the normal retirement date or whenever an employee accepts voluntary redundancy in return for these benefits. In 2018/19 QVH did not make any compulsory redundancies and agreed one contractual payment in lieu of notice at a sum of £35,600.

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
< £10,000	0		0
£10,00 – £25,000	0		0
£25,001 – £50,000		1	1
£50,001 – £100,000	0		0
£100,000 – £150,000	0		0
£150,001 – £200,000	0		0
Total number of exit packages by type		1	
Total resource cost		**£35,600**	

Non-Compulsory Departure Package	**Agreements** Number	**Total Value of Agreements** £'000
Voluntary redundancies including early retirement contractual costs	0	0
Mutually agreed resignations (MARS) contractual costs	0	0
Early retirements in the efficiency of the service contractual costs	0	0
Contractual payments in lieu of notice	1	£35,600
Exit payments following Employment Tribunals or court orders	0	0
Non-contractual payments requiring HMT approval	0	0
Total	**1**	**£35,600**
Of which: non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months of their annual salary	0	0

Expenditure on consultancy

During 2018/19, the Trust incurred consultancy costs of £367k. In 2018/19 QVH appointed Four Eyes Insight to help to support the improvement of theatre utilisation within the Trust.

Queen Victoria Hospital NHS Foundation Trust

TRADE UNION FACILITY TIME REGULATIONS (2017) — 2018/19 REPORT

Table 1 – RELEVANT UNION OFFICIALS

What was the total number of your employees who were relevant union officials during the relevant period?

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
5	**4.7**

Table 2 – PERCENTAGE OF TIME SPENT ON FACILITY TIME

How many of your employees who were relevant union officials employed during the relevant period spent a. 0%, b. 1%-50%, c. 51%-99% or d. 100% of their working hours on facility time?

Percentage of time number of employees	Number of employees
0%	**-**
1-50%	**5**
51-99%	**-**
100%	**-**

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.

First column	Figures
Provide the total cost of facility time	**£2,961**
Provide the total pay bill	**£49,235,000**
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	**0.006%**

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?

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100 (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	**0%**

Staff survey report

STAFF ENGAGEMENT

Improving staff engagement, engendering a sense of belonging, commitment and enthusiasm for our work and aligning the organisation's values is the most powerful and sustainable transformation we could ask for.

The engagement of staff is key in helping the Trust meet both current and future challenges. We will involve staff wherever possible in decisions and communicate clearly with them to help maintain and improve staff morale especially through periods of uncertainty and change.

Although in recent years the Trust has seen a decline in our workforce recommending the Trust as a place to work, the 2018 staff survey has shown a step change improvement in this score.

The Trust remains proactive in cascading information through the face to face Team Brief, which includes a feedback mechanism, and promoting and embedding an open and transparent culture where we listen and act on suggestions and concerns raised by the workforce.

We continue to implement the action plan from the work undertaken a part of the NHS Improvement retention improvement project, which has now become business as usual.

Our people and organisational development strategy clearly sets out the Trust's vision, ambitions and plans for the development of QVH through our workforce, and is based around five key workforce and organisational development goals which link with many of the new themes in the 2018 staff survey:

People and organisational development goals	Staff survey themes
ENGAGEMENT AND COMMUNICATION	Staff engagement
ATTRACTION AND RETENTION	Morale
HEALTH AND WELL-BEING	Health and well-being and safe environment (bullying, harassment and violence)
LEARNING AND EDUCATION	Quality of appraisals
TALENT AND LEADERSHIP	Immediate managers

Overall leadership comes from the director of workforce and organisational development, and progress against these goals will be reported through the governance structure via workforce reports to the board and key committees.

NHS staff survey results		2016/2017		2017/2018		2018/19	
	THEME	Benchmark Group	Trust	Benchmark Group	Trust	Benchmark Group	Trust
1.	Equality, diversity and inclusion	9.3	**9.1**	9.3	**9.2**	9.3	**9.3**
2.	Health and wellbeing	6.3	**6.1**	6.3	**6.0**	6.3	**6.2**
3.	Immediate managers	6.9	**6.5**	6.9	**6.9**	7.0	**7.0**
4.	Morale	n/a	n/a	n/a	n/a	6.3	**6.2**
5.	Quality of appraisals	5.5	**5.2**	5.5	**5.3**	5.7	**5.7**
6.	Quality of care	7.8	**7.7**	7.7	**7.5**	7.8	**7.7**
7.	Safe environment – bullying and harassment	8.3	**8.2**	8.4	**8.3**	8.2	**8.2**
8.	Safe environment – violence	9.7	**9.6**	9.7	**9.6**	9.7	**9.7**
9.	Safety culture	6.9	**6.6**	6.9	**6.6**	6.9	**6.8**
10.	Staff engagement	7.5	**7.2**	7.4	**7.1**	7.4	**7.3**

NHS staff survey

The NHS staff survey is conducted annually. From 2018 onwards, the results from questions are grouped to give scores in ten themed indicators. The indicator scores are based on a score out of 10 for certain questions with the indicator score being the average of those.

The response rate to the 2018 survey among trust staff was 52.2% (2017: 54.9 %). Scores for each indicator together with that of the survey benchmarking group (acute specialist trusts) are presented bottom left.

Response rate compared to prior years

In 2018 QVH surveyed 958 eligible staff. Of these, 501 responded making a 52.2% return, a small decrease from 54.9% the year before. The 2018 benchmarking group for acute specialist trusts has 16 organisations and showed a 52.8% return rate overall.

	2014	2015	2016	2017	2018
Best	63.0%	64.3%	69.1%	62.0%	63.2%
QVH	**55.6%**	**49.6%**	**55.5%**	**54.9%**	**52.2%**
Average	51.3%	48.0%	48.9%	52.8%	52.8%
Worst	29.8%	31.8%	39.0%	35.6%	33.3%

Areas of improvement/deterioration from prior year

Of the ten themes agreed for the 2018 NHS staff survey, QVH's results show an improvement in 8 out of 10 themes when compared to 2017. *Morale* is a new theme and cannot be compared to previous year's results. *Safe environment – bullying and harassment* has shown a small downturn of 0.1%; although not statistically significant this topic will always remain a focus of attention for improvement.

A more in depth analysis of the 2018 staff survey question data highlights specific questions/areas where QVH has improved. The themes of *quality of appraisals*, *safety culture* and *staff engagement* show areas of significant improvement.

Further analysis of the question data identifies specific questions/areas where QVH needs to focus its actions for improvement. The themes of *immediate managers* and *safe environment – bullying and harassment* continue to show areas required for targeted improvement.

Theme / Question	2017	**2018**
3 / My immediate manager gives me clear feedback on my work	65.3%	**62.6%**
3 / My manager supported me to receive this training, learning or development	59.1%	**55.3%**
7 / In the last 12 months how many times have you personally experienced harassment, bullying or abuse at work from patients / service users, their relatives or other members of the public?	24.7%	**25.6%**
7 / In the last 12 months how many times have you personally experienced harassment, bullying or abuse at work from managers?	11.1%	**11.9%**
7 / In the last 12 months how many times have you personally experienced harassment, bullying or abuse at work from other colleagues?	16.2%	**17.5%**

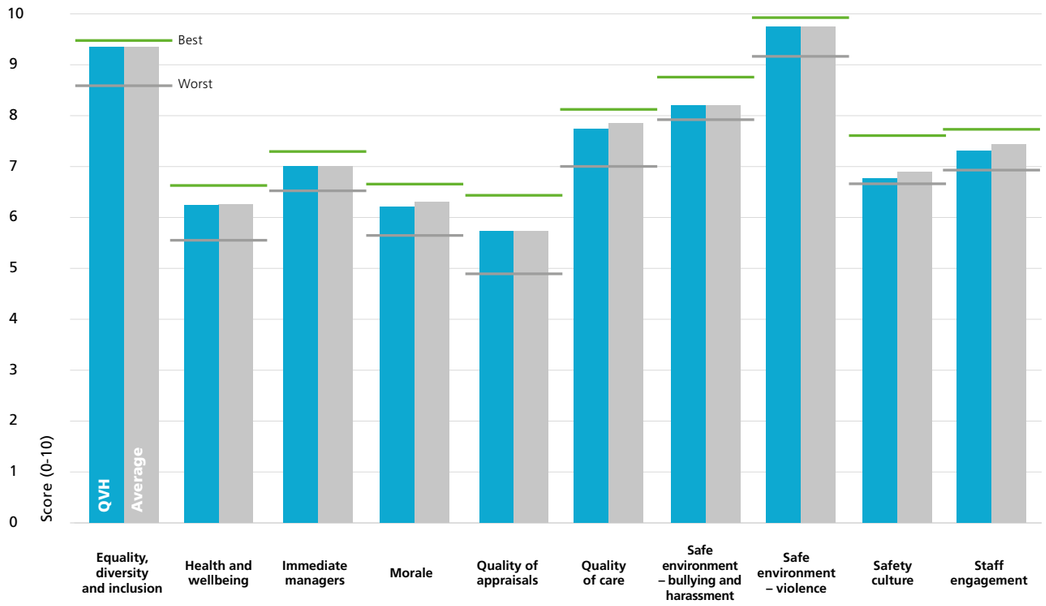
Other areas that will receive attention including a review by professional groups and protected characteristics include:

1 / In the last 12 months have you personally experienced discrimination at work from manager / team leader or other colleagues?	7.5%	**5.3%**
2 / In the last 12 months have you experienced musculoskeletal problems (MSK) as a result of work activities?	30.4%	**30.2%**
2 / During the last 12 months have you felt unwell as a result of work related stress?	34.9%	**33.9%**
2 / In the last three months have you ever come to work despite not feeling well nough to perform your duties?	55.9%	**50.0%**
5 / It left me feeling that my work is valued by my organisation	31.3%	**38.9%**
6 / I am able to deliver the care I aspire to	68.6%	**71.2%**
8 / In the last 12 months how many times have you personally experienced physical violence at work from patients / service users, their relatives or other members of the public?	9.2%	**6.6%**
9 / My organisation treats staff who are involved in an error, near miss or incident fairly	55.8%	**61.5%**
9 / When errors, near misses or incidents are reported, my organisation takes action to ensure that they do not happen again	65.7%	**69.1%**
9 / We are given feedback about changes made in response to reported errors, near misses and incidents	52.9%	**57.1%**
10 / I would recommend my organisation as a place to work	57.7%	**63.0%**

Comparisons to benchmarking group

When compared with the comparator group of specialist acute trusts, QVH scores are average overall. QVH ranks average on five and very slightly below average on five of the 10 key themes. Through review of the comparator group best and worst scores below, QVH can easily identify key themes. QVH best themes are *equality, diversity and inclusion*, *immediate managers*, *quality of appraisals* and *safe environment – violence*. QVH less favourable themes are *safe environment – bullying and harassment* and *safety culture*.

Theme	1	2	3	4	5	6	7	8	9	10
	Equality, diversity and inclusion	Health and wellbeing	Immediate managers	Morale	Quality of appraisals	Quality of care	Safe environment – bullying and harassment	Safe environment – violence	Safety culture	Staff engagement
Best	9.5	6.6	7.3	6.7	6.4	8.1	8.8	9.9	7.6	7.7
QVH	= 9.3	↓ 6.2	= 7.0	↓ 6.2	= 5.7	↓ 7.7	= 8.2	= 9.7	↓ 6.8	↓ 7.3
Average	9.3	6.3	7.0	6.3	5.7	7.8	8.2	9.7	6.9	7.4
Worst	8.6	5.6	6.5	5.6	4.9	7.0	7.9	9.2	6.7	6.9



Summary details of any local surveys and results

Staff Friends and Family Test results for QVH in 2018/19 show a significant increase in the percentage of people likely or extremely likely to recommend QVH as a place to receive care/work.

Although an improvement has been demonstrated QVH still needs to continue this work and in particular improve the recommendation as a place to work.

Staff Friends and Family 2018 Questions	Q1	Q2	Q3*	Q4
How likely are you to recommend Queen Victoria Hospital to friends and family if they needed care or treatment?	**89.27%**	**91.39%**	**90.8%**	**96%**
How likely are you to recommend Queen Victoria Hospital to friends and family as a place to work?	**51.22%**	**51.22%**	**63%**	**76.63%**

*Q3 relates to results in national NHS staff survey.

Staff Survey 2018 Questions	2017	2018
I would recommend my organisation as a place to work	**57.7%**	**63.0%**
If a friend or relative needed treatment I would be happy with the standard of care provided by this organisation	**87.2%**	**90.8%**

Staff survey report

KEY AREAS FOR IMPROVEMENT

Looking at historical results for QVH key themes for attention will be:

- **Theme 2: Health and well-being;**
- **Theme 7: Safe environment – bullying and harassment;**
- **Theme 9: Safety culture;** and
- **Increasing the number of staff who would recommend QVH as a place to work.**

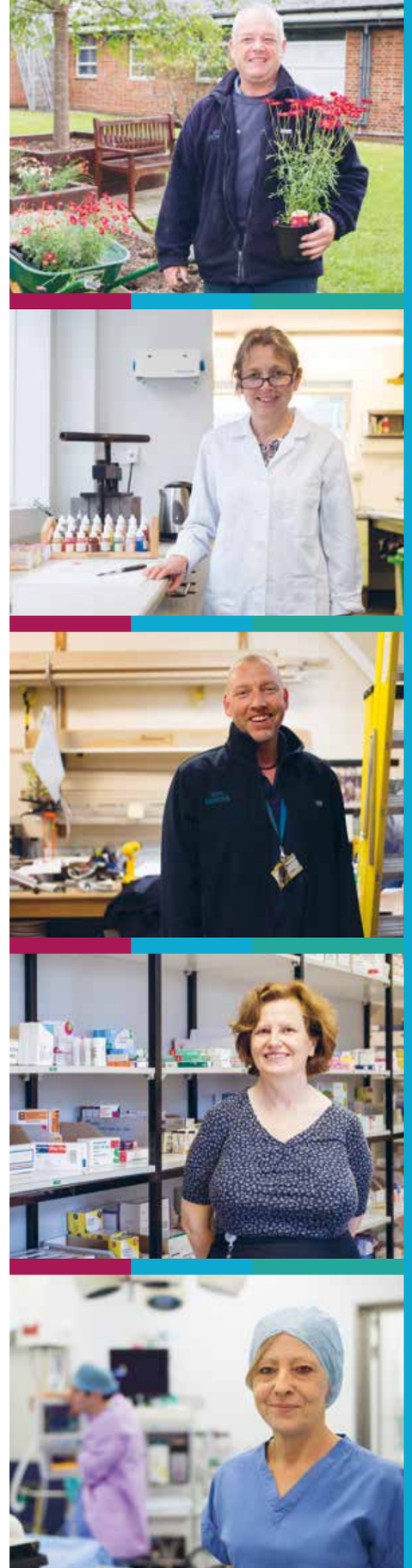
FUTURE PRIORITIES AND TARGETS

The Trust will continue to work proactively with the Freedom to Speak up Guardian and in partnership with staff side on the priorities for improvement.

The range of QVH interventions already underway or about to commence, includes:

- **Continuing Leading the Way initiatives, our in-house leadership and management programme**
- **Continuing the delivery of all aspects of the attraction and retention plan, including most recently the overseas nursing campaign**
- **Working with business units in relation to specific team interventions and staff survey themes**
- **Ongoing promotion of a range of wellbeing events which are planned 18 months in advance**
- **Promotion of Trust benefits and reward scheme**
- **Improving the mover/leavers survey to get qualitative and quantitative data to inform future attraction and retention interventions**
- **Developing new initiatives to support the importance of meaningful conversations to include local inductions, probation meetings, appraisals (including Agenda for Change reforms) and stay/leave conversations**
- **Launching the Best Place to Work initiative to gain insight into staff views on working for QVH**
- **Ongoing promotion of education, learning and development.**

"Of the ten themes agreed for the 2018 NHS staff survey, QVH's results show an improvement in 8 out of 10 themes when compared to 2017."



NHS Foundation Trust Code of Governance disclosures

Statement

Queen Victoria 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.

	Part of schedule A (see above)	**Relating to**	**Code of Governance reference**
1.	2: Disclose	Board and Council of Governors	A.1.1
Summary of requirement — 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. 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.			
The schedule of matters reserved for the Board of Directors was updated in 2018/19 following a review of the Trust's standing orders and standing financial instructions, and is published to the Trust's website. This suite of documents was implemented from 01 July 2018. The schedule includes a series of statements detailing the roles and responsibilities of the council of governors. Separate standing orders for the council of governors are in place. The Trust's annual plan for 2013/14 described how any disagreements between the council of governors and the board of directors will be resolved and still stands. It is supported by the Trust's constitution and standing orders (also published to the Trust's website) to provide the framework for decision making and delegation between the board of directors, council of governors and executive management team.			
2.	2: Disclose	Board, Nomination Committee(s) Audit Committee, Remuneration Committee	A.1.2
Summary of requirement — The annual report should identify the chairperson, the deputy chairperson (where there is one), the chief executive, the senior independent director (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. Part of this requirement is also contained within paragraph 2.22 as part of the directors' report.			
A register of this information is in the appendix on page 166.			
3.	2: Disclose	Council of Governors	A.5.3
Summary of requirement — 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 register of this information is in the appendix on page 167.			

	Part of schedule A (see above)	**Relating to**	**Code of Governance reference**
4.	Additional requirement of FT ARM	Council of Governors	n/a
Summary of requirement — The annual report should include a statement about the number of meetings of the Council of Governors and individual attendance by governors and directors.			
A register of this information is in the appendices on pages 166 and 167.			
5.	2: Disclose	Board	B.1.1
Summary of requirement — The Board of Directors should identify in the annual report each non-executive director it considers to be independent, with reasons where necessary.			
A register of this information is in the appendix on page 166			
6.	2: Disclose	Board	B.1.4
Summary of requirement — 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.			
Directors' biographies are included in the appendix on pages 168-9. The Trust considers that the board of directors remains balanced, complete, appropriate and compliant with the provisions of the NHS Foundation Trust Code of Governance and its own terms of authorisation.			
7.	Additional requirement of FT ARM	Board	n/a
Summary of requirement — The annual report should include a brief description of the length of appointments of the non-executive directors, and how they may be terminated			
Details of the length of appointments of the non-executive directors are included in the appendix on page 166. Paragraph 35 of the Trust's constitution sets out the criteria and process for termination of a non-executive director contract.			
8.	2: Disclose	Nominations Committee(s)	B.2.10
Summary of requirement — 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.			
See page 23.			
9.	Additional requirement of FT ARM	Nominations Committee(s)	n/a
Summary of requirement — The disclosure in the annual report on the work of the nominations committee should include an explanation if neither an external search consultancy nor open advertising has been used in the appointment of a chair or non-executive director.			
Not applicable			

	Part of schedule A (see above)	Relating to	Code of Governance reference
10.	2: Disclose	Chair / Council of Governors	B.3.1

Summary of requirement — 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.

A register of directors' interests is kept by the Trust and is available at any time on request from the deputy company secretary. This register is also included in full in the papers for meetings of the board of directors held in public.

11.	2: Disclose	Council of Governors	B.5.6

Summary of requirement — 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.

The QVH outlook for 2018/19 was presented at the annual members' meeting/AGM held on 30 July 2018, to which all members were invited. Regular information on strategy and development is included in the Trust's newsletter for members and the general public and in email bulletins to members. The council of governors receives regular presentations by the chief executive and executive team, providing an overview of the national and local position. These lead to an informed discussion of forward plans. The governor representative model means selected governors join the board and its committees where they have the opportunity to contribute further to the forward plans. The Sustainability Transformation Partnerships are an important part of our current environment. The council of governors has been updated regularly about what this means for QVH and how they can disseminate this information to members.

12.	Additional requirement of FT ARM	Council of Governors	n/a

Summary of requirement — If, during the financial year, the Governors have exercised their power* under paragraph 10C** of schedule 7 of the NHS Act 2006, then information on this must be included in the annual report. This is required by paragraph 26(2)(aa) of schedule 7 to the NHS Act 2006, as amended by section 151 (8) of the Health and Social Care Act 2012.

* Power to require one or more of the directors to attend a governors' meeting for the purpose of obtaining information about the foundation trust's performance of its functions or the directors' performance of their duties (and deciding whether to propose a vote on the foundation trust's or directors' performance).

** As inserted by section 151 (6) of the Health and Social Care Act 2012)

Not applicable

	Part of schedule A (see above)	Relating to	Code of Governance reference
13.	2: Disclose	Board	B.6.1

Summary of requirement — 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.

At its meeting in March 2019, the board considered an internal evaluation report which covered the collective performance of the board, the performance of its committees and the individual performance of its directors in addition to developmental opportunities throughout the year. The board was assured by this review that the Trust's governance arrangements remained fit for purpose.

The performance of the executive directors is assessed by the chief executive taking into account feedback sought from relevant members of staff and the board. The performance of the chief executive is assessed by the chair taking into account feedback sought from relevant members of staff and the board. The performance of the non-executive directors is assessed by the chair taking into account feedback sought from the executive directors and governors. The performance of the chair is assessed by the senior independent director in collaboration with the chair of the council of governors' appointments committee taking into account feedback sought from directors and governors, particularly the council's governor representatives to the board and its sub-committees. Processes for performance evaluation for directors and the chair continue to be refined on an annual basis to ensure input remains meaningful.

14.	2: Disclose	Board	B.6.2

Summary of requirement — Where there has been external evaluation of the Board and/or governance of the trust, the external facilitator should be identified in the annual report and a statement made as to whether they have any other connection to the trust.

Not applicable in 2018/19

15.	2: Disclose	Board	C.1.1

Summary of requirement — 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. Directors should also explain their approach to quality governance in the Annual Governance Statement (within the annual report).
See also ARM paragraph 2.95

See page 21 and the annual governance statement on page 59.

16.	2: Disclose	Board	C.2.1

Summary of requirement — The annual report should contain a statement that the Board has conducted a review of the effectiveness of its system of internal controls.

See the review of effectiveness on page 59.

	Part of schedule A (see above)	Relating to	Code of Governance reference
17.	2: Disclose	Audit Committee/ control environment	C.2.2

Summary of requirement — 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.

In 2018/19 the Trust's internal audit function was provided by Mazars Public Sector Internal Audit Limited; a subsidiary of Mazars LLP. The purpose of internal audit is to provide the Trust board, via the audit committee, with an independent and objective opinion on risk management, internal control and governance arrangements. The scope of coverage in 2018/19 included:

- Assurance Framework and Risk Management
- Patient and Staff Safety including Serious Incidents
- Medicines Management
- Outpatient Appointments
- Key Financial Controls
- Contract Management
- IG Toolkit
- Recruitment and Retention
- Consultants Contracts
- Payroll
- Estates and capital planning

18.	2: Disclose	Audit Committee/ Council of Governors	C.3.5

Summary of requirement — 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.

Not applicable in 2018/19

19.	2: Disclose	Audit Committee	C.3.9

Summary of requirement — A separate section of the annual report should describe the work of the audit committee in discharging its responsibilities. The report should include:

- the significant issues that the committee considered in relation to financial statements, operations and compliance, and how these issues were addressed;
- 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
- 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.

The audit committee meets quarterly to maintain an effective system of governance, risk management and internal control (including financial, clinical, operational and compliance controls and risk management systems). The committee is also responsible for maintaining an appropriate relationship with the Trust's auditors.

Audit committee meetings are attended by the Trust's director of finance and other representatives of the Trust's risk management functions, the external and internal auditors and local counter fraud service. At each meeting, there is a closed session between the chair of the audit committee and committee members with the internal and external auditors.

continues…

	Part of schedule A (see above)	Relating to	Code of Governance reference

continued from previous page…

During 2018/19, the committee

- received reports from the Trust's internal and external auditors that provided the committee with a review of the Trust's internal control and risk management systems. The committee considered the key financial estimates when reviewing the financial statements.
- In Q3, the Committee undertook a review of its effectiveness and terms of reference. Its work programme was also reviewed and updated during the last quarter of the financial year to ensure it remained relevant and meaningful.
- The internal auditor's opinion, based on the work performed to the 31 March 2019, is that satisfactory assurance can be given that there is a generally sound system of internal control, designed to meet the Trust's objectives, and that controls are generally being applied consistently. However, some weakness in the design and/or inconsistent application of controls puts the achievement of particular objectives at risk'.
- The external auditors did not provide non-audit services.

The main source of income for the Trust is the provision of healthcare services to the public under contracts with NHS commissioners. The Trust participates in the national agreement of balances exercise performed at months nine and twelve. The agreement of balances exercise identifies mismatches between receivable and payable balances recognised by the Trust and its commissioners and all differences are investigated by the finance team. The Trust also receives a material amount of other operating income for services such as education and training and Sustainability and Transformation funding from NHS Improvement. Given the materiality in value and the judgment used in relation to areas such as accruals for services not yet invoiced and partially completed spells, NHS and non NHS income has been identified as a risk in 2018/19.

Trusts are responsible for ensuring that the valuation of their property, plant and equipment is correct and for conducting impairment reviews that confirm the condition of these assets. As a result of the suggested accounting policies provided by NHS Improvement, trusts typically achieve this by performing an annual review for impairment, a periodic desk top valuation every three years and a full valuation in not more than five yearly intervals. The Trust undertook a desktop valuation and impairment review during 2018/19.

20.	2: Disclose	Board/Remuneration Committee	D.1.3

Summary of requirement — 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.

Not applicable

	Part of schedule A (see above)	Relating to	Code of Governance reference
21.	2: Disclose	Board	E.1.5

Summary of requirement — 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.

The board of directors uses a variety of methods to understand the views of governors:
The lead governor is invited to attend all meetings of the board of directors including seminars, workshops and meeting sessions held in private. A requirement of this role is to provide feedback to governor colleagues to contribute to the council of governor's statutory duty to hold non-executive directors to account for the performance of the board of directors.

Directors attend all meetings of the council of governors held in public. In 2018/19 council meeting agendas continued to be refined to provide more opportunities for non-executive directors to report to the council and for dialogue between non-executive directors and governors generally.

The board invites a governor representative to attend meetings of its committees and feedback to governor colleagues. As the board committees are chaired by non-executive directors this facility gives more governors the opportunity to observe non-executive directors performing their duties as well as providing governors with wider insight into the operational activities of the Trust and corporate governance.

The board of directors and council of governors have in place a document formalising principles of engagement between the council's governor representatives and the Trust's board-level structures and mechanisms. This underwent annual review at the Council of governors meeting in January 2019. QVH's governor representative roles foster closer working relationships between governors and NEDs and provide more opportunities for governors to see NEDs at work on a regular basis. As a result, governors are better able to appraise the performance of the NEDs and hold them to account and NEDs are better informed of the views of governors and members.

22.	2: Disclose	Board / Membership	E.1.6

Summary of requirement — 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.

The board recognises the challenges and limitations of establishing a representative membership base as it serves a large regional population with a range of specialist services and a smaller local population with a range of community services. Nonetheless, it ensures it continues to meet its responsibility to engage with stakeholders through various means, including the regular scrutiny of Friends and Family Test and patient experience results. A QVH patient is invited to nearly every board meeting to describe their experience of care at the Trust. The governor representative roles continue to enable strong and direct engagement between governors and the board, especially non-executive directors.

23.	2: Disclose	Membership	E.1.4

Summary of requirement — 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 and in the annual report.

Members who wish to communicate with the directors or governors should contact the deputy company secretary on 01342 414200 or hilary.saunders1@nhs.net This information is also available from the Trust's website at: www.qvh.nhs.uk/about-us/board-of-directors and www.qvh.nhs.uk/for-members/council-of-governors-2

	Part of schedule A (see above)	Relating to	Code of Governance reference
24.	Additional requirement of FT ARM	Membership	n/a

Summary of requirement — The annual report should include:
– a brief description of the eligibility requirements for joining different membership constituencies, including the boundaries for public membership;
– information on the number of members and the number of members in each constituency; and
– a summary of the membership strategy, an assessment of the membership and a description of any steps taken during the year to ensure a representative membership [see also E.1.6 above], including progress towards any recruitment targets for members.

The Trust's members belong to either the public or staff constituency. Paragraphs 8 and 9 of the Trust's constitution set out eligibility criteria for membership of each constituency. As at 31 March 2019, the number of members within the public constituency was 7313 and the staff constituency was 853.

The Trust's membership strategy was reviewed by the Trust and presented to members, governors and non-executive directors at the Trust's annual membership meeting on 30 July 2018.

Additional information regarding membership of the QVH Foundation Trust can be found online at http://www.qvh.nhs.uk/for-members/

25.	Additional requirement of FT ARM (based on FReM requirement)	Board / Council of Governors	n/a

Summary of requirement — The annual report should disclose details of company directorships or other material interests in companies held by governors and/or directors where those companies or related parties are likely to do business, or are possibly seeking to do business, with the NHS foundation trust. As each NHS foundation trust must have registers of governors' and directors' interests which are available to the public, an alternative disclosure is for the annual report to simply state how members of the public can gain access to the registers instead of listing all the interests in the annual report.

See also ARM paragraph 2.22 as directors' report requirement.

A register of directors' and governors' interest is kept by the Trust and is available on request from the deputy company secretary.

26.	6: Comply or explain	Board	A.1.4

Summary of requirement — The Board should ensure that adequate systems and processes are maintained to measure and monitor the NHS foundation trust's effectiveness, efficiency and economy as well as the quality of its healthcare delivery

Compliant

27.	6: Comply or explain	Board	A.1.5

Summary of requirement — The Board should ensure that relevant metrics, measures, milestones and accountabilities are developed and agreed so as to understand and assess progress and delivery of performance

Compliant

	Part of schedule A (see above)	Relating to	Code of Governance reference
28.	6: Comply or explain	Board	A.1.6

Summary of requirement — The Board should report on its approach to clinical governance.

The Trust's clinical governance group is responsible for:

– Ensuring that QVH meets its statutory duty of quality through clinical governance
– Ensuring the best use of available resources for patients by establishing policies for effective clinical services
– Identifying and instigating policy improvement from clinical audit and outcomes monitoring processes
– Identifying and mitigating risks relating to the development and implementation of clinical policy.

The group meets formally monthly and reports to the quality and governance committee of the board which, in turn, provides assurance to the full board of directors. The group is chaired by the medical director and its members include the director of nursing and quality, the head of risk and patient safety, the governance leads of clinical specialties, senior nurses and service managers.

29.	6: Comply or explain	Board	A.1.7

Summary of requirement — The chief executive as the accounting officer should follow the procedure set out by NHS Improvement (Monitor) for advising the Board and the Council and for recording and submitting objections to decisions.

Compliant

30.	6: Comply or explain	Board	A.1.8

Summary of requirement — The Board should establish the constitution and standards of conduct for the NHS foundation trust and its staff in accordance with NHS values and accepted standards of behaviour in public life

Compliant. The constitution is reviewed periodically and published to the Trust's website; The Trust's Standards of business conduct and behaviour policy was revised, approved by the Trust's audit committee and subsequently disseminated to all members of staff.

31.	6: Comply or explain	Board	A.1.9

Summary of requirement — The Board should operate a code of conduct that builds on the values of the NHS foundation trust and reflect high standards of probity and responsibility.

See 30 above

32.	6: Comply or explain	Board	A.1.10

Summary of requirement — The NHS foundation trust should arrange appropriate insurance to cover the risk of legal action against its directors.

Compliant

	Part of schedule A (see above)	Relating to	Code of Governance reference
33.	6: Comply or explain	Chair	A.3.1

Summary of requirement — The chairperson should, on appointment by the council, meet the independence criteria set out in B.1.1. A chief executive should not go on to be the chairperson of the same NHS foundation trust.

Compliant: In January 2018, the council of governors approved the recommendation of its appointments committee that the current chair be appointed for a second term from 01 April 2018, having satisfied itself that this appointment met the criteria set out in B.1.1

34.	6: Comply or explain	Board	A.4.1

Summary of requirement — In consultation with the Council, the Board should appoint one of the independent non-executive directors to be the senior independent director.

Not applicable in 2018/19. John Thornton remains senior independent director until September 2019.

35.	6: Comply or explain	Board	A.4.2

Summary of requirement — The chairperson should hold meetings with the non-executive directors without the executives present.

Compliant. The chair has met on alternate months with the non-executive directors throughout 2018/19.

36.	6: Comply or explain	Board	A.4.3

Summary of requirement — Where directors have concerns that cannot be resolved about the running of the NHS foundation trust or a proposed action, they should ensure that their concerns are recorded in the Board minutes.

Not applicable in 2018/19

37.	6: Comply or explain	Council of Governors	A.5.1

Summary of requirement — The Council of Governors should meet sufficiently regularly to discharge its duties.

Compliant. The Trust's constitution stipulates that the council of governors should meet at least four times per year. During 2018/19 the council of governors held meetings in public in April 2018, July 2018, October 2018 and January 2019.

38.	6: Comply or explain	Council of Governors	A.5.2

Summary of requirement — The Council of Governors should not be so large as to be unwieldy.

Compliant: The council of governors comprises 20 public members, three staff members and three stakeholder representatives, as established by paragraph 14 of the Trust's constitution.

	Part of schedule A (see above)	Relating to	Code of Governance reference
39.	6: Comply or explain	Council of Governors	A.5.4
Summary of requirement — The roles and responsibilities of the council of governors should be set out in a written document.			
Compliant. NHS Improvement (Monitor) publishes guides to the duties and legal obligations of foundation trust governors for governors. General duties of the Trust's council of governors are included in provision 19 of the Trust's constitution.			
40.	6: Comply or explain	Council of Governors	A.5.5
Summary of requirement — The chairperson is responsible for leadership of both the Board and the Council but the governors also have a responsibility to make the arrangements work and should take the lead in inviting the chief executive to their meetings and inviting attendance by other executives and non-executives, as appropriate.			
Compliant. The chief executive and members of the executive management team attend the public sessions of each quarterly meeting.			
41.	6: Comply or explain	Council of Governors	A.5.6
Summary of requirement — The Council should establish a policy for engagement with the Board of Directors for those circumstances when they have concerns.			
Compliant. Provision 52 of the Trust's constitution sets out provisions for disputes between the council of governors and board of directors.			
42.	6: Comply or explain	Council of Governors	A.5.7
Summary of requirement — The council should ensure its interaction and relationship with the Board of directors is appropriate and effective.			

The council of governors relies on several roles and functions to ensure its interaction and relationship with the board of directors is appropriate and effective. These include: the role of the Trust chair as chairperson of both bodies; the roles of the director of communications and corporate affairs and the deputy company secretary as adviser to both bodies; the work of the governor steering group and appointments committee; and the role of the governor representatives to the board of directors and its sub-committees.

QVH has a long-standing practice of inviting governor representatives to attend the board and committee meetings (see item 21 above).

The role of governor representatives is appreciated by the Trust as an established and effective means of open and honest engagement between governors and the board. These roles are particularly significant as they play an important part in governors' duty to hold non-executive directors to account for the performance of the board. The roles foster closer working relationships between governors and non-executive directors and provide more opportunities for governors to see non-executive directors at work on a regular basis. As a result, governors are better able to appraise the performance of the non-executive directors and hold them to account.

The board of directors and council of governors have agreed a document formalising principles of engagement between the council's governor representatives and the Trust's board-level structures and mechanisms. This is reviewed on an annual basis.

	Part of schedule A (see above)	Relating to	Code of Governance reference
43.	6: Comply or explain	Council of Governors	A.5.8
Summary of requirement — The Council should only exercise its power to remove the chairperson or any non-executive directors after exhausting all means of engagement with the board.			
Not applicable in 2018/19. Paragraph 35 of the Trust's constitution describes the process for removal of the chair and other non-executive directors.			
44.	6: Comply or explain	Council of Governors	A.5.9
Summary of requirement — The Council should receive and consider other appropriate information required to enable it to discharge its duties.			
Compliant			
45.	6: Comply or explain	Board	B.1.2
Summary of requirement — At least half the Board, excluding the chairperson, should comprise non-executive directors determined by the Board to be independent.			
Compliant			
46.	6: Comply or explain	Board / Council of Governors	B.1.3
Summary of requirement — No individual should hold, at the same time, positions of director and governor of any NHS foundation trust.			
Compliant. See provision 18 of the Trust's constitution.			
47.	6: Comply or explain	Nominations Committee(s)	B.2.1
Summary of requirement — The nominations committee or committees, with external advice as appropriate, are responsible for the identification and nomination of executive and non-executive directors.			
Compliant. The Board of Directors' Nomination committee is responsible for the identification and nomination of executive directors and the Council of Governors' Appointments committee is responsible for identification and nomination of non-executive directors.			
48.	6: Comply or explain	Board / Council of Governors	B.2.2
Summary of requirement — Directors on the Board of Directors and governors on the Council should meet the "fit and proper" persons test described in the provider licence.			
The Trust's declaration of interests pro-forma for directors and governors also incorporates a fit and proper persons declaration. Declarations are made by all directors and governors accordingly with each submitting a self-assessment against the categories of person prevented from holding office. These declarations are updated on an annual basis.			

