Royal United Hospitals Bath
NHS Foundation Trust

Annual Report and Accounts

2018/2019

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

Contents

Message from the Chief Executive

Once again it has been a busy and eventful 12 months. The Annual Report offers the chance for us to reflect on the last financial year, share some our achievements and thank all those colleagues who have worked so hard to further improve our services to patients.

This was reflected by the Trust being rated Good – an upgrade from Requires Improvement – following a Care Quality Commission (CQC) inspection in June 2018. We are delighted that the CQC found examples of outstanding practice and recognised the dedication of staff that has driven these improvements.

Our staff are our most valuable asset and we continue to invest in them and our future. Which is why we've embarked on Improving Together, a long-term approach to working that will help deliver our vision – 'To provide the highest quality of care, delivered by an outstanding team who all live by our values'. Our journey is well underway with hundreds of staff taking part in training and coaching, learning the sustainable skills and mind-set to help deliver our True North goals – which are quality improvement, patient and staff experience, partnership working and sustainability.

We're also lucky to be able to invest in major capital projects that are transforming the Royal United Hospitals Bath NHS Foundation Trust (RUH) site and making the hospital fit for the future. Our biggest ongoing project, the new RNHRD and Brownsword Therapies Centre, is nearing completion and we look forward to welcoming our staff and services that will be transferring from the Mineral Water Hospital to join us on one site.

Elsewhere we celebrated the end of a five-year project that has made our Radiology Department one of the most modern and best-equipped in the South West. Our Catheter Laboratory 1 was also upgraded, with improved control and equipment rooms and a new X-ray machine. Our Oral and Maxillofacial Surgery and Orthodontics Department moved to a purpose-built new home in the hospital, and with the completion of our new modular ward, we will be able to launch our five-year programme of ward refurbishments.

Our New Year resolution was to declare the Trust smoke-free, with visitors, patients and staff supported not to smoke on any of our sites. Our message is clear – clean air is better for everyone, and as a health organisation it's the right thing for us to do.

Our staff continue to do us proud, but we can only give you a taste of the many nominations and awards that teams and individuals have gathered. Collectively we celebrated the part staff played in the nationwide 100,000 Genomes Project, which reached its ambitious target of sequencing, or mapping, the genetic makeup of 100,000 NHS patients. We were delighted that our Project Search team, young people with learning disabilities working at the RUH, won a Health Service Journal national award. Our Anticoagulation Team won a national award for their work with cancer patients at risk of life-threatening blood clots and Clinical Engineer Nana Odom was awarded a 12-month NHS Fellowship for female healthcare scientists.

We maintain our reputation for participating in national and worldwide research, helping to make vital contributions to public health and medical progress. We joined a national research programme looking at ways of reducing the use of antibiotics and the threat of multi-drug resistant superbugs. We became the first site in the UK and Europe to recruit a patient to a worldwide study testing a new combination of drugs to treat breast cancer. Our researchers also helped to develop an app that allows arthritis patients to monitor their symptoms on a smartphone and geriatrician Dr Emily Henderson was named the UK lead for a €10 million international trial into Parkinson's disease patient care.

Among all the positives we, like all Trusts, faced challenges in 2018/19. We planned extensively for EU Exit to ensure we were prepared for whatever the outcome might be, and for winter, which saw higher than ever demand for our services over a period of months. This, and snowstorms in early February, affected some of our performance and waiting times, but we're immensely proud of our staff who kept disruption and delays to a minimum and maintained high standards of care.

We are, as ever, hugely appreciative of everyone who supports the Trust – our Council of Governors, our 17,000 members, the Forever Friends Appeal and Friends of the RUH and their generous supporters and the many volunteers from across our community. All have a vital part to play. We are also fortunate to be supported by a wide range of individuals, local businesses and charitable groups such as the Bath Cancer Unit Support Group, Time is Precious and many more.

Thank you if you volunteered to shovel snow or ferry stranded staff during the snow. Thank you if you bought a cake or raffle ticket, or ran a marathon, or gave up your time to befriend a patient with dementia. Whatever your contribution to the health and wellbeing of the Trust, its staff and patients, we are very grateful.