	Part of schedule A (see above)	Relating to	Code of Governance reference
49.	6: Comply or explain	Nominations Committee(s)	B.2.3
Summary of requirement — The nominations committee(s) should regularly review the structure, size and composition of the Board and make recommendations for changes where appropriate.			
Compliant			
50.	6: Comply or explain	Nominations Committee(s)	B.2.4
Summary of requirement — The chairperson or an independent non-executive director should chair the nominations committee(s).			
Compliant			
51.	6: Comply or explain	Nominations Committee(s) / Council of Governors	B.2.5
Summary of requirement — The governors should agree with the nominations committee a clear process for the nomination of a new chairperson and non-executive directors.			
See 47 above. Part of the remit of the council of governors' appointments committee is to oversee the appointment processes for the chair and non-executive directors, making recommendations in this regard to the council of governors.			
52.	6: Comply or explain	Nominations Committee(s)	B.2.6
Summary of requirement — Where an NHS foundation trust has two nominations committees, the nominations committee responsible for the appointment of non-executive directors should consist of a majority of governors.			
Compliant. See 47 above			
53.	6: Comply or explain	Council of Governors	B.2.7
Summary of requirement — When considering the appointment of non-executive directors, the Council should take into account the views of the Board and the nominations committee on the qualifications, skills and experience required for each position.			
The appointments committee's terms of reference state that before any appointment is made by the council of governors, it should evaluate the balance of skills, knowledge and experience of the non-executive directors and, in light of this evaluation, prepare a description of the role and capabilities required for a particular appointment. In 2018, a skills audit of existing non-executive directors was undertaken by the chair to map skills to the Trust's key strategic objectives and identify gaps. Results of this audit were used to develop and agree the candidate brief in preparation for the recruitment of two new non-executive directors in 2019/20.			
54.	6: Comply or explain	Council of Governors	B.2.8
Summary of requirement — The annual report should describe the process followed by the Council in relation to appointments of the chairperson and non- executive directors.			
See 51 above			

	Part of schedule A (see above)	Relating to	Code of Governance reference
55.	6: Comply or explain	Nominations Committee(s)	B.2.9
Summary of requirement — An independent external adviser should not be a member of or have a vote on the nominations committee(s).			
Compliant			
56.	6: Comply or explain	Board	B.3.3
Summary of requirement — The Board should not agree to a full-time executive director taking on more than one non-executive directorship of an NHS foundation trust or another organisation of comparable size and complexity.			
Not applicable in 2018/19			
57.	6: Comply or explain	Board / Council of Governors	B.5.1
Summary of requirement — The Board and the Governors should be provided with high-quality information appropriate to their respective functions and relevant to the decisions they have to make.			
Compliant. Papers for meetings of the board of directors and council of governors are available from the Trust's website. In addition to meeting papers, the board of directors and council of governors receive regular briefings from the Trust, its regulators and its representative bodies to inform and provide context to the functions and decisions of the board and the council. The council of governors receives notification when papers for meetings of the board of directors are published and the meeting agenda, and reports from the Chair and Chief Executive are extracted from the papers and issued directly to governors. Governors have a facility to log general queries to non-executive directors and the Trust's executive management team. The log records the response to the queries so that they can be shared systematically with all governors to share information and learning across the council. Governor representatives to the board and its committees also submit personal reports to their colleagues in the company secretarial team's monthly newsletter for governors.			
58.	6: Comply or explain	Board	B.5.2
Summary of requirement — The Board, and in particular non-executive directors, may reasonably wish to challenge assurances received from the executive management. They need not seek to appoint a relevant adviser for each and every subject area that comes before the Board, although they should, wherever possible, ensure that they have sufficient information and understanding to enable challenge and to take decisions on an informed basis.			
Compliant			
59.	6: Comply or explain	Board	B.5.3
Summary of requirement — The Board should ensure that directors, especially non-executive directors, have access to the independent professional advice, at the NHS foundation trust's expense, where they judge it necessary to discharge their responsibilities as directors.			
Compliant			

	Part of schedule A (see above)	Relating to	Code of Governance reference
60.	6: Comply or explain	Board / Committees	B.5.4

Summary of requirement — Committees should be provided with sufficient resources to undertake their duties.

Compliant

61.	6: Comply or explain	Chair	B.6.3

Summary of requirement — The senior independent director should lead the performance evaluation of the chairperson.

The performance of the chair is assessed by the senior independent director in collaboration with the chair of the council of governors' appointments committee, taking into account feedback sought from non-executive directors, executive directors and governors. See row 13 above.

62.	6: Comply or explain	Chair	B.6.4

Summary of requirement — The chairperson, with assistance of the Board secretary, if applicable, should use the performance evaluations as the basis for determining individual and collective professional development programmes for non-executive directors relevant to their duties as board members.

Compliant. The board of directors meet every other month for a seminar which gives a greater focus on strategy development and opportunities for board development. The board development programme has been shaped to ensure that it operates effectively and that the organisation is well led. The programme is the responsibility of the Trust chair who is supported in this task by the director of workforce and organisational development and the director of communications and corporate affairs. At its meeting in March 2019 the board considered the approach taken to date, and discussed priorities for board development in the coming year.

63.	6: Comply or explain	Chair / Council of Governors	B.6.5

Summary of requirement — Led by the chairperson, the Council should periodically assess their collective performance and they should regularly communicate to members and the public details on how they have discharged their responsibilities.

The collective performance of the council is periodically reviewed every three years. The next review is scheduled for 2021.

Communication with members and the public on how the council has discharged its responsibilities is provided through a bi-annual newsletter, QVH News, and through regular email communication with members who have provided the Trust with their email address.

64.	6: Comply or explain	Council of Governors	B.6.6

Summary of requirement — There should be a clear policy and a fair process, agreed and adopted by the Council, for the removal from the Council of any governor who consistently and unjustifiably fails to attend the meetings of the Council or has an actual or potential conflict of interest which prevents the proper exercise of their duties.

Compliant. The circumstances in which a governor may be disqualified or removed from the council of are set out in provision 18 of the Trust's constitution.

	Part of schedule A (see above)	Relating to	Code of Governance reference
65.	6: Comply or explain	Board / Remuneration Committee	B.8.1

Summary of requirement — The remuneration committee should not agree to an executive member of the Board leaving the employment of an NHS foundation trust, except in accordance with the terms of their contract of employment, including but not limited to service of their full notice period and/or material reductions in their time commitment to the role, without the Board first having completed and approved a full risk assessment.

Not applicable in 2019/20

66.	6: Comply or explain	Board	C.1.2

Summary of requirement — The directors should report that the NHS foundation trust is a going concern with supporting assumptions or qualifications as necessary.

See also ARM paragraph 2.12

See page 11.

67.	6: Comply or explain	Board	C.1.3

Summary of requirement — At least annually and in a timely manner, the Board should set out clearly its financial, quality and operating objectives for the NHS foundation trust and disclose sufficient information, both quantitative and qualitative, of the NHS foundation trust's business and operation, including clinical outcome data, to allow members and governors to evaluate its performance.

Compliant. The board sets out clearly its financial quality and operating objectives for the Trust through board papers, published to the website. These include both quantitative and qualitative information on the Trust's business and operation. Clinical outcome data is included in the annual quality account.

68.	6: Comply or explain	Board	C.1.4

Summary of requirement

a) The Board of Directors must notify NHS Improvement and the Council of governors without delay and should consider whether it is in the public's interest to bring to the public attention, any major new developments in the NHS foundation trust's sphere of activity which are not public knowledge, which it is able to disclose and which may lead by virtue of their effect on its assets and liabilities, or financial position or on the general course of its business, to a substantial change to the financial wellbeing, healthcare delivery performance or reputation and standing of the NHS foundation trust.

b) The Board of Directors must notify NHS Improvement and the Council of Governors without delay and should consider whether it is in the public interest to bring to public attention all relevant information which is not public knowledge concerning a material change in:

– the NHS foundation trust's financial condition;
– the performance of its business; and/or
– the NHS foundation trust's expectations as to its performance which, if made public, would be likely to lead to a substantial change to the financial wellbeing, healthcare delivery performance or reputation and standing of the NHS foundation trust.

Compliant

	Part of schedule A (see above)	Relating to	Code of Governance reference
69.	6: Comply or explain	Board / Audit Committee	C.3.1
Summary of requirement — The Board should establish an audit committee composed of at least three members who are all independent non-executive directors.			
Compliant			
70.	6: Comply or explain	Council of Governors / Audit Committee	C.3.3
Summary of requirement — The Council should take the lead in agreeing with the audit committee the criteria for appointing, re-appointing and removing external auditors.			
Compliant.			
71.	6: Comply or explain	Council of Governors / Audit Committee	C.3.6
Summary of requirement — The NHS foundation trust should appoint an external auditor for a period of time which allows the auditor to develop a strong understanding of the finances, operations and forward plans of the NHS foundation trust.			
Compliant.			
72.	6: Comply or explain	Council of Governors	C.3.7
Summary of requirement — When the Council ends an external auditor's appointment in disputed circumstances, the chairperson should write to NHS Improvement informing it of the reasons behind the decision.			
Not applicable			
73.	6: Comply or explain	Audit Committee	C.3.8
Summary of requirement — The audit committee should review arrangements that allow staff of the NHS foundation trust and other individuals where relevant, to raise, in confidence, concerns about possible improprieties in matters of financial reporting and control, clinical quality, patient safety or other matters.			
In 2018/19, Mazars acted as providers of the Trust's local counter fraud specialist service. An annual work plan was agreed and delivery was overseen by the audit committee. Counter fraud policies and procedures are widely publicised for staff and are included as part of the new staff induction process. Whistleblowing is the responsibility of the quality and governance committee. However, the audit committee is responsible for providing assurance that the whistleblowing process is fit for purpose and working effectively, as required by the board. A new freedom to speak up guardian was elected by staff in November 2018. This role is specifically aimed at staff, and provides confidential advice and support in relation to concerns about patient safety. The role reports directly to the chief executive and the freedom to speak up guardian attends the board of directors meeting quarterly to report on findings.			

	Part of schedule A (see above)	Relating to	Code of Governance reference
74.	6: Comply or explain	Remuneration Committee	D.1.1
Summary of requirement — Any performance-related elements of the remuneration of executive directors should be designed to align their interests with those of patients, service users and taxpayers and to give these directors keen incentives to perform at the highest levels.			
Compliant			
75.	6: Comply or explain	Remuneration Committee	D.1.2
Summary of requirement — Levels of remuneration for the chairperson and other non-executive directors should reflect the time commitment and responsibilities of their roles.			
Compliant. The council of governors' appointments committee undertakes an annual review ensuring that QVH remuneration reflects the time commitment and responsibilities of the roles and the need to attract, retain and motivate non-executive directors with the skills and experience to lead the Trust successfully.			
76.	6: Comply or explain	Remuneration Committee	D.1.4
Summary of requirement — The remuneration committee should carefully consider what compensation commitments (including pension contributions and all other elements) their directors' terms of appointments would give rise to in the event of early termination.			
Not applicable in 2018/19			
77.	6: Comply or explain	Remuneration Committee	D.2.2
Summary of requirement — The remuneration committee should have delegated responsibility for setting remuneration for all executive directors, including pension rights and any compensation payments.			
Compliant			
78.	6: Comply or explain	Council of Governors / Remuneration Committee	D.2.3
Summary of requirement — The Council should consult external professional advisers to market-test the remuneration levels of the chairperson and other non-executives at least once every three years and when they intend to make a material change to the remuneration of a non-executive.			
Compliant. Following publication of the remuneration survey by NHS Providers, the appointments' committee reviewed the remuneration and terms and conditions of the chair and non-executive directors, and made recommendations in this regard to the council of governors at its public meeting on 30 July 2018.			

	Part of schedule A (see above)	Relating to	Code of Governance reference
79.	6: Comply or explain	Board	E.1.2
Summary of requirement — The Board should clarify in writing how the public interests of patients and the local community will be represented, including its approach for addressing the overlap and interface between governors and any local consultative forums.			
Compliant			
80.	6: Comply or explain	Board	E.1.3
Summary of requirement — The chairperson should ensure that the views of governors and members are communicated to the board as a whole.			
Compliant. Responsibility for ensuring that the views of governors and members are communicated to the board as a whole is shared between the chair, the director of communications and corporate affairs and the lead governor.			
81.	6: Comply or explain	Board	E.2.1
Summary of requirement — The Board should be clear as to the specific third party bodies in relation to which the NHS foundation trust has a duty to co- operate.			
Compliant: The board of directors recognises that co-operation and collaboration are key to the sustainability of the organization. Over the last year the board has considered and continued to develop its relationships third parties including: – Western Sussex Hospitals Foundation Trust and Brighton and Sussex University Hospitals Trust, with specific partnership work on clinical pathways – The Sussex and East Surrey STP, with executive directors and the Trust chair regularly participating in all of the associated working groups and meetings – The Kent and Medway STP, with links made at chief executive level – NHS trusts which host QVH 'spoke' services across the South East Region			
82.	6: Comply or explain	Board	E.2.2
Summary of requirement — The Board should ensure that effective mechanisms are in place to co-operate with relevant third party bodies and that collaborative and productive relationships are maintained with relevant stakeholders at appropriate levels of seniority in each.			
Compliant. See row 81.			

NHS 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.

Segmentation

NHS Improvement has placed the Trust in segment 2, the second highest category and QVH has not been subject to any enforcement actions.

This segmentation information is the Trust's position as at 16 May 2019. Up to date 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 shown above may not be the same as the overall finance score. The table below details the use of resources score in 2018/19.

Area	Metric	2018/19 Q1	2018/19 Q2	2018/19 Q3	2018/19 Q4
Financial sustainability	Capital service capacity	4	1	4	4
	Liquidity	1	1	1	1
Financial efficiency	Income and expenditure margin	4	1	4	4
Financial controls	Distance from financial plan	1	2	4	4
	Agency spend	4	4	4	4
Overall scoring		**3**	**3**	**3**	**3**

The Trust's overall year to date score is 3 for the year; the second lowest score possible. A score of 1 was achieved for liquidity. This other metric measures scored 4 due to the adverse financial performance in year as the Trust slipped into deficit resulting in a shortfall in capital service capacity, a material distance from planned control total and a negative income and expenditure account margin. The utilisation of agency staff in meeting capacity constraints increased overall agency expenditure above the NHS Improvement agency spend ceiling.

Statement of the Chief Executive's responsibilities as the accounting officer of Queen Victoria 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 Queen Victoria 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 Queen Victoria 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 him/her to ensure that the accounts comply with requirements outlined in the above mentioned Act. The Accounting Officer is also responsible for safeguarding the assets of the NHS foundation trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Steve Jenkin
Chief Executive and Accounting Officer
24 May 2019

Annual Governance Statement

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 Queen Victoria 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 Queen Victoria 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 board views risk management as a corporate responsibility, in line with the NHS Improvement 2017 Well Led Framework which requires the board to have effective systems and processes in place to mitigate and manage risk. The degree and rigour of oversight the board has over the Trust's capacity to handle risk is apparent at the public and private boards, committees of the board meetings and board seminars.

During 2018/19 the board undertook risk management training using an external facilitator and developed a risk appetite statement. This details the current risk profile of the organisation, the level of risk to which it is currently exposed and states how much risk the Trust is prepared to accept to achieve the organisation's key strategic objectives.

The Trust's risk management training programme has been reviewed in year and all Trust staff attend this mandatory session. A small number of staff have been trained to undertake serious incident investigations, supported by the head of patient safety, which include identification of future risk and actions to minimise these risks.

The director of nursing and quality is the Trust's lead for risk, supported by the head of patient safety and the head of quality and compliance. The Trust's quality and governance committee and finance and performance committee are chaired by non-executive directors, and have delegated authority from the board to review and assess the level of assurance and ensure that effective systems and processes are in place for optimum risk management. The clinical governance group is responsible for the management and monitoring of clinical risk management in the organisation and reports into the quality and governance committee. At every public board meeting there is scrutiny of the board assurance framework, the corporate risk register and a detailed quality report which contains key quality operational and financial details, exception reporting and a focus on safe staffing levels. There are also reports from the chairs of the committees of the board to update on the level of assurance the committees have about quality, safety, clinical effectiveness, patient experience, operational delivery and finance.

The non-executive directors are held to account by the council of governors and the chair of the quality and governance committee presents an assurance report to each council of governors meeting as well as taking questions from governors. The governor representative of the quality and safety committee also addresses the council of governors regarding the level of assurance received.

The Trust learns from incidents internally and externally, reviewing recommendations and identifying relevant learning to be shared throughout the Trust using the clinical governance structure to support the dissemination via key groups including the board, clinical governance group and joint hospital governance meeting. This learning is also presented externally to our commissioners and regulators. In addition to this, all serious incident action plans are reviewed at the clinical governance group one year after the incident for assurance that the actions completed are fully implemented and embedded in practice.

The risk and control framework

The current Trust risk management strategy covers the four year period to 2020. The strategy outlines the framework within the Trust governance structure and the requirements for individuals and teams to comply with key regulatory instructions and legislation, to manage risk effectively and contribute to achieving the Trust's key strategic objectives. Progress of this strategy is presented at the quality and governance committee

The Trust's risk management and incident reporting policy is published on the Trust intranet. The policy provides an outline of the risk processes and the ways in which a risk should be assessed, actioned and escalated. Incidents can be logged directly by the individual on the Trust reporting system or via their line manager. There is also provision for staff to raise a risk confidentially or anonymously to the director of nursing using an anonymous 'Tell Jo' email account, contacting the Trust's freedom to speak up guardian or using the Trust's whistleblowing process.

Once a potential risk is identified, the individual or team are supported by the risk team in a wider triangulation of information such as previous incidents, audits, external reviews, complaints and quality metrics to determine if this is an actual risk. If this is the case the risk is scored and appropriate actions and mitigations identified and the risk is added to department (local) or corporate risk register. If a risk score is 12 or more the risk is added

to the corporate risk register. The risk registers are all reviewed monthly; the departmental risk registers at governance and business meetings and the corporate risk register by the executive management team and the quality and governance committee.

A range of data and risks are managed via the Trust risk management software package, these include incidents, complaints, claims, Care Quality Commission standards and freedom of information requests. The software allows risks, incidents complaints and claims to be linked and interpreted to look for trends and areas of concern. This system is managed by the risk team and this information is shared with the business units each month forming part of the governance and risk management agenda. There is an escalation process for serious concerns to be escalated directly to the head of patient safety, the director of nursing or medical director if required.

Staff are actively encouraged to report incidents and near misses to identify potential risks and take action to prevent these. Learning from incidents is integral to the risk process and is shared at a variety of forums and groups including the clinical governance group, quality and governance committee, staff newsletter, the cascade team briefing and the joint hospital governance group. During 2018/19 the Trust undertook significant work in theatres to reduce risk and develop a theatre safety culture and appointed a new theatre safety lead nurse; this has resulted in a significant decrease in serious incidents.

At year end the corporate risk register included three risks which the Trust considered to remain at a significant level despite mitigating actions. These related to the Trust's ability to meet the national 18 week referral to treatment target and patients who had waited more than 52 weeks for treatment; workforce, specifically nursing and theatre practitioner vacancies; and the financial sustainability of the Trust.

Mitigating actions for managing the national 18 week referral to treatment target included the Trust asking the NHS Improvement intensive support team to work with the Trust to identify and address the key issues. The Trust worked transparently with commissioners and regulators as part of a whole system response to put in place an referral to treatment recovery plan which included improved waiting list reporting, a comprehensive programme of validation, a revised access policy and associated processes and provision of additional capacity so that patients could be treated as quickly as possible.

Mitigating actions for workforce have included a range on initiatives for staff and prospective employees including enhanced bank pay and a reward scheme for introducing a qualified practitioner to the Trust, extensive and innovative campaigns to attract applicants to apply for posts, investment in education and development to support exiting staff, introduction of a people and organisational development strategy and international recruitment in partnership with an experienced NHS provider trust partner.

Mitigating actions for financial sustainability include revised forecast deficit, review of activity plan and contract management framework, monthly performance management from NHS Improvement, additional internal performance review of the clinical and non-clinical services with a requirement from each to identify and agree cost improvements and cost reductions.

As detailed previously under enhanced quality governance, the responsibilities and accountabilities of the board members and committees of the board are well defined within the governance structure. The Trust monitors compliance with its NHS foundation trust license condition 4 by several means, including:

- The public board meetings are held bimonthly. There are detailed reports which include all key national performance measures on quality, operational performance, finance and workforce. There is opportunity for robust challenge and debate about these reports and the way in which the directors work collaboratively in order to meet the Trust's key strategic objectives and provide leadership and oversight of the systems in place for care provision and service delivery. In addition to this governance process, the non-executive chair of each board committee presents a report to the board about the level of assurance and key items for approval or discussion. All actions are monitored via a board action log.
- The quality and governance committee and the finance and performance committee are sub committees of the board chaired by non-executive directors and receive detailed reports on quality, operational performance, finance and human resources and there is an opportunity for scrutiny and challenge by the membership. Both committees monitor completion of actions via a committee action log.
- The audit committee seeks additional assurance on risk management by commissioning internal and external audits as part of the audit work programme or in response to specific issues and requires evidence that effective systems and processes are in place to mitigate and manage risk.
- The board assurance framework and corporate risk register are discussed at every public board meeting.
- Timely response to NHS Improvement information and monitoring requests and executive management team attendance at the quarterly NHS Improvement performance reviews.
- Regular engagement meetings with the Care Quality Commission to ensure compliance with regulatory standards and compassionate care.

The governance of data security and priority work in this area is described under information governance below.

Equality impact assessments are integrated into core business, each new or revised policy requires an equality impact assessment to be completed to ensure we meet legislative requirements and are not discriminating against protected characteristic groups. The equality impact assessment is completed by the manager writing the policy signed off by the line manager prior to approval by the relevant ratifying committee.

Public stakeholders are involved in managing risk through the risks identified by external assessors, incidents, complaints and other external bodies. The council of governors receives quarterly updates about quality and risk from the non-executive chair of the quality and governance committee and from the governor representative to the quality and governance committee.

The effectiveness of emergency planning and business continuity systems are assured through a number of mechanisms including table top exercises and lockdown drills, partnership working with commissioners and NHS England and peer review by the Local Health Resilience Partnership. The Trust has carried out the required national self-assessment which has been reported to the board. There are 55 core standards applicable to QVH and we were fully compliant in 44 of these, 10 standards are rated as partial compliance and 1 standard is rated as non-compliant. This relates to attendance at the Local Delivery Group meetings. The Trust therefore has a compliance rating of 'partial'. There is an action plan in place to address these issues. The Trust has carried out a table top exercise reviewing Brexit preparations and QVH has been fully engaged in the Brexit emergency planning process.

Workforce safeguards

The Trust has long standing systems and processes in place to ensure robust governance in relation to safe staffing across the whole organisation. As well as monthly workforce reports being presented through the finance and performance committee to the board, there are also detailed six-monthly nursing workforce review reports that are scrutinised by the quality and governance committee prior to review at public board meetings. This paper provides detailed quality dashboards cross checked with planned and actual skill mix.

The Trust submits a detailed annual operating plan which triangulates finance, performance and workforce and is subject to the quality impact assessment process. This plan is signed off by the board.

The Trust has placed considerable focus this year on developing electronic staff records and other electronic workforce reporting tools to provide additional transparency around skill mix, establishment changes (aligned to ledger) and easier identification of pressure points and risk. This reporting will become more sophisticated during the next financial year.

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

Although QVH has a strong track record of achieving financial surplus, the Trust was clear by the end of 2017/18 that the year-end delivery of the control total was based on non-recurrent actions and that the Trust's future financial performance was at risk. During 2018/19 the financial position deteriorated in the context of non-delivery of unidentified cost improvements, workforce and waiting list challenges.

Continuation of the Trust's underlying deficit from 2017/18 combined with the non-delivery of the Trust's cost improvement plan is the main cause of the majority of the financial deficit the Trust now faces.

In year, the Trust also addressed issues in the management and reporting of the waiting list resulting in an increased total waiting list which showed some patients had waited in excess of national standards. The additional clinical work undertaken to address the waiting list issue impacted negatively on the Trust's operational and financial performance.

The Trust is forecasting a deficit in 2019/20, with a need for cash support from the Department of Health and Social Care; the material uncertainties associated with the Trust's future financial position are set out in note 1.1 to the accounts.

The value for money opinion from the Trust's auditors is an 'except for' opinion, as the Trust achieved economy, efficiency and effectiveness except in respect of financial sustainability. The Board Assurance Framework, discussed at every meeting of the board, continues to recognise the long term financial sustainability of the Trust as a key risk.

The Trust works to ensure economy, efficiency and effectiveness in a number of ways including robust planning, application of controls, performance monitoring and independent reviews.

The financial plan for 2018/19 was approved by the board and submitted to NHS Improvement as required. As in year financial performance deteriorated, performance against the plan and remedial actions were examined at executive-led performance reviews and at an executive management meeting for oversight and scrutiny. Reports including forecast projections, performance indicators and supporting narrative were presented at a monthly finance and performance committee and bi-monthly to the Trust board. The organisation took steps in year to address the deteriorating financial performance as well as to ensure regulators were aware of forecast year-end position.

The Trust's resources are managed within the framework of its primary governing documents, policies and processes, including:

- Standing orders, standing financial instructions, scheme of delegation and reservation of powers to the board;
- Robust expenditure controls and
- Effective procurement procedures

The Trust board performs an important role in ensuring the economic, efficient and effective use of resources, and maintaining a robust system of internal control, and is supported in that purpose by the audit committee, internal and external audit and regulatory/advisory bodies. The Trust has an annual programme of internal audit and works closely with the internal audit provider to gain additional assurance on Trust processes. The audit committee monitors progress against the programme and implementation of recommendations identified and agreed as part of the audit fieldwork.

The finance and performance committee receives monthly updates on programme performance whilst the quality and governance committee reviews plans to ensure there is no negative impact upon the quality of service provision and/or outcomes.

Information governance

Responsibility for the information governance agenda is delegated from the chief executive to the senior information risk owner (SIRO), who is the director of finance and the Caldicott Guardian who is the director

of nursing and quality. The SIRO is responsible for ensuring that information risk management processes are in place and are operating effectively. The Caldicott Guardian is responsible for ensuring the confidentiality of patient information and appropriate information sharing.

The information governance group is chaired by the SIRO and is responsible for overseeing the Trust's information governance arrangements and compliance against required standards and targets. The group, with representation from across the Trust, reports to the executive management team for oversight and scrutiny and to the quality and governance committee for assurance purposes.

One of the key responsibilities of the information governance group is to oversee the Trust's annual information governance toolkit assessment. The toolkit is an online system which allows NHS organisations to assess themselves against relevant policies and standards. The information governance agenda is constantly evolving.

During 2018/19, priority has been given to cyber security and in particular addressing any threats to our systems, processes and data. Intelligence has been used to create an action plan which includes ensuring all staff and volunteers are formally trained and tested on their understanding of the importance of handling data securely.

Information security risks continue to be managed and controlled via the risk management system, incorporated into the risk register and reviewed by the information governance group.

There were no serious incidents that were classified as a level 2 relating to information governance in 2018/19.

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 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 draft report has been circulated by the Trust to internal and external stakeholders to ensure that the data and information in the report is recognised and provides an accurate reflection of the quality and quality assurance processes at QVH. The systems and processes described in the care quality, enhanced quality governance and capacity to handle risk sections demonstrate that there are appropriate controls in place for the organisation to have a balanced view on quality.

In response to the limited assurance opinion from last year's quality report, the Trust prioritised the appointment of a patient access and performance manager to lead a review and redesign of the 18 week referral to treatment process and the 62 day national target for maximum cancer waits. QVH also worked with NHS Improvement on systems and processes related to the waiting list and patient access pathways with additional training provided for staff.

The issue of data quality at our spoke sites remains a challenge for QVH. Work is underway to improve the quality of all externally supplied data. Whilst we are confident that this will lead to a significant improvement in data quality, the absence of a full year's data will result in the external auditors being unable to give QVH an unqualified opinion for 2018/19.

The Trust has prepared its quality accounts with strong clinical and managerial input including:

- Quarterly updates to the quality and governance committee on progress against quality priorities chosen for the quality account 2018/19
- Members of the clinical governance group, committees of the board and hospital management team receive performance reports on quality and performance metrics including infection control rates, referral to treatment performance, cancer waits, and patient experience measures
- National statutory data collected from external sources, which enables benchmarking and comparison with peers
- Specialty data compiled in conjunction with clinical directors and lead clinicians
- Specialty information/audit and national audit outcome data received by the clinical governance group
- External audit commissioned before submission to ensure data accuracy and validity.

Review of effectiveness

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

The process for maintaining and reviewing the effectiveness of the system of internal controls includes:

- Regular board review of the board assurance framework and risk registers, as well as regular assurance reports by the chairs of the two key board assurance sub-committees (finance and performance and quality and governance) and minutes from audit committee meetings. Key risks are fully debated and the board ensures actions are in place where necessary

Board members receive monthly performance reports on:

- safe staffing and quality of care
- operational performance
- financial performance
- workforce

The board receives regular information governance reports

The audit committee reviews findings from internal and external audit work and ensures links to the risk register and assurance framework are maintained

An extensive programme of clinical audits assesses patient experience and measures the effectiveness of treatment provided with action taken where indicated to ensure high quality care with re-audit where necessary.

The head of internal audit opinion has given a 'satisfactory assurance' rating on the effectiveness of the systems of internal control

The quality and governance committee reviews feedback from external assessments on quality of service, including NHS Improvement, Healthwatch, CQC, NHSLA and audit, as well as ensuring internal quality measures are regularly tested and standards are met.

Conclusion

The Trust has continued to provide high quality services for its patients and to meet the needs of its various regulators. The review of governance and controls confirms that the Trust has managed risks effectively through the year and can provide assurance that effective systems are in place to support the running of the organisation. I am pleased to conclude that at the end of the year there are no significant internal control issues for the Trust.

Steve Jenkin
Chief Executive and Accounting Officer
24 May 2019

QUALITY REPORT 2018/19

Statement on quality

Queen Victoria Hospital (QVH) continues to place quality, safety and the experience of patients at the forefront of everything that we do. This year we have seen many challenges, however, as in previous years we have also seen excellent clinical outcomes and ground breaking research across our specialisms.

This quality report sets out in detail our commitment to continuous, evidence-based quality improvement, the progress we have made over the last year and our plans for the coming year.

Over this year we have strengthened our safety culture in theatres. The appointment in early 2018 of the theatre safety lead has created protected time for this work, and the safety lead can be responsive to safety queries in real time rather than always looking at these issues retrospectively. We have seen a significant reduction in serious incidents and the open reporting culture enables us to identify and learn from 'near misses'.

In early 2019 we had our unannounced Care Quality Commission (CQC) inspection and the Trust achieved 'Good' overall with 'Outstanding' patient care. Inspectors noted that staff were highly motivated and inspired to offer care that was exceptionally kind and promoted people's dignity; relationships between patients and staff were strong, caring, respectful and supportive. At QVH we work hard to promote and maintain this standard of care and our staff are rightly proud of the way they genuinely go above and beyond for patients.

We were also pleased to receive feedback on managers promoting a positive culture that supports and values staff, creating a sense of common purpose based on shared values. Our staff make QVH a very special place to work with high quality services, innovation and partnership working. Our staff are passionate about their work and further improving our services for patients.

Our participation in research continues to be one of many areas where we make a contribution to the wider NHS which is greater than expected for a trust our size. Our involvement in research helps us to attract the best clinical staff, supports our teams in staying abreast of the latest treatment possibilities and enables us to deliver the very best care for our patients.

I am confident that in 2019/20 QVH will continue to provide high quality, safe and effective services, and that our approach to quality will remain that we deliver excellence in all that we do.

Steve Jenkin
Chief Executive and Accounting Officer
24 May 2019

"...relationships between patients and staff were strong, caring, respectful and supportive."

PRIORITIES FOR IMPROVEMENT

QVH's quality priorities for 2019/20

Our quality priorities for 2019/20 are built around our ambitions to deliver safe, reliable and compassionate care in a transparent and measurable way. They have been developed in collaboration with staff and the council of governors, and take into account patient feedback and progress on our 2018/19 priorities.

Each priority comes under one of the three core areas of quality:

PATIENT SAFETY

Having the right systems and staff in place to minimise the risk of harm to our patients and, if things do go wrong, being open and learning from our mistakes.

CLINICAL EFFECTIVENESS

Providing high quality care, with world-class outcomes, whilst being efficient and cost effective.

PATIENT EXPERIENCE

Meeting our patients' emotional as well as physical needs.

Progress against these priorities will be monitored by the Trust's quality and governance committee on a quarterly asis. Progress will also be reported at public board meetings.

Our quality priorities and why we chose them

Patient safety

Implementation of an e-Observation tool to collect and collate patient physiological data such as blood pressure, heart rate, respiratory rate and other clinical indices. These will then be compared automatically with agreed standards and provide automated alerts to the patient's clinician for intervention and further escalation where required

The e-Observation tool will make use of NEWS2, the standardised national approach for detection and response to clinical deterioration in adult patients

The primary aim of this quality priority is to support Trust-wide implementation of a tool to detect patient deterioration early and improve clinical safety and patient care.

What success will look like...

Paper implementation of the new NEWS2 tool replaced by effectively implementing an e-Observations patient tracking tool within clinical areas to help with clinical decision making.

The Trust has convened an e-Observation Project Board to implement a new automated software package.

Data will be collected and systematically audited to provide regular reports on patient status, response times and patient outcomes in order to improve quality of care.

Clinical effectiveness

Outpatient Improvement Programme – Introduction of 'virtual clinics'.

The aim of this quality priority is to take forward the delivery of new and innovative ways of delivering outpatient appointments that will improve patient experience, efficiency and help to reduce waiting times. Areas of focus will include the introduction of Skype clinics and virtual follow up clinics for glaucoma patients.

What success will look like...

A monthly inpatient improve -ment steering group will monitor progress on this project from April 2019.

Patient experience

Review of patient experience of treatment pathways in head and neck surgery.

QVH is the regional centre for head and neck surgery and our head and neck cancer services include primary assessment and diagnosis, specialist review, surgery and follow up. This surgery is often life changing. We want to make sure we are giving patients the best possible information before and during their treatment so that they can make individual choices about the course of treatment, including the balance of risk and benefit.

This project aims to improve patient experience by undertaking detailed reviews with individual patients during the inpatient and discharge periods.

What success will look like...

We aim to bring together a high quality collection of patient feedback at different stages in their treatment journey, which will be used to look at improvements in how we support patients in individual decision making around their treatment. This will include a review of the information provided for patients regarding surgery and treatment expectations.

Performance against 2018/19 quality priorities

Our quality priorities for 2018/19 were influenced by information from national and local reports and audit findings, along with the views of QVH governors, patient feedback and suggestions from staff across the organisation. End of year progress against our three 2018/19 quality priorities was as follows:

PATIENT SAFETY

Our quality priorities and why we chose them…

Measurement of compliance with the WHO Surgical Safety checklist

Never events are serious, largely preventable patient safety incidents that should not occur if the available preventative measures have been implemented.

During 2017/18 QVH had three never events.

QVH relaunched the World Health Organisation (WHO) checklist in 2018 including bringing into QVH practice learning from a London teaching hospital.

A revised baseline qualitative audit was undertaken in March 2018 which identified a number of potential barriers to full compliance, including:

- lack of engagement with the process;
- distractions (such as staff performing other tasks whilst WHO checklist being completed);
- inconsistent leadership between theatres in terms of who was responsible for sign in, time out and sign out.

This baseline audit was supported by consultation events held within the theatres department to further identify the factors that have an impact on the successful implementation of this safety checklist and formulate actions to ensure the checklist can be embedded.

Targeted outcome…

QVH will have no never events in 2018/19.

To support this, we planned to:

- target a quarterly improvement or sustained compliance in observational audits within theatres.
- identify and train faculty members and roll out multidisciplinary safer surgery simulation training.
- measure audits detailed above against reviewed and updated surgical safety policies including Five Steps to Surgical Safety and the perioperative marking policies

Did we achieve it in 2018/19?

There was one never event in 2018/19 which involved a retained item following surgery, which resulted in no harm to the patient. This was fully investigated and reported to support national learning.

There have been quarterly qualitative observational audits looking at human factors and compliance with *Five Steps to Surgical Safety*.

These audits have demonstrated:

– an improvement in the engagement of all staff members carrying out the five steps

– a more consistent approach to who is leading each step

– less multitasking

– a willingness of staff to challenge non-compliance

The Trust has identified and trained a simulation faculty team.

There have been safer surgery simulation training sessions.

Improved use of the surgical safety checklist has identified a small number of near misses which have been shared as learning opportunities within the theatre team.

CLINICAL EFFECTIVENESS

Our quality priorities and why we chose them…

Increased theatre productivity (continuation of 2017/18 priority over a two year period)

QVH is a surgical hospital and our operating theatres are critical for treating and caring for our elective and trauma cases.

Using our theatres efficiently and effectively is key to reducing waits for treatment, reducing cancellations and making best use of NHS money. It is also important for patient experience and staff morale.

Targeted outcome…

The 2018/19 QVH target for elective lists starting within 15 minutes of the booked start time was:

Q1	2018/19	**60%**
Q2	2018/19	**70%**
Q3	2018/19	**75%**
Q4	2018/19	**80%**

The start of an operation is defined as the moment when the anaesthetic is administered or needle to skin time. In setting this priority the Trust recognised that there will always be some operating lists where start time is delayed, for example if a clinician urgently needs to attend to a seriously unwell patient on the ward.

Data will be produced daily in relation to late start times and reasons, and a quarterly decrease in late theatre starts should be shown on the theatre dashboard.

Did we achieve it in 2018/19?

During 2018/19 the Trust brought in additional resource to support theatre productivity work and our approach moved to consideration of a number of metrics designed to target the necessary improvements.

The reporting of this quality priority was therefore stopped.

QVH saw a significant increase in elective cases and improvement in theatre productivity in year. Work continues to develop and embed a range of quality improvement processes and initiatives including theatre scheduling, reducing cancellations and late starts.

PATIENT EXPERIENCE

Our quality priorities and why we chose them…

Improved clinician communication and customer care expectations

This indicator was selected as although the Trust receives only a small number of complaints a consistent theme in these over the last three years has been around clinician communication and customer care expectations.

Targeted outcome…

As part of our organisational development strategy we will develop a toolkit of resources to support and enable our workforce (clinical and non-clinical) to deliver the values and behaviours of QVH.

We will design a number of interventions and measure the effectiveness of these by undertaking pre and post intervention surveys of complaints and PALS contacts, specifically looking for a reduction in the number of negative references to communication.

We will review the verbatim comments from the quarterly staff friends and family test.