James Scott

Chief Executive

Performance report

Overview of performance

This overview provides a summary of the statutory background and principal activities of the Royal United Hospitals Bath NHS Foundation Trust (RUH) and how the Trust performed against its key targets and objectives from both a financial and operational perspective during 2018/19. Information about the Trust's future objectives and key risks to the achievement of these objectives is also outlined below.

Statement from the Chief Executive

2018/19 has been another challenging but successful year for our organisation. Across the wider NHS we continued to see increasing operational and financial pressure on all hospitals. The RUH continued to address these challenges and is committed to maintaining high quality services which are productive and efficient. Like many acute trusts, managing increases in emergency demand continued to represent the Trust's main operational and financial challenge in 2018/19, including meeting the four-hour emergency access target. Despite these challenges the RUH has continued to focus on the quality of care it delivers for patients and investment in improvements, whilst also managing to deliver on its financial duties which have been rewarded by a year-end surplus of £16.5m against the NHS Improvement control total of £12.8m

Further information relating to the operational and financial performance of the Trust over the 2018/19 financial year is outlined in the following report.

About the Trust

Statutory background

The Trust is authorised under the National Health Service Act 2006 to provide goods and services for the purposes of the Health Service in England. It was established as an NHS Trust in 1992 and achieved Foundation status in November 2014. On 1 February 2015 the Trust acquired the Royal National Hospital for Rheumatic Diseases NHS Foundation Trust (RNHRD) which further expanded the RUH's portfolio of specialist treatment and rehabilitation.

Purpose and activities

The RUH serves a population of approximately 500,000 residents across Bath and North East Somerset, Wiltshire, Somerset and South Gloucestershire. In addition to our core local population, we also treat people visiting our area, including tourists, students and overseas visitors.

Our dedicated workforce of clinical and non-clinical staff deliver a range of high quality services from our main major acute hospital site in Combe Park in Bath, the Mineral Water Hospital in central Bath, and a number of community birth centres and other outpatient centres across the region.

As a Foundation Trust, we are governed by a Board of Executive and Non-Executive directors working alongside a Council of Governors representing the populations we serve and key stakeholders.

Our core business is provision of NHS services under contracts to Wiltshire, Bath and North East Somerset, Somerset and South Gloucestershire clinical commissioning groups as well as NHS England specialised service commissioners. Our organisation has a divisional structure: medicine, surgery, women and children's, estates and facilities and corporate. We provide a service for patients needing emergency and unplanned specialist care, 24 hours a day, every day of the year. From that core is built a comprehensive planned surgical, medical and diagnostics service for adults and

children typical of a district general hospital of our size. Specialised care is delivered in a number of areas including:

- Cancer care
- Cardiac and stroke
- Care for older people, particularly those with dementia
- Higher levels of critical care
- Maternity services
- Rheumatology, pain and fatigue (RNHRD)
- Specialist orthopaedics (surgery on joints and bones)
- Pulmonary hypertension

A very small number of patients each year use our facilities for private treatment when capacity allows.

The RUH, in partnership with local universities and colleges, also plays a major role in education and research.

In common with other areas, our population is evolving:

- We have a growing population of people with more complex needs, in all age groups but in particular we have growth in our older population and long-term conditions
- There are rising public expectations of public services
- In Bath we have a large student population that is temporary and always changing

Patients are at the heart of all we do, and we aspire to be listening and compassionate at all times. We place great importance on gathering feedback from patients and carers, and involving them in decisions and developments. This is embedded in the Trust through our Patient Experience Strategy supported by an Engagement Toolkit and a range of initiatives and practices, such as our complaints service, consultations and events, social media and other communications, and our volunteers, membership and member-governors.

We aim to provide the highest quality of services in response to the needs of our patients and the communities we serve. Our Trust Strategy was refreshed in 2017/18 following engagement with over 600 staff, patients and key stakeholders. It sets out our overall goals to achieve high quality care and patient experience, putting patients at the heart of all we do. It is built around five key strategic goals and also reflects our core trust values. Our programme of whole organisation development "Improving Together" is designed to support its delivery.

Our key objectives within our strategy include:

- Tackling the causes of patient harm
- Working effectively with our service users to design and improve our services
- Engaging our staff and providing an environment which is motivational and strengthens our reputation as employer of choice
- Driving for efficiency and reduction of waste in all that we do
- Working with partners across the health system to provide services which are more flexible to patients' needs and sustainable against growing demand
- Addressing service access challenges to support consistent performance against national standards
- Provision of high quality care environments which are "fit for our future"
- Delivery against the ambition of the national NHS long-term plan.

Risks and issues

The following Trust-wide risks remain key to the delivery of our organisational objectives:

a. Workforce supply

National shortages of key staffing groups have and continue to impact on the Trust's ability to recruit to some groups, in particular - Nursing staff and certain specialists.

Our staff are central to our strategy to provide quality services and care. We see an ongoing focus on staff engagement and wellbeing as a priority to individual choice to stay and we continue to monitor levels of satisfaction and actively seek new ways to support our employees. As in 2018/19 we will also continue to invest in recruitment and retention including new roles, training, flexible working, accommodation and alternative sources of supply including overseas recruitment.

b. System sustainability

The national picture of financial challenge for public services is well publicised. There is ongoing growth in demand and expectations and strong inter-dependencies between systems, e.g. NHS and Social care. Our local catchment population is older than the UK average with 2.9% more over 65s identified in 2017. Current forecasts estimate this local trend will continue, with higher growth than average in this population segment by 2022. The financial sustainability of the local health and care system remains under significant strain and we are working together with our local integrated care system partners to identify solutions. The focus of work currently is around frail elderly pathways, mental health conditions, prevention and review of any unwarranted variation against local and national benchmarks.

c. Performance

In the context of an ageing population and financial challenge, the health system has struggled to enact transformational change which effectively matches capacity and demand. Performance against key national indicators, including the four hours Emergency Access standard, referral to treatment (RTT) and cancer access standards, within this context, has been and continues to be very challenging. Work continues with commissioners to identify and progress opportunities for more effective capacity/demand management as a system alongside continuing to embed successes in review and redesign of key pathways, e.g. discharge and front door.

Going concern

Whilst the Trust does not consider itself to be unusually exposed to any significant risks arising from EU Exit, the ongoing uncertainty of a final agreed outcome means that a full and detailed assessment remains challenging. The potential areas of exposure are wide ranging across operational matters and the financial accounts. Income and expenditure may be affected by issues such as increased supply chain, fuel and drug costs. Whilst the Balance Sheet may be affected by ability of debtors to meet debts due to the Trust, and fluctuating property valuations.

The Trust continues to operate in a climate of financial uncertainty within the NHS in England. Whilst there are known risks over the coming five years, including a substantial capital programme, continuing operational pressures and financial challenges, there is sufficient evidence to support the confidence that the Trust will continue operating over the next Financial Year.

The key pieces of evidence in support of this are the balanced financial plan for 2019/20 which has been approved by the Trust Board of Directors and submitted to NHSI for review and an internal 5 year financial strategy that demonstrates the expectation of balanced budgets over the next 5 years.

The Board of Directors has a reasonable expectation that the Trust will have access to adequate resources to continue to deliver the full range of mandatory services for the foreseeable future. The assessment accords with the statutory guidance contained in the NHS Foundation Trust Annual Reporting Manual and the Department of Health Group Accounting Manual and for this reason the Trust continues to adopt the going concern basis in preparing the account

Performance analysis

Overview of performance during 2018/19

Operational performance

The Trust produces an integrated balanced scorecard which outlines how it is performing under five domains: Caring, Effective, Responsive, Safe and Well-led. The Trust manages performance against the NHS Single Oversight Framework which does not give a performance assessment in its own right;

it aims to help providers attain and maintain CQC ratings of 'Good' or 'Outstanding'. The Framework looks at providers across five themes: Quality of care (safe, effective, caring and responsive), Finance and use of resources, Operational performance, Strategic change and Leadership and improvement capability (well-led).

The Trust's integrated balanced scorecard incorporates all the national indicators within the Single Oversight Framework across these five themes. Using the Single Oversight Framework NHS Improvement in 2018/19 has assigned the RUH with a governance rating of 2 overall (out of 4 and where 1 reflects providers with maximum autonomy).