Did we achieve it in 2018/19?

QVH was successful in becoming a pilot site to work with Clever Together around the Health Education England Best Place to Work initiative. This will involve engaging with all staff via an online crowdsourcing conversation.

An engagement workshop will be held in April with plans to launch the online platform later in May 2019.

Findings will be presented to the board which will determine next steps.

SAFEGUARDING IN AN ACUTE SPECIALIST HOSPITAL

At QVH we promote a culture of safeguarding our patients and the public across the whole organisation. We take our safeguarding responsibilities very seriously and discharge our duties fully by complying with national and local legislation, policy, guidance and standards.

Safeguarding patients and the public is underpinned by the Care Act (2014), the Children Acts (1989 and 2004) and a plethora of multi-agency guidance.

We contribute to a range of performance and quality measures as required by the Care Quality Commission, West Sussex Safeguarding Children Board, West Sussex Safeguarding Adults Board, and our commissioners.

Monitoring requirements are reflected in our monthly safeguarding board metrics and the work of the QVH safeguarding team. Plans and progress are monitored by the QVH strategic safeguarding group and the QVH clinical governance committee.

Putting safeguarding into practice

Safeguarding is everyone's business and all staff receives regular training relevant to their role to ensure everyone knows how to manage a concern; plus where or from whom to seek advice or support. Staff have access to safeguarding prompt cards and the intranet to enable quick and accurate responses to situations that occur.

NICE guidance and standards are used to audit clinical compliance as part of a rolling three year audit programme.

Patient focused safeguarding

Helping patients and families to understand what we might be concerned about is an important part of safeguarding children, young people and vulnerable adults. As long as it does not place anyone at risk our aim is always to discuss our concerns with the people concerned and to help them understand the steps we are taking, how processes work and to encourage them to ask questions to better understand what we are trying to tell them.

Staff development and shared learning

An organisational safeguarding learning and development strategy is in place and is underpinned by delivery of a comprehensive safeguarding training programme. Our training uptake averages over 90% our aim is to reach 95%. Safeguarding supervision is available for all staff on a case by case basis.

As part of the government Channel strategy all NHS staff are expected to undertake PREVENT training to reduce the radicalisation of vulnerable people. WRAP training levels last year reached 82%.

We had one allegation made against a member of staff this year. An investigation was undertaken supported by advice from the Local Authority Designated Officer and the West Sussex Designated Safeguarding Children Nurse. The purpose of the investigation was to keep our patients safe, manage staff behaviour and share learning in a constructive way.

Implementing the Mental Capacity Act (2005)

During the last year we have updated our Mental Capacity Act (MCA) and Deprivation of Liberty Safeguards (DOLS) policy, training content and support for staff to enable them to better understand the implementation of the MCA processes in day to day practice.

We have also produced a MCA information leaflet for patients and their families using plain English to help them understand how MCA works when a clearly defined decision needs to be made. There is also an information leaflet to help next of kin to understand their role and decision making authority.

We capture patient MCA data using an electronic system so that we can share learning and outcomes with staff in a meaningful way. Over 94% of our staff are up to date with MCA and DOLS training.

Working with and communication with partners

Our safeguarding team contribute to multi-agency working via networking, attendance at and supporting activities of the West Sussex Safeguarding Children Board and the West Sussex Safeguarding Adults Board.

Governance and safety

A quarterly safeguarding dashboard is produced to provide a concise and clear overview of safeguarding work streams, risks, case reviews and audit progress.

SAFE

2018/2019 achievements

Further work for 2019/20

Linking up the world's first cranial nerve network

At QVH we are developing the world's first dedicated cranial nerve network across multiple specialities, including: plastic surgery, ophthalmology maxillofacial surgery, ENT, neurosurgery, neurology, psychology, speech therapy and facial therapy in the treatment of cranial nerve injuries and their complications including those with numb corneas, who are therefore at risk of blindness. This service is currently available across multiple trusts in the South East.

In 2019/20, QVH will seek to expand the cranial nerve service to include those suffering from intractable facial pain and migraine. Pending discussions with commissioners and NHS England, future plans include treating those with voice-related disorders, for example after laryngeal/thyroid surgery, those with eyelid ptosis or lack of a blink response. QVH is currently in discussion with NHS England (Specialised Commissioning) around continued funding for corneal neurotisation; a sight-saving procedure, which has been available at QVH.

Sentinel node biopsy for head and neck

QVH commenced head and neck sentinel node biopsy in September 2016, following the recommendation made in NICE clinical guideline NG36: cancer of the upper aerodigestive tract: assessment and management in people aged 16 and over.

In 2018 our referral base increased further and now incorporates Surrey and Sussex in support of neighbouring multidisciplinary teams.

QVH is planning to introduce intraoperative fluorescence with nanocolloid binding to enhance the identification of appropriate lymph nodes.

QVH is a mentor unit for other national units and hopes to expand this process to support additional units.

The head and neck cancer lead is on the external faculty board and is a member of the UK sentinel node biopsy training programme.

State-of-the-art equipment

Thanks to a generous contribution from QVH Charity and its benefactors, the facial palsy unit now uses the most advanced facial nerve monitoring and stimulator system in the world (Medtronic NIM 3.0, USA), which is highly specific and allows the accurate identification of sub-millimetre facial nerve branches. This equipment allows the identification and preservation of the recurrent laryngeal nerve during thyroid surgeries as well.

QVH has also now procured the best supermicrosurgery instruments (EMI Ltd., Japan), which allow for the fine dissection up to 0.05 mm precision. This, alongside the nerve monitor, allows very advanced precision facial nerve surgery for the best outcomes.

In the coming year, QVH intends to purchase an upgraded surface electromyographic (EMG) system, which allows for better facial therapy planning and patient identification. This will support selection of the best treatment options for those with facial paralysis and more specifically, overcome the long-term effects of Bell's palsy.

EFFECTIVE

2018/2019 achievements	Further work for 2019/20
Trigeminal nerve surgery	
In a world-first, QVH surgeons from maxillofacial and plastic surgery have recently performed a functional muscle transfer for biting/chewing. This treatment was for a serious facial infection, resulting in the loss of all the biting muscles necessary for eating. This alongside pioneering surgery to provide normal facial sensation and overcome facial pain in several patients has established QVH as a world leader in this field.	QVH now hopes to extend this life-giving procedure to sufferers of chronic migraine in the UK as well. This treatment has been shown to be effective in over 85% of patients.
Super-selective neurotisation-neurectomy	
QVH surgeons now have the ability to identify facial zones with overworking muscles as well as weak muscles and re-route excess neural input into areas with less in order to achieve facial balance. This concept simply termed as the 'Combo', was developed in East Grinstead.	In the coming year, QVH hopes to build on these patient experiences and share this expertise with the wider medical community.
Chimeric vascularised nerve flaps	
Building on a technique developed in Japan, QVH now offers multi-component (chimeric) nerve free flaps including skin, fat and/or muscle for the early reanimation of facial paralysis. This is ideal in reanimating the face as well as re-establishing the normal contour and surface anatomy of the face. Vascularised nerve grafts have been recognised as having the highest success rate of nerve regeneration world-wide and are ideal for very complex facial nerve injuries and in those with extensive scarring from surgery or radiation. QVH has one of the largest successful case series in the world with regards this surgery.	QVH surgeons are hoping to perform more of these surgeries for patients all across the UK and look forward to helping as many patients as possible.
Early and late facial nerve repair	
As part of the cranial nerve network, QVH's plastic and maxillofacial surgeons are working closely together to offer immediate repair of all facial nerve injuries. The results are significant, with complete return of normal facial function even several months after horrific facial injuries, regardless of age. QVH is a world leader in this aspect of trauma.	The Cranial Nerve Network at QVH now intends to spread this message to all relevant specialities in the UK and internationally; facial nerve injuries are best treated as early as possible, regardless of patient's age.
Glaucoma treatment	
The glaucoma specialists at QVH published and presented six peer review papers in 2018 describing advances and innovations in minimally invasive glaucoma surgery. QVH won the best paper award at the International Congress of Glaucoma surgery in Montreal looking at long term surgical outcomes. The glaucoma team have started a new study looking at minimally invasive surgery in angle closure glaucoma.	The glaucoma service will continue to update models of care to ensure patients are seen in a timely manner such as the introduction of virtual glaucoma clinics for stable patients.

2018/2019 achievements	Further work for 2019/20
Mouth to eye stem cell transplant in paediatric patients	
Limbal stem cell deficiency in the cornea is a serious ocular condition and if untreated can lead to total loss of vision. The condition can be treated by the transplantation of laboratory cultured stem cells. Stem cells have previously been sourced from either a donor eye or from the patient's healthy eye. **Autologous stem cell transplants have a lower rate of rejection than donor stem cell transplants. However, if the patient has bilateral disease or it is felt that taking a biopsy from their healthy eye is too great a risk an alternative strategy is required. We have developed a protocol where we use cells taken from the patient's own buccal mucosa of the mouth instead of from their healthy eye. The cells are isolated, expanded in number and grown into sheets in the eye bank laboratory. After a period of three weeks they are ready for transplantation.**	This process is unique in the UK and we aim to continue offering this treatment at QVH.
Enhanced recovery after surgery	
The enhanced recovery after surgery (ERAS) pathway has been further modified to facilitate a two night stay for free flap reconstruction patients. Patients who are deemed appropriate with low BMI, good support at home and who are generally fit and well are successfully being discharged after a two night stay.	QVH will continue to examine surgical, clinical and demographic characteristics to be able to identify patients who will be suitable for an early discharge. This will enable the Trust to modify the ERAS pathway as appropriate and reduce hospital stays with an evidence based approach. Further exploration of drain-free breast reconstruction DIEPS is planned; drains are being removed earlier than previously with this type of surgery contributing to the successful early discharge of appropriate patients.
Clinical trial of natural tissue graft for long sightedness	
The QVH is one of four multicentre's in Europe taking part in the Allotex study. The UK chief investigating officer for this is study is a QVH ophthalmic consultant. The objective of this study is to evaluate the safety and effectiveness of a natural tissue graft. The donor cornea is sterilized and shaped with a laser in theatre prior to implantation into the patient's eye.	Data collection is due to conclude in January 2021.

CARING

2018/2019 achievements

Further work for 2019/20

QVH acute facial paralysis clinic

QVH has one of the most sophisticated facial therapy and rehabilitation services in the world with a full team of dedicated facial therapists. We provide an acute clinic for all patients recently affected by Bell's palsy or the malevolent effects of facial paralysis, where early care can be provided by therapists one-to-one, over the phone or online.

We are in the process of incorporating virtual reality programmes and smartphone app-based technology into the rehabilitation of facial paralysis patients, a global-first. This will include those with facial paralysis due to strokes.

Macmillan Quality Environment Award

The Macmillan Information and Support Centre retained its prestigious award marking the highest possible standards for cancer care environments, driving forward the design and use of these facilities, based on a robust understanding of the needs of people affected by cancer.

The first award to the centre was made in 2016 and reassessment occurs every three years. Assessment is carried out by an independent organisation appointed by Macmillan Cancer Support. The centre will continue to ensure that its environment and facilities continue to be of the highest standard to meet patient needs.

Confidence building for children who have suffered burns

The team at QVH provide residential camps for children who have been treated for burns and/or traumatic injuries.

This year the team took 30 children to CREW camp (Creative Recreation Educational Weekend) on the Isle of Wight where they enjoyed a confidence-building residential weekend challenging themselves through canoeing, aeroball, highrope climbing and the giant swing. The weekend is funded entirely by donations to QVH Charity.

Children treated by QVH also attended national burns camp in Cambridgeshire during August and the national burns jamboree (for younger children) in October, where they joined burn injured children from around the UK.

Plans for 2019/20 include a day trip to the Sea Life Centre in Brighton for paediatric patients who are admitted for eye surgery. These patients are unable to go to many of the activity camps as they cannot risk injury to their eyes but a quiet, dark place to visit meets their needs for fun and allows them and their families to get together and support each other.

Thirty children will benefit from the 2019 CREW camp which takes place in June.

"QVH has one of the most sophisticated facial therapy and rehabilitation services in the world with a full team of dedicated facial therapists."

2018/2019 achievements

Further work for 2019/20

Scarless and/or minimal access surgery

Facial paralysis surgery often leaves stigmatising scars for those undergoing treatment. QVH is at the forefront of addressing this, both in terms of psychology and surgery. We aim for all surgical scars to be hidden within the hairline, facial creases or within the lip. QVH now offers endoscopic surgery where possible, for example to harvest nerves, to minimise scarring as well as facelift techniques to hide scars as far as possible.

QVH surgeons are continuing to perfect their technique and enhance their skills with other centres in the UK via Facial Therapy Specialists-UK.

Restore sessions for breast reconstruction patients

Patients are encouraged to attend a 'show & tell' information session prior to commencement of their surgical pathway. The Restore session empowers patients to make informed decisions, interact with patients who have already had a reconstruction journey and see their results. Due to the success of the events held at QVH, Restore also run these events at hospitals in Worthing and Dartford with support from QVH ex-patients.

QVH continually considers the holistic assessment and treatment of all patients. There is currently work in progress to establish a wellbeing programme for breast cancer patients with a focus on nutrition, diet, exercise and dynamic thinking. This programme aims to ensure the patient is in strongest possible position for treatment.

"QVH continually considers the holistic assessment and treatment of all patients. There is currently work in progress to establish a wellbeing programme for breast cancer patients with a focus on nutrition, diet, exercise and dynamic thinking."

RESPONSIVE

2018/2019 achievements

Further work for 2019/20

Computerised tomography (CT) scan

QVH's state-of-the-art new CT scanner opened in December 2018. A total of 526 patients were scanned between December 2018 and the end of March 2019.

The scanner, funded by a donation from the League of Friends, supports QVH's specialist clinical services, helping doctors make earlier and more accurate cancer diagnoses, plan patients' treatment more effectively and ultimately lead to better rates of survival.

Inpatients needing a CT scan will no longer have to be transferred to another hospital and QVH can provide a local scanning service to people living in East Grinstead and Mid Sussex.

Autologous reconstruction

A consultant in the QVH breast team was invited to speak at the British Institute of Radiology about the benefits of autologous reconstruction. This type of reconstruction is considered a durable option with less revision surgeries as focus moves to reconstruction options that last a patient's lifetime.

The breast service is exploring strategies to increase capacity for free flap breast reconstruction to meet the growing demand for this surgery in the South East.

Improved patient wayfinding and signage for patients and visitors

New signage has been put up across the Trust to improve access and make navigating around the hospital easier. It has helped to reduce patient and visitor stress and anxiety, which enhances the overall patient experience.

The wayfinding scheme was developed with the involvement of patients, visitors, volunteers, front-line and support staff including the Trust's dementia lead.

Our vision for the future of one of the best surgical hospitals in the country includes further improvements to our estate when capital funds are available.

Head and neck patient experience feedback

The Trust is proactively seeking feedback from head and neck cancer patients through a through a specially designed patient survey specifically reviewing their surgical pathway.

This patient feedback will provide important additional information to support improvements in the patient pathway.

Improved facilities for junior doctors and clinical site practitioners

QVH's education centre has been refurbished to include facilities available for use by anyone working on site overnight and at weekends. Facilities include a new kitchen and rest room and an outdoor area.

The new facilities will ensure healthcare professionals working outside of normal hours are able to rest and make hot meals.

The Trust will continue to improve staff facilities, including provision in 2019/20 of two additional staff spaces on site where staff can relax and have meals while they are on a break.

WELL LED

2018/2019 achievements

Further work for 2019/20

Establishing the first facial therapy society in the world

The facial therapy team at QVH, working with colleagues in the UK and the US, were instrumental in organising the world's first facial therapy society; thereby further cementing facial therapy as a recognised sub-speciality of physiotherapy, specifically for those with facial paralysis. FTS UK held its inaugural conference in Birmingham in September 2018 with several invited speakers from QVH. This established QVH as the leading centre of excellence in facial palsy treatment in the UK.

The facial palsy unit at QVH is hoping to spread its expertise in the international forum and put forward a bid to organise a symposium on functional facial rehabilitation following paralysis at the upcoming 2019 neuro-rehabilitation congress in Maastricht, Netherlands.

Head and neck multi-collaborative research

The LISTER Pilot study for severe epithelial dysplasia has been completed and the QVH team have commenced the DeFEND (NIHR) trial using fibrin glue in elective neck dissection.

QVH continues to contribute to the PQIP (NIHR) trial quality of life study for patients having four hour and over general anaesthetic.

QVH aims to be the highest recruiting centre for the DeFEND and PQIP trials, and has been accepted as a recruiting centre for the upcoming SaVER (NIHR) and JaW PrinT (NIHR) studies.

Raising national awareness of facial paralysis

In March 2018, members of the facial paralysis team presented to MPs at the House of Commons to increase awareness of the plight of those suffering from Ramsay-Hunt syndrome and other causes of facial paralysis. This will hopefully address the lack of funding for the treatment of those with facial paralysis.

Future plans include supporting the development of facial paralysis services for patients in Wales and Northern Ireland, where there is currently no such service.

"QVH's education centre has been refurbished to include facilities available for use by anyone working on site overnight and at weekends."

"The facial palsy unit at QVH is hoping to spread its expertise in the international forum."

Statements of assurance from the Board of Directors

Review of services

During 2018/19, Queen Victoria Hospital NHS Foundation Trust provided 21 NHS services including burns care, general plastic surgery, head and neck surgery, maxillofacial surgery, corneoplastic surgery and community and rehabilitation services. QVH has reviewed all the available data on the quality of care in all of its NHS services. The income generated by the relevant health services reviewed in 2018/19 represents 93% of total of the total income generated from the provision of relevant health services by QVH for 2018/19.

Research

Pioneering techniques developed at QVH in the past are now used routinely in the care of patients all over the world. This includes burns reconstructive surgery, cell culture and hypotensive anaesthesia. Our current research programme focuses on developing techniques in wound healing and reconstruction. We are proud to be holders of grants from the National Institute for Health Research, and believe this reflects the quality of our research.

We have established collaborative work with the University of Oxford, the University of Nottingham Trent, and the University of Liverpool. Wide networks are critical to successful research investment and outputs, particularly in the specialised fields of practice that we undertake here at QVH. We are grateful for the ongoing support of our local clinical research network for core research infrastructure, and have continued to significantly increase our participation in National Portfolio studies.

The total number of participants recruited to HRA-approved studies in 2018/19 was 887 with QVH taking part in 40 studies; of these 887 participants 640 were National Portfolio recruits.

Our participation in research demonstrates our continued commitment to improving the quality of care we offer and to making our contribution to wider health improvement. Participation helps our clinical staff to stay abreast of the latest treatment possibilities and enables us to deliver improved patient outcomes.

Participation in clinical audits and clinical outcome review programmes

A clinical audit is a quality improvement cycle that involves measuring the effectiveness of healthcare against agreed and proven standards for high quality, and taking action to bring practice in line with these standards so as to improve the quality of care and health outcomes.

During 2018/19, ten national clinical audits and six clinical outcome review programmes (previously known as confidential enquiries) covered health services that QVH provides. We participated in 100% of national clinical audits and 100% of clinical outcome review programmes that we were eligible to participate in. The tables below also include the percentage of registered cases required by the terms of that audit or review programme.

Participation in clinical outcome review programmes 2018/19

Project name (alphabetical)	Applicable to QVH	Participation Comments	% of cases submitted
Child Health Clinical Outcome Review Programme Young People's Mental Health	✓	✓	100% of applicable cases
Falls and Fragility Fractures Audit programme (FFFAP) National Audit Inpatient Falls	✓	✓	n/a
Learning Disabilities Mortality Review Programme (LeDeR)	✓	✓	n/a
Medical and Surgical Clinical Outcome Review Programme – Perioperative diabetes	✓	✓	77%
Mental Health Clinical Outcome Review Programme Suicide, Homicide & Sudden Unexplained Death	✓	✓	n/a
National Ophthalmology Audit (NOD) – Adult Cataract surgery	✓	Partial participation	unknown

Participation in national clinical audits 2018/19

Learning Disabilities Mortality Review Programme (LeDeR)	✓	✓	n/a
Mandatory surveillance of bloodstream infections and clostridium difficile infection	✓	✓	100% of applicable cases
National Audit of Breast Cancer in Older People (NABCOP)	✓	✓	100%
National Audit of Care at the End of Life (NACEL)	✓	✓	100%
National Clinical Audit of Anxiety and Depression (NCAAD) – Psychological Therapies Spotlight	✓	✓	17%
National Mortality Case Record Review Programme (previously Retrospective Case Record Review, funded by NHSI)	✓	✓	No cases submitted. No submission required
Reducing the impact of serious infections (Antimicrobial Resistance and Sepsis) Antibiotic Consumption	✓	✓	100% of applicable cases
Reducing the impact of serious infections (Antimicrobial Resistance and Sepsis) Antimicrobial Stewardship	✓	✓	100% of those reviewed requiring submission
Seven Day Hospital Services Self-Assessment Survey	✓	✓	100% of applicable cases
Surgical Site Infection Surveillance Service	✓	✓	100% of applicable cases
Project name (alphabetical)	Applicable to QVH	Participation Comments	% of cases submitted

National clinical audit

Ten national audits were reviewed by the Trust in 2018/19. The three most relevant were:

National Confidential Enquiry into Patient Outcomes and Death (NCEPOD) – Highs and Lows

This national study highlighted where care could be improved for patients with diabetes undergoing surgery. It found that, nationally, multidisciplinary care could be improved, particularly around nutritional assessment, that patients were not always prioritised on surgical lists as required, and that perioperative care could be improved in around one third of cases. At QVH, there is a lead anaesthetist for perioperative diabetic care and internal audit and recommendations are being followed up in pre-assessment and theatres. Our use of a multidisciplinary approach with the diabetes nurse, pharmacy, anaesthetists, nursing staff and surgical staff continues, and we continue to prioritise diabetic patients at the start of theatre sessions.

6th National Audit Project of the Royal College of Anaesthetists – Perioperative Anaphylaxis

This national audit of life-threatening reactions during anaesthesia and surgery was fully contributed to by the Trust in 2017/18, and the report provides reassurance on areas where our practice is appropriate. Safe surgery at QVH necessitates the use of several medicines that are high risk for severe allergic reaction, and the report supported our approach to this risk, and the treatment and follow up of the rare occasions when patients suffer anaphylaxis. Work in 2019/20 will be on reducing the incidence of using higher risk medicines. The report was presented at the QVH joint hospital clinical governance group, and actions will be followed up by the clinical and anaesthetic governance groups.

National Confidential Enquiry into Patient Outcomes and Death (NCEPOD) – Common Themes

This review of NCEPOD studies since 1987 highlighted ten areas that were common to many of the reports, and through the joint hospital clinical governance group, gave the Trust the opportunity to see how far we have come in improving the safety of patient care at the time of surgery, and where we still need to make progress. Areas such as timely consultant review, the supervision of junior doctors, morbidity and mortality reviews, the availability of critical care and the quality of consent have seen huge progress in the last decade. The monitoring of deteriorating patients will be further enhanced at QVH with the introduction of electronic observations and automatic escalation alerts in 2019/20. In some areas, for example, documentation and patient records, we recognise we still have progress to make with the introduction of electronic patient records and document management systems.

Local clinical audits

The reports of 52 completed local clinical audits were reviewed by QVH in 2018/19. Examples of audit projects undertaken across QVH, their findings and actions taken as a result are set out below.

Pain relief and patient satisfaction following day case hand surgery under regional anaesthesia

This re-audit was carried out as the initial audit found variation in the analgesia with which patients were discharged; some patients also reported high post-operative pain scores. After the initial audit cycle changes were made so that patients were given a standardised discharge analgesia and a patient information leaflet on discharge to guide expectations and explain how to take post-operative analgesia. Re-audit showed 85% of patients were satisfied with at home management of pain and 96% of patients were satisfied with the anaesthetic technique used.

A very simple and effective way of reducing theatre time whilst reducing theatre costs

The hand trauma clinic allows semi urgent patients referred from other hospitals to be seen on an elective basis. It allows prompt management of a wide range of surgical emergencies whist reducing the number of cases that need a more formal surgical management in the main theatre. Cases range from simple nailbed repairs to extensors and nerve repair. The clinic is run by a registrar and a junior trainee with a reachable on call trauma consultant. Common practice for these types of patients is to inject a Lidocaine with Bupivacaine mixture before surgery in the procedure room to provide a rapid onset and a long action for the patient's comfort. Patients were divided into two groups with one cohort being injected outside the procedure room and the other outside of the anaesthetic room. Results were based on patients comfort, the need for additional anaesthesia and the time from injection to commencement of surgery. Results found monthly saving in both time (30 minutes per session) and cost (approximately £385 a month) with an extra case being able to be performed if the anaesthetic is injected outside of the procedure room. Patients' comfort levels remained high with only two patients from a total of 20 requiring additional anaesthesia prior to the start of their procedure.

Sentinel lymph node biopsy and the correlation with histological characteristics of the tumour

Malignant melanoma is the fifth most common type of cancer. Worldwide this contributes to 80% of skin cancer related deaths, since 1990 incidence of malignant melanomas have increased by 119%. Sentinel lymph node biopsy is a selective lymphadenectomy which is used as a validated staging technique for occult nodal detection. This project was a retrospective case note review which investigated the results of sentinel lymph node biopsy and the correlation with histological characteristics of tumours and if there are possible predictors of the sentinel lymph node biopsy result. Results suggested that aseptic conditions should be increased during operations and dressings should be changed to further prevent post-operative infection rates. Re-audit will be undertaken to assess the success of these changes which include provision of health education information to patients in skin doctors' training sessions.

Outcomes of ipsilateral free ALT flap with saphenous vein grafts for knee region reconstruction

Infected total knee arthroplasty is potentially a limb threatening condition. It is managed in an orthoplastic multidisciplinary team approach, and commonly in two stages. Although pedicled gastrocnemius flap is considered the workhorse technique for knee coverage, it does not easily cover soft tissue defects proximal to the patella and cannot be easily re-raised for the second stage of reconstruction.

Data collection for this was to assess the efficacy and safety of the free ipsilateral extended anterolateral thigh flap (ALT) with vein grafts for soft tissue reconstruction of infected knee arthroplasty; of the patients assessed all of the flaps survived.

This technique has proven effective for complex soft tissue reconstruction of the knee and distal thigh, whether for infected total knee arthroplasty or extensor mechanism reconstruction. Although it is a lengthier and technically demanding procedure, it replaces like with like and is easily re-elevated for the second stage of knee reconstruction.

The 'snail flap': a local flap based on Fibonacci sequence as a reconstructive technique after excision of skin tumours of the scalp

Scalp reconstruction after skin tumour ablation can be a challenging task due to the special tissue characteristics of this region. Achieving the optimal cosmetic result without compromising the safety of oncologic surgery remains the basic reconstructive goal. Primary closure is the simplest option providing hairy coverage but is not feasible for larger defects and carries a higher risk of wound dehiscence. On the other hand, split thickness skin graft is a common choice as it can be even used in large defects; however, unavoidably results in a colour mismatch and a non-hair, patch-work appearance. In pursuit of a better appearance several types of local flaps with various design patterns have been described.

Retrospective data analysis of ten consecutive patients who have undergone surgical excision of skin tumour on the scalp with an immediate 'snail flap' reconstruction during the last two years was conducted.

The flap survival rate was 100% and can be considered as a safe option for the reconstruction of small and moderate sized skin defects of the scalp with minor post-operative complications and excellent aesthetic outcome.

Free flap breast reconstruction and the patient journey, analysis of a large cohort to improve patient information and documentation

This project is supported by the Scar Free Foundation, and aims to improve standardisation of patient-centred care regarding reconstructive surgery, improve holistic approaches to scars, improve patient outcomes and develop clinical research strategies in pursuit of scar free healing. Collection of this data in the UK has never been carried out before.

The project results will provide an objective comparison of different free flap breast reconstruction types and personal patient satisfaction by considering factors such as number of clinical appointments, number of days spent out of work due to reconstruction, emotional well-being and how the patient contemplates herself following breast reconstruction surgery.

Results showed reconstruction options included DIEP, MSTRAM and TUGs, of a total of 409 breast reconstruction procedures, only two patients reconstructions failed and the average reconstructive journey took 20.8 months.

In 58.7% of cases patient notes had no descriptors documenting patient views in relation to the overall result of their breast reconstruction, therefore a better measure of patient satisfaction is being trialled in a breast centred questionnaire for a cohort of outpatients for a period of six months.

On the day cancellations between January and April 2018 (retrospective)

Cancellation of surgical procedures on the day of operation causes considerable anxiety to patients and also has a significant impact on the delivery of NHS services. This project was to collate operating theatre data of patients due to have oral maxillofacial surgery between January and April 2018 who were cancelled on the day, to evaluate the cause of cancellation, improve theatre utilisation and compare QVH to the national average.

Results showed that over 50% of cancellations were down to patient factors. Recommendations around the planning of surgical staff rotas and patient communication are being considered, with plans to re-audit when these actions have been implemented.

Peri-operative management of oral anticoagulation/ antiplatelets requiring skin surgery at QVH

The QVH guidelines on peri-operative management of patients on oral anticoagulants/antiplatelets were revised in January 2018; this audit was to assess compliance against the guideline and to investigate if there was any correlation post-operative bleeding and perioperative management. This was a retrospective study of patients requiring excision or biopsies of skin lesions whilst on either antiplatelet or anticoagulant medication. In 19% of cases patients had their medication stopped and 3% of cases had an abnormal post-operative bleed. Results showed differing practice dependent on the treating consultant's team and education to embed the guideline adherence is currently underway.

Carpal tunnel release

Carpal tunnel release is a surgical procedure to divide a ligament in the wrist to relieve pressure on a nerve that gives the patient symptoms of numbness, tingling and pain in the hand. This project was carried out to evaluate patient satisfaction and pain levels following carpal tunnel surgery under local anaesthetic with no tourniquet, a technique that uses adrenaline to vasoconstrict and does not require cautery.

Data collection was carried out between April and August 2018, 100% of patients would recommend the surgery to another patient and 93% were extremely satisfied. The WALANT technique is being considered as routine in the appropriate cases going forwards.

Managing pain in dental abscess patients

Patients at QVH are cared for in an acute recovery area supporting theatres to improve patient flow through the department. This project was undertaken to ensure that patient's pain is managed effectively following their dental abscess procedure and to limit the number of unplanned delays to transferring out of the recovery unit.

Results found that multiple factors influenced patients' pain levels, patients were well managed with a variety of combinations of analgesia both intra-operatively and during their recovery period. All patients were managed appropriately before their discharge to the ward with a minimal pain level score. Due to the nature of the results there were no action points required but continual monitoring and re-audit in the future will ensure we are continuing to efficiently manage patient's pain management in recovery.

Corneal neurotization restoration of corneal sensation with regional nerve grafts

Normal corneal sensation is integral in maintaining the structure and function of corneal epithelium. Corneal denervation can impair wound healing leading to corneal ulceration and result in blindness. The management of neurotrophic keratopathy is challenging due to abnormal epithelial healing. Targeted medical and surgical management have been proposed to halt the progression of the disease at early stages to prevent the globe threatening later stages. Insensate corneas are known to defy conventional management and after grafting are exposed to similar epithelial breakdowns, therefore addressing the underlying corneal anaesthesia is of utmost significance in successful long term management of the neurotrophic corneas.

The aim of the audit was to prospectively audit all aspects of this procedure, including patient selection, surgical technique and functional and structural outcomes, against what is published in literature as reported by other international centres with experience in corneal neurotisation surgery.

The structural outcomes were assessed against standards by the British Journal of Ophthalmology for change in corneal nerve density and morphology. Both functional and structural outcomes were measured pre-operatively, early (1-3 months), intermediate (3-6 months) and late (9-12 months and more) postoperative periods. Any adverse events following corneal neurotisation were recorded.

This audit demonstrates the safety and efficacy of corneal neurotisation procedure as the only definitive treatment modality available to treat the underlying pathology in neurotrophic corneas, as no complications reported for any of the cases, while there were general improvement functionally and structurally.

The restoration of corneal sensation improves corneal functional and structural health, thus preventing possible complications of neurotrophic keratopathy.

Theatre time was reduced from 4.5 hours for the first case to three hours for the last audited case.

Rupture rates between two- and four-strand flexor tendon repair: is less more?

Flexor tendon injury is a very common injury requiring timely repair and effective postoperative rehabilitation. The ultimate goal of surgical intervention has remained constant: to achieve enough strength to allow early motion, to prevent adhesions within the tendon sheath, and to restore the finger to normal range of motion and function.

The purpose of this study was to explore the difference in clinical outcome of two-strand and four-strand flexor tendon repairs in a single unit in adult population. A total of 109 complete divisions of a single flexor tendon from 2016 to 2018 were analysed retrospectively.

Thirty flexor tendons were repaired with two-strand and 79 tendons were repaired with four-strand technique. There was no significant difference in the complication rate including rupture, infection and adhesions. These results support that four-strand is not superior to two-strand and that lower volume type of repair would be preferable and would avoid unnecessary over treatment.

Pan-Kent laryngectomy outcomes – a five year review

A laryngectomy is an operation to remove the voice box – usually because of cancer. This is a life changing operation with post laryngectomy challenges.

The speech and language and maxillofacial team conducted a retrospective audit of 34 patients that had a laryngectomy procedure at QVH between 2013 and 2018 to assess the functional outcomes and compare this with nationally reported data. The parameters of assessment included surgical margins; leak rates post operatively, a Clavien-Dindo score of complications, days to oral intake, achieving a functional voice and normalcy of diet, and the requirement of nutritional supplementation.

Outcomes showed higher than average leak rates with work around enhanced recovery protocol showing improvements in the final year of the project. QVH have a consistent use of frozen sections for margin control and fewer complications than the national figures with patients resuming oral intake quickly and good uptake for a functional voice.

There is now work underway to establish a standardised and validated outcome measure tool to truly define what is considered a "good outcome" and contribute to national outcomes whilst continuing to monitor local outcomes.

Commissioning for Quality and Innovation payment framework

The Commissioning for Quality and Innovation (CQUIN) payment framework makes a proportion of NHS healthcare providers' income conditional upon achieving certain improvement goals. The framework aims to support a cultural shift by embedding quality and innovation as part of the discussion between service commissioners and providers.

A proportion of QVH income in 2018/19 is conditional on achieving number of national and local CQUIN goals. The Trust has achieved 100% of all the national and dental CQUIN schemes which equates to £1.4m against the contract value.

The national quality initiatives were:

1. Introduction of health and wellbeing initiatives

QVH has taken a number of measures to improve staff health and wellbeing throughout 2018/19 including introduction and promotion of health and wellbeing schemes such as Care First/Zest, pilates, mindfulness for stress and wellbeing courses for staff. Themed promotion to staff of healthy behaviour has included dry January, no smoking day, on your feet Britain and national walking month, and world blood donor day. The 'My Trust Benefits' website was launched where staff can access national and local discounts on the high street and online, and Trust benefits such as salary sacrifice schemes, as well as opportunities for learning to develop personal and professional skills. Health and wellbeing promotion has been supported through the weekly staff newsletter, banners and posters located around the Trust, computer screensavers, and word of mouth.

2. Healthy food for NHS staff, visitors and patients

As part of this national CQUIN, we have taken forward a number of initiatives to ensure that a choice of healthy food is available to patients and staff. Healthy options are available in all catering outlets including vending machines for staff working out of hours. QVH continues to achieve 100% compliance in all categories. All drinks lines stocked are sugar free (less than 5g sugar per 100 ml); all confectionery and sweets contain 250kcal or less; all pre-packed sandwiches and other savoury pre-packed meals contain 400 kcal or less. We have also introduced low fat hot chocolate in our vending machines for milk based drinks.

During 2018/19 QVH has been regularly monitoring the proportion of drinks and food which comply with the CQUIN guidelines. We have seen significant reductions of drinks and food high in calories, salt, sugar and fat. There are no longer price promotions or advertising for foods high in fat, sugar and salt. The vending machine displays have been improved to encourage water bottle sales, putting less healthy contents on lower shelves and displaying sugar and calories contents.

3. Improving the uptake of flu vaccinations for front line staff

Seasonal influenza (flu) is an unpredictable but recurring pressure that the NHS faces every winter. Vaccination of frontline healthcare workers against influenza reduces the transmission of infection to vulnerable patients who are at higher risk of a severe outcome and, in some cases, may have a suboptimal response to their own vaccinations. Vaccinating frontline healthcare workers also protects them and their families from infection.

The national CQUIN measured from October to December 2018 stipulates that trusts are required to vaccinate 75% of frontline staff as part of an annual immunisation programme. For the 2018/19 programme, a CCG locally agreed variance to the CQUIN was introduced which allowed QVH to include all staff members who had the vaccination elsewhere or taken an active decision to decline vaccination. QVH achieved the CQUIN target, with 80.4% of staff engaged and a 61.3% vaccination rate.

4. Timely identification and treatment of sepsis in acute inpatient settings

Sepsis is a common and potentially life-threatening condition that can lead to widespread inflammation, swelling and blood clotting. This can lead to a significant decrease in blood pressure, which may reduce blood supply to vital organs such as the brain, heart and kidneys. Sepsis is recognised as a significant cause of poor outcomes and death, and is almost unique among acute conditions in that it affects all age groups.

QVH has very few patients each year with suspected sepsis, or those who go on to develop it. Where sepsis is suspected, patients are managed in accordance with the Sepsis Six pathway and treatment is provided.

In 2018/19 the adult patients' pathway was reviewed and now includes treatment guidelines for sepsis and a prescription chart. The pathway must be completed for all patients treated with sepsis. The Trust is in the process of procuring an e-observation system which will enable clinical staff to record patient vital signs quickly and easily, and will automatically alert appropriate clinical staff if a patient's scores are outside the normal range, as is the case when patients develop sepsis.

5. Reduction in antibiotic consumption

The misuse of antibiotics is a globally recognised problem. QVH has reviewed national guidance and taken a number of steps to reduce the unnecessary prescribing of antibiotics across the Trust. This will help to decrease the spread of antimicrobial drug resistance. We monitor and scrutinise our antibiotic usage on a monthly basis, and report our data externally to Public Health England quarterly. To support this QVH is delivering internal training to all clinical staff to ensure levels of antibiotic prescriptions are kept to a minimum and only used where absolutely necessary.

continues...

6. Empiric review of antibiotic prescriptions

All hospitalised patients who are prescribed antibiotics at QVH are safeguarded by consistent assessment reviews. This ensures that antibiotics are being used appropriately and provides our patients with the best possible care and treatment. In 2018/19 QVH launched an antimicrobial app to promote adherence to guidelines.

7. Offering advice and guidance

QVH provides advice and guidance services for non-urgent GP referrals, allowing GPs to access consultant advice prior to referring patients into QVH specialist burns care, general plastic surgery, head and neck surgery, maxillofacial surgery, corneoplastic surgery and community services. QVH is using functionality within the e-referral system and working with GP representatives towards further development of the advice and guidance functionality within the e-referral system.

8. Preventing ill health by risky behaviours – alcohol and tobacco

This CQUIN seeks to help deliver on the objectives set out in the Five Year Forward View, particularly around the need for prevention, to be incentivising and supporting healthier behaviour. QVH is currently providing online training for relevant staff, both medical and nursing, to support the collection of data for all inpatients, and brief advice to patients who are identified as smokers or as taking excessive amounts of alcohol. The audit is being undertaken and will be reviewed by the commissioners at the end of May 2019 to provide baseline for future years review.

Dental

There were three dental CQUINs in 2018/19; the milestones have all been met and the dental commissioners have agreed to pay 100% of the CQUIN which equates to £364,315 against a contract value of £14.5 million.

1. Orthodontics buddy – this is an arrangement where a number of less complex cases are allocated to QVH for agreed training purposes.
2. Referral management and triage – throughout 2018/19 QVH has worked on embedding the Dental Electronic Referral System (DERS) and we now only accept referrals from General Dental Practitioners electronically, including the receipt of x-rays. The Trust is required to carry out final triage to confirm the patient meets level 3 complexity for the specialty: level 1 referrals are to be rejected and level 2 referrals redirected to an intermediate minor oral surgery provider, unless patient modifying factors require treatment to be carried out in secondary care.
3. Dental managed clinical networks – our clinicians have actively participated in all meetings arranged to date. This is where the clinical care pathways of our patients are considered and the network will shape and improve services.

Registration with the Care Quality Commission

The Care Quality Commission (CQC) is the independent regulator of health and adult social care in England. It ensures that health and social care services provide people with safe, effective, compassionate, high quality care and encourages care services to improve.

QVH is required to register with the CQC and its current status is 'registered without conditions or restrictions'.

The CQC has not taken enforcement action against QVH during 2018/19 and QVH has not participated in any special reviews or investigations by the CQC during this reporting period.

The Trust had an unannounced CQC inspection 29 and 30 January 2019 and the Well Led inspection was held on 26th and 27th February 2019.

QVH sustained an overall rating of 'good' and was rated 'outstanding' for the caring domain. The full breakdown of ratings for all three domains assessed by the CQC are shown in the table (opposite, top).

The recommendations and findings from the CQC report have been transferred into a continuous improvement action plan. Progress against these actions will be monitored at the quality and governance committee.

CARE QUALITY COMMISSION INSPECTIONS JANUARY AND FEBRUARY 2019

	SURGERY BURNS AND PLASTICS	CRITICAL CARE	SERVICES FOR CHILDREN AND YOUNG PEOPLE	OUTPATIENTS	MINOR INJURIES UNIT	OVERALL
SAFE	GOOD	GOOD	GOOD	GOOD	GOOD	GOOD
EFFECTIVE	GOOD	GOOD	GOOD	Not rated	GOOD	GOOD
CARING	OUTSTANDING	GOOD	OUTSTANDING	OUTSTANDING	GOOD	OUTSTANDING
RESPONSIVE	GOOD	GOOD	GOOD	GOOD	GOOD	GOOD
WELL-LED	GOOD	GOOD	GOOD	GOOD	GOOD	GOOD
OVERALL	GOOD	GOOD	GOOD	GOOD	GOOD	GOOD

Compliance in Practice (CiP) inspections

QVH continues to utilise the Compliance in Practice inspection process as a quality improvement initiative within the Trust.

Inspectors are recruited from the QVH staff base and include a variety of clinical and non-clinical stakeholders, as well as members of the board and council of governors. Inspection teams are then allocated to inspect one of 13 clinical areas that are each visited on a quarterly basis.

The structure of the inspections reflects the enquiry lines pursued by the CQC and, as such, assists in enabling the Trust to maintain, and endeavour to improve, its current inspection rating. Newly devised action plans are completed by department leads following each inspection to remedy any areas of poor performance or inconsistencies identified.

Inspection standards are linked to the CQC rating system and all areas are reaching a compliance rating of 'Good'.

Hospital episode statistics

QVH submitted records during 2018/19 to the Secondary Uses Service for inclusion in the hospital episode statistics.

Hospital episode statistics	Admitted patients	Outpatient care	Minor injuries unit
Percentage of records in the published data which include the patient's valid NHS number			
QVH	**99.4%**	**99.5%**	**98.4%**
Nationally	99.4%	99.6%	97.5%
Percentage of records which include the patient's valid general medical practice code			
QVH	**99.7%**	**99.3%**	**99.8%**
Nationally	99.9%	99.8%	99.3%

Source: The figures are aggregates of the QVH entries taken directly from the SUS data quality dashboard provider view, based on the provisional April - December 2018 SUS data at the month 9 inclusion date. (LH 11/03/2019)

Data Security and Protection Toolkit

The Data Security and Protection Toolkit is an online self-assessment tool that allows organisations to measure their performance against the National Data Guardian's 10 data security standards.

All organisations that have access to NHS patient data and systems must use this toolkit to provide assurance that they are practising good data security and that personal information is handled correctly.

The purpose of the assessment is to enable the Trust to measure compliance against the law and central guidance. It is also to see whether information is handled correctly and protected from unauthorised access, loss, damage and destruction.

The ultimate aim is to demonstrate the Trust can be trusted to maintain the confidentiality and security of personal information. This increases public confidence that the NHS and its partners can be trusted with data. The toolkit can be accessed by members of the public to view participating organisations' assessments.

Standards were not met 2018/19.

The Trust was able to meet 99 out of the 100 assertions for the Data Security and Protection Toolkit in 2018/19. Unfortunately the Trust was unable to ensure that at least 95% of all staff undertook data security awareness training during the year and so this assertion was not met. Data security awareness is mandatory for all staff at induction and both classroom sessions and e-learning is available. There is a sustained executive led programme to enforce and improve training compliance.

Cyber security

Cyber security is recognised as one of the biggest operational threats to the NHS and is one of the main areas of focus for the information governance work agenda.

NHS digital, (previously HSCIC) has incorporated a cyber security service into its Care Computing Emergency Response Team – CareCERT. The intention is to enhance cyber resilience across the health and social care system by looking for emerging threats and advising healthcare organisations on how to deal with them. QVH receives alerts and acts upon them.

The cyber essentials scheme has been developed nationally to fulfil two functions.

- It provides a clear statement of the basic controls all organisations should implement to mitigate risk through '10 steps to Cyber Security'.
- It provides an assurance framework in order that an organisation can be assessed for resilience against cyber threats.

In March 2018 QVH was one of the first NHS trusts to get Cyber Essentials PLUS accreditation.

Information Governance Assessment

The information governance function at the Trust provides assurances over the processing of all personal, sensitive and corporate information, however it is recorded. This is by way of the appointment of official information governance roles, formal meeting groups both within the Trust and regional forums and with specific performance assurances for data security, data quality and cyber security as described below.

Payment by results and clinical coding

The annual clinical coding audit for 2018/19 assessed the work of the clinical coding team in a year that has included significant staff changes due to retirements and the recruitment and development of trainees. The audit was carried out by an external coding consultancy.

The sample was random across all the services provided at QVH. The following services were reviewed within the sample:

- children's and adolescent services
- dentistry and orthodontics
- ear, nose and throat
- head and neck cancer services
- oral and maxillofacial surgery
- hands
- ophthalmology
- plastic surgery
- breast surgery
- skin cancer services.

Compliance rates for the clinical coding of diagnoses and treatment, and the targeted accuracy standard, are shown below.

	QVH compliance rate	Targeted accuracy standard
Primary diagnosis	89.00%	90% or higher
Secondary diagnosis	93.88%	80% or higher
Primary procedure	95.50%	90% or higher
Secondary procedure	98.35%	80% or higher

The accuracy of primary diagnosis is 1% below target, and a fall in accuracy compared with previous years. This was traced to a single source in a limited time period, and was addressed immediately. The Trust will implement in full the recommendations made in the audit report to ensure attainment of the required accuracy levels at future audit.

Improving data quality

Data quality refers to the tools and processes that result in the creation of the correct, complete and valid data required to support sound decision making.

An integrated data warehouse has increased transparency and visibility of data issues. Regular studies of data flows and routine independent have also allowed problems to be identified and solutions put in place which improve the consistency and quality of data collected.

New reporting structures have allowed greater automation, reducing the risk of human error whilst liberating experienced staff to address more complex data quality issues.

Working with other NHS partners the Trust has established new reports and systems integrating new datasets and increasing the level of reliable intelligence that can be extracted from the data.

QVH's business intelligence team has engaged with all disciplines within the Trust to improve processes around data collection and to design standard processes that help to improve consistency while reducing opportunity for variation.

In 2018/19 QVH continued to progress the data quality agenda:

- building and applying a library of integrated standard operating procedures for data collection
- with support from external experts, enhancing existing data flows continuing to raise the profile and importance of good data at all levels within the Trust
- building an audit trail as part of the production process which will allow for responsive alerts which will flag data quality issues needing attention.

Learning from deaths

All NHS trusts are required to report on learning from deaths using prescribed wording which enables readers to compare performance across organisations.

During 2018/19 five QVH patients died. This is shown below as deaths which occurred in each quarter of this reporting period

	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4
Number of deaths	**1**	**0**	**1**	**3**

During 2018/19 there were four case record reviews, utilising the 'Structured Judgement Review' methodology. Local department mortality reviews were also conducted. One death required further internal investigation using root cause analysis methodology as the death was unexpected.

No deaths, representing 0% 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 addition, all deaths which occur off the QVH site, but within 30 days treatment at the QVH are subject to a preliminary case note review. Cases are escalated to structured judgement review or investigation, as part of the risk management framework, where required.

Implementation of seven day hospital services

The seven day services programme is designed to ensure patients who are admitted as an emergency, receive high quality consistent care, whatever day they enter hospital.

There are ten clinical standards, of which four have been identified nationally as priority on the basis of their potential to positively affect patient outcomes:

Standard 2: time to consultant review – patients do not wait longer than 14 hours to initial consultant review

Standard 5: diagnostics – ensure patients get timely access to diagnostic tests seven days a week

Standard 6: consultant directed interventions – patients get access to specialist, consultant-directed interventions when required

Standard 8: on-going review in high dependency areas – ensure that patients with high-dependency care needs receive twice-daily specialist consultant review, and those patients admitted to hospital in an emergency will experience daily consultant-directed ward rounds

QVH has an implementation plan in place to deliver the four priority clinical standards. As recommended by NHS England, the QVH has moved from participation in the national bi-annual seven day services assessment to a local board assurance framework, including regular audit of Standards 2 and 8.

Locally defined clinical standards have also been developed which group our admissions into those that should be reviewed by a consultant within one hour, those within 14 hours and those who could wait 24 hours which means they can be reviewed by the next morning trauma round. These clinical standards are now an integral part of QVH's operational trauma policy.

We collaborate with network partner hospitals to provide some diagnostics and interventions in specialties not provided at QVH. The new provision of a QVH on-site CT scanner in 2018/19 has improved local access to urgent imaging needs for our patients.

QVH response to the Gosport Independent Panel Report

QVH has a freedom to speak up guardian elected by staff. This role is specifically aimed at staff, and provides confidential advice and support in relation to concerns about patient safety. The role reports directly to the chief executive and the freedom to speak up guardian attends the board of directors meeting quarterly to report on findings. QVH works proactively to support an open culture, where issues are identified and lessons learnt. Where appropriate, the Trust has acted on whistleblowing information and taken formal disciplinary action.

The Trust takes its duty of candour seriously, reaching out to patients and their families to apologise and taking corrective action where necessary. The Trust is also fully engaged in the Get It Right First Time programme, where data around the clinical effectiveness and safety of its services are benchmarked at specialty level which helps identify any unusual trends particularly where patient outcomes are not as they should be.

Guardian of Safe Working

The Guardian of Safe Working role is designed to be somebody independent of the management structure who is not afraid of challenging senior colleagues where needed to champion safe working hours. The aim of this role is to support juniors in working safe hours and to provide assurance to doctors and the Board that doctors are able to work within safe working hours. Where the system fails a set process is in place for early reporting (exception reporting).

In line with the Terms and Conditions of Service for NHS Doctors and Dentists in Training, the Board receives a Guardian of Safe Working report on a quarterly basis and this report is also provided to the Local Negotiating Committee. The Guardian is involved in the Junior Doctors Forum and the Trust induction for doctors.

The Guardian's consolidated annual report for 2018/19, signed off by the Trust chief executive, shows that the Trust has had an improvement in medical staff gaps and vacancies during the year. The main type of exception report is for unforeseen and unavoidable overrun of work beyond the rostered hours. There have also been exception reports related to lost educational opportunities when a specific specialist rota was short and service commitments impacted on training. Overall the level of exception reporting is low and the Guardian has encouraged trainees and trainers to see this as a useful, informative process that can improve rotas and working hours.

REPORTING OF NATIONAL CORE QUALITY INDICATORS

All NHS trusts are required to report their performance against a statutory set of core quality indicators in a predetermined format in their quality reports. This enables readers to compare performance across organisations.

For each statutory indicator, our performance is reported together with the national average. The performance of the best and worst performing trusts nationally is also reported. Each indicator includes a description of current practice at QVH, preceded by the wording 'we believe this data is as described for the following reasons' which we are required to include.

QVH has also included additional non-mandated quality indicators to provide further detail on the quality of care provided.

MORTALITY

We believe this data is as described for the following reasons:

- QVH is primarily a surgical hospital which manages complex surgical cases but has only four to ten deaths per year
- QVH has a process in place to review all deaths on site, including those patients who are receiving planned care at the end of their life
- Care provided to patients at the end of their life is assessed to ensure it is consistent with national guidance
- All deaths are reviewed for internal learning and so that relatives may be informed of what happened to their loved ones
- Data is collated on all deaths occurring within 30 days of treatment at QVH to ensure care at QVH was appropriate
- Deaths are reported monthly to the appropriate specialty clinical leads for discussion and so that learning can facilitated when needed.
- All deaths are noted and, where necessary, presented and discussed at the bi-monthly joint hospital governance meeting.

QVH monitors mortality data by area, speciality and diagnosis on a monthly basis, in particular for the specialities of burns and head and neck oncology, both of which are monitored at regional and national level. We undertake detailed reviews of all deaths to identify any potential areas of learning which can be used to improve patient safety and care quality.

The National Quality Board published a framework in March 2017 around identifying, reporting investigating and learning from deaths, along with NHS Improvement guidance regarding the requirement that all trusts develop a policy by September 2017, 'Responding to and learning from deaths'. This policy was written by the Trust's head of risk and ratified for use in September 2017.

Of the eight recommendations, one of the key areas was around reviews and investigations and the medical director and head of risk attended Royal College of Physicians 'structured judgement review' training which has been rolled out for use within the Trust.

The Trust has also rolled out investigation training sessions to assist key staff in undertaking investigations and producing reports of a high quality.

Source: QVH information system

	2014/15	2015/16	2016/17	2017/18	2018/19 (up to Feb)
In-hospital mortality	**0.01%**	**0.031%**	**0.005%**	**0.02%**	**0.016%**

EMERGENCY READMISSION WITHIN 28 DAYS OF DISCHARGE

We believe this data is as described for the following reasons:

- QVH has a process in place for collating data on patient readmissions to hospital
- Data is collated internally and patient episode details are submitted to the Health and Social Care Information Centre (HSCIC) monthly
- Readmissions are generally to treat some of the complications that may arise from the original injury or from surgery such as wound infections
- We monitor readmissions as a means to ensure our complication rate is acceptable and that we are not discharging patients from hospital too early.

QVH ensures that patient readmissions within 28 days of discharge are discussed at speciality mortality and morbidity meetings and reviewed at the Trust's joint hospital governance meeting where appropriate. Information on readmissions is also circulated to all business units and specialties on a monthly basis.

Clinical indicators such as readmissions provide broad indicators of the quality of care and enable us to examine trends over time and identify any areas requiring extra scrutiny.

Source: QVH information system

	2015-16			2016-17			2017-18			2018-19 Apr – Feb		
	Under 16	16 and over	**Total**	Under 16	16 and over	**Total**	Under 16	16 and over	**Total**	Under 16	16 and over	**Total**
Discharges	2238	17049	**19287**	2265	18234	**20499**	2261	18161	**20422**	2076	16590	**18666**
Readmissions	58	318	**376**	43	358	**401**	66	469	**535**	38	336	**374**
28 day readmission rate	2.59%	1.87%	**1.95%**	1.90%	1.96%	**1.96%**	2.92%	2.58%	**2.62%**	1.83%	2.03%	**2.00%**

INFECTION CONTROL – HAND HYGIENE COMPLIANCE

We believe this data is as described for the following reasons:

- QVH has a robust process in place for recording compliance with hand hygiene standards
- Hand hygiene is promoted through ongoing education and mandatory training
- Monthly audits are undertaken in all clinical areas to ensure that all staff across each discipline are complying with standards.

QVH ensures that hand hygiene remains a priority as it is associated with a reduction in hospital-acquired infections. We are committed to keeping patients safe through continuous vigilance and maintenance of high standards and through robust policies and procedures linked to evidence-based practice and NICE guidance.

	Target	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Hand hygiene (washing or alcohol gel use)	**95%**	**99%**	**98.4%**	**99.1%**	**99.4%**	**99.2%**	**96.6%**

Data source: Internal monthly audit of the five moments of hand hygiene

INFECTION CONTROL – CLOSTRIDIUM DIFFICILE CASES

We believe this data is as described for the following reasons:

- QVH has a robust process in place for collating data on Clostridium difficile cases
- Incidents are collated internally and submitted weekly to the clinical commissioning group
- Cases of Clostridium difficile are confirmed and uploaded to Public Health England by the consultant microbiologist
- Results are compared to peers and highest and lowest performers, as well as the Trust's previous performance.

QVH continues to maintain its low infection rate through surveillance supported by robust policies and procedures linked to evidence-based practice and NICE guidance. Infection rates are routinely monitored through the Trust's infection prevention and control group and quality and governance committee. QVH strives to meet the challenging target of zero cases per annum. Root cause analysis in previous cases has shown correct antimicrobial prescribing and clinical documentation to be an issue. Robust antimicrobial monitoring and prescribing will help towards meeting this target.

CLOSTRIDIUM DIFFICILE RATES	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Trust apportioned cases	1	1	1	2	0	0
Total bed-days	18362	14778	14406	14278	14242	14063
Rate per 100,000 bed-days for specimens taken from patients aged two years and over (Trust apportioned cases)	5.4	6.8	6.7*	14	0	0
National average rate for acute specialist trusts	14.7*	15*	14.9*	13.2	14	Data not available till June 2019
Best performing trust	0	0	0	0	0	
Worse performing trust	81.8*	115*	113.2*	147.5	123	

* This data has been updated from the 2016/17 quality report to reflect a change in reporting methodology

Source: Health and Social Care Information Centre data May 2017
https://www.gov.uk/government/statistics/clostridium-difficile-infection-annual-data

REPORTING OF PATIENT SAFETY INCIDENTS

The National Reporting and Learning System (NRLS) is a central database of patient safety incident reports. Since the NRLS was set up in 2003, the culture of reporting incidents to improve safety in healthcare has developed substantially. All information submitted is analysed to identify hazards, risks and opportunities to continuously improve the safety of patient care.

We believe this data is as described for the following reasons:

- QVH has a process in place for collating data and information on patient safety incidents
- Incidents are collated internally and submitted on a monthly basis to the NRLS.

QVH encourages all staff to report incidents as soon as they occur. During 2018/19 work will continue to support staff with timely investigations, reducing the length of time taken to complete and ensuring any identified learning can be shared promptly.

Improved reporting of patient safety incidents to NRLS and NHS England continue to be a priority within the Trust.

PATIENT SAFETY INCIDENTS	2015/16		2016/17		2017/18	
	01/04/15-30/09/15	01/10/15-31/03/16	01/04/16 – 30/09/16	01/10/16-31/03/17	01/04/17-30/09/17	01/10/17-31/03/2018
Total reported patient safety incidents	381	492	412	295	294	355
Incident reporting rate per 1,000 spells	52	69	57	42	41	49
Incidents causing severe harm or death	0	1	2	1	0	0
Percentage of incidents causing severe harm or death	0%	0.2%	0.5%	0.3	0	0

ACUTE SPECIALIST TRUST BENCHMARKS	01/04/2015-30/09/2015 (per 1,000 bed days)	01/10/2015-31/03/2016 (per 1,000 bed days)	01/04/2016-30/09/2016 (per 1,000 bed days)	01/10/2016-31/03/2017 (per 1,000 bed days)	01/04/17-30/09/17 (per 1,000 bed days)	01/10/17-31/03/18 (per 1,000 bed days)
Lowest national incident reporting rate	15.9	16.05	16.34	13.67	14.82	17.6
Highest national incident reporting rate	104.45	141.94	150.63	149.7	174.59	158.25
Lowest national % incidents causing severe harm	0%	0%	0%	0%	0%	0%
Lowest national % incidents causing death	0%	0%	0%	0%	0%	0%
Highest national % incidents causing severe harm	0.6%	0.4%	0.3%	1.4%	1.6%	0.6%
Highest national % incidents causing death	0.8%	0.2%	0.3%	0.5%	0.2%	0.7%
Average national % of incidents causing severe harm	0.1%	0.1%	0.1%	0.1%	0.2%	0.1%
Average national % of incidents causing death	0%	0%	0%	0.1%	0%	0.1%

Source: QVH data from Datix and benchmarking data from NRLS data workbooks

WHO SAFE SURGERY CHECKLIST

In June 2008 the WHO (World Health Organisation) launched a global Patient Safety Challenge 'Safe Surgery Saves Lives', to reduce the number of surgical deaths across the world. The checklist is part of this initiative and is a simple tool designed to improve the safety of surgical procedures by bringing together the whole operating team to preform key safety checks. Every member of the team must be involved.

The checklist identifies three phases of an operation, each corresponding to a specific period in the normal flow of work: before the induction of anaesthesia ("Sign Out"), before the incision of the skin ("Time Out") and before the patient leaves the operating room ("Sign Out").

In each phase, a checklist coordinator must confirm that the surgery team has completed the listed tasks before it proceeds with the operation.

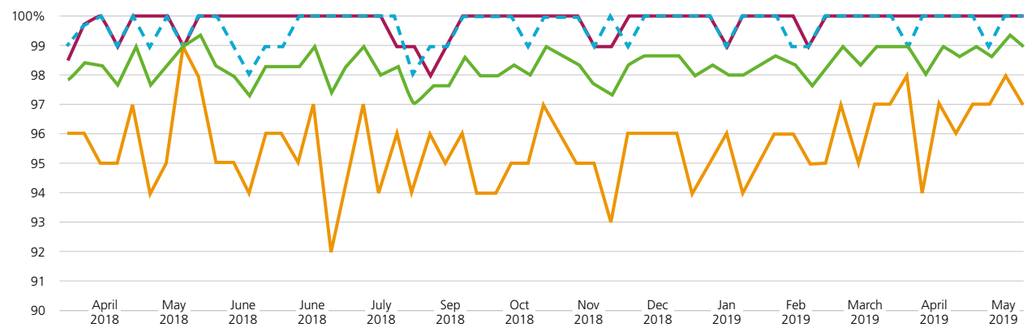
The WHO checklist forms part of the "Five Steps to Surgical Safety"(NPSA, 2010). The Surgical Safety policy extends these steps to encompass the whole patient surgical journey.

We believe this data is as described for the following reasons:

- Quantitative compliance is recorded in real time by the surgical team on theatre list database (ORSOS).
- Audit of paper documentation of compliance with surgical safety checklist in comparison with that recorded on ORSOS.
- Observational audit is carried out quarterly and aims to assess how the surgical safety checklist is being implemented. With a focus on human factors the audit aims to identify areas of weakness that might impact on the value of the Surgical Safety checklist and thus patient safety.
- Results of the audits inform the Improving quality and effectiveness of Five Steps to Surgical Safety.

Patient safety is the highest priority at Queen Victoria Hospital and is a multidisciplinary responsibility. A review of the supporting policies was undertaken in 2018 and was informed by the results of a multidisciplinary questionnaire to determine appropriate roles and responsibilities. The fourth qualitative (observational) audit was carried out in January 2019 and demonstrates that compliance with the surgical safety policy has improved since cycle one. In house training and robust induction of new substantive staff and temporary workers has resulted in an increased willingness to speak up and promote best practice.

RESULTS OF QUANTITATIVE COMPLIANCE SINCE APRIL 2018



VENOUS THROMBOEMBOLISM – INITIAL ASSESSMENT FOR RISK OF VTE PERFORMED

Patients undergoing surgery can be at risk of venous thromboembolism (VTE) or blood clots. They are a major cause of death in the UK and can be prevented by early assessment and risk identification. The national target is that 95% of all patients are risk assessed for VTE on admission to QVH.

We believe this data is as described for the following reason

- QVH has processes in place for collating data on VTE assessment
- Incidences are collated internally and submitted to the Department of Health on a quarterly basis and published by NHS England. Results are compared to peers, highest and lowest performers and our own previous performance.

We continuously strive to minimise VTE as one of the most common causes of preventable post-operative morbidity and mortality. We are committed to ensuring that those patients undergoing surgery are risk assessed and the necessary precautions are provided, including compression stockings and low molecular weight heparin.

QVH undertakes the NHS 'safety thermometer' on a monthly basis in all inpatient areas. It provides the Trust with a rate of harm-free patient care and includes the assessment of patients for VTE risk on admission.

Work will continue into 2019/20 to ensure that QVH maintains its 95% target for VTE assessments within 24 hours of admission. Performance against this target is measured on a monthly basis using the Trust-wide performance dashboards

VTE ASSESSMENT RATE	Q1 14/15	Q2 14/15	Q3 14/15	Q4 14/15	Q1 15/16	Q2 15/16	Q3 15/16	Q4 15/16	Q1 16/17	Q2 16/17	Q3 16/17	Q4 16/17	Q1 17/18	Q2 17/18	Q3 17/18	Q4 17/18	Q1 18/19	Q2 18/19	Q3 18/19	VTE ASSESSMENT RATE
QVH	100.00%	100.00%	100.00%	100.00%	93.90%	97.50%	91.87%	93.04%	90.96%	91.88%	93.53%	94.42%	99.30%	96.42%	98.10%	97.85%	98.67%	98.22%	98.26%	QVH
National average	96.10%	96.20%	96.00%	96.00%	96.00%	95.90%	95.50%	95.53%	95.73%	95.51%	95.64%	95.53%	95.20%	95.25%	95.36%	95.21%	95.63%	95.49%	95.65%	National average
National average specialist trusts	97.40%	97.30%	97.40%	98.00%	98.70%	97.70%	97.23%	97.53%	97.53%	97.40%	97.65%	97.44%	97.58%	97.58%	97.26%	97.12%	96.66%	96.78%	96.33%	National average specialist trusts
Best performing specialist trust	99.50%	99.10%	99.90%	100.00%	99.90%	100.00%	100.00%	100.00%	99.97%	99.96%	100.00%	99.96%	99.97%	99.94%	99.95%	99.89%	99.86%	99.82%	99.82%	Best performing specialist trust
Worse performing specialist trust	94.60%	93.30%	94.30%	95.00%	93.90%	95.10%	91.87%	93.04%	90.96%	82.68%	90.67%	94.42%	95.56%	95.24%	80.96%	92.39%	92.28%	90.56%	90.56%	Worse performing specialist trust

Source: https://improvement.nhs.uk/resources/vte/#h2-data-publications

NHS IMPROVEMENT NATIONAL PRIORITY INDICATORS

NHS Improvement is responsible for overseeing foundation trusts and NHS trusts, as well as independent providers that provide NHS-funded care. It offers the support these providers need to give patients consistently safe, high quality, compassionate care within local health systems that are financially sustainable. By holding providers to account and, where necessary, intervening, NHS Improvement helps the NHS to meet its short-term challenges and secure its future.

NHS Improvement uses the following national access and outcomes measures to make an assessment of governance at NHS foundation trusts. Performance against these indicators is used as a trigger to detect any governance issues.

QVH has experienced challenges in the delivery of the national referral to treatment standards due to the availability of specialist clinical staff, an increase in service demand and variable systems and processes.

The Trust, with support from the NHS Improvement intensive support team, undertook a comprehensive review of reporting, systems and processes alongside an extensive programme of validation. This review resulted in an increased total reported waiting list and an increase in the number of patients waiting longer than national standards require for their treatment. A recovery plan was implemented in 2018/19 and, working alongside NHS partners, the Trust delivered significant improvements.

Work is ongoing to eliminate long waits and deliver compliance with national standards.

Waiting times for cancer patients have improved this year across all relevant indicators. A plan is in place which includes working with referring organisations to minimise any delays between providers which can be a risk to delivery of national standards.

QVH's 2018/19 performance against these indicators was:

NATIONAL PRIORITY INDICATOR		Performance		Quarterly trend			
		Target	Annual	Q1	Q2	Q3	Q4
SAFETY							
Infection control	**C-Diff** (Clostridium difficile) **acquisitions**	0	0	0	0	0	0
EXPERIENCE							
Referral to treatment times	% incomplete pathways less than 18 weeks RTT	92%	75.87%	77.81%	74.93%	75.32%	78.47%
Minor injury unit access	Attendees completing treatments and leaving within four hours in minor injuries unit	95%	99.67%	99.39%	99.58%	99.86%	99.87%
EFFECTIVENESS							
Cancer access – initial appointments	Urgent cancer referral seen within two weeks wait	93%	94.76%	95.60%	95.98%	92.88%	92.31%
Cancer access – initial treatments	% of cancer patients treated within 62 days of urgent GP referral	85%	83.52%	80.37%	84%	85%	85.16%
	% patients treated within 62 days from screening referral *Screening service not offered at QVH, all patients are on a shared pathway with other providers*	90%	60%	60%	100%	0%	50%
	% treatment started within 31 days from decision to treat, first treatment	96%	92.26%	88.75%	91.80%	94.82%	93.26%
	% treatment started within 31 days from decision to treat, subsequent treatment	94%	85.84%	88.57%	88.17%	80%	91.67%

Source: QVH information system.

NHS FRIENDS AND FAMILY TEST – PATIENTS

The NHS friends and family test is a key indicator of patient satisfaction. We believe this data is as described for the following reasons:

- **The friends and family test asks patients whether they would be happy to recommend our Trust to friends and family if they needed similar treatment.**
- **QVH has a process for collating NHS friends and family test data across all areas of the Trust.**
- **Data on inpatient and outpatient services is collated internally and submitted to the Department of Health on a monthly basis and published by NHS England.**
- **We collect feedback through a range of different methods including, text messages, paper surveys and integrated voice messaging.**

For patients who have learning disabilities, language or literacy issues, dementia or visual impairment there is an easy read version of the feedback form available, which uses pictures of faces, ranging from very happy to very sad, to ascertain their response to their experience of care. Children who come onto Peanut ward have the option to use the monkey feedback form.

Response rates and patient responses for 'extremely likely/likely to recommend' and 'unlikely/extremely unlikely to recommend' are compared with our specialist trust peers.

Results are presented to the board, quality and governance committee and patient experience group on a regular basis.

The results are published on the QVH website and shared with staff on a monthly basis.

Staff at QVH work hard to ensure patients receive the best care and patient experience through our services. Comments received electronically are reviewed on a daily basis so that we are able to respond to potential issues in a timely manner. Friends and family test response rates are amongst the highest in the South of England.

Responses and comments are broken down into weekday and weekend feedback to help inform our continued implementation of seven day services at QVH.

We have developed a patient experience programme that allows patients to provide their feedback in real-time through the inpatient surveys or social media; or at a later date through NHS Choices' Care Opinion, postal surveys, focus groups, face to face engagement and of course PALS and complaints.

NHS FRIENDS AND FAMILY TEST SCORES FROM PATIENTS	Minor injuries unit			Acute inpatients			Outpatients		
	2016/17	2017/18	2018/19	2016/17	2017/18	2018/19	2016/17	2017/18	2018/19
Percentage extremely likely/likely to recommend	**95%**	**96%**	**96%**	**98%**	**98%**	**99%**	**94%**	**94%**	**95%***
Percentage extremely unlikely/unlikely to recommend	**2%**	**2%**	**2%**	**0%**	**0%**	**0%**	**2%**	**2%**	**2%**
Response rate	**27%**	**24%**	**23%**	**46%**	**43%**	**42%**	**17%**	**16%**	**17%**

Source: QVH information system

95% of outpatients are extremely likely / likely to recommend Queen Victoria Hospital *

COMPLAINTS

We believe this data is as described for the following reasons:

- QVH has a robust complaints management process in place
- The Trust has an internal target for responding to all complaints within 30 working days
- All complaints are investigated to ensure appropriate learning
- The process for dealing with each complaint is individualised to meet the complainant's needs

Complainants who remain dissatisfied are actively supported to go to the Parliamentary and Health Service Ombudsman for assurance that their complaint has been responded to appropriately.

Between April 2018 and March 2019 we received 54 formal complaints and 81 PALS queries.

Complaints are a vital source of information about the views of our patients, families and carers about the quality of our services and standards of our care. We are keen to listen, learn and improve using feedback from the public, Health Watch and also from national reports published by the Local Government and Parliamentary Health Service Ombudsman. Learning from complaints takes place at a number of levels. The service, department or specialty identifies any immediate learning and actions that can be taken locally. A monthly report identifies themes, trends and suggestions for improvement based on a variety of feedback (complaints, friends and family test, social media, Care Opinion etc). This report is discussed at Trust board, quality and governance committee, clinical governance group, business unit performance reviews and patient experience group. Complaint data is triangulated with other information such as incidents, serious untoward incidents, freedom to speak up data and claims information to ensure a full picture of emerging and persistent issues is recognised and described.

Learning from complaints is shared with staff at a variety of meetings and is built into our Trust induction programme. An annual complaints report is produced each year and is available on the QVH website.

During 2018/19, two complaints were referred to the Parliamentary Health Service Ombudsman, and one case is still under review.

	Target	2014/15	2015/16	2016/17	2017/18	2018/19
Complaints per 1,000 spells (all attendances)	**0**	**0.4**	**0.3**	**0.3**	**0.27**	**0.26**
Complaints per 1,000 spells	**0**	**4.1**	**2.8**	**2.6**	**2.5**	**2.9**

Data source: continuous internal audit

PRESSURE ULCERS

We believe this data is as described for the following reasons:

- QVH has a robust process for collating the incidence of pressure ulcers
- All pressure damage is investigated and the root cause analysis is presented internally to share learning and change practice
- Following the recruitment of a tissue viability nurse a baseline audit has been completed. An education package is being developed to embed changes in practice.

QVH endeavours to ensure that the treatment provided to patients does not cause them harm. The figures above reflect hospital-acquired pressure injuries and no pressure injuries sustained were graded as Category 3 or 4.

The tissue viability nurse acts as a clinical link between risk and the clinical areas to aid in assessment of the tissue damage. Use of photographs and liaison with the reporters allows us to accurately categorise the damage and ensure any damage that is non pressure related, is reported correctly. Increased accessibility to the tissue viability nurse offers support and guidance with pressure ulcer prevention and management. The tissue viability nurse training sessions within the clinical areas focus on pressure damage prevention to increase staff awareness and provide guidance for the management of patients with complex needs

Pressure ulcer development in hospital is also measured through data collection for the national 'safety thermometer' and results are monitored internally through the Clinical Governance Group and Quality and Governance Committee.

	Target	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Development of pressure ulcer Grade 2 or above per 1,000 spells	**0**	**0.5** (total=8)	**0.6** (total=11)	**0.9** (total=17)	**0.5** (total=10)	**0.4** (total=9)	**0.2** (total=5)

Data source: QVH information system

SAME SEX ACCOMMODATION

We believe this data is as described for the following reasons:

- QVH has designated single sex ward areas
- QVH is able to adapt washing and toilet facilities to deliver single sex accommodation
- Any decision to mix genders in clinically justifiable circumstances is taken by a senior manager.

QVH is committed to providing every patient with same sex accommodation to ensure that we safeguard their privacy and dignity when they are often at their most vulnerable. We have maintained segregated accommodation during 2018/19through the use of single rooms and the appropriate planning of patient admissions.

	Target	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Failure to deliver single sex accommodation (occasions)	**0**	**0**	**0**	**0**	**0**	**0**	**0)**

Data source: QVH information system

OPERATIONS CANCELLED BY THE HOSPITAL ON THE DAY FOR NON-CLINICAL REASONS

During 2018/19 14,708 surgical cases passed through our theatres and every effort is made to minimise cancelled operations. A programme of work had been underway to improve our theatre capacity and efficiency. This includes a number of strategies to improve recruitment of theatre staffing which have impacted in year cancellation rates. To minimise cancellations an escalation procedure is in place in addition to weekly theatre and session planning meetings.

The governors' selected indicator for 2018/19 was "outpatient cancellations by patient". Due to issues with the indicator and its supporting data, the Trust is not able to reliably report its performance against this indicator hence it is not included. The Trust considers that further work is needed regarding information retained to support cancellation of appointment by the patient and to strengthen validation controls.

	How data is collected	Target	2015/16	2016/17	2017/18	2018/19
Cancer - 62 day wait from referral to first definitive treatment	Data collected monthly and reported quarterly. Performance includes shared care with other providers	85%	82.34%	82.45%	74.43%	83.95%
18 weeks – incomplete pathways	Data collected from monthly snapshots	92%	92.91%	91.50%	77.18%	78.47%
Diagnostic waiting times	Waiting times for routine ultrasound access	Maximum 6 week wait	–	2-3 weeks	3-4 weeks	5-6 weeks
Minor injuries unit - patients leaving without being seen	Data collected from PAS in the minor injuries unit	5%	2.38%	1.62%	1.30%	1.67%
Operations cancelled on the day of surgery for non-clinical reasons and not rebooked within 28 days	Data collected from PAS and theatre systems	0	4	4	14	14
Urgent operations cancelled for non-clinical reasons for a second or subsequent time	Data collected from PAS and theatre systems	0	3	0	0	2

STAFF FRIENDS AND FAMILY TEST

QVH's 2018/19 staff friends and family test results show a significant increase in the percentage of people likely or extremely likely to recommend QVH as a place to receive care and as a place to work.

STAFF FRIENDS AND FAMILY 2018/19 QUESTIONS	Q1	Q2	Q3*	Q4**
How likely are you to recommend Queen Victoria Hospital to friends and family if they needed care or treatment?	**89.27%**	**91.39%**	**90.8%**	**96%**
How likely are you to recommend Queen Victoria Hospital to friends and family as a place to work?	**51.22%**	**51.22%**	**63%**	**76.63%**

STAFF SURVEY 2018 QUESTIONS	2017	2018
I would recommend my organisation as a place to work	**57.7%**	**63.0%**
If a friend or relative needed treatment I would be happy with the standard of care provided by this organisation	**87.2%**	**90.8%**

*Q3 relates to results in National NHS staff survey

96% **of staff likely to recommend Queen Victoria Hospital to friends and family if they needed care or treatment.**

WORKFORCE

The significant workforce challenges across the NHS impacted on the Trust during 2017/18 but showed signs of stabilising and improving during 2018/19.

Although recruitment of nurses and operating department practitioners remains a challenge across theatres, critical care and inpatient areas in common with other NHS Trusts, our significant level of sustained attraction and retention initiatives is having a positive impact.

In year the Trust saw an increase in the number of high quality clinical staff from the local market applying for jobs which has improved the turnover rate and has seen the highest number of substantive staff in post for several years. Although temporary staffing usage remained higher than desired there has been a decline in use overall helped by robust weekly vacancy control processes in place.

Additionally the Trust partnered with another NHS trust for overseas nursing recruitment with a focus on theatre nursing, critical care and inpatients. The majority of those recruited will join in 2019/20.

"The Trust saw an increase in the number of high quality clinical staff from the local market."

"The human resources department provides quarterly information on the support provided to staff through our occupational health and employee assistance providers."

WELLBEING

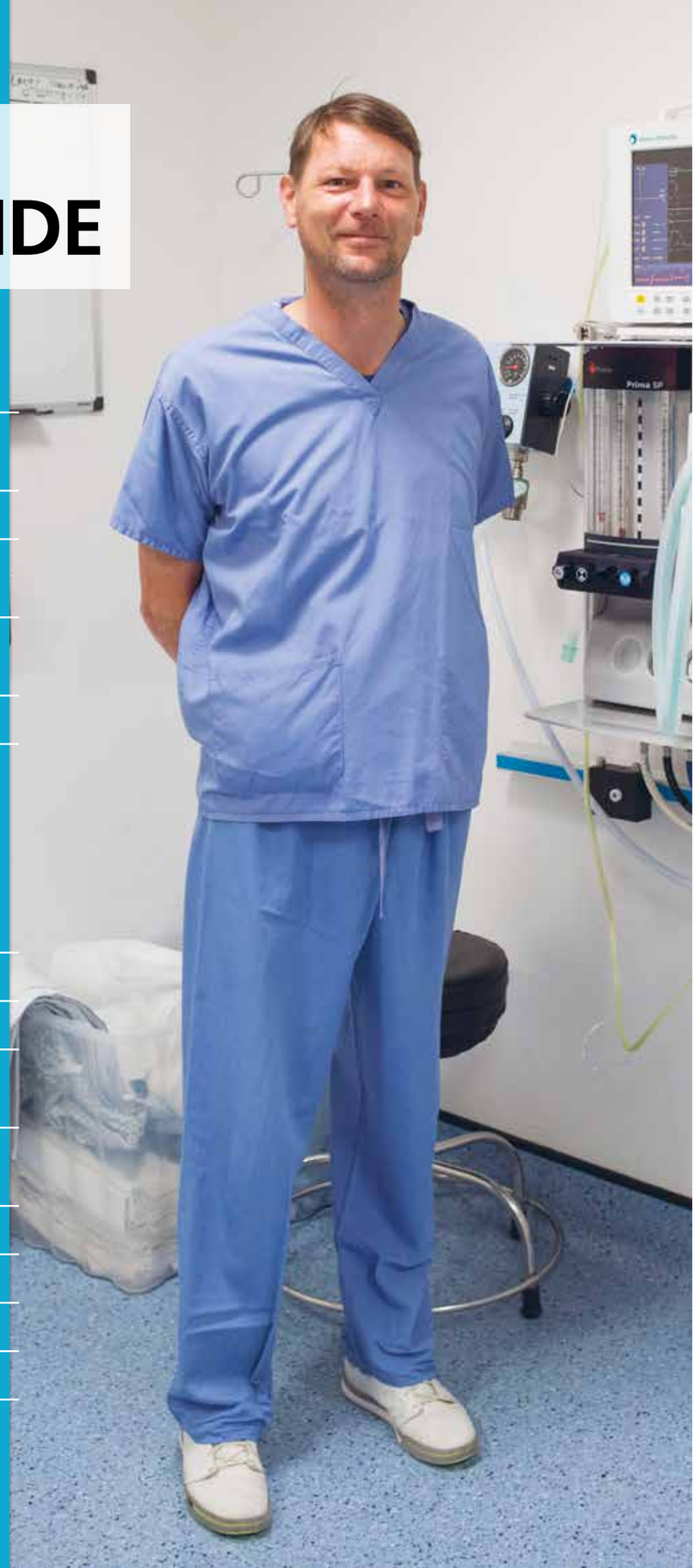
The QVH appraisal toolkit supports managers to have conversations with all staff in relation to their general health and wellbeing.

QVH has a health and safety committee which regularly receives reports from across the Trust highlighting any risks and how they are being addressed. In addition, the human resources department provides quarterly information on the support provided to staff through our occupational health and employee assistance providers. Data on this is also included in workforce reports to the board and board sub-committees. Our occupational health service is provided by a neighbouring trust, Surrey and Sussex Healthcare Trust and has been re-tendered for the next financial year.

We now contract directly for a more cost effective employee assistance service. This provides all staff with a range of personal and professional support including confidential counselling and legal advice for both work related and non-work issues; stress management; advice to staff on injuries at work; and a 24-hour employee assistance programme which provides comprehensive, round the clock phone advice for all staff including legal advice and access to an online wellbeing portal.

The workforce team have a leading role in supporting the Trust to meet the requirements of the CQUIN 'Improving staff health and wellbeing' through a programme of initiatives and information. Themes in 2018/19 included dry January, no smoking day, on your feet Britain and national walking month, blood and organ donation awareness, back care awareness, and mental health awareness. various departments throughout the Trust have also provided information to benefit the health and wellbeing of staff which have supported the Trust's agenda. The 'My Trust Benefits' website was launched where staff can access national and local discounts on the high street and online, and Trust benefits such as salary sacrifice schemes, as well as opportunities to develop personal and professional skills. In December 2018 the QVH Charity funded a 'Blue Light Card' valid for five years for all members of staff as a token of appreciation in recognition of the hard work of staff across the organisation with access to a range of discounts just in time for Christmas.

SERVICES WE PROVIDE



- Head and neck services
- Maxillofacial service – orthognathic treatment
- Orthodontics
- Mandibular advancement splint
- Maxillofacial prosthetics service
- Facial paralysis
- Reconstructive breast surgery
  - Breast reconstruction after mastectomy using free tissue transfer – flap survival
- Hand surgery
- Burns service
- Skin cancer care and surgery
- Corneoplastic and ophthalmology services
- Anaesthetics
- Therapies
- Sleep disorder centre
- Psychological Therapies
- Radiology department

Head and neck services

QVH is the specialist centre for major cancer and reconstructive surgery of the head and neck. Our head and neck services are recognised, both regionally and nationally, for the specialist expertise offered. The team has six oromaxillofacial surgeons and three ear, nose and throat surgeons. QVH is recognised by the Royal College of Surgeons as a centre for training interface fellows in advanced head and neck oncology surgery.

In 2018 QVH treated 119 major cases with 30 day survival of 99.16% (against a national mortality benchmark of 98.3%) and a flap success rate of 96.25% (against a national mortality benchmark of 90-95%).

We strive to give the highest quality of patient care in line with evidence-based best practice. Our rolling programme of multi-disciplinary tracheostomy and laryngectomy training for doctors, nurses and allied health professionals has now also been rolled out to local primary and tertiary care staff. The added benefit to this has improved cross pollination understanding of each other's challenges.

We continue to improve our enhanced recovery programme for head and neck cancer patients following feedback and audit. We therefore reviewed and revised the discharge part of this pathway. Prospective audit of this pathway is ongoing.

QVH commenced head and neck sentinel node biopsy in September 2016 for early oral cancer requiring surgical management supported by NICE clinical guideline NG36 published in February 2016. In 2018, our referral base increased and now incorporates Surrey and Sussex in support of neighbouring multidisciplinary teams. Our lead continues to contribute as a faculty member on the UK training in sentinel node biopsy programme.

We continue to deliver electrochemotherapy as a palliative treatment for skin nodules to breast, skin and head and neck cancer patients. This treatment is to improve quality of life for patients with regards to unsightly tumour fungation, malodour and bleeding. Our referral base has expanded further and now incorporates Kent, Sussex and Surrey. We are now working with plastic surgery colleagues to expand the practice further. Since commencing this service in 2017 we have had referrals for 32 patients and have treated 18. Initially referrals were mainly for patients with very advanced disease who were not all suitable for this treatment. As awareness of this service has grown we are now receiving more timely referrals so we hope to be able to support more patients in the coming year.

Total number of major head and neck cancer procedures

2018	119
2017	117
2016	119
2015	126
2014	106
2013	65

The Recovery Package is a joint venture between NHS England and Macmillan. In addition to holistic needs assessment and health and wellbeing events, we have designed a Head and Neck Treatment Summary including patient involvement from our local head and neck cancer support group. We have received positive feedback from our local Macmillan GP and hope it will keep our patients, their families and their GPs fully informed.

Most quality of life tools in head and neck cancer reflect the entire patient pathway including radiotherapy; none reflect solely on patient's surgical experience. So in order to improve services we commenced a working group to design a specific patient questionnaire on experiences after head and neck surgery. This is about to be rolled out and we look forward to hearing what our patients have to say about their experiences and how we can improve our services further.

In July 2018 our head and neck lead clinician and team presented a poster reflecting surgical outcomes at QVH 2016 – 2017 inclusive. These measures included major complications, length of inpatient stay and time from surgery to post-operative radiotherapy. These results are equal to or above published national outcomes.

QVH successfully developed a joint clinical and academic position in head and neck surgery. Since this appointee commenced in 2018 we have benefited from a marked expansion in the head and neck research portfolio.

"We continue to improve our enhanced recovery programme for head and neck cancer patients following feedback and audit"

Maxillofacial service – orthognathic treatment

One of the busiest in the UK, the QVH maxillofacial surgery department has four specialist orthognathic consultant surgeons supported by surgical staff, specialist nurses, dieticians, physiotherapists, psychological therapists and speech and language therapists. Our maxillofacial consultant surgeons have a number of interests in the sub-specialisms of their services including orthognathic surgery, trauma, head and neck cancer, salivary glands and surgical dermatology. The QVH service is also hosted across a wide network of acute trusts and community hospitals in the South East of England.

91% of patients rated the orthodontic service and care as excellent.#

Patient satisfaction with orthognathic treatment

How do you rate the orthodontic service and care?					
2013/14	2014/15	2015/16	2016/17	2017/18	**2018/19**
83% excellent 17% good	88% excellent 12% good	95% excellent 5% good	92% excellent 8% good	92% excellent 8% good	**91% excellent# 9% good**
How do you rate the quality of surgical care?					
	91% excellent 8% good 1% average	94% excellent 6% good	90% excellent 10% good	89% excellent 11% good	**83% excellent 15% good 2% average**
How satisfied are you with your facial appearance?					
71% very satisfied 28% satisfied 1% neither satisfied or dissatisfied	68% very satisfied 29% satisfied 3% neither satisfied or dissatisfied	84% very satisfied 16% satisfied	71% very satisfied 29% satisfied	70% very satisfied 29% satisfied 1% very dissatisfied	**67% very satisfied 28% satisfied 3% dissatisfied 2% very dissatisfied***
How satisfied are you with your dental appearance?					
72% very satisfied 27% satisfied 1% neither satisfied or dissatisfied	80% very satisfied 20% satisfied	84% very satisfied 16% satisfied	76% very satisfied 22% satisfied 2% Very dissatisfied *	80% very satisfied 18% satisfied 1% very dissatisfied	**76% very satisfied 22% satisfied 2% very dissatisfied***

* The Trust has investigated this patient's data, which is very positive overall about the surgery which was performed at QVH. It is likely that the form was filled in incorrectly, and further feedback will be sought when the patient is reviewed at two years.

Our satisfaction results for orthognathic surgery are consistently high, and reflect good teamwork between the orthodontic team and the surgical team. All patients are seen in combined clinics by both specialities, we have regular outcome meetings to assess our results and to plan and implement improvements in the service. For the minority of patients for whom the outcome is not as they would have expected, we review their pathway and endeavour to both address their concerns and ensure that, through systematic review, we continue to improve our service for all. Specific innovations new for 2018/19 include the appointment of an orthognathic specialist nurse who has done a lot to improve the quality of care specific to orthognathic patients on wards, and has also helped a great deal as a point of contact for patients at home in the post-operative recovery period. We also now regularly run orthognathic open evenings. This allows new patients to interact with patients who have already completed treatment so that they can get a realistic viewpoint about what to expect. Dates for these open evenings can be found by contacting the orthodontic department direct.

Orthodontics

QVH provides a specialist consultant led orthodontic service. Our four orthodontic consultants also provide specialist care for patients requiring orthodontics and jaw surgery; cleft lip and palate care; hypodontia (care for patients with multiple missing teeth); buried/ impacted teeth and sleep apnoea (care for patients with sleep disordered breathing).

We accept referrals from local doctors and dentists, specialist orthodontists, sleep physicians, consultants in other hospitals and those connected with cleft lip and palate care.

The unit is also a major teaching centre with several specialist trainees and therapists; our trainees are linked to Guy's Hospital, a major teaching institute in London.

We work closely with surgical and dental consultant colleagues in other areas of practice to produce a team approach to delivering multidisciplinary care for patients with both complex and routine problems. We see about 1,500 new patients a year and manage around 17,500 patient attendances. Our aim is to provide a service delivering clinical excellence with high levels of patient satisfaction.

QVH's orthodontic clinicians have been collating and investigating their outcomes for almost 20 years, enabling them to consistently validate and improve the quality of care. On the rare occasions when things do not turn out as expected, a root cause analysis is completed to ensure that patient outcomes are continually improved and learning is embedded.

The team use a variety of validated clinical and patient outcome assessments. These include the clinically independent peer assessment rating (PAR), which compares pre- and post-treatment tooth positions, and patient satisfaction surveys to produce a balanced portfolio of treatment assessments that are useful to clinicians and patients and measured against a wider peer group.

The PAR provides an objective measure of the improvement gained by orthodontic treatment. The higher the pre-treatment PAR score, the poorer the bite or occlusion; a fall in the PAR score reflects improvement in the patient's condition. Improvement can be classified into: 'greatly improved', 'improved' and 'worse/no different'. On both scales, QVH scores well.

PAR score		
Percentage of patients achieving an outcome in the improved or greatly improved category	**2018**	**99.3%**
	2017	98.6%
National Gold Standard: 70% in this category	2016	98%
	2015	95%
	2014	95%
* Data is produced one year in arrears	2013	95%

In 2017, 99.3% of our patients were assessed as 'greatly improved' or 'improved'. This is shown in the table below.

The care of the small number of patients whose outcomes do not improve is investigated by the team on an annual basis and a root cause analysis undertaken to understand what improvements could be made.

In addition to PAR ratings, patients are asked about their satisfaction with treatment. Every patient who completes orthodontic treatment is asked to complete a confidential questionnaire. In 2018, 161 patients completed the satisfaction questionnaire. The significant majority (91%) were completely satisfied with the result of their treatment and the remaining 8% were fairly satisfied. No patient was disappointed.

Furthermore, 99% were happy that their teeth were as straight as they would have hoped; 79% reported improved self-confidence; 73% reported an improved ability to keep teeth clean; 58% reported improved ability to chew; and 21% reported improved speech.

A total of 99% of patients felt that they were given sufficient information regarding their proposed treatment; 99% of patients said that they were glad they undertook their course of treatment; and 98% would recommend a similar course of treatment to a friend.

Mandibular advancement splint

QVH has one the largest dedicated sleep clinics in the UK, responsible for the treatment of sleep-disordered breathing. There is close liaison between the sleep clinic and the orthodontics department who receive up to 400 referrals annually for the provision of potential sleep-related treatment. This can include a mandibular advancement splint, a non-invasive intra-oral appliance that is known to improve the quality of sleep in mild to moderate sleep apnoea.

Over the years, QVH's referrals have increased as patients continue to experience a positive outcome to their apnoeic symptoms. Patients are screened before their referral to the orthodontics department to assess their suitability, with reported success rates from previous audits of 82-85%.

This year saw the fifth cycle of the patient satisfaction audit. The audit also aims to identify those patients who are most likely to benefit from a mandibular advancement splint by investigating the clinical parameters that indicate the highest probability of a positive response. Our 'on the day digital kiosk' allows patients to capture their treatment feedback as they leave the unit and this has received positive comments. Overall, the orthodontic sleep service found an 86% resolution in apnoeic symptoms, which is in line with the published literature, as well as patients continuing to have improved wellbeing.

"…patients continue to experience a positive outcome to their apnoeic symptoms"

Maxillofacial prosthetics service

QVH is Europe's largest maxillofacial prosthetic rehabilitation centre, offering all aspects of care, including facial and body prosthetics; cranial implants; indwelling ocular prosthetics; rehabilitation after head and neck cancer or plastic surgery; and surgical guides for jaw alignment surgery. The service at QVH is one of only five accredited reconstructive science training institutions, and as such has government funded training posts, under the modernising scientific careers: scientist training programme.

We offer patients the full range of maxillofacial device treatments and are at the forefront of several evidenced based research projects. QVH is the lead site for the national portfolio artificial eye study. This study is collecting nationwide data on artificial eye patients via a questionnaire covering patient's cleaning regimes, the presence of any deposit/discharge for ocular prostheses, overall experience of ocular rehabilitation treatment and quality of life after eye loss. This data will enable investigation into adapting to monocular vision and add to the current evidence base available in the published literature. The goal is to produce a simple and readily available information leaflet available in clinics and online. This study hopes to improve patients' artificial eye tolerance and reduce deposit build up, reduce symptoms of discharge, ultimately improving the patient experience. The study co-ordinator won the Research, Innovation and Education Award at this year's QVH Staff Awards for showing dedication and motivation to this QVH-led study. A large number of sites (40) nationwide have now signed up and currently 1,100 patients have been recruited into this study. Such evidence based research will inform and prepare patients experiencing eye loss in the future and be useful in NHS clinics, GP surgeries and affiliated organisations.

The team supports and networks with other maxillofacial prosthetics departments through joint collaboration, and offering free training days for MSc level trainees.

The maxillofacial prosthetics department, supported by QVH Charity, have purchased a 3D scanner and printer for rapid prototyping and the design/engineering service is now available in-house.

"We offer patients the full range of maxillofacial device treatments and are at the forefront of several evidenced based research projects."

Facial paralysis

QVH has the UK's first, largest and most advanced multidisciplinary facial paralysis service. The multidisciplinary service was set up in 2007 with the main objective of establishing holistic care for patients suffering from facial paralysis. Patients can be seen on the same day, in a single location, by a consultant plastic surgeon, extended scope practitioner physiotherapist/ speech and language therapist, consultant ophthalmologist and consultant psychotherapist. This was built on the legacy of Redmond McLaughlin, QVH consultant plastic surgeon from the 1940s, the global pioneer in the management of facial paralysis.

Across the UK, healthcare for patients with facial paralysis varies. As facial palsy causes physical, functional, social and psychological disability a comprehensive multidisciplinary approach is required to address these complex issues. Based on this need, QVH clinicians also founded the national charity Facial Palsy UK which supports people living with facial palsy and their families.

The therapy team, in conjunction with other specialist clinicians, have also founded Facial Therapy Specialists UK, a special interest group dedicated to professional education, driving improvements in standards of care and supporting research. The QVH service has raised the awareness of clinicians and the public that treatment of facial paralysis is essential and beneficial. Treatment is not just cosmetic but rather the emphasis is on restoring the important functions of eye protection, eating, drinking, speech and emotional expression.

The team at QVH provides advanced facial palsy treatments including chimeric vascularised nerve grafts, surgery for severe synkinesis, corneal neurotisation and is at the forefront of advances in the management of cranial nerve disorders. The philosophy of the QVH team is 'getting it right first time'; emphasising the benefits of early and effective holistic treatment.

QVH, working in conjunction with EmTeq and UK universities have developed a prototype 'smart specs', for use in facial paralysis and stroke patients. Miniaturised sensors in the frames of the glasses track the movement of muscles, giving feedback through a smart phone or tablet. Patient trials are under way and this innovation, a world-first, is transforming the ability of both clinicians and patients to monitor their progress from the comfort of their homes, as well as significantly improve recovery as patients are more motivated to practice facial movements.

"The philosophy of the QVH team is 'getting it right first time'; emphasising the benefits of early and effective holistic treatment."

Reconstructive breast surgery

A flap is the name given to a block of tissue that is transferred with its own blood supply. Advantages of flap reconstruction are that flaps tend to be soft, warm and results often improve with time. Flaps can be moved to the chest from distant sites such as the abdomen or thighs, by cutting the tissue free from the body with its blood-supply, and using a microscope to re-attach the blood-supply from this tissue into vessels on the chest to keep it alive.

QVH is a major centre for this type of micro-vascular reconstruction, known as free flap breast reconstruction. Abdominal-based free flaps are known as free DIEP (Deep Inferior Epigastric Perforator) flaps or MS-TRAM (Muscle-sparing Transverse Rectus Abdominis Myocutaneous) flaps. Medial thigh-based flaps are known as free TUG (Transverse Upper Gracilis) flaps.

Reconstructive surgery can be performed either at the same time as a mastectomy for breast cancer (immediate breast reconstruction) or after all treatment has been completed (delayed breast reconstruction). These procedures can also be used to improve outcomes for patients who have run into difficulties following other types of reconstruction, and are the treatment of choice for breast reconstruction following radiotherapy.

We are managing an increasing demand for bilateral reconstruction on the same day as a risk-reducing mastectomy for patients who have a genetic predisposition to breast cancer, such as the BRCA gene. This is likely to further increase due to high profile media attention and improved genetic screening techniques.

With increasing frequency, free bi-pedicled DIEP flaps (where the vessels from both sides of the abdomen are re-attached to chest vessels), and two-in-one TUG flaps (placing both TUG flaps into one breast), are used in complex reconstructive situations to enable larger reconstructions to be successfully performed.

The QVH team of consultants and specialist breast reconstruction nurses provide a wide range of other reconstructive procedures and also undertake reconstructive surgery to correct breast asymmetry, breast reduction and, where funding is available, congenital breast shape deformity. The team run regular breast reconstruction multidisciplinary meetings and liaise closely with all referring units.

QVH offers a comprehensive microsurgical fellowship and currently have two positions at QVH for microvascular free flap reconstruction occupied by national and international trainees. Complication rates are maintained at a very low rate for this complex surgery that is not easily available worldwide.

Breast reconstruction after mastectomy using free tissue transfer – flap survival

The gold standard for breast reconstruction after a mastectomy is widely thought to be a 'free flap' reconstruction using micro-vascular techniques to take tissue, usually from the abdomen, or thighs and use it to form a new breast. This technique has high patient satisfaction and longevity. It is important we not only monitor our success in terms of clinical outcome but also how the woman feels throughout her reconstructive journey. This is called a patient reported outcome measure (PROM).

Breast reconstruction after mastectomy using free tissue transfer – flap survival

Target	**100%**
Benchmark (published literature)	**95-98%**
Benchmark (BAPRAS 2009)	**98%**
2018/19	**99.7%**
2017/18	99.3%
2016/17	100%
2015/16	99.6%
2014/15	100%
2013/14	98.94%

BAPRAS: British Association of Plastic Reconstructive and Aesthetic Surgeons

Outcomes include length of stay, emergency returns to theatre, readmissions to hospital, patient feedback. Any reconstructive failures are reviewed in monthly breast team meetings to identify learning and further improve the service.

The numbers of immediate breast reconstruction (at time of mastectomy) surgery patients has increased from 21% in 2013/14, to 50% in 2018/19. In the last year 294 free flaps were performed with a 0.7% failure rate. It is expected that the number of immediate reconstructions will again rise over the next year and capacity for immediate breast reconstruction has been increased to ensure the patient journey is smooth and within the national cancer target timeliness.

In the coming year, the service will continue to build on the enhanced recovery after surgery pathway and use audit findings to improve and refine this tool to benefit patients. The team hopes to publish its findings in a leading journal on plastic surgery and reconstruction.

Since the introduction of enhanced recovery after surgery, the post-operative length of stay has decreased from 5 to 3.9 days. A study is currently underway to look at factors that may predict early discharge; free-DIEP and free-TUG patients are often discharged home after a two-night inpatient stay at QVH.

"QVH is a major centre for this type of micro-vascular reconstruction."

Hand surgery

The hand surgery department accounts for approximately one quarter of all elective plastic surgical operations at QVH. It also comprises a majority (approximately 80%) of the trauma workload at the hospital.

The department includes five hand consultants and a comprehensive hand therapy department which provides a regional hand surgery service to Kent, Surrey and Sussex. Outreach hand surgery clinics and therapy clinics are held at Medway, Dartford, Hastings and Horsham. The elective work covers all aspects of hand and wrist surgery including post-traumatic reconstructive surgery, paediatric hand surgery, arthritis, musculoskeletal tumours, Dupuytren's disease and peripheral neurological and vascular pathologies.

Total elective hand procedures		Total trauma cases	
2018	**1,248**	**2018**	**1,415**
2017	1,466	2017	2,301
2016	1,705	2016	2,873
2015	1,776	2015	2,851
2014	1,950	2014	2,847
2013	1,904	2013	3,027

The geographical intake for acute trauma comes from most of south east England and south east London and covers all aspects of hand and upper extremity trauma. It is catered for by a 24-hour trauma service with access to two dedicated trauma theatres for inpatient and day-case procedures.

We have introduced a weekly consultant led fracture clinic aimed at ensuring complex fractures are managed appropriately and in a timely manner to ensure optimal outcome for patients.

Current outcome measure work includes a 12 month audit of surgery for basal thumb joint arthritis. The purpose of this audit is to examine the quality and breadth of our surgical practice for this common pathology and to define and compare our outcomes for the various interventions undertaken. Conclusion of data collection will be October 2019 with early outcomes available from May 2019.

Following on from this there are plans for PROMS related outcomes for dupuytrens and potentially carpal tunnel surgery for the next 2 years.

New surgical practices introduced include thumb joint denervation surgery, for patients with basal thumb joint arthritis that would not be suitable for a traditional trapeziectomy surgical procedure, and WALANT (wide awake local anaesthetic and no tourniquet) surgery. This surgical technique uses adrenaline to vasconstrict and requires no cauterisation, the patient experiences no tourniquet pain, patients report a more comfortable intraoperative experience and patient satisfaction has been favourable for this technique. Importantly it allows the surgeon to dynamically assess the outcomes of surgery during the surgical procedure.

The QVH hand surgery team continues to collaborate in national studies for dupuytrens disease and metacarpal fracture to investigate whether unicortical screw and plate fixation will achieve the same union rate as bicortical screw and plate fixation of diaphyseal metacarpal fractures. Weekly consultant led hand surgery teaching sessions continue for the junior doctors.

The QuickDASH is a standardised questionnaire used to measure disability or difficulty in using the hand and the hand therapy department at QVH aims to complete it for all new adult patients. The results are divided into conservative, trauma and elective procedures. For trauma patients it is completed by hand therapists at the initial treatment session and at discharge. For elective patients it is completed at the initial treatment session, to include symptoms prior to surgery, and is completed again on discharge.

A high score reflects greater difficulty in carrying out normal hand functions. A reduction in that score shows the beneficial effect of treatment delivered by the multidisciplinary hand team (primarily physiotherapy, occupational therapy, nurses, surgeons and other medical staff) often over a prolonged treatment episode. A decrease of 18 or more indicates a significant clinical improvement in the ability to use the hand. At QVH we achieve above this and measuring outcomes enables us to validate and improve the overall quality of the service.

"…five hand consultants and a comprehensive hand therapy department…"

Effective (clinical outcomes)	Target	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19 (to dec 18)
Quick DASH change – Conservative (Hands)	**>18**	N/A	19.29	15.16	20.4	21.07*	**N/A**
Quick DASH change – Surgery elective (Hands)	**>18**	N/A	22.48	19.18	18.33	18.46*	**23.26****
Quick DASH change – Surgery trauma (Hands)	**>18**	N/A	38.97	31.54	33.5	37.91*	**34.04****

* based on data from April 17 to Dec 18 ** based on data from April 18 to June 18.

Burns service

The QVH burns service is renowned for providing world-class, multidisciplinary, specialist burns care for adults and children. It provides medical, surgical, wound and rehabilitative burns care to patients living in a wide geographical covering Kent, Surrey and parts of south London for a very wide range of types and sizes of burn. This includes up to high dependency care for children and critical care for adults. Peer support networks and activities are also available for patients.

In addition, QVH provides a burns outreach service across Kent, Sussex, Surry and parts of south London run by a clinical nurse specialist, and a weekly burns clinic for adults and children, led by a consultant and specialist nurse, at the Royal Sussex County Hospital in Brighton. QVH's burns care adviser works closely with referring services and the London South East Burns Network (LSEBN) to ensure a consistent approach to the initial management and referral of patients with a burn injury.

In 2018, the QVH burns service accepted:

- 1,950 adult (>16 years of age) new referrals which was a 7.1% increase in referrals, of which 94 needed inpatient care
- 910 paediatric (<16 years of age) new referrals which was a 0.33% increase in referrals of which 23 required inpatient care.

QVH's paediatric ward provides inpatient and day case paediatric services. Children who require critical care are referred to paediatric burns services within the London and South East England burn network that have the appropriate facilities.

In 2018 there were four adult mortalities and no paediatric mortalities. All patients are discussed at weekly multidisciplinary team meetings in addition to daily ward rounds so that any learning points can be identified. If further review is required, the patient's case is discussed at the quarterly Burns Governance Meeting and at a joint hospital governance meeting. All burns mortality cases are peer reviewed at the annual London and South East Burn Network audit meeting, with any outlier cases taken to the national burns mortality meeting. Key burns performance indicators are recorded and analysed through QVH's active participation in the international burns injury database (iBID) programme. This compares QVH's performance with that of all other English burns services in relation to set quality indicators.

"Overall in 2018, QVH achieved better than the national average for the six valid dashboard indicators for both adult and paediatric burns care."

Several years ago, QVH initiated an innovative programme of continuously monitoring healing times. There is, as yet, no recognised programme to collect and compare healing times at a national level. Patients who appear likely to exceed QVH targets for healing have their cases reviewed by a consultant and discussed by the multidisciplinary team with a view to proceeding to surgery to close the wound if the patient agrees.

Burns healing in less than 21 days are less likely to be associated with poor long-term scars, although new treatments such as enzymatic debridement appear to increase healing times and avoid surgery. Evidence is now emerging that patients over the age of 65 have similar outcomes even if their healing time is extended to 31 days. However, a shorter burn healing time may reflect better quality of care through dressings, surgery and prevention of infection. Average healing time is expressed in term of median average.

The QVH burns team is actively involved in several local and national burn research projects and innovative treatments such as antibiotic levels in burn wounds, smart dressings, use of technology and telemedicine in patient care and enzymatic debridement techniques and protocols.

AVERAGE TIME FOR BURN WOUNDS TO HEAL
Measured from date of injury

Target	2015	2016	2017	**2018**
Paediatric <16 years wound healing within 21 days	11 days	11 days	11 days (86%)	**11 days** (85%)
Adults <65 years wound healing within 21 days	17 days	17 days	13 days (73%)	**15 days** (62%)
Adults ≥65 years wound healing within 31 days	24 days	28 days	18 days (74%)	**21 days** (60.5%)

LENGTH OF STAY

	2015	2016	2017	**2018**
Paediatric <16 years	2 days	2 days	2.40 days	**1.7 days**
Adults <65 years	7 days	8 days	5.8 days	**6.3 days**
Adults ≥65 years	14 days	14 days	8.7 days	**11.3 days**

Skin cancer care and surgery

Our melanoma and skin cancer unit is the tertiary referral centre for all skin cancers across the south east coast catchment area and is recognised by the Kent and Sussex cancer networks. The multi-professional team consists of consultant plastic surgeons, consultant maxillofacial surgeons, consultant ophthalmic surgeons and a consultant dermatologist. QVH also provides specialist dermato-histopathology services for skin cancer.

Complete excision rates in basal cell carcinoma	
Target	**100%**
2018/19	**94.4%**
2017/18	93.5%
2016/17	90.2%
2015/16	96.8%
2014/15	94.1%
2013/14	92.5%

Complete excision rates in malignant melanoma	
QVH target	**100%**
NICE guidance	**75%**
2018/19	**89.2%**
2017/18	94.6%
2016/17	94.4%
2015/16	98.4%
2014/15	96.1%
2013/14	96.5%

Basal cell carcinoma is the most common cancer in Europe, Australia and the USA. Management usually involves surgical excision, photodynamic therapy, curettage, immuno-modulators, or a combination. Surgical excision is highly effective. Complete surgical excision is important however, this may not be possible in some patients because of the size or position of the tumour or because the incomplete excision will only be evident with histological examination of the excised tissue.

In 2018/19, 1761 basal cell carcinomas were removed by QVH and partners in the West Kent Dermatology Service.

Melanomas are excised with margins of healthy tissue around them, depending on the type, size and spread of tumour. These margins are set by national and local guidelines and each case is discussed by the multidisciplinary team. Total excision may not be possible in some patients because of the health of the patient or the size, position or spread of the tumour, and the team may recommend incomplete excision. In 2018/19, 157 melanomas were removed by QVH and partners in the West Kent Dermatology Service.

94.4% **Complete excision rates in basal cell carcinoma for 2018/19**

"The multi-professional team consists of consultant plastic surgeons, consultant maxillofacial surgeons, consultant ophthalmic surgeons and a consultant dermatologist."

Corneoplastic and ophthalmology services

The corneoplastic unit, including our eye bank, is a high-profile and technologically advanced specialist centre for complex corneal problems, oculoplastic and glaucoma conditions. Specialist cornea services include high-risk corneal transplantation, stem cell transplantation for ocular surface rehabilitation, innovative partial thickness transplants (lamellar grafts) and vision correction surgery.

Specialist techniques provided in oculoplastic surgery including Mohs micrographic excision for eyelid tumour management, facial palsy rehabilitation, endoscopic dacryocystorhinostomy (DCR) for tear duct problems and modern orbital decompression techniques for thyroid eye disease.

The glaucoma team offers the full range of investigations and treatments and specialises in minimally invasive glaucoma surgery.

QVH performs routine and complex cataract surgery and takes referrals for general ophthalmology.

"The glaucoma team offers the full range of investigations and treatments."

Anaesthetics

The anaesthetic department at QVH includes 18 consultant anaesthetists, five associate and trust grade specialists and eight senior anaesthetic trainees with responsibilities to patients before, during, and after surgery. The team provides pre-operative assessment, anaesthesia, pain and critical care services in the Trust.

The QVH anaesthetic department is also responsible for the running of the five bedded intensive care unit. Five consultants who are intensive care specialists or anaesthetists with an interest in intensive care work with a dedicated group of specialist nurses to care for patients after major head and neck surgery, significant burn injuries and for those with the greatest nursing and medical needs within the Trust. The team provides support to all areas of the hospital when patients require enhanced support and monitoring of their condition.

The acute pain team consists of two consultants and two part time specialist nurses and manages regional anaesthetic blocks, epidurals and pump controlled analgesia for postoperative analgesia.

The pre-assessment department is staffed by a team of six nurses who work with over 14,000 elective cases a year. About 70% are seen in the pre-assessment department either on the day of their surgical outpatients appointment or by a separate clinic appointment prior to their surgery. About 30% are triaged by phone after filling in a paper or electronic questionnaire. Approximately 5% of all patients also see an anaesthetist at one of the four anaesthetic clinics a week. The pre-assessment clinics help to make sure patients are fully prepared for surgery, reducing the need to cancel on the day of surgery. The national gold standard is to have an on day cancellation rate of no more than 5%. Despite our large geographical catchment area and the range of ages and conditions we treat, the quality of our pre-assessment services helps us have an on day cancellation rate much lower than this.

QVH is a specialist centre for hand trauma and elective surgery on the hand and upper limb. A large proportion of this surgery is carried out under regional anaesthesia alone, avoiding the need for a general anaesthetic, or in addition to sedation or general anaesthesia, providing excellent post-operative pain relief for these procedures. The anaesthetists are responsible for siting the regional anaesthetic block and there is a dedicated block room in theatres for this purpose.

The anaesthetic department is active in research and we have a research fellow and dedicated research nurse. Recent projects include looking at how facial expressions change in response to painful stimuli. This was a laboratory based study carried out in conjunction with the psychology department at the University of Brighton and the facial palsy surgeons at QVH. A pilot study to assess the feasibility of using inhaled methoxyflurane for burns dressings assessment and treatment was completed and methoxyflurane is now in use for burns procedural pain relief.

QVH also participated in multi-centre studies coordinated by the National Institute of Academic Anaesthesia. These include the SNAP-1, SNAP-2 and the The Perioperative Quality Improvement Project (PQIP) is a large national study which evaluates a number key perioperative processes across a range of surgical specialties. Its main aim is improve outcomes for patients having major surgery.

QVH began recruiting patients undergoing major head and neck surgery in July 2017. In conjunction with chief investigators, the team was also pivotal in establishing the protocol for the inclusion of breast and burns patients in to the study with recruitment into this arm of the study beginning in May 2018.

The first annual PQIP report for the Trust was published in August 2018. Eighty-four head and neck patients and 31 breast patients were enrolled in to the study during this 12 month time period. Areas where QVH has performed well include a high percentage (95.2%) of patients receiving face-to-face pre-assessment, enabling identification and planning of services for high risk patients. QVH also achieved 82.1% patient enrolment onto enhanced recovery protocols, well above the national average. This has resulted in patients being able to eat, drink and mobilise early after surgery. Since the introduction of a more comprehensive head and neck protocol, this number is approaching 100%. QVH also performed very well in terms of patient satisfaction, with 100% of patients reporting that they would recommend the anaesthetic service to friends and family.

Engagement with PQIP was supported by the research nurses and anaesthetic registrars who have worked hard to recruit patients and collect data for the study.

"The anaesthetic department provides pre-operative assessment, anaesthesia, pain and critical care services in the Trust… the team provides support to all areas of the hospital when patients require enhanced support and monitoring of their condition."

Therapies

QVH therapy services include physiotherapy, occupational therapy, dietetics and speech and language therapy. Assessment and treatment services are provided for both inpatients and outpatients and therapies are provided within the hospital, in the local community and at other sites across the south east.

We aim to provide a safe, equitable and patient-focused service that delivers value for money and the highest standards of therapy with effective treatment and advice in accordance with evidence-based clinical best practice. Our assessment and treatment interventions aim to:

- Offer the right care in the right place at the right time
- Identify individual patient needs and address these effectively with evidence-based interventions to achieve optimal improvement and avoid chronicity wherever possible
- Provide advice, education and therapy for short and long term management of acute and chronic conditions
- Improve quality of life by empowering patients with self-management programmes, increasing independence and function
- Promote health and wellbeing for all patients and carers
- Avoid unnecessary hospital admissions and facilitate early discharge.

We also use *service specific surveys* to monitor patient satisfaction:

	Target	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
EFFECTIVE (clinical outcomes)							
PSFS change (MSK)	**≥ 3**	3.99	4.17	4.2	4.24	4.00	**4.08**
PSFS Change (Hands)	**≥ 3**	n/a	n/a	n/a	n/a	n/a	**6.39****
Quick DASH change – Conservative (Hands)	**>18**	n/a	19.29	15.16	20.4	21.07*	n/a
Quick DASH change – Surgery elective (Hands)	**>18**	n/a	22.48	19.18	18.33	18.46*	**23.26*****
Quick DASH change – Surgery trauma (Hands)	**>18**	n/a	38.97	31.54	33.5	37.91*	**34.04*****
POSAS (Burns)	**≥5%**	n/a	n/a	n/a	7.13%	8.45%	**5%**
CPAX (Burns) %		n/a	n/a	n/a	n/a	n/a	**94.5%**
FAB review within 72hrs (%) (Burns)	**>90%**	n/a	n/a	100%	100%	94.4%	**95.7%**
FGS (Facial palsy)	**≥60%**	n/a	n/a	n/a	69%	76%	**76%**
EFFECTIVE (NP:FU)							
NP:FU ratio (Physio)	**≤ 5**	4.2	4.6	4.1	3.47	3.44	**3.3**
NP:FU ratio (OT)	**≤ 5**	3.9	4.9	4.5	3.71	2.72	**2.5**
NP:FU ratio (SALT)	**≤ 5**	4	4.6	3.2	3.09	2.94	**1.76**
NP:FU ratio (Dietetics)	**≤ 5**	3	3.7	4.2	4.08	4.34	**4.38**
Average NP:FU ratio	**≤ 5**	3.8	4.45	4	3.58	3.09	**3.22**
Discharge reports sent within 7 working days (MSK)	**>90%**	n/a	n/a	n/a	95%	96%	**91%**
Shared Decision Making information issued to patients with Knee and Hip OA	**>80%**	n/a	n/a	n/a	90%	85%	**100%*** **
PATIENT EXPERIENCE							
Patient satisfaction – MSK (%)	**>90%**	98%	98%	100%	99%	98%	**99%**
Patient Satisfaction – Rehab (%)	**>90%**	n/a	n/a	n/a	100%	95%	**100%**
Patient Satisfaction – Facial Palsy (%)	**>90%**	n/a	n/a	n/a	95%	100%	**95%**
Patient Satisfaction – Hands (%)	**>90%**	n/a	n/a	n/a	n/a	100%	data unavailable

* based on data from April 17 to Dec 18 ** based on data from Aug 18 *** based on data from April 18 to June 18

We use a range of validated measures before and after treatment to monitor the effectiveness of our therapy services. These include:

Patient specific functional score (PSFS) – an outcome measure which assists in identifying activities impaired by illness or injury. Our target, and an indication of clinical significance, is for a change of 3 points or more.

QuickDASH – measures physical function and symptoms in people with musculoskeletal disorders of the upper limb. Until 2016/17 a change exceeding 7 points was the most accurate change score for discriminating between improved and stable patients. More recently this has changed to a change exceeding 18. This outcome tool was replaced with the PSFS mid-way through 2018 for our hand therapy service but continues to be used in our MSK shoulder class

MSK-HQ – a short questionnaire that allows people with musculoskeletal conditions to report their symptoms and quality of life in a standardised way. It is a holistic indicator that reflects how well services improve quality of life for people with musculoskeletal conditions. By capturing an overall rating of a person's musculoskeletal health at any given time, the MSK-HQ enables patients and their clinicians to monitor progress over time and response to treatment. Considering individual components of the score, such as sleep quality or mood can allow particular aspects of musculoskeletal health to be addressed, ensuring a holistic approach to patient needs.

TOM – The Therapy Outcome Measure (TOM) allows professionals from many disciplines working in health, social care and education to describe the relative abilities and difficulties of a patient/client in the four domains of impairment, activity, participation and wellbeing in order to monitor changes over time.

POSAS – The Patient and Observer Scar Assessment Scale (POSAS) is a questionnaire that was developed to assess scar quality. It consists of two separate six-item scales (Observer Scale and Patient Scale), both of which are scored on a 10-point rating scale. An improvement of 5% is deemed clinically significant.

FGS – The Sunnybrook facial grading system grades patients based on their Resting Symmetry, Symmetry of Voluntary Movement and Synkinesis (involuntary muscular movements accompanying voluntary muscular movements). A composite score is given with a total possible score of 100.

New patient to follow-up ratio (NP:FU) – depending on the service there is often a 'target' ratio which is generally less than six follow up appointments to every initial appointment on average. Services such as Musculoskeletal Physiotherapy would be expected to meet a lower ratio of 1:5, whereas services treating long term, progressive conditions may demonstrate higher ratios. Low ratios are not at the expense of clinical outcomes, but instead demonstrate effective and efficient treatment.

Shared Decision Making – The Government has made a strong commitment to ensuring that the health service promotes the involvement of patients in decisions about their care and treatment. Our target is to ensure that over 80% of our patients referred with knee and/or hip osteoarthritis receive shared decision making information packs (patient decision aids). Due to a change in reporting requirements and a demonstration that these tools were being used formal data is no longer collected but the tools still utilised.

The British Burns Association national Burns Standards (2018) state that burns patients should have access to physiotherapy and occupational therapy five days a week. In the first 72 hours after admission, a comprehensive rehabilitation assessments must be completed including the FAB (Functional Assessment of Burns) as the main outcome measure.

NICE guideline (CG83), Rehabilitation after Critical Illness, states a comprehensive screening and assessment of the rehabilitation needs of critical care patients using an appropriate tools is required on admission. The Chelsea Critical Care Physical Assessment Tool (CPAX) has been validated for critical care unit and produces a pictorial composite of 10 commonly assessed components of physical ability, each graded on a six-point Guttman scale from complete dependence to independence.

"Assessment and treatment services are provided for both inpatients and outpatients and therapies are provided within the hospital, in the local community and at other sites across the south east"

"We aim to provide a safe, equitable and patient-focused service that delivers value for money and the highest standards of therapy."

Sleep disorder centre

The sleep disorder centre was established in 1992 and provides a comprehensive service in all aspects of sleep medicine for adults from the South East of England. It employs over 30 staff including five consultants physicians and 12 technician, supported by administrative staff and secretaries. Disturbances of breathing during sleep constitute the largest portion of the referrals.

The centre is one of only a few designated sleep centres in the UK with onsite facilities for a full range of treatments for sleep disordered breathing, including continuous positive airway pressure (CPAP), non-invasive ventilation (NIV), orthodontic services for mandibular advancement device, surgery including bi-maxillary osteotomy. The treatment of patients with insomnia is undertaken by a team of five clinical psychologists and psychotherapists using cognitive behavioural therapy (CBT).

Patients are triaged by the clinical team to either an inpatient polysomnography or outpatient oximetry to diagnose sleep disordered breathing on the strength of the STOPBang questionnaire. After auditing the findings we found that the Epworth Sleepiness scale does not contribute to overall patient management and the STOPBang score is now used exclusively to determine the type of pathway those patients presenting with sleep disordered breathing enter. This triage system enables us to quickly and efficiently diagnose and treat this patient group.

Continuous training of our clinical team continued and we have three technicians currently working through the American Sleep Technologist Education Programme (ASTEP) on a pathway to obtaining their Registration of Polysomnographic Technologist (RPSGT).

In January 2018 we moved our satellite clinic previously held at Bognor War Memorial Hospital to the Arundel GP surgery.

GP education on diagnosing sleep disordered has continued which enables them to be more confident in what and where they refer.

Psychological Therapies

The department of psychological therapies offers a range of evidence-based psychological treatments to patients and staff at QVH. Inpatients can be seen by therapists before and after procedures to help with preparing them for surgery and for adjusting following surgery. They offer a range of therapies to outpatients across departments who may suffer with body image difficulties, Post-traumatic Stress Disorder (PTSD), injury and illness-related Depression and Anxiety and Insomnia and other Sleep Disorders.

The department is made up of clinical psychologists and psychotherapists and a specialist paediatric clinical psychologist is assigned to working with children, adolescents and their families. We have a therapist dedicated to working on the burns ward and we have therapists offering support to the Facial Palsy and Facial Anomaly Clinics, the Insomnia Clinic, and Paediatric and Burns MDTs. Treatments include Cognitive Behavioural Therapy (CBT), Eye Movement Desensitisation Reprocessing (EMDR), mindfulness and Brief Solution-Focused Therapy (BSFT).

Mindfulness Based Stress Reduction Group for Staff

Outcome Measure	Pre to Post Treatment % improvement
Mindfulness Score	**25%**
Quality of Life	**56%**
Perceived Stress	**47%**
Anxiety	**54%**
Depression	**51%**

Mindfulness Based Cancer Therapy Group for Patients

Outcome Measure	Pre to Post Treatment % improvement
Wellbeing	**57%**
Quality of Life	**20%**
Self-compassion	**18%**
Mindfulness Score	**17%**
Anxiety	**23%**
Depression	**No change**

We offer several therapy groups. The mindfulness group is offered to patients and we offer four CBT for Insomnia groups a year for patients who suffer from insomnia, which get very good results. This year the department will be piloting the first "coping with trauma" group. This will be a stabilisation group for patients suffering from PTSD.

The department also offers a staff support service where members of staff may access consultation and support for work-related issues such as stress and anxiety. Staff members are able to access an eight-week mindfulness course which has been found to be very helpful. Last year the department piloted the Food For Thought group for staff members – a group focused on supporting staff members to develop a healthier relationship with food and challenge unhelpful narratives they may already hold. This has been very well received and another one will be run this year.

CBT For Insomnia Group

Outcome Measure	% Improvement **Pre-treatment to Session 4**	% Improvement **Pre-Treatment to Follow-up (1 Month)**
Wellbeing	**22%**	**38%**
Depression	**22%**	**30%**
Anxiety	**17%**	**27%**
Insomnia	**29%**	**37%**
Quality of Life	**23%**	**35%**

Radiology department

The radiology department prides itself on being patient focused and aims as far as possible to provide all examinations at a place and time most convenient to the patient. Annual surveys demonstrate that we run a department that is efficient, effective and empathetic.

The radiology department provides General Radiography, Fluoroscopy, Non-Obstetric Ultrasound, CT, and Cone Beam Computed Tomography (CBCT) services on site. We also offer on-site services for diagnostic and therapeutic sialography and MSK ultrasound.

MRI is currently delivered on the QVH site Monday to Wednesday in partnership with a third party provider. We are hoping to extend the MRI services provided at QVH in 2019, by working in partnership with a third party provider.

In December 2018, QVH installed a Philips Ingenuity Elite CT scanner. This CT scanner means the radiology department is now managing and delivering CT scanning for all our patients. We are in the process of working with our referrers to streamline patient pathways and with the aim to offer one-stop access for CT when appropriate.

The CBCT scanner was replaced in July 2018. This scanner is capable of scanning small Field of View (FoV) dental examinations, this means we are be able to see patients from the surrounding areas locally rather than having them commute to London for these examinations.

Our radiology services provide access to in patient, out-patient and minor injuries unit patients at QVH and direct access for our GP community.

The radiology department is an Any Qualified Provider (AQP) for ultrasound services for Crawley and Horsham and Mid Sussex CCGs. As part of this contract we report monthly performance figures to the CCGs. These reports demonstrate that we are constantly delivering our service within the performance indicators laid out by the CCGs.

We have partnered with Sussex Community NHS Foundation Trust since November 2015 to provide General Radiography reporting service for Crowborough and Uckfield, radiology management including IRMER and clinical support including staffing for the diagnostic services delivered in the High Weald, Lewes and Havens area.

In 2014, internal Key Performance Indicators (KPIs) were introduced for monitoring Report Turnaround Times (RTT) within radiology. Although there is no agreed national benchmark for this, at QVH we expect to maintain a target for at least 80% of all CT, MRI, ultrasound and general radiography examination will be reported within 48 hours from image acquisition. We are routinely reporting to the trust figures of ~90% RTT.

Monthly returns identify waiting time breaches – patients waiting greater than six weeks where the clock has not been stopped for approved reasons. Over the last three years QVH has seen an increase in patients waiting over six weeks, this is mainly due to increased referrals across all modalities, which is stretching our capacity and the reliance on out-sourcing for all CT and paediatric MRI examinations. Now QVH has its own CT scanner, we have reduced our patients waiting above six weeks. Until November 2018 our Ultrasound department routinely met all six week and AQP access targets, we are addressing this performance breach by training one of our staff to become a sonographer.

The radiology department is in the process of applying for the Imaging Services Accreditation Scheme (ISAS). ISAS supports radiology departments to manage the quality of their services and make continuous improvements. This accreditation process will help ensure our patients and referrers consistently receive high quality of service. Our ISAS submission and completion is due in late summer 2019.

	Measurement	2017/18	2018/19
Report turnaround time	Percentage of CT, MRI, ultrasound and plain film reported within 48 hours	Routinely over 90%	**Average over 90%**
Diagnostic waiting times	Waiting times for routine ultrasound access	2-3 weeks	**3-4 weeks**
Diagnostic waiting time performance	Percentage of patients referred for CT,MRI or Non-Obstetric Ultrasound seen within six weeks of referral	Over 95%	**Over 95%**
AQP Non-Obstetric Ultrasound	95% of all Urgent referrals will be scanned within 5 working days	Over 95%	**Over 95%**
	95% of all Routine referrals will be scanned within 15 working days	100%	**Average 99-100%**
DNA rates for Radiology	Percentage of patients that DNA their appointment across Radiology	3%	**2.5%**
WHO Checklist audit for US and Fluoroscopy	Percentage of patients that have completed checklist forms scanned into the Radiology Information System	95%	**100%**

STATEMENTS FROM THIRD PARTIES

Sussex and East Surrey Clinical Commissioning Groups

Thank you for giving commissioners the opportunity to comment on the draft quality account for 2018/19. We do appreciate the on-going collaboration and continued open dialogue with Trust's senior clinicians at the monthly Clinical Quality Performance Review Group, and in the other quality meetings commissioners are invited to attend. And we congratulate the Trust on the positive work you are doing to drive quality improvements and lead innovation at what we acknowledge is a very challenging time.

The Trust has achieved many successes in 2018/19, most notably:

- The focus, and resulting outcome, on the safety culture in theatres is encouraging to note. Commissioners welcome:
  - The appointment of a Theatre Safety Lead.
  - The enhanced auditing of practice to measure compliance with the World Health Organisation (WHO) Surgical Safety checklist consolidated with simulation training, has been a positive step forward.
  - Additionally, the CCGs support the resulting shared learning from near misses. The reduction of never events from three in 2017/18 to one in 2018/19 is good to see.
- Commissioners acknowledge the Trusts progress on improving quality and effectiveness in Theatres though the Five Steps to Surgical Safety. The CCGs will continue to support the Trust in its drive to improve safety culture in theatres.
- As part of measures to increase theatre productivity, additional resource was procured. Commissioners note that focus on this two year objective changed to embedding quality improvement, with adjusted metrics to support this. This resulted in discontinuation of measurement of original metrics, and performance is therefore not included.
- CCGs also acknowledge the progress on improving clinician communication and customer care expectations, and that this work is ongoing. Although this is not a priority area for 2019/20, CCGs recommend that planned actions are completed.
- We would like to recognise the improvements made over the last year in relation to recruitment and retention, and although recruitment of nurses and operating department practitioners remains a challenge, overall vacancy rates are on a downward trajectory.
- The Trust have been innovative in relation workforce including the development of roles such as the Guardian of Safe Working which protects staff and enhances patient safety and collaborative working with other trusts on international recruitment.
- It is encouraging to see the additional measures taken to ensure staff wellbeing through the access to psychological therapies and unique training and development opportunities, and improved morale and staff confidence in the organisation has been evidenced in the annual staff survey.

These achievements are a clear recognition of the hard work and determination of all those working in the organisation to deliver high quality care.

During 2018/19 the CCGs recognise the Trust undertook a comprehensive review of its reporting, systems and processes which resulted in an increase in the number of patients waiting longer than national standards require for their treatment.

A recovery plan has been implemented and working in collaboration with NHS partners has delivered improvements. The CCG will continue to support the Trust to eliminate long waits and deliver compliance with national standards.

The CCGs support the Trust's three areas of focus for 2019/20 around meeting the needs of patients with deteriorating physical health, introduction of virtual clinics in some outpatient settings and improving the experience of patients undergoing treatment through the head and neck pathways. These priorities represent the quality domains of patient safety, clinical effectiveness and patient safety, a positive element of setting quality priorities.

- The Trust is commended for its research activity, full (100%) participation in relevant national clinical audits and clinical outcome review programmes and no incidence of Clostridium Difficile in the last two financial years.
- While focus on new priorities begins, commissioners will support the Trust in realising improvement in clinical coding for primary diagnosis in 2018/19. The challenges highlighted by the Trust in this area are noted.
- Commissioners look forward to the publication of the Trust's latest CQC report following inspection in early 2019. The CCGs will continue to support and work with the Trust in driving its plans for improving quality and outcomes for people who use its services. The Quality Account Report reflects tremendous effort from the Trust and its staff, and continuing commitment to improving quality.

10 May 2019

Statement from QVH Council of Governors

The QVH Council of Governors are pleased to comment on the quality account. In our view the quality account is consistent with the services and activities of the Trust over this last year. In terms of the review of how the Trust performed in respect of the quality account priorities for 2018/19 the Council of Governors note that although there was a never event, which resulted in no harm, increased focus on the surgical safety checklist has resulted in good learning for staff and a better consistency of approach. We are also pleased to note the increasing theatre productivity which has seen a reduction in cancellations and late starts thus further improving the patient experience. As a Council of Governors we welcome all steps that improve clinician communication and customer care expectations and we look forward to seeing further improvements in this regard as the programme is determined.

We welcome the quality account priorities for 2019/20 as the e-Observation tool should help ensure further patient safety improvements helping identify earlier deterioration in a patient's condition and overall care. Similarly the virtual clinics for some outpatients will further reduce waiting times and improve patient experience as well as introducing further efficiencies. Having heard a number of stories from patients about their largely positive experiences at being dealt with by the Trust we are also pleased to see further focus on supporting patients on their individual decision-making in respect of head and neck surgery, this is particularly important given the Trust is a regional centre for head and neck patients.

The Council of Governors commends the remainder of the report which demonstrates the Trust's commitment to the highest standards of patient safety, patient experience and improving our services and activities. We welcome the long list of patient safety achievements as well as the work done within the CQUIN national quality initiatives outlined in the report. Finally the Council of Governors welcomes the CQC findings which rate the Trust overall as 'Good' but 'Outstanding' in the 'Caring' domain. Notwithstanding the well-deserved outcome of the CQC inspection we welcome the fact that the findings of the report are being transferred into a continuous improvement plan. We consider that the result of the CQC review is particularly notable given the breadth of challenges, including financial challenges, faced by all Trusts. The Council of Governors recognises that the Trust can only achieve these results and improvements leading to an outstanding rating for care through the hard and outstanding work undertaken by all staff members of the Trust and we would like to publicly thank all of the Trust staff for everything they have done for the Trust over the last 12 months.

14 May 2019

West Sussex Health and Adult Social Care Overview and Scrutiny Committee

West Sussex HASC Overview and Scrutiny Committee chose not to comment on this quality account as they had not been involved in any significant work with QVH in 2018/19.

Healthwatch West Sussex

As the independent voice for patients, Healthwatch West Sussex is committed to ensuring local people are involved in the improvement and development of health and social care services.

Local Healthwatch across the country are asked to read, digest and comment on the Quality Accounts, which are produced by every NHS Provider (excluding primary care and Continuing Healthcare providers). In West Sussex this translates to seven Quality Accounts from NHS Trusts.

For last two years we have declined to comment on Quality Accounts, and we are doing this again this year. Each document is usually over 50 pages long and contains lengthy detailed accounts of how the Trust feels it has listened and engaged with patients to improve services.

Prior to taking this decision, we spend many hours of valuable time reading the draft accounts and giving clear guidance on how they could be improved to make them meaningful for the public. Each year we also state that each and every Trust could, and should, be doing more to proactively engage and listen to all the communities it serves.

Whilst we appreciate that the process of Quality Accounts is imposed on Trusts, we do not believe it is a process that benefits patients or family and friend carers, in its current format. This format has remained the same despite Healthwatch working strategically to make recommendations for improvements to increase impact and improve outcomes. We have reducing resources and we want to focus our effort where it has the most impact on patient care and we do not believe quality accounts have this outcome.

We remain committed to providing feedback to Trusts through a variety of channels to improve the quality, experience and safety of its patients.

Statement of directors' responsibilities for the quality report

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

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

In preparing the quality report, directors are required to take steps to satisfy themselves that:

- the content of the quality report meets the requirements set out in the *NHS foundation trust annual reporting manual 2018/19* and supporting guidance *Detailed requirements for quality reports 2018/19*
- 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 24 May 2019.
  - papers relating to quality reported to the board over the period April 2018 to 24 May 2019
  - feedback from commissioners dated 10 May 2019
  - feedback from governors dated 14 May 2019
  - feedback from local Healthwatch organisations. Healthwatch West Sussex chose not to comment on the quality report but provide feedback to the Trust through a variety of channels.
  - West Sussex Health and Adult Social Care Overview and Scrutiny Committee chose not to comment on this quality report as they had not been involved in any significant work with QVH in 2018/19.
  - the trust's complaints report published under Regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, expected publication June 2019
  - the national patient survey embargoed – publication expected June 2019
  - the national staff survey 26 February 2019
  - the Head of Internal Audit's annual opinion of the trust's control environment dated 02 May 2019
  - CQC inspection report dated 23 May 2019
  - 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
  - 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

John Thornton
Senior Independent Director
24 May 2019

Steve Jenkin
Chief Executive and Accounting Officer
24 May 2019

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF QUEEN VICTORIA HOSPITAL NHS FOUNDATION TRUST ON THE QUALITY REPORT

We have been engaged by the Council of Governors of Queen Victoria Hospital NHS Foundation Trust to perform an independent assurance engagement in respect of Queen Victoria 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:

- maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers; and
- percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period.

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 commissioners, dated May 2019;
- feedback from Governors, dated May 2019;
- feedback from local Healthwatch organisation, dated 30 April 2019;
- feedback from the West Sussex County Council Health and Adult Social Care Select Committee, requested 30 April 2019;
- the Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 06 September 2018;
- the latest national patient survey, dated 5 May 2018;
- the latest national staff survey, dated 26 February 2019;
- Care Quality Commission Inspection, dated 26 April 2016;
- the 2018/19 Head of Internal Audit's opinion over the Trust's control environment, dated 20 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 Queen Victoria 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 indicators. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and Queen Victoria 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 key processes and controls for managing and reporting the indicators;
- making enquiries of management;
- testing key management controls;
- limited testing, on a selective basis, of the data used to calculate the indicators 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 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 Queen Victoria Hospital NHS Foundation Trust.

Basis for adverse conclusion on the 18 week RTT and 62 day cancer waits indicators

As set out in the Statement on Quality from the Chief Executive of the Foundation Trust on page 64 of the Trust's Quality Report, the Trust has concerns over the accuracy of data relating to the 18 week RTT and 62 day cancer waits indicators.

With regards to the 18 week RTT indicator, we identified that the satellite site at Medway Hospital could only be included in the indicator from June 2018 onwards, therefore the indicator is not complete. In addition, our sample testing of this indicator identified 26/40 errors, where there were discrepancies between clock start and stop times recorded on the Patient Administration System ("PAS") and patient referral letters, and where incomplete pathways reported in PAS did not agree to underlying patient records.

With regards to the 62 day cancer waits indicator, we identified 17/40 errors in our sample testing of the data comprising the indicator. These errors related to discrepancies between data recorded in PAS and underlying patient records.

As a result of these issues, we have concluded that the 18 week RTT and 62 day cancer waits indicators for the year ended 31 March 2019 has not been reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the Guidance.

Conclusion

Based on the results of our procedures, except for the effects of the matters described in the 'Basis for adverse conclusion on the 18 week RTT and 62 day cancer waits indicators' section above, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2019:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual; and
- the Quality Report is not consistent in all material respects with the sources specified in the Guidance.

KPMG LLP

KPMG LLP

Chartered Accountants

London

28 May 2019

Independent auditor's report

to the Council of Governors of Queen Victoria Hospital NHS Foundation Trust

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

1. Our opinion is unmodified

We have audited the financial statements of Queen Victoria Hospital NHS Foundation Trust ("the Trust") for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Statement 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 Trust's affairs as at 31 March 2019 and of the Trust's income and expenditure for the year then ended; and

— the Trust's financial statements have been properly prepared in accordance with the Accounts Direction issued under paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006, the NHS Foundation Trust Annual Reporting Manual 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 Trust in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we obtained is a sufficient and appropriate basis for our opinion.

Overview	
Materiality: Financial statements as a whole	£1.3m (2017/18: £1.3m) 1.8% (2017/18: 2.0%) of income from operations

Risks of material misstatement		vs 2017/18
Recurring risks	Valuation of land and buildings	◄►
	Recognition of NHS and non-NHS revenue	◄►
	New: Expenditure recognition	◄►
	New: Material uncertainty related to going concern	▲

2. Material uncertainty related to going concern

	The risk	Our response
We draw attention to note 1.1 of the financial statements which indicate that the Trust: • Incurred a control total deficit of £4.1m for the year ended 31 March 2019, against an original planned control total surplus of £13.9m that included £9.3m of Provider Sustainability Fund (PSF) monies. • Submitted a 2019/20 financial plan to NHS Improvement with a planned control total deficit of £7.4m excluding PSF, which would result in a cumulative deficit of £11.5m as at 31 March 2020. • Exited 2018/19 with a material negative run rate. Management does not forecast the Trust returning to a positive run rate until mid-2020/21, by which time the cumulative deficit is expected to be over £20m. • Needs material cash support of £6.4m over the course of 2019/20 in order to meet its liabilities and continue to provide healthcare services. The Trust has identified that cash support will be required from June 2019 in order to meet its pay bill, however this cash support has yet to be formally agreed with the Department of Health. • Had a Cost Improvement Plan (CIP) totalling £3.0m for 2018/19, of which it achieved £1.1m. In 2017/18 the Trust targeted a CIP of £3.3m and achieved £3.1m. A combination of cost savings, productivity gains and further efficiencies totalling £4.7m is planned for 2019/20 in order to deliver the control total deficit of £7.4m. • As per note 21 of the financial statements the Trust has loans totalling £5.9m as at 31 March 2019, of which £0.8m fall due within 12 months. • At the start of the financial year had agreed contracts with commissioners for 2019/20 totalling £52m, which is £12.2m less than the required amount per the 2019/20 financial plan submitted to NHS Improvement. These events and conditions, along with the other matters explained in note 1.1, constitute a material uncertainty that may cast significant doubt on the Trust's ability to continue as a going concern. Our opinion is not modified in respect of this matter.	**Disclosure quality** 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 Trust. That judgement is based on an evaluation of the inherent risks to the Trust's business model, including the impact of Brexit, and how those risks might affect the Group'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. 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.	Our procedures included: — Review of the Trust's financial performance in 2018/19 including its achievement of planned cost improvements in the year; — Review of the Trust's 2019/20 financial plan and the level of planned savings required, in light of historic cost improvements achieved; — Review of the funding agreements which have been finalised for 2019/20, confirming to signed commissioner contracts and loan agreements; and — Held discussions with Management regarding the communications with NHS Improvement in relation to the cash support required during 2019/20, and reviewed the Trust's cash flow forecasts. — Assessed the disclosures made in the Trust's accounts and annual report regarding its going concern status.

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. 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:

	The risk	Our response
Valuation of land and buildings £42.5 million (2017/18: £40.3m) *Refer to page 43 (Audit Committee Report), page 140-141 (accounting policy) and page 154 (financial disclosures)*	**Subjective valuation** Land and buildings are required to be held at fair value. The Trust's main land and buildings relate to the site at Queen Victoria Hospital, East Grinstead. Land and buildings are required to be maintained at up to date estimates of year-end market value in existing use (EU) for non-specialised property assets in operational use, and, for specialised assets where no market value is readily ascertainable, the depreciated replacement cost (DRC) of a modern equivalent asset (MEA) that has the same service potential as the existing property. There is significant judgment involved in determining the appropriate basis (EU or DRC) for each asset according to the degree of specialisation, as well as over the assumptions made in arriving at the valuation and the condition of the asset. In particular, the MEA basis requires an assumption as to whether the replacement asset would be situated on the existing site or, if more appropriate, on an alternative site, with a potentially significant effect on the valuation. The Trust currently bases its valuation on an alternative site. Valuations are inherently judgmental, as is the assessment of impairment, therefore our work focused on whether the valuer's methodology, assumptions and underlying data, are appropriate and correctly applied. The last full valuation was as at 31 March 2017. 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.	Our procedures included: — **Assess valuer's credentials:** We assessed the competence, capability, objectivity and independence of the Trust's external valuer and considered the terms of engagement of, and the instructions issued to, the valuer for consistency with the requirements of the Department of Health and Social Care's Group Accounting Manual 2018/19; — **Data comparisons:** We reconciled the information supplied to the external valuer for the purposes of completing the interim desktop revaluation to the Fixed Asset Register; — **Test of detail:** We critically assessed the appropriateness of the valuation bases and assumptions applied to a sample of material assets subject to the revaluation exercise by reference to property records held by the Trust on the condition of the assets, the basis of ownership and the basis of their use; — **Methodology implementation:** We considered how management and the Trust's valuer assessed the need for impairment across its asset base either due to loss of value or reduction in future benefits that would be achieved; — **Test of detail:** We considered significant movements in the land and buildings balances, including additions and reclassifications, reconciling back to third party notifications; and — **Assessing transparency:** We considered the adequacy of the disclosures about the key judgments and degree of estimation involved in arriving at the interim desktop valuation and the related sensitivities with reference to the Group Accounting Manual 2018/19.

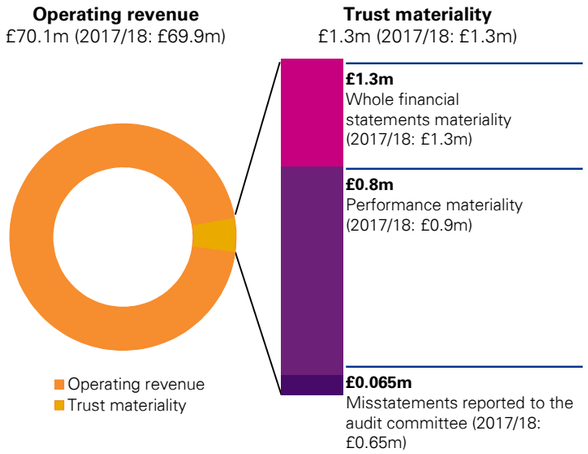
3. Key audit matters: our assessment of risks of material misstatement (continued)

	The risk	Our response
Recognition of NHS and non-NHS revenue £70.1m (2017/18: £69.9m) *Refer to page 43 (Audit Committee Report), page 139 (accounting policy) and pages 147 – 148 (financial disclosures)*	**2018/19 income** In 2018/19 the Trust reported total income of £70.1m (2017/18, £69.9m). £62.8m (2017/18: £62.0m) relates to contracts with NHS commissioners. This represents 89% of total income (2017/18: 89%). The remaining £7.9m (2017/18: £7.9m) was from contracts with other NHS bodies, local authorities and other non-NHS organisations. The Trust participates in the Agreement of Balances (AoB) exercise which is mandated by the Department of Health and Social Care (the Department), covering the English NHS, for the purpose of ensuring that intra-NHS balances are eliminated on consolidation of the Department's resource account. Mismatches in income and expenditure, and receivables and payables are recognised by the Trust and its counterparties to be resolved. Where mismatches cannot be resolved they can be reclassified as formal disputes. **Accounting treatment** The Trust is eligible to receive Provider Sustainability Fund funding (PSF) based on meeting the control total set by NHS Improvement. The final PSF income may be notified late in the year.	Our procedures included: — **Tests of details:** We undertook the following tests of details: • For a sample of the Trust's commissioners we agreed that signed contracts were in place; • We agreed through testing a sample of invoices that they had been issued in line with the contracts signed for a sample of the Trust's commissioners; • We tested a sample of contract variations between the Trust and its commissioners at the end of the year of actual activity; • We assessed the outcome of the AoB exercise with other NHS bodies. Where there were mismatches over £300,000 we obtained evidence to support the Trust's reported income figure; and • We tested a sample of non-NHS income items to year-end bank statements and third party notifications to support the work we have undertaken on completeness of income balances recorded in the financial statements and confirming that income has been recorded in the correct accounting period. — **Accounting analysis and transparency:** Assessing the Trust's reporting and accounting for PSF income received from the Department.
Recognition of expenditure Non pay expenditure: £25.5 million (2017/18: £21.5 million) Creditor accruals: £3.4m (2017/18: £1.9m) *Refer to page 43 (Audit Committee Report), page 137 and 140 (accounting policy) and page 149 (financial disclosures)*	**Effect of irregularities:** In the public sector, auditors also 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. The Trust agrees a target for its financial performance with NHS Improvement for 2018/19, achievement of which entitled it to Provider Sustainability Funding. There may therefore be an incentive to recognise commitments at a reduced value in order to achieve the control total agreed with NHS Improvement. In 2018/19 the Trust reported total expenditure of £74.1m (2017/18, £65.5m). Of this £48.5m (2017/18: £44.0m) relates to employee benefits paid to staff, executive and non-executive directors. This represents 65% of total expenditure (2017/18: 67%). The remaining £25.6m (2017/18: £21.5m) was from supplies and services, purchase of healthcare from other bodies and professional fees.	Our procedures included: — **Tests of details:** We undertook the following tests: • We tested a sample of expenditure items to third party notifications to verify completeness and accuracy of transactions in the financial statements. • We assessed the reasonableness of the methodology used to estimate year end expenditure accruals by assessing how a sample of prior year accruals had crystallised. • We performed a year-on-year comparison of accruals to evaluate the completeness of the accruals balance, as well as agreeing a sample to supporting documentation.

4. Our application of materiality and an overview of the scope of our audit

Materiality for the Trust financial statements as a whole was set at £1.3 million (2017/18: £1.3 million), determined with reference to a benchmark of operating income (of which it represents 1.8%). We consider operating income to be more stable than a surplus or deficit related benchmark.

We agreed to report to the Audit Committee any corrected and uncorrected identified misstatements exceeding £0.65 million (2017/18: £0.65 million), in addition to other identified misstatements that warranted reporting on qualitative grounds.



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 Trust's position and performance, business model and strategy; or

— the section of the annual report describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee; or

— the Annual Governance Statement does not reflect the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2018/19, is misleading or is not consistent with our knowledge of the Trust and other information of which we are aware from our audit of the financial statements.

We have nothing to report in these respects.

6. Respective responsibilities

Accounting Officer's responsibilities

As explained more fully in the statement set out on page 58, the Accounting Officer is responsible for the preparation of financial statements that give a true and fair view. They are also responsible for: such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Trust without the transfer of 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.

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; or

— 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 in respect of our work on the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources is qualified

Under the Code of Audit Practice we are required to report to you if the Trust has not made proper arrangement for securing economy, efficiency and effectiveness in the use of resources.

Our conclusion on the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources is qualified.

Qualified conclusion

Subject to the matters outlined in the basis for qualified conclusion paragraph below we are satisfied that in all significant respects Queen Victoria 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

In considering the Trust's arrangements for securing financial sustainability and its arrangements for challenging how it secures economy, efficiency and effectiveness we identified the following:

- The Trust incurred a deficit of £4.1m in 2018/19, against a planned surplus including PSF funding of £13.9m;
- The Trust has set a deficit budget of £7.4m for 2019/20, which would result in a cumulative deficit of £11.5m as at 31 March 2020;
- The Trust forecasts it requires cash support of £6.4m in 2019/20 in order to meet its liabilities as it falls due; and
- The Trust had a Cost Improvement Plan (CIP) totalling £3.0m for 2018/19, of which it achieved £1.1m. A combination of cost savings, productivity gains and further efficiencies totalling £4.7m is required to achieve the 2019/20 control total deficit.

These issues are evidence of weaknesses in the Trust's arrangements for planning finances effectively to support the sustainable delivery of its strategic priorities and maintaining statutory functions

Respective responsibilities in respect of our review of arrangements for securing economy, efficiency and effectiveness in the use of resources

The Trust is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of resources.

Under Section 62(1) and Schedule 10 paragraph 1(d), of the National Health Service Act 2006 we have a duty to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in the use of resources.

We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the specified criterion issued by the Comptroller and Auditor General (C&AG) in November 2017, as to whether the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. We planned our work in accordance with the Code of Audit Practice and related guidance. Based on our risk assessment, we undertook such work as we considered necessary.

Report on our review of the adequacy of arrangements for securing economy, efficiency and effectiveness in the use of resources

We are required by guidance issued by the C&AG under Paragraph 9 of Schedule 6 to the Local Audit and Accountability Act 2014 to report on how our work addressed any identified significant risks to our conclusion on the adequacy of the Trust's arrangements 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 Trust's arrangements, rather than the risk of the arrangements themselves being inadequate.

We carry out a risk assessment to determine the nature and extent of further work that may be required. Our risk assessment includes consideration of the significance of business and operational risks facing the Trust, insofar as they relate to 'proper arrangements'. This includes sector and organisation level risks and draws on relevant cost and performance information as appropriate, as well as the results of reviews by inspectorates, review agencies and other relevant bodies.

The significant risks identified during our risk assessment are set out below.

Significant VFM risk	Description	Work carried out
Financial sustainability	Financial sustainability is key to the effective management of Trust resources and the longer term financial and operational future of the Trust.	Our work was undertaken under the NAO's VFM sub criteria of sustainable resource deployment, and included: — Assessing the Trust's performance in 2018/19 in achieving its control target, comparing actual outturn versus planned budgets and investigate reasons for variations. — Assessing the delivery of planned Cost Improvements Plans (CIPs) in 2018/19 and the planned CIPs for 2019/20. — Assessing the closure negotiations of the main CCG contracts for 2019/20. — Considering the financial operating surplus run rates for 2018/19 and planned rates for 2019/20, including the Trust's understanding of its underlying run rate position and how this has tracked. — Critically assessing the Trust's liquidity position, including its forward cashflow position and loan compliance. — Considering the reports of the Trust's regulators, including the Care Quality Commission and NHS Improvement. These issues are evidence of weaknesses in the Trust's arrangements for planning finances effectively to support the sustainable delivery of its strategic priorities and maintaining statutory functions

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 Queen Victoria 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.

Neil Hewitson
for and on behalf of KPMG LLP (Statutory Auditor)

Chartered Accountants
15 Canada Square
London
E14 5GL
28 May 2019

ANNUAL ACCOUNTS 2018/19

Foreword to the accounts

These accounts, for the year ended 31 March 2019, have been prepared by Queen Victoria Hospital NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 to the NHS Act 2006 and are presented to Parliament pursuant to Schedule 7, paragraph 25 (4) (a) of the National Health Service Act 2006.

Steve Jenkin, Chief Executive — 24 May 2019

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2019

	Notes	2018/19 £000	2017/18 £000
Operating income from patient care activities	3	**65,978**	63,075
Other operating income	4	**4,670**	6,853
Operating expenses	5 -7	**(73,265)**	(65,495)
Operating surplus / (deficit)		**(2,617)**	4,433
Finance costs			
Finance income	10	**38**	19
Finance expense – unwinding of discount on provisions	19	**(2)**	(1)
Finance expense – other	20	**(174)**	(195)
PDC dividends payable		**(1,372)**	(1,255)
Net finance costs		**(1,510)**	(1,432)
RETAINED SURPLUS / (DEFICIT) FOR THE YEAR		**(4,127)**	3,001
Other comprehensive income: (See statement of changes in Taxpayers' Equity on page 135)			
Will not be reclassified to income and expenditure:			
Revaluation gains on property, plant and equipment	12	**1,406**	2,680
Impairment through revaluation reserve	12	**(22)**	(26)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**(2,743)**	5,655

The notes on pages 137-164 form part of these accounts

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019

	Notes	31 March 2019 £000	31 March 2018 £000
NON-CURRENT ASSETS:			
Intangible assets	11	**1,555**	715
Property, Plant and Equipment	12	**49,618**	46,873
Total non-current assets		**51,173**	47,589
CURRENT ASSETS:			
Inventories	14	**1,275**	1,178
Receivables	15	**10,210**	9,169
Cash and cash equivalents	16	**3,944**	8,914
Total current assets		**15,429**	19,261
CURRENT LIABILITIES			
Trade and other payables	17	**(12,212)**	(8,902)
Borrowings		**(824)**	(778)
Provisions	19	**(59)**	(40)
Other liabilities	18	**(69)**	(166)
Total current liabilities		**(13,164)**	(9,885)
Total assets less current liabilities		**53,438**	56,965
NON-CURRENT LIABILITIES			
Provisions	19	**(608)**	(625)
Long term borrowings		**(5,045)**	(5,823)
Total non-current liabilities		**(5,653)**	(6,448)
TOTAL ASSETS EMPLOYED		**47,785**	50,517
FINANCED BY TAXPAYERS' EQUITY: (See statement of changes in Taxpayers Equity on page 135)			
Public dividend capital		**12,249**	12,237
Revaluation reserve		**13,141**	12,182
Income and expenditure reserve		**22,395**	26,098
TOTAL TAXPAYERS' EQUITY		**47,785**	50,517

The notes on pages 137-164 form part of these accounts

The accounts were approved by the Board on 20 May 2019 and are signed on the Board's behalf by:

Steve Jenkin, Chief Executive — 24 May 2019

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

2018/19	Public Dividend Capital £000	Revaluation Reserve £000	Income and Expenditure Reserve £000	Total £000
Taxpayers' equity at 1 April 2018	**12,237**	**12,182**	**26,098**	**50,517**
Impact of implementing IFRS 15 on 1 April 2018	-	-	-	**-**
Impact of implementing IFRS 9 on 1 April 2018	-	-	-	**-**
Retained Surplus for the year	-	-	(4,127)	**(4,127)**
Revaluation of property, plant and equipment	-	1,405	-	**1,405**
Impairments	-	(22)	-	**(22)**
Public Dividend Capital received	12	-	-	**12**
Public dividend capital repaid	-	-	-	**-**
Other reserve movements	-	(424)	424	**-**
Taxpayers' equity at 31 March 2019	**12,249**	**13,141**	**22,395**	**47,785**
2017/18				
Taxpayers' equity at 1 April 2017	12,237	10,011	22,614	44,862
Retained Surplus for the year	-	-	3,001	3,001
Revaluation of property, plant and equipment	-	2,680	-	2,680
Impairments	-	(26)	-	(26)
Other reserve movements	-	(483)	483	-
Taxpayers' equity at 31 March 2018	**12,237**	**12,182**	**26,098**	**50,517**

The notes on pages 137-164 form part of these accounts

Information on reserves

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

Income and expenditure reserve
The balance of this reserve is the accumulated surpluses and deficits of the trust.

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

STATEMENT OF CASH FLOWS

	Notes	2018/19 £000	2017/18 £000
Operating Surplus/(Deficit)		**(2,617)**	4,433
Non-cash income and expense			
Depreciation and amortisation	5	**2,957**	2,836
Impairments and reversals	5	**(759)**	(182)
Income recognised in respect of capital donations	4	**(499)**	(148)
(Increase)/decrease in inventories	14	**(97)**	(749)
(Increase) / decrease in receivables and other assets	15	**(1,041)**	(1,785)
Increase/(decrease) in trade and other payables	17	**3,296**	2,346
Increase/(decrease) in provisions	19	**(0)**	(19)
Increase/(decrease) in other liabilities	18	**(96)**	2
Net cash generated from / (used in) operating activities		**1,144**	6,733
Cash flows from investing activities			
Interest received	10	**38**	19
Payments to acquire intangible assets	11	**(981)**	(512)
Payments to acquire property, plant and equipment	12	**(3,217)**	(2,916)
Receipt of cash donations to purchase capital assets		**400**	-
Net cash generated from/(used in) investing activities		**(3,760)**	(3,409)
Cash flows from financing activities			
Public dividend capital received		**12**	-
Movement in loans from the Department of Health and Social Care	21.1	**(779)**	(778)
Interest on loans paid	20	**(181)**	(202)
PDC dividend paid		**(1,406)**	(1,214)
Net cash generated from/(used in) financing activities		**(2,354)**	(2,194)
Increase/(decrease) in cash and cash equivalents		**(4,970)**	1,130
Cash and cash equivalents at 1 April	16	**8,914**	7,784
Cash and cash equivalents at 31 March	16	**3,944**	8,914

The notes on pages 137-164 form part of these accounts

NOTES TO THE FINANCIAL STATEMENTS

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, intangible assets, inventories and certain financial assets and financial liabilities.

1.1 Going concern

These accounts have been prepared on a going concern basis.

The Trust is required under International Accounting Standard 1 to undertake an assessment of the NHS Foundation Trust's ability to continue as a going concern. Due to the materiality of the financial deficit, the Board has carefully considered whether the accounts should be prepared on the basis of being a 'Going Concern'. The Board 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." The factors taken into consideration are set out below.

Control total

The 2019/20 financial control total for the Trust issued on 15 January 2019 from NHS Improvement is a £0.51m surplus. This is based on the control total for 2018/19; it does not reflect the deterioration in the Trust's financial position and the 2018/19 year-end position. The Trust has therefore not been able to accept the allocated control total and is forecasting a deficit in 2019/20 of £7.4m. This financial plan would result in a cumulative deficit of £11.5m by 31 March 2020.

The Trust is developing a recovery plan to minimise the 2019/20 deficit and address the structural deficit.

Contracts

The Board 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."

In this respect the Trust has agreed contracts for the continued provision and funding of services with local clinical commissioning groups (CCGs) and is expecting to agree contracts shortly with NHS England Specialised Commissioning to cover the 2019/20 financial year. These contracts are reflected in the income assumptions of the financial plan. The Board has reviewed and approved the 2019/20 financial plan.

The Trust has agreed contract values on a cost and volume basis with the key eight CCGs within the Sussex and East Surrey STP and 13 other associate CCGs for 2019/20 to a value of £39m. The NHS England contract for 2019/20 has been agreed at a value of £13m in terms of dental services and is also a cost and volume based contract, with a further value yet to be agreed with specialist commissioning. The total income per the Trust's 2019/20 financial plan is £72.2m. The Trust believes the 2019/20 plan can be delivered in terms of activity demand and capacity and the challenging cost improvement programme.

Contracts are based on realistic capacity and activity assumptions that enable delivery of the referral to treatment target of 92% by the end of March 2020 and the removal of 52-week waits by September 2019, other than patient choice.

The Trust has reasonable expectations that services will continue to be provided by QVH in 2020/21. For example, the Sussex and East Surrey Sustainability and Transformation Partnership (STP) has undertaken medium term financial modelling which includes QVH up to 31 March 2023, covering income, expenditure and capital. Additional assurance of this is provided through work with NHS England specialised commissioning, dental and local CCGs to ensure alignment of commissioners' plans within the local STP through a number of joint contract and quality forums and through adopting an open book approach. The Trust is also working with NHS England specialised commissioning to formalise and develop shared care agreements with Kent, Surrey and Sussex cancer centres through a documented multi-disciplinary team approval approach.

Cost improvement and efficiency plans

The Trust has an ambitious but achievable cost improvement plan for 2019/20 consisting of schemes with a current target value of £1.7m (2.3% of turnover), compared to the national efficiency factor of 1.1%. In 2018/19 the Trust had cost improvement plans totalling £3.0m, of which £1.1m was achieved. In 2017/18 the Trust targeted cost improvement plans of £3.3m and achieved £3.1m. In total, a combination of cost savings, productivity gains and further efficiencies totalling £4.7m is planned for 2019/20 in order to deliver the control total deficit of £7.4m.

The Trust has launched an outpatient improvement

plan which aims to improve productivity, utilisation and efficiency as well as patient experience through reduced waiting times and cancellations as well as changes to working practices such as virtual clinics avoiding the need for patients to travel to site.

In 2018/19 the Trust commenced a theatres efficiency programme which continues to deliver results in terms of improved waiting list management and delivery of financial benefit.

Cash flow

The Trust expects to receive cash support in line with the 2019/20 operating plan submitted to NHS Improvement.

The financial recovery plan will aim to return the Trust to in year financial balance, which means a positive run rate, at the end of 2020/21. The Trust will therefore continue to rely on the Department of Health and Social Care (DHSC) to secure sufficient cash support for this period. In 2019/20 the Trust requires £6.4m deficit cash support, from June 2019 onwards. This has not yet been confirmed by the DHSC. The Trust also has loans totalling £5.9m outstanding as at 31 March 2019; of these, £0.8m fall due within 12 months. 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.

Key risks to the financial plan

A number of contingency reserves have been established to cover recognised financial risks within the 2019/20 plan.

The key risks to the financial plan are:

Cost improvement plans (CIPs) of £1.7m. CIPs of £0.8m have been identified and £0.9m is unidentified at present. In 2018/19 the Trust achieved savings of £1.1m. In mitigation of this risk:

- The Trust is identifying robust schemes that will deliver savings in year including workforce efficiencies, the theatres productivity programme and the outpatient improvement programme as described above.
- The Trust income operating plan has been signed off by all the clinical divisions and should be deliverable through the demand and capacity planning.
- The Trust will review feedback from the national Get It Right First Time programme (GIRFT) as reports on QVH specialisms are received.
- The Trust, with the support of NHS Improvement, will work with the Model Hospital team. The Model Hospital is a digital information service designed to help NHS providers improve their productivity and efficiency. Specialist hospitals have yet to be included but the principles may offer benefits for QVH.

Financial pressures lead commissioners to look for cost savings through increased challenges on data quality, low priority procedures and other contractual challenges increasing the challenge burden on the Trust. The Trust currently estimates this risk to be c.£0.8m. In mitigation of this risk:

- The Trust is working closely with commissioners to ensure a shared understanding of the burden on provision that such challenges create.
- Proactive data quality measures will be implemented internally.
- Communication with commissioners about activity levels is regular and documented.
- QVH staff are fully aware of low priority procedure policies and QVH participates fully in STP work in relation to procedures of limited clinical effectiveness.
- The Trust will discuss with commissioners the possibility of aligned incentive contracts.

A shortage of specialist workforce, particularly in critical care, theatres and paediatrics, and a resultant pressure on agency costs or limitations on capacity. In 2018/19 the Trust spent £3m on agency staffing, in doing so it breached its agency cap by £1.5m. In the 2019/20 operating plan the Trust has included £2.9m for agency spend, which is £1.3m above the agency cap of £1.6m. In mitigation of this risk:

- The Trust has a medium term proactive recruitment and retention strategy, including an overseas recruitment programme with additional staff arriving in 2019/20.
- The Trust makes use of short term incentives for overtime, improvements in bank rates and weekly bank payment.
- The Trust has set pay budgets using a realistic vacancy factor and a robust vacancy control process which contributed to reducing agency costs to ensure the pay costs remain within budget.
- Over the last 18 months the Trust has reduced both annualised workforce turnover and vacancy rates by more than 2.5%.
- Contingency reserves have been established for cost pressures such as the national pay award including medical pay awards and distinction awards.

A genuine reduction in demand where the Trust has high fixed costs in place, for example critical care services. In mitigation of this risk:

- The Trust is working closely with commissioners and providers through the STP to ensure planned transition around services, including paediatric and adult burns services and maxillofacial/head and neck services.
- Key contracts include fixed and variable income elements.
- Staffing models and vacancy levels support flexibility.

The level of planned deficit and the risks outlined 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.

After making enquiries, the directors have concluded that there is sufficient evidence that services will continue to be provided. In reaching this conclusion, the board considered the financial provision within the forward plans of commissioners; cost improvement and efficiency plans and the recognised role of the Trust within the STP and the wider regional health care system. The Trust's cash flow provision will be dependent on both acceptance and delivery of the financial recovery plans and support from the Department of Health and Social Care; the board of directors has a reasonable expectation that this will be the case.

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.

1.2 Income

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the Trust is contracts with commissioners in respect of healthcare services.

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

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

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.

Revenue from research contracts: Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. At contract inception, the Trust assesses the outputs promised in the research contract to identify as a performance obligation each promise to transfer either a good or service that is distinct or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer. The Trust recognises revenue as these performance obligations are met, which may be at a point in time or over time depending upon the terms of the contract.

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

IFRS 15 Revenue from Contracts with Customers as interpreted and adapted by the GAM has been applied by the Trust from 1 April 2018. The standard is applied retrospectively with the cumulative effect of initial application recognised as an adjustment to the income and expenditure reserve on 1 April 2018.

IFRS 15 introduces a new model for the recognition of revenue from contracts with customers replacing the previous standards IAS 11, IAS 18 and related Interpretations. The core principle of IFRS 15 is that an entity recognises revenue when it satisfies performance obligations through the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services.

As directed by the GAM, the Trust has applied the practical expedient offered in C7A of the standard removing the need to retrospectively restate any contract modifications that occurred before the date of implementation (1 April 2018).

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 NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. It is not possible for the NHS foundation trust to identify its share of the underlying scheme liabilities. Therefore, the scheme is accounted for as a defined contribution scheme.

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

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

A more detailed account of the NHS Pensions Scheme is given in Note 9.

1.4 Expenditure on other goods and services (other expenses)

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;
- the cost of the item can be measured reliably; and
- the cost of the item is at least £5,000; or
- groups of items collectively have a cost of at least £5,000, individually have a cost of more than £250, are functionally interdependent, have 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, 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 economic lives.

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.

To this end, valuations of land, buildings and fixtures are carried out by professionally qualified external valuers (Gerald Eve LLP - RICS Registered Valuers, a regulated firm of Chartered Surveyors) in accordance with the requirements of the Valuation-Global Standards 2017, the International Valuation Standards and IFRS as adapted by FReM. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the balance sheet date. Revaluations are never less than triennial. The latest valuations were undertaken in 2019 as at the prospective valuation date of 31 March 2019 and are accounted for in the 2018/19 accounts.

Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use.
- Specialised buildings – depreciated replacement cost

The depreciated replacement cost of specialised buildings is based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued.

For non-operational properties including surplus land, the valuations are carried out at open market value.

Properties in the course of construction are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

Land and buildings are stated in the Statement of Financial Position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

Equipment is stated in the Statement of Financial Position at its revalued amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the balance sheet date. In the intervening periods the Trust considers depreciated historic cost to be a suitable estimate of fair value.

Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is added to the asset's carrying value. Where subsequent expenditure is simply restoring the asset to the specification assumed by its economic useful life then the expenditure is charged to operating expenses.

Depreciation

Items of Property, Plant and Equipment are depreciated on a straight line basis over their remaining useful lives. This is considered to be consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

The remaining economic lives of each element of each building are determined by an independent valuer and each element is depreciated individually. Currently, remaining lives range from three to seventy six years.

Plant, machinery and medical equipment are generally given lives of five, ten or fifteen years, depending on their nature and the likelihood of technological obsolescence. Information Technology equipment is generally given a life of five years.

Property, Plant and Equipment which has been reclassified as 'Held for Sale' ceases to be depreciated upon the reclassification. Assets in the course of construction are not depreciated until the asset is brought into use or reverts to the Trust.

Revaluation and impairment

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

In accordance with the DH GAM, impairments that arise from a clear consumption of economic benefit 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.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

An impairment arising from a clear consumption of economic benefit or service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss are 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.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Land and buildings were revalued as at 31 March 2019.

The revaluation was carried out by an independent, qualified valuer on the modern equivalent asset basis and the assumption that the property is sold as part of the continuing enterprise in occupation. The valuation was based on the use of an alternative site.

The valuations were carried out on the basis of depreciated replacement cost for specialised operational property and existing use value for non-specialised operational property.

For specialised buildings where there is no market-based evidence of fair value, the latter is estimated using a depreciated replacement cost approach based on the assumption of the asset's replacement by a modern equivalent asset, in accordance with International Valuation and RICS standards.

For non-operational properties including surplus land, the valuations were carried out at open market value.

Plant and machinery and information technology equipment were last revalued as at 31 March 2008 using suitable indices supplied by the Department of Health. The movement in indices since that time is not considered sufficient to affect values materially.

It is impracticable to disclose the extent of the possible effects of an assumption or another source of estimation uncertainty at the end of the reporting period. On the basis of existing knowledge, outcomes within the next financial year that are different from the assumption around the valuation of our land, property, plant and equipment could require a material adjustment to the carrying amount of the asset or liability recorded in note 12.

Donated assets

Donated non-current assets are capitalised at their fair value on receipt, with a matching credit to income. They are valued, depreciated and impaired as described above for purchased assets. Gains and losses on revaluations, impairments and sales are as described above for purchased assets. Deferred income is recognised only where conditions attached to the donation preclude immediate recognition of the gain.

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

In the case of software, amortised historic cost is considered to be the fair value.

Amortisation

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. In the case of software licenses useful economic life is assumed to be five years.

1.7 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is determined by reference to current prices, using the First In, First Out (FIFO) method.

1.8 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

1.9 Trade receivables

Trade receivables are recognised at fair value less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Trust will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the estimated future cash flows. The carrying amount of the asset is reduced through the use of a provision for doubtful debts account, and the amount of the loss is recognised in the comprehensive income statement within 'operating expenses'. When a trade receivable is uncollectible, it is written off against the provision account. Subsequent recoveries of amounts previously written off are credited against 'operating expenses' in the comprehensive income statement.

1.10 Trade payables

Trade payables are recognised at fair value. Fair value is deemed to be invoice value less any amounts that the Trust does not believe to be due.

1.11 Financial assets and financial liabilities

Recognition

Financial assets are recognised when the Trust becomes party to the contractual provision of the financial instrument or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or when the asset has been transferred and the Trust has transferred substantially all of the risks and rewards of ownership or has not retained control of the asset.

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

The DHSC Group Accounting Manual 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.

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 are classified into the following categories: financial assets at amortised cost, financial assets at fair value through other comprehensive income, and financial assets at fair value through profit and loss. The classification is determined by the cash flow and business model characteristics of the financial assets, as set out in IFRS 9, and is determined at the time of initial recognition.

Financial assets at amortised cost: Financial assets measured at amortised cost are those held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and where the cash flows are solely payments of principal and interest. This includes most trade receivables, loans receivable, and other simple debt instruments.

After initial recognition, these financial assets are measured at amortised cost using the effective interest method, less any impairment. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the life of the financial asset to the gross carrying amount of the financial asset.

Financial assets at fair value through other comprehensive income: Financial assets measured at fair value through other comprehensive income are those held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and where the cash flows are solely payments of principal and interest. The Trust does not have any assets in this category.

Financial assets at fair value through income and expenditure: Financial assets measured at fair value through profit or loss are those that are not otherwise measured at amortised cost or fair value through other comprehensive income. This includes derivatives and financial assets acquired principally for the purpose of selling in the short term. The Trust does not have any assets in this category.

Impairment of financial assets: For all financial assets measured at amortised cost or at fair value through other comprehensive income (except equity instruments designated at fair value through other comprehensive income), lease receivables and contract assets, the Trust recognises a loss allowance representing expected credit losses on the financial instrument.

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

Trade receivables' expected credit losses are determined by reference to debt history and identified trends and the Injury Compensation Scheme receivables at 21.89% being the national average of claims not reaching payment (DHSC 2018-19).

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

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 the estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Financial Liabilities: Financial liabilities are recognised when the Trust becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been extinguished – that is, the obligation has been discharged or cancelled or has expired.

Financial liabilities at fair value through profit and loss: Derivatives that are liabilities are subsequently measured at fair value through profit or loss, Embedded derivatives that are not part of a hybrid contract containing a host that is an asset within the scope of IFRS 9 are separately accounted for as derivatives only if their economic characteristics and risks are not closely related to those of their host contracts, a separate instrument with the same terms would meet the definition of a derivative, and the hybrid contract is not itself measured at fair value through profit or loss. The Trust does not have any financial liabilities in this category.

Other financial liabilities: After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the amortised cost of the financial liability. In the case of DHSC loans that would be the nominal rate charged on the loan.

1.12 Leases

Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the Trust, the asset is recorded as Property, Plant and Equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The implicit interest rate is that which produces a constant periodic rate of interest on the outstanding liability.

The asset and liability are recognised at the inception of the lease, and are de-recognised when the liability is discharged, cancelled or expires. The annual rental is split between the repayment of the liability and a finance cost. The annual finance cost is calculated by applying the implicit interest rate to the outstanding liability and is charged to Finance Costs in the Statement of Comprehensive Income.

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. Where land is leased for a short term (e.g. 10 years) and there is no provision for the transfer of title, the lease is considered to be an operating lease.

The Trust as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

1.13 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the discount rates published and mandated by HM Treasury.

Early retirement provisions are discounted using HM Treasury's pension discount rate of positive 0.29% (2017-18: positive 0.10%) in real terms. All general provisions are subject to four separate discount rates according to the expected timing of cash flows from the Statement of Financial Position date:

- A nominal short-term rate of 0.76% (2017-18: negative 2.42% in real terms) for inflation adjusted expected cash flows up to and including 5 years from
- A nominal medium-term rate of 1.14% (2017-18: negative 1.85% in real terms) for inflation adjusted expected cash flows over 5 years up to and including 10 years from the Statement of Financial Position date.

Clinical negligence costs

NHS Resolution (NHSR) (previously NHS Litigation Authority (NHSLA)) operates a risk pooling scheme under which the Trust pays an annual contribution, which, in return, settles all clinical negligence claims. Although the NHSR is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHSR on behalf of the Trust is disclosed at note 19. The Trust does not carry any amounts relating to these cases in its own accounts.

Other NHS Resolution schemes

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to NHSR and in return receives assistance with the cost of claims arising. The annual membership contributions, and any 'excesses' payable in respect of particular claims are charged to operating expenses when the liability arises.

1.14 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed 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.

Where the time value of money is material, contingent liabilities and contingent assets are disclosed at their present value.

1.15 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

At any time, the Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for

i. donated assets (including lottery funded assets),

ii. average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and

iii. any PDC dividend balance receivable or payable.

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

The average relevant net assets is calculated as a simple average of opening and closing relevant net assets.

1.16 Value Added Tax

Most of the activities of the Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of non-current assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.17 Corporation Tax

Section 148 of the Finance Act 2004 amended S519A of the Income and Corporation Taxes Act 1988 to provide power to the Treasury to make certain non-core activities of Foundation Trusts potentially subject to corporation tax. This legislation became effective in the 2005/06 financial year.

In determining whether or not an activity is likely to be taxable a three-stage test may be employed:

- Is the activity an authorised activity related to the provision of core healthcare?

The provision of goods and services for purposes related to the provision of healthcare authorised under Section 14(1) of the Health and Social Care Act 2003 (HSCA) is not treated as a commercial activity and is therefore tax exempt.

- Is the activity actually or potentially in competition with the private sector?

Trading activities undertaken in house which are ancillary to core healthcare activities are not entrepreneurial in nature and not subject to tax. A trading activity that is capable of being in competition with the wider private sector will be subject to tax.

- Are the annual profits significant?

Only significant trading activity is subject to tax. Significant is defined as annual taxable profits of £50,000 per trading activity.

The majority of the Trust's activities are related to core healthcare and are not subject to tax. Where trading activities are undertaken that are commercial in nature they are considered insignificant with profits per activity below the £50,000 tax threshold.

No Corporation Tax was charged to the Trust for the financial year ending 31 March 2019.

1.18 Foreign exchange

The functional and presentational currencies of the Trust are sterling.

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

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

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

1.19 IASB standard and IFRIC interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2018/19.

The following accounting standards have been issued or amended but have not yet been adopted. NHS bodies cannot adopt new standards unless they have been adopted in the HM Treasury FReM. The HM Treasury FReM generally does not adopt an international standard until it has been endorsed by the European Union for use by listed companies.

i. IFRS 14 - Regulatory Deferral Accounts

Not yet adopted by the EU. Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable to DH group bodies.

ii. 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.

iii. 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.

iv. IFRIC 23 - Uncertainty over Income Tax Treatments

Application required for accounting periods beginning on or after 1 January 2019.

1.20 Critical accounting estimates and assumptions

International accounting standard IAS 1 requires estimates, assumptions and judgements to be continually evaluated and to be based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The purpose of the evaluation is to consider whether there may be a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year, compared to the carrying value in these accounts. The following significant assumptions and areas of estimation and judgement have been considered in preparing these financial statements.

Value of land and buildings £42,481,000 (2017/18 £40,258,000) – This is the most significant estimate in the accounts and is based on the professional judgement of the Trust's independent valuer with extensive knowledge of the physical estate and market factors. The value does not take into account potential future changes in market value which cannot be predicted with any certainty.

Accruals of income – The major income streams derive from the treatment of patients or from funding provided by government bodies and can be predicted with reasonable accuracy. Provisions are made where there is doubt about the likelihood of the Trust actually receiving the income due to it. See Note 15.1.

Income for an inpatient stay can start to be recognised from the day of admission, but cannot be precisely calculated until after the patient is discharged. For patients occupying a bed at the 2018/19 financial year end, the estimated value of partially completed spells is £38,264 (2017/18 £43,000).

Accruals of expenditure – Where goods or services have been received by the Trust but have not been invoiced at the end of the financial year estimates are based on the best information available at the time and where possible on known prices and volumes. See Note 17.

Provisions for early retirements – The Trust makes additional pension contributions in respect of a number of staff who have retired early from the service. Provisions have been made for these contributions, based on information from the NHS Pensions Agency. See Note 1.13 and 19.

1.21 Operating segments

An operating segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different to those of other operating segments. Under IFRS 8 an operation is considered to be a separate operating segment if its revenues exceed 10% of total revenues. Operations that contribute less than 10% of total revenue may be aggregated.

The Trust derives its income from the provision of healthcare, chiefly in its capacity as a specialist provider of various forms of reconstructive surgery. All services are subject to the same policies, procedures and governance arrangements and operate in a common economic environment utilising shared resources. They are also subject to the same regulatory environment and standards set by our external performance managers. Accordingly, the trust operates one segment. The chief operating decision maker of the Trust is the Trust Board.

1.22 Consolidation of accounts

The Trust is the corporate trustee to the Queen Victoria Hospital NHS Trust Charitable Fund and as such has the power to govern its financial and operating policies so as to obtain benefits from its activities for itself, its patients and its staff. The income and assets of the charity are not considered to be material amounts in the context of the Trust's accounts and are therefore not consolidated.

1.23 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the Trust has no beneficial interest in them. However, if significant, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury FReM. Amounts held at the balance sheet date were negligible.

1.24 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the trust not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

However the losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

1.25 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.

2. Operating segments

The Trust operates a single segment, the provision of healthcare.

	2018/19 £000s	2017/18 £000s
Income	**70,648**	69,928
Segment surplus (deficit)	**(4,127)**	3,001
Segment net assets	**47,786**	50,517

3. Income from patient care activities

Income from patient care activities by nature	**2018/19 £000**	2017/18 £000
Eyes	**6,866**	6,456
Oral	**13,655**	13,192
Plastics	**29,869**	29,768
Sleep	**4,861**	4,597
Other	**10,727**	9,062
	65,978	63,075

Income from patient care activities by source	**2018/19 £000**	2017/18 £000
Clinical commissioning groups and NHS England	**62,550**	62,003
Department of Health and Social Care (AfC funding)	**628**	-
Other NHS bodies	**963**	127
Private patients	**228**	98
Overseas patients (non-reciprocal, chargeable to patient)	**3**	-
Injury cost recovery scheme	**94**	220
Other	**1,513**	628
	65,978	63,075

Notes:

"Injury cost recovery scheme" is income received through the NHS injury scheme from insurance companies in relation to the treatment of patients who have been involved in road traffic accidents. It is subject to a provision for impairment of receivables of 21.89% to reflect expected rates of collection.

Commissioner Requested Services

Within the 2018/19 financial statements management has taken the view that commissioner requested services are those which are provided for the healthcare of NHS patients. There is ongoing discussion between management and commissioners on the formal agreement of the definition of commissioner requested services.

Of the total income reported above, £65,747,000, (2017/18 £62,977,000) was derived from the provision of commissioner requested services.

4. Other operating income

	2018/19 £000	2017/18 £000
Other operating income from contracts with customers:		
Research and development (contract)	**293**	208
Education and training	**1,625**	1,579
Non-patient care services to other bodies	**385**	1,915
Provider / sustainability and transformation fund income (PSF / STF)	**995**	2,122
Other contract income	**873**	882
Other non-contract operating income:		
Receipt of capital grants and donations	**499**	148
Other non contract income	**-**	-
	4,670	6,853

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

	2018/19 £000
Revenue recognised in the reporting period that was included within contract liabilities at the previous period end	**166**
Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods	**0**

4.2 Transaction price allocated to remaining performance obligations

Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:	31 March 2019
within one year	**-**
after one year, not later than five years	**-**
after five years	**-**
Total revenue allocated to remaining performance obligations	**-**

The trust has exercised the practical expedients permitted by IFRS 15 paragraph 121 in preparing this disclosure. Revenue from (i) contracts with an expected duration of one year or less and (ii) contracts where the trust recognises revenue directly corresponding to work done to date is not disclosed.

5. Operating Expenses

	2018/19 £000	2017/18 £000
Purchase of healthcare from non-NHS/DHSC bodies	**221**	462
Staff and executive directors costs	**48,566**	44,030
Remuneration of non-executive directors	**114**	111
Supplies and services - clinical (excluding drugs)	**13,038**	10,419
Supplies and services - general	**917**	684
Drugs	**1,496**	1,464
Inventories written down	**30**	-
Consultancy	**367**	117
Establishment	**680**	676
Premises (including rates)	**2,883**	2,322
Transport (including patient travel)	**651**	564
Depreciation	**2,816**	2,630
Amortisation	**141**	207
Impairments of property, plant and equipment (net)	**(759)**	(182)
Movement in credit loss allowance: contract receivables	**(35)**	-
Movement in credit loss allowance: all other receivables	**-**	(10)
Increase/(decrease) in other provisions	**1**	-
Change in provisions discount rate(s)	**(14)**	11
External audit : statutory audit	**68**	51
External audit : audit-related assurance services	**8**	8
Internal audit services	**45**	53
Clinical negligence (payable to NHS Resolution)	**626**	486
Legal fees	**58**	20
Insurance	**36**	35
Research and development (staff cost)	**315**	260
Education and training	**49**	160
Rentals under operating leases	**217**	226
Early retirements	**16**	(2)
Redundancy	**-**	-
Car parking & security (previously within Premises)	**200**	123
Hospitality	**5**	1
Losses, ex gratia & special payments	**5**	8
Other services, eg external payroll	**92**	110
Other	**413**	451
	73,265	65,495

Notes: External Audit: The contract signed on 25/01/2017 states that the liability of KPMG, its members, partners and staff (whether in contract, negligence or otherwise) shall in no circumstances exceed £1,000,000 aside from where the liability cannot be limited by law. This is in aggregate in respect of all services.

External audit fees, exclusive of VAT, were £56,435 for statutory audit and £7,000 for audit related assurance services.

6. Operating leases

As lessee

Operating leases relate to buildings, medical equipment and vehicles.

A building lease has been extended for a further period of five years.

All leases of medical equipment and vehicles are now expired.

Payments recognised as an expense

	2018/19 £000	2017/18 £000
Minimum lease payments	217	226

Total future minimum lease payments	**31 March 2019 £000**	31 March 2018 £000
Payable:		
Not later than one year	**83**	221
Between one and five years	**334**	-
After 5 years	**-**	-
Total	**417**	211

7. Employee benefits and staff numbers

7.1 Employee benefits	**2018/19 £000**	2017/18 £000
Salaries and wages	**37,681**	34,918
Social Security Costs	**3,831**	3,598
Apprenticeship levy	**170**	158
Employer's contributions to NHS Pension scheme	**4,210**	4,052
Pension cost - other	**11**	4
Agency/contract staff	**3,351**	2,289
Total gross staff costs	**49,254**	45,020
Recoveries in respect of seconded staff	**-**	(410)
Total staff costs	**49,254**	44,610
Of which – costs capitalised as part of assets	**373**	326
Total staff costs excluding capitalised costs	**48,881**	44,284

7.2 Average number of people employed	**2018/19 Trust Number**	2017/18 Trust Number
Medical and dental	**165**	154
Administration and estates	**295**	286
Healthcare assistants and other support staff	**128**	128
Nursing, midwifery and health visiting staff	**214**	199
Scientific, therapeutic and technical staff	**57**	60
Healthcare science staff	**93**	99
Total	**952**	926
Of which – number of employees (WTE) engaged on capital projects	**3**	2

7.3 Directors' remuneration

This and other remuneration analysis is presented within the Remuneration Report section of the Annual Report.

7.4 Reporting of staff compensation schemes and exit packages are reported within the remuneration report.

8.Retirements due to ill-health

During the year there were no early retirements due to ill health at a cost to the NHS pension scheme of £0 (2017/18, none at a cost to the NHS pension scheme of £Nil.)

9. Pensions Costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

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

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2019, is based on valuation data as 31 March 2018, updated to 31 March 2019 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

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

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

10. Finance Income	2018/19 £000	2017/18 £000
Interest on bank accounts	**38**	19

11. Intangible Assets	2018/19 £000	2017/18 £000
Software Licences		
Gross cost at 1 April	**2,045**	1,533
Additions	**981**	512
Disposals	**-**	-
Gross cost at 31 March	**3,026**	2,045
Amortisation at 1 April	**1,330**	1,123
Provided during the year	**141**	207
Amortisation at 31 March	**1,471**	1,330
Net book value		
– Purchased assets at 1 April	**715**	410
– Purchased assets at 31 March	**1,555**	715

12. Property, plant and equipment

12.1 Property, plant and equipment at 31 March 2019	Land £000	Buildings £000	Assets under construction £000	Plant and Machinery £000	Information Technology £000	Total £000
Cost or valuation at 1 April 2018	5,450	34,808	1,976	14,005	4,223	60,461
Additions - purchased	-	890	808	679	542	2,919
Additions - donated	-	100	-	399	-	499
Reclassifications	-	420	(2,393)	-	1,973	-
Impairments recognised in operating expenses	-	(183)	-	-	-	(183)
Reversal of impairments	-	942	-	-	-	942
Impairments recognised in revaluation reserve	-	(22)	-	-	-	(22)
Revaluation	540	866	-	-	-	1,406
Accumulated depreciation transferred on revaluation	-	(1,330)	-	-	-	(1,330)
Disposals	-	-	-	-	-	-
At 31 March 2019	**5,990**	**36,491**	**391**	**15,083**	**6,738**	**64,693**
Depreciation at 1 April 2018	-	-	-	11,185	2,403	13,588
Provided during the year	-	1,330	-	1,006	480	2,816
Accumulated depreciation transferred on revaluation	-	(1,330)	-	-	-	(1,330)
Disposals	-	-	-	-	-	-
Depreciation at 31 March 2019	**-**	**-**	**-**	**12,191**	**2,883**	**15,074**
Net book value						
- Purchased assets as at 1 April 2018	5,450	32,750	1,976	2,545	1,809	44,531
- Donated assets as at 1 April 2018	-	2,058	-	274	10	2,342
Total at 1 April 2018	**5,450**	**34,808**	**1,976**	**2,820**	**1,820**	**46,873**
– Purchased assets as at 31 March 2019	5,990	34,304	391	2,338	3,851	46,873
– Donated assets as at 31 March 2019	-	2,187	-	554	4	2,745
Total at 31 March 2019	**5,990**	**36,491**	**391**	**2,892**	**3,855**	**49,618**

2017-18 comparators:	Land £000	Buildings £000	Assets under construction £000	Plant and Machinery £000	Information Technology £000	Total £000
Cost or valuation at 1 April 2017	3,930	33,240	1,854	13,212	3,901	56,137
Additions - purchased	-	562	1,105	661	322	2,650
Additions - donated	-	16	-	132	-	148
Reclassifications	-	983	(983)	-	-	-
Impairments recognised in operating expenses	-	(507)	-	-	-	(507)
Reversal of impairments	208	481	-	-	-	689
Impairments recognised in revaluation reserve	-	(26)	-	-	-	(26)
Revaluation	1,312	1,368	-	-	-	2,680
Accumulated depreciation transferred on revaluation	-	(1,309)	-	-	-	(1,309)
Disposals	-	-	-	-	-	0
At 31 March 2018	**5,450**	**34,808**	**1,976**	**14,005**	**4,223**	**60,461**
Depreciation at 1 April 2017	-	-	-	10,169	2,099	12,268
Provided during the year	-	1,309	-	1,016	304	2,630
In-year depreciation transferred on revaluation	-	(1,309)	-	-	-	(1,309)
Disposals	-	-	-	-	-	0
Depreciation at 31 March 2018	-	-	-	11,185	2,403	13,588
Net book value						
- Purchased assets as at 1 April 2017	3,930	31,222	1,854	2,779	1,783	41,568
- Donated assets as at 1 April 2017	-	2,018	-	264	19	2,301
Total at 1 April 2017	**3,930**	**33,240**	**1,854**	**3,043**	**1,802**	**43,869**
- Purchased assets as at 31 March 2018	5,450	32,750	1,976	2,545	1,809	44,531
- Donated assets as at 31 March 2018	-	2,058	-	274	10	2,342
Total at 31 March 2018	**5,450**	**34,808**	**1,976**	**2,820**	**1,820**	**46,873**

12.2 Fully depreciated assets

Fully depreciated assets with an aggregate gross carrying value of £12,122,000 were in use at 31 March 2019.

12.3 Property, plant and equipment donated during the year

The League of Friends of the Queen Victoria Hospital and the Queen Victoria NHS Trust Charitable Fund donated capital items with a combined value of £499,000. Of this total, £400,000 was donated by the League of Friends for the purchase of a CT scanner.

13. Capital commitments

Contracted capital commitments at 31 March not otherwise included in these financial statements:

	31 March 2019 £000	31 March 2018 £000
Property, plant and equipment	**101**	698

14. Inventories

Inventories at 31 March	31 March 2019 £000	31 March 2018 £000
Drugs	**129**	112
Consumables	**1,147**	1,067
Total	**1,275**	1,178

15. Receivables

15.1 Receivables comprise:

Current receivables	31 March 2019 Current £000	31 March 2018 Current £000
Contract receivables *	**10,062**	-
Trade receivables *	**-**	5,173
Accrued income*	**-**	3,183
Allowance for impaired contract receivables / assets*	**(753)**	-
Allowance for other impaired receivables	**-**	(788)
Prepayments	**794**	692
VAT receivable	**-**	-
Other receivables	**107**	909
Total current trade and other receivables	**10,210**	9,169

* 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.

The majority of trade was with Clinical Commissioning Groups and NHS England, as commissioners for NHS patient care services. As both were funded by Government to buy NHS patient care services, no credit scoring of them is considered necessary.

15.1a Allowances for credit losses

Allowances for credit losses - 2018/19	Contract receivables and contract assets £000	All other receivables £000
Allowances as at 1 Apr 2018 - brought forward	**-**	788
Impact of implementing IFRS 9 (and IFRS 15) on 1 April 2018	**788**	(788)
Transfers by absorption	**-**	-
New allowances arising	**-**	-
Changes in existing allowances	**(35)**	-
Reversals of allowances	**-**	-
Utilisation of allowances (write offs)	**-**	-
Changes arising following modification of contractual cash flows	**-**	-
Foreign exchange and other changes	**-**	-
Transfer to FT upon authorisation	**-**	-
Allowances as at 31 Mar 2019	**753**	(0)

15.2 Receivables past their due date but not impaired

	31 March 2019 £000	31 March 2018 £000
By up the three months	**2,494**	3,216
By between three and six months	**918**	17
By more than six months	**2,366**	678
Total	**5,778**	3,911

15.3 Provision for impairment of NHS receivables

	2018/19 £000	2017/18 £000
Balance at 1 April	**(561)**	(504)
Amount recovered or written off during the year	**12**	242
Increase in receivables impaired	**-**	(299)
Balance at 31 March	**(549)**	(561)

The provision represents amounts which are either considerably beyond their due date, known to be under challenge or which the Trust considers may be disputed by the debtor body.

15.4 Provision for impairment of non-NHS receivables

	2018/19 £000	2017/18 £000
Balance at 1 April	**(227)**	(294)
Amount recovered or written off during the year	**24**	12
Increase in receivables impaired	**-**	55
Balance at 31 March	**(203)**	(227)

16. Cash and cash equivalents

	2018/19 £000	2017/18 £000
Balance at 1 April	**8,914**	7,784
Net change in year	**(4,970)**	1,130
Balance at 31 March	**3,944**	8,914
Comprising:		
Cash with the Government Banking Service (GBS)	**2,691**	8,779
Commercial banks and cash in hand	**1,253**	135
Cash and cash equivalents as in statement of cash flows	**3,944**	8,914

17. Trade and other payables

	31 March 2019 £000	31 March 2018 £000
Trade payables	**5,500**	4,264
Capital payables	**1,038**	936
Accruals	**3,426**	1,841
Receipts in advance (including payments on account)	**-**	-
Social security costs	**527**	509
VAT payables	**275**	51
Other taxes payable (e.g. PAYE, Levy)	**536**	521
PDC dividend payable	**25**	59
Accrued interest on loans*	**-**	54
NHS Pension payables	**713**	591
Other payables	**172**	77
Total	**12,212**	8,902

* 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, consequently, on 1 April 2018 borrowings increased by £54k, and trade payables correspondingly reduced. IFRS 9 is applied without restatement therefore comparatives have not been restated.

18. Deferred income

	31 March 2019 £000	31 March 2018 £000
Current		
Total	**69**	166

19. Provisions

	31 March 2019 £000	31 March 2018 £000
Current		
Pensions relating to staff	**29**	27
Legal claims	**30**	13
Total	**59**	**40**

	31 March 2019 £000	31 March 2018 £000
Non-current		
Pensions relating to staff	**608**	625

Movements in-year	Pensions – early departures £000	Pensions – injury benefits* £000	Legal claims £000	Total £000
At 1 April 2018	40	612	13	**665**
Change in discount rate	(0)	(14)	-	**(14)**
Arising during the year	4	22	17	**43**
Used during the year	(8)	(22)	-	**(29)**
Reversed unused	-	-	-	**-**
Unwinding of discount	0	2	-	**2**
At 31 March 2019	**36**	**601**	**30**	**667**
Expected timing of cash flows:				
Within one year	2	27	30	**59**
Between one and five years	8	126	-	**134**
After five years	26	448	-	**474**
Total	**36**	**601**	**30**	**667**

* In 2018/19 the analysis of provisions has been revised to separately identify provisions for injury benefit liabilities. In previous periods, these provisions were included within early departure costs.

The provision for pensions relating to staff consists of £601,000 in respect of injury benefit (31 March 2018 £612,000) and £36,000 in respect of early retirements (31 March 2018 £40,000). The amounts represent the discounted future value of annual payments made to the NHS Pensions Agency calculated on an actuarial basis.

Legal Claims are claims relating to third party and employer's liabilities. Where the case falls within the remit of the risk pooling schemes run by the NHS Litigation Authority (NHSLA), the Trust's liability is limited to £3,000 or £10,000 depending on the nature of the case. The remainder is borne by the scheme. The provision is shown net of any reimbursement due from the NHSLA.

£1,005,000 was included in the provisions of NHS Resolution at 31 March 2019 in respect of clinical negligence liabilities of the Trust (31 March 2018 £2,668,000 (NHS Litigation Authority)).

20. Finance expense

	31 March 2019	31 March 2018
Interest expense	**£'000**	£'000
Loans from the Foundation Trust Financing Facility (Department of Health & Social Care)	**174**	195

21. Financial instruments

Accounting standards IAS 32, 39 and IFRS 7 require 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.

Financial Instruments are recognised and measured in accordance with the accounting policy described under Note 1.11.

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.

21.1 Financial assets and liabilities by category

All financial assets and liabilities are denominated in sterling.
Carrying values are taken as a reasonable approximation of fair value.

	31 March 2019	31 March 2018
Financial assets	**£000**	£000
Receivables (excluding non financial assets) – with DHSC group bodies	**7,231**	4,660
Receivables (excluding non financial assets) – with other bodies	**2,185**	592
Accrued Income	**-**	3,183
Other investments / financial assets	**-**	-
Cash and cash equivalents	**3,944**	8,914
Total	**13,360**	17,349

The above balances have been included in the accounts at amortised cost as "loans and receivables", with no financial assets being classified as "assets at fair value through the statement of comprehensive income", "assets held to maturity" nor "assets held for resale".

Financial Liabilities	31 March 2019	31 March 2018
Carrying value:	**£000**	£000
Loans from the Department of Health and Social Care	**5,869**	6,600
Trade and other payables (excluding non financial liabilities) – with DHSC group bodies	**4,156**	5,919
Trade and other payables (excluding non financial liabilities) - with other bodies	**6,693**	-
Accrued expenditure	**-**	1,841
Total	**16,718**	14,360

All financial liabilities are classified as "other financial liabilities", with no financial liabilities being classified as "liabilities at fair value through the statement of comprehensive income".

Taxes are not included as they are not contractual and not classed as Financial Instruments.
Injury Cost Recovery Scheme receivables are now classed as contractual and as financial instruments.

21.2 Maturity of financial assets

All of the Trust's financial assets mature within one year.

21.3 Maturity of financial liabilities

All of the Trust's financial liabilities fall due within one year with the exception of the £5,045,000 portion of the borrowings that falls due after more than one year.

Financial liabilities fall due in:	31 March 2019	31 March 2018
In one year or less	**11,673**	8,538
In more than one year but not more than two years	**778**	778
In more than two years but not more than five years	**2,334**	2,334
In more than five years	**1,933**	2,710
Total	**16,718**	14,360

21.4 Derivative financial instruments

In accordance with IAS 39, the Trust has reviewed its contracts for embedded derivatives that are required to be separately accounted for if they do not meet the requirements set out in the standard. Accordingly the Trust has no embedded derivatives that require recognition in the financial statements.

21.5 Financial risk management

Due to the service provider relationship that the Trust has with Clinical Commissioning Groups and NHS England and the way those bodies are financed, the Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. Financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

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

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

Credit risk
Because the majority of the Trust's income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposure as at 31 March 2019 are in receivables from customers, as disclosed in note 15.

Liquidity risk
The Trust's operating costs are incurred under contracts with NHS England and Clinical Commissioning Groups, which are financed from resources voted annually by Parliament. The Trust is not, therefore, exposed to significant liquidity risks.

22. Related Party Transactions

No board members or members of the key management staff or parties related to them undertook any transactions with Queen Victoria Hospital NHS Foundation Trust during 2018/19, (2017/18 none).

The Department of Health and Social Care is the parent department, other public sector bodies included within the Whole of Government Accounts are also deemed to be related parties. The Trust has financial transactions with many such bodies.

The Trust received donations from the Queen Victoria Hospital NHS Trust Charitable Fund, the trustee of which is Queen Victoria Hospital NHS Foundation Trust.

The total income and expenditure transactions with the charity for the year are shown below.

	2018/19		2017/18	
	Income	**Expenditure**	Income	Expenditure
	£000	**£000**	£000	£000
The Queen Victoria Hospital NHS Trust Charitable Fund	**171**	**-**	126	-

22. Related Party Transactions *continued…*

Whole of Government Accounts bodies with significant transactions relationship (approx £100k)

Income and Expenditure	**2018/19**		**2017/18**	
	Income	Expenditure	Income	Expenditure
	£000	£000	£000	£000
Brighton and Sussex University Hospitals NHS Trust	298	1,089	134	925
Guy's & St Thomas' NHS Foundation Trust	132	(2)	80	13
Maidstone and Tunbridge Wells NHS Trust	187	82	139	48
Dartford and Gravesham NHS Trust	-	660	-	744
Medway NHS Foundation Trust	1	930	5	1,091
East Sussex Healthcare NHS Trust	0	935	0	683
Sussex Community NHS Foundation Trust	263	56	175	11
Surrey And Sussex Healthcare NHS Trust	97	231	59	133
East Kent Hospitals University NHS Foundation Trust	0	103	-	103
Northumbria Healthcare NHS Foundation Trust	-	109	-	106
NHS Resolution (NHS Litigation Authority)	-	626	-	486
Care Quality Commission	-	48	-	116
Health Education England	1,600	-	1,495	7
NHS England	23,466	-	24,363	-
NHS Ashford CCG	417	-	521	-
NHS Bexley CCG	369	-	331	-
NHS Brighton and Hove CCG	1,204	-	1,223	-
NHS Bromley CCG	662	-	661	-
NHS Canterbury and Coastal CCG	589	-	675	-
NHS Coastal West Sussex CCG	3,119	-	2,813	-
NHS Crawley CCG	2,083	-	2,118	-
NHS Croydon CCG	276	-	265	-
NHS Dartford, Gravesham and Swanley CCG	2,346	-	2,406	-
NHS East Surrey CCG	2,571	-	2,713	-
NHS Eastbourne, Hailsham and Seaford CCG	1,273	-	1,330	-
NHS Guildford and Waverley CCG	535	-	619	-
NHS Hastings and Rother CCG	1,546	-	1,689	-
NHS High Weald Lewes Havens CCG	3,877	-	3,781	-
NHS Horsham and Mid Sussex CCG	6,365	-	6,074	-
NHS Medway CCG	2,516	-	2,573	-
NHS North West Surrey CCG	145	-	196	-
NHS South Kent Coast CCG	642	-	660	-
NHS Surrey Downs CCG	893	-	759	-
NHS Swale CCG	949	-	1,001	-
NHS Thanet CCG	358	-	365	-
NHS West Kent CCG	5,746	-	5,665	-
HM Revenue & Customs (apprenticeship levy and Employer NI contributions)	-	4,001	-	3,756
NHS Pension Scheme (Employer contributions)	-	4,210	-	4,052
	64,525	**13,077**	**64,889**	**12,273**

22. Related Party Transactions *continued…*

Receivables and payables	**31 March 2019**		**31 March 2018**	
	Receivables	Payables	Receivables	Payables
	£000	£000	£000	£000
Brighton and Sussex University Hospitals NHS Trust	757	1,120	467	697
Guy's & St Thomas' NHS Foundation Trust	106	12	28	6
Maidstone and Tunbridge Wells NHS Trust	83	76	103	14
Dartford and Gravesham NHS Trust	7	512	7	347
Medway NHS Foundation Trust	89	546	92	774
East Sussex Healthcare NHS Trust	-	490	0	258
Sussex Community NHS Foundation Trust	131	0	45	2
Surrey And Sussex Healthcare NHS Trust	349	112	334	22
East Kent Hospitals University NHS Foundation Trust	-	51	-	11
Northumbria Healthcare NHS Foundation Trust	-	33	-	36
NHS Resolution (NHS Litigation Authority)	-	-	-	-
Care Quality Commission	-	-	-	-
Health Education England	493	-	1,154	7
NHS England	2,752	8	2,765	10
NHS Ashford CCG	25	-	86	-
NHS Bexley CCG	-	105	-	34
NHS Brighton and Hove CCG	-	32	182	-
NHS Bromley CCG	0	13	21	-
NHS Canterbury and Coastal CCG	(0)	15	-	38
NHS Coastal West Sussex CCG	333	-	70	-
NHS Crawley CCG	29	-	57	-
NHS Croydon CCG	(0)	42	141	-
NHS Dartford, Gravesham and Swanley CCG	(0)	82	-	283
NHS East Surrey CCG	(0)	335	-	40
NHS Eastbourne, Hailsham and Seaford CCG	(0)	87	219	-
NHS Guildford and Waverley CCG	56	-	14	-
NHS Hastings and Rother CCG	56	-	-	261
NHS High Weald Lewes Havens CCG	(0)	41	114	6
NHS Horsham and Mid Sussex CCG	224	-	101	-
NHS Medway CCG	(0)	63	-	131
NHS North West Surrey CCG	72	-	57	-
NHS South Kent Coast CCG	59	-	-	14
NHS Surrey Downs CCG	84	-	63	-
NHS Swale CCG	60	-	37	-
NHS Thanet CCG	2	76	-	81
NHS West Kent CCG	(0)	220	-	17
HM Revenue & Customs (apprenticeship levy and NI contributions)	-	1,063	-	1,030
NHS Pension Scheme	-	713	-	598
	5,766	**5,847**	**6,159**	**4,718**

23. Intra-Government and Other Balances

Receivables: amounts falling due within one year	31 March 2019 £000	31 March 2018 £000
Balances with NHS bodies	**7,780**	7,309
Balances with other government bodies	**247**	300
Balances with bodies external to government	**2,936**	2,349
Provision for the impairment of receivables	**(753)**	(788)
	10,210	9,169

Payables: amounts falling due within one year	31 March 2019 £000	31 March 2018 £000
Balances with NHS bodies	**4,156**	3,175
Balances with other government bodies	**2,090**	1,729
Balances with bodies external to government	**5,966**	3,998
	12,212	8,902

24. Losses and Special Payments

Losses and special payments are calculated on an accruals basis.

There were 29 cases of losses and special payments totalling £6,000 during 2018/19, (82 cases totalling £8,000 in 2017/18).

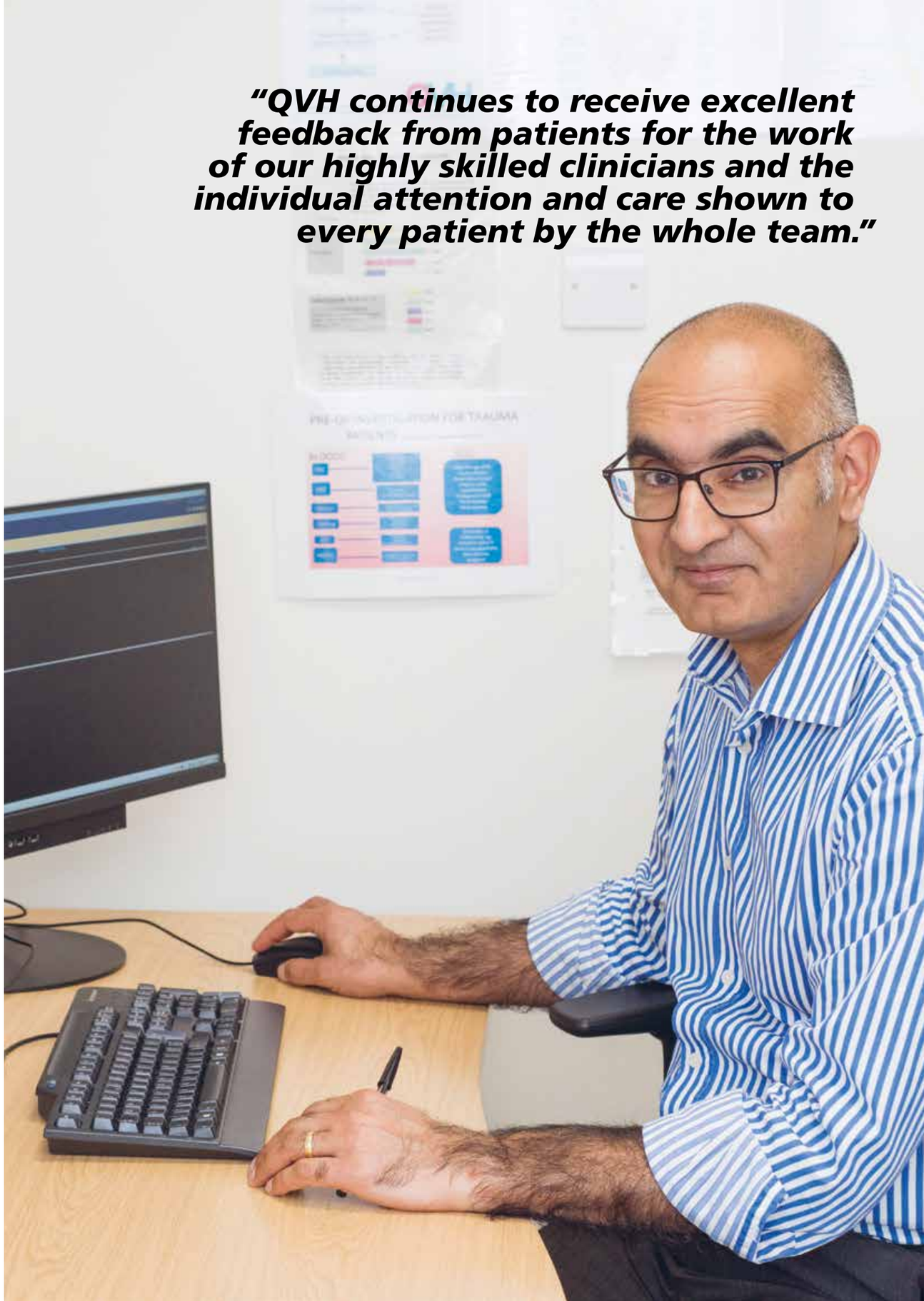
All cases are reported on an accruals basis and do not include provisions for future losses.

There were no fraud cases within these losses.

	31 March 2019		31 March 2018	
Losses and Special Payments	**No.**	**£000**	No.	£000
Losses – Bad Debts and claims abandoned	**11**	**1**	65	7
Losses – Fruitless payments and constructive losses	**0**	**-**	0	-
Losses – Stores Losses	**0**	**-**	0	-
Special Payments – Ex gratia payments	**18**	**5**	17	1
Totals	**29**	**6**	82	8

25. Third party assets

The trust holds minimal levels of third party assets, usually related to patients' monies.



APPENDICES

Board of directors register

	Meeting attendance and role 2018/19						
Name Title Appointment	**Board of Directors**	**Audit Committee**	**Nomination & Remuneration Committee**	**Finance & Performance Committee**	**Quality & Governance Committee**	**Council of Governors**	**QVH Charity**
Ginny Colwell Non-Executive Director 21 April 2016 to 20 April 2019	11 of 11 (Member)	5 of 5 (Member)	1 of 1 (Member)	NA	7 of 7 (Chair)	3 of 4 (attendee)	NA
Kevin Gould Non-Executive Director 1 Sep 2017 to 30 Aug 2020	11 of 11 (Member)	5 of 5 (Chair)	1 of 1 (Member)	10 of 11 (Member)	NA	3 of 4 (attendee)	NA
Beryl Hobson Chair 01 April 2018 to 31 Mar 2021	11 of 11 (Chair)	NA	1 of 1 (Chair)	8 of 11 (Member)	NA	4 of 4 (Chair)	3 of 4 (Member)
Steve Jenkin Chief Executive 14 Nov 2016 to present	11 of 11 (Member)	NA	NA	10 of 11 (Member)	6 of 7 (Member)	4 of 4 (attendee)	NA
Abigail Jago Director of Operations 8 May 2018 to present	9 of 9 (Member*)	NA	NA	10 of 11 (Member)	1 of 6 (Member)	1 of 3 (attendee)	NA
Sharon Jones Director of Operations 1 June 2015 to 27 April 2018	0 of 1 (Member*)	NA	NA	NA	NA	0 of 1 (attendee)	NA
Gary Needle Non-Executive Director 1 July 2017 to 30 June 2020	11 of 11 (Member)	NA	1 of 1 (Member)	NA	5 of 7 (Member)	3 of 4 (attendee)	3 of 4 (Chair)
Michelle Miles Director of Finance and Performance 1 Feb 2018 to present	11 of 11 (Member)	NA	NA	11 of 11 (Member)	4 of 7 (Member)	4 of 4 (attendee)	2 of 4 (Member)
Geraldine Opreshko Director of Workforce and Organisational Development 26 July 2017 to present	9 of 11 (Member*)	NA	NA	11 of 11 (Member)	4 of 7 (Member)	4 of 4 (attendee)	NA
Ed Pickles Medical Director 1 Oct 2016 to 30 Sep 2019	9 of 11 (Member)	NA	NA	NA	7 of 7 (Member)	2 of 4 (attendee)	3 of 4 (Member)
Clare Pirie Director of Communications and Corporate Affairs 1 May 2017 to present	11 of 11 (Member*)	NA	NA	NA	NA	4 of 4 (attendee)	NA
Jo Thomas Director of Nursing and Quality 1 Feb 2015 to present	10 of 11 (Member)	NA	NA	NA	6 of 7 (Member)	4 of 4 (attendee)	NA
John Thornton Non-Executive Director 1 Oct 2013 to 30 Sep 2019 Senior Independent Director From 1 Sep 2017	10 of 11 (Member)	5 of 5 (Member)	1 of 1 (Member)	9 of 11 (Chair)	NA	3 of 4 (attendee)	NA

* non-voting

Council of Governors register

Name	Constituency	Status of current term	Start of term	End of term	Meeting attendance
Beesley, Brian	Public	Elected 1st term	01/07/2018	30/06/2021	3 of 3
Belsey, John[1]	Public	Re-elected 2nd term	01/07/2017	30/06/2020	4 of 4
Bennett, Liz	Stakeholder[2]	Appointed	01/07/2013	30/06/2018	3 of 4
Brown, St John	Stakeholder[3]	Appointed	01/04/2017	31/03/2020	2 of 4
Burkhill-Prior, Wendy	Public	Elected 1st term	01/07/2016	30/06/2019	4 of 4
Dudgeon, Robert	Public	Re-elected 2nd term	01/07/2016	30/06/2019	3 of 4
Fry, Colin	Public	Elected 1st term	01/07/2018	30/06/2021	3 of 3
Fulford-Smith, Antony	Public	Elected 1st term	01/07/2017	30/06/2020	3 of 4
Glynn, Angela	Public	Re-elected 2nd term	01/07/2017	30/06/2020	4 of 4
Haite, Janet	Public	Elected 1st term	01/07/2017	30/06/2020	3 of 4
Halloway, Chris	Public	Re-elected 2nd term	01/07/2018	30/06/2021	4 of 4
Harold, John	Public	Elected 2nd term	01/07/2015	30/06/2018	1 of 1
Hunt, Douglas	Public	Elected 1st term	01/07/2017	30/06/2020	4 of 4
Lane, Andrew	Public	Elected 1st term	01/07/2018	30/06/2021	2 of 3
Lehan, Carol	Staff	Elected 1st term	01/07/2017	30/06/2020	3 of 4
Lockyer, Sandra	Staff	Elected 1st term	01/07/2017	30/06/2020	3 of 4
McGarry, Joe	Public	Elected 1st term	01/07/2017	30/06/2020	4 of 4
Martin, Tony	Public	Re-elected 2nd term	01/07/2017	30/06/2020	4 of 4
Mockford, Julie	Staff	Re-elected 2nd term	01/07/2017	Resigned 31/10/18	2 of 3
Roche, Glynn	Public	Re-elected 2nd term	01/07/2017	30/06/2020	2 of 4
Shore, Peter	Public	Elected 1st term	01/07/2016	30/06/2019	4 of 4
Tamplin, Robert	Public	Elected 1st term	01/07/2017	30/06/2020	2 of 4
Tappenden, Tony	Public	Elected 1st term	01/07/2017	30/06/2020	3 of 4
Webster, Norman	Stakeholder[4]	Appointed	01/07/2011	05/05/19	2 of 4
Wiggins, John	Public	Elected 1st term	01/07/2017	30/06/2020	4 of 4
Williams, Martin	Public	Elected 1st term	01/07/2018	30/06/2021	4 of 4
Wilson, Mickola	Public	Elected 1st term	01/07/2017	30/06/2020	2 of 4

1 Nominated Lead Governor. **2** Representing West Sussex County Council. **3** Representing QVH League of Friends. **4** Representing East Grinstead Town Council

Directors' biographies 2018/19

Ginny Colwell, Non-Executive Director

Ginny originally trained as a nurse and worked at Great Ormond Street Hospital, leaving there as deputy director of nursing to become director of nursing at the Royal Surrey County Hospital. Ginny then became corporate head of nursing for Nuffield Hospitals before being appointed head of nursing for Surrey and Sussex Strategic Health Authority. Ginny has also been a founder non-executive director at Central Surrey Health, acting as chair for her last three months, and vice chair of Phyllis Tuckwell Hospice. Ginny currently works independently as an individual and organisational coach, and as a board advisor to Richmond and Hounslow Community Trust.

Kevin Gould, Non-Executive Director

Kevin joined the board in September 2017. He is a Chartered Accountant with 25 years' experience in the financial services and consulting industries, focussing on governance, risk and audit. Kevin has lived in Sharpthone (a village in Mid Sussex), where he is a parish councillor, since 1998, and is involved in a number of commercial and charitable organisations as a consultant and non-executive director. At QVH Kevin chairs the audit committee.

Beryl Hobson, Chair

Beryl joined QVH in July 2014 as a non-executive director and chair designate, before becoming chair in April 2015. She is the executive director of a governance consultancy and was previously chair of the NCT (National Childbirth Trust). Beryl was the first chair of Sussex Downs and Weald Primary Care Trust and has more than 20 years of board level experience gained in private, charity and NHS organisations. On 1 April 2018, Beryl was reappointed for a second term.

Steve Jenkin, Chief Executive

Steve Jenkin joined the Trust in November 2016. He was previously the chief executive of Peninsula Community Health, providing services across Cornwall and the Isles of Scilly including running 14 community hospitals. Prior to that Steve was director of health and social care with national charity Sue Ryder, and chief executive of Elizabeth FitzRoy Support, a national charity supporting people with learning disabilities. Steve has an MBA through the Open University.

Abigail Jago, Director of Operations (non-voting)

Abigail Jago joined the Trust in May 2018 from Barts Health NHS Trust and has a wealth of experience in a range of senior operational, programme and strategic hospital roles. Since joining the NHS in 2000 she has managed services across multiple sites and has led change programmes in both an acute setting and across health and social care systems. Abigail is passionate about the NHS and the delivery of system wide improvement.

Sharon Jones, Director of Operations (non-voting)

Sharon joined the NHS in 1983, when she firstly trained as a nurse and then as a podiatrist. For the first 18 years of her career she worked in South East London where she held several clinical posts and had an interest in diabetes and the diabetic foot/vulnerable lower limb, before moving into operational management. Prior to joining QVH in 2015, Sharon worked for 12 years as a director in community, acute and commissioning organisations across Kent and South West London, before becoming QVH's director of operations in 2015. Sharon retired from the NHS in April 2018.

Michelle Miles, Director of Finance and Performance

Michelle was appointed in February 2018 from Croydon Health Services NHS Trust where she was deputy director of finance. Michelle has worked in the NHS for 20 years, having begun her career as a band 3 management accountant. She has a strong community background, having previously worked in community and primary care trusts. In 2009 Michelle moved to South London to take up her first role in an acute trust, an area of the NHS where she has remained. Michelle is particularly interested in understanding how finance professionals can support the delivery of excellent patient care and outcomes and all staff can help reduce wastage and improve efficiency.

Gary Needle, Non-Executive Director

Gary Needle joined the board in July 2017. He has over 35 years' experience in health care executive management including posts as a chief executive in Brighton and Hove and as a director at the national quality inspectorate. He has recently returned to the UK from Qatar, where he was director of planning for the national health care system. Gary is chair of the board of trustees at East Grinstead Sports Club Ltd. At QVH, Gary chairs the charity committee and sits on the quality and governance committee.

Geraldine Opreshko, Director of Workforce and Organisational Development (non-voting)

Geraldine has worked across health and social care since 1994, initially as a tutor and/trainer, and holds an MSc in People and Organisational Development.

She has held board level positions in the NHS since 2004 covering workforce, organisational development and transformation. Geraldine has worked across the East and South East of England including Bedfordshire, Norfolk, Cambridge and Kent in acute and community settings before joining QVH in May 2016.

Dr Edward Pickles, Medical Director

Dr Ed Pickles has been a consultant anaesthetist at QVH since 2006, and was appointed to the role of medical director in October 2016. Ed qualified in medicine from the University of Dundee, and then trained in anaesthesia in Yorkshire and London, including QVH, King's College Hospital and Great Ormond Street. His clinical interests include paediatric anaesthesia, and anaesthesia for head and neck surgery. Prior to becoming medical director, Ed was training programme director for anaesthetic trainee support in the Kent Surrey Sussex Deanery, and director of medical education and clinical director for clinical audit and outcome measurement here at QVH.

Clare Pirie, Director of Communications and Corporate Affairs (non-voting)

Clare joined QVH in 2016. She has been supporting clear communication in the NHS since 2000, working at King's College Hospital and Brighton and Sussex University Hospitals, as well as for national and local NHS commissioning organisations. Clare's role at QVH includes corporate governance and development of the QVH Charity, as well as strategic leadership for communications and engagement.

Jo Thomas, Director of Nursing and Quality

Jo Thomas was appointed in June 2015 having previously held the post in an interim capacity since February 2015. Before joining QVH, Jo held chief nurse positions in both commissioning and acute provider organisations. Jo began her NHS career as a nursing auxiliary before commencing her training in Brighton. She has 34 years of nursing experience in elective, specialist and emergency care, with a specialist interest and an MSc in women's health. She has senior management experience of leading and managing specialist services as well as extensive involvement in operational delivery and the redesign of health care services.

John Thornton, Senior Independent Director

John has almost 30 years' experience as a senior executive in the financial services industry. He is involved in a range of business and community activities as a consultant, non-executive director and mentor. At QVH John chairs the finance and performance committee.

Queen Victoria Hospital is a specialist NHS hospital providing life-changing reconstructive surgery, burns care and rehabilitation services, primarily in the South of England.

We are a centre of excellence, with an international reputation for pioneering complex surgical techniques and treatments.

Our world-leading surgeons perform routine reconstructive surgery for the people of East Grinstead and surrounding areas, specifically for hands, eyes, skin and teeth, and are supported by therapy teams who are highly trained in the management of complex and high-risk trauma, disease and disfigurement.

The hospital also provides a minor injuries unit, expert rehabilitation services and a sleep service.

Everything we do is informed by our passion for providing the highest quality care, the best clinical outcomes and a safe and positive patient experience. You can find out more at qvh.nhs.uk

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