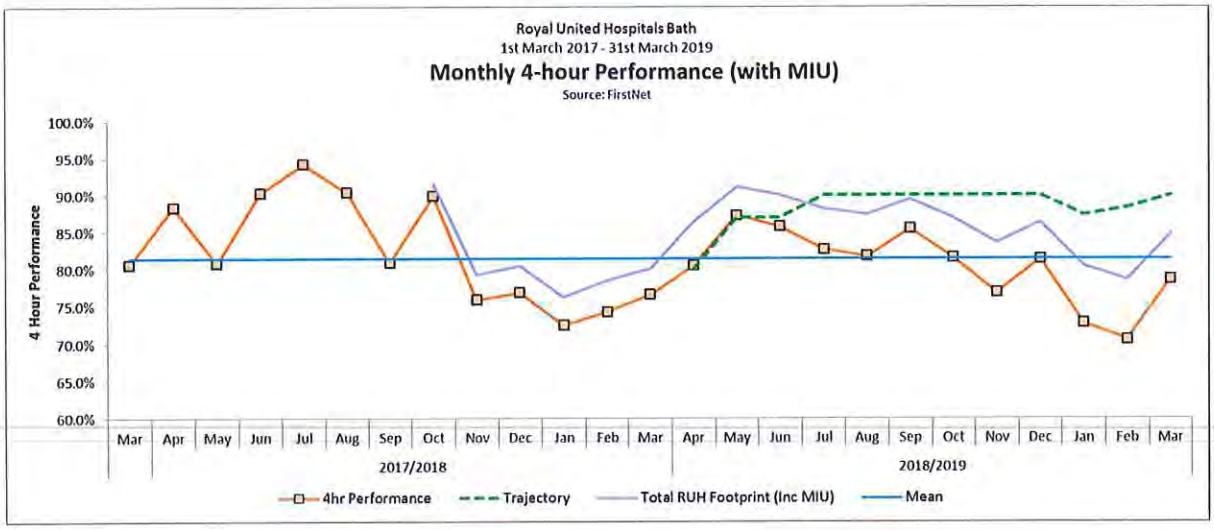
The Trust has a well embedded data quality assurance framework to ensure a high level of data integrity is maintained which is led by the Trust's Quality Board. Our reporting against national standards is robust and regularly audited as part of the Trust's Quality accounts.

Urgent and Emergency Care

Within the NHS Improvement (NHSI) oversight framework, Trusts may also be segmented to help NHS Improvement determine the level of support required. For the Emergency Access standard of four hours specifically the Trust remains in segment 4 (out of 4 as outlined above) and the RUH urgent and emergency care system receives focused improvement support to see, treat and/or discharge within four hours.

Like other acute hospitals across the UK, the RUH has continued to find consistent delivery of this standard challenging. The Trust, along with partners in the wider health and social care system, recognises, that a collaborative approach to providing timely access to care outside a hospital setting and improving the clinical model for patients who do need to attend hospital is the key to improving our position.

RUH performance during 2018/19 including Minor Injuries Unit (MIU) is outlined below:



The RUH is a learning organisation and has maintained its efforts to understand improvements made in other urgent care and emergency systems to inform our efforts to improve. We are proud to be recognised as a pioneering organisation and, following the Trust's participation in a ground-breaking FLOW Programme with the Academic Health Science Network, Health Foundation and Sheffield NHS Foundation Trust, we are an accredited FLOW academy.

We continued to work with others across our system utilising this exciting improvement methodology to support delivery of wider system change. The National Emergency Care Intensive Support Team

(ECIST) has also been working with the RUH since February 2018 to help clinical teams access current best practice and effective change programmes that are already delivering improvements.

A system-wide improvement plan remains under regular review and in the last year the Trust has continued to develop emergency ambulatory care pathways in Surgery, Medicine and Paediatrics.

When leaving hospital, the need for effective discharge support to reduce unnecessarily extended hospital stays, particularly for older patients, was successful this year. This included continuing focus on delivery of the early successes of the "Home First" discharge pathway.

In 2018/2019 we have built on this success and worked in collaboration with our community partners to deliver a significant reduction (21%) in the volume of patients in the RUH staying over 21 days.

In 2018/2019 the Trust approved a new IT system designed to enhance the visibility of patient flow within the hospital, providing a real-time picture of patients and the next stage of their care, treatment or discharge plans. This is an exciting development and the implementation of the new system will take place in June 2019.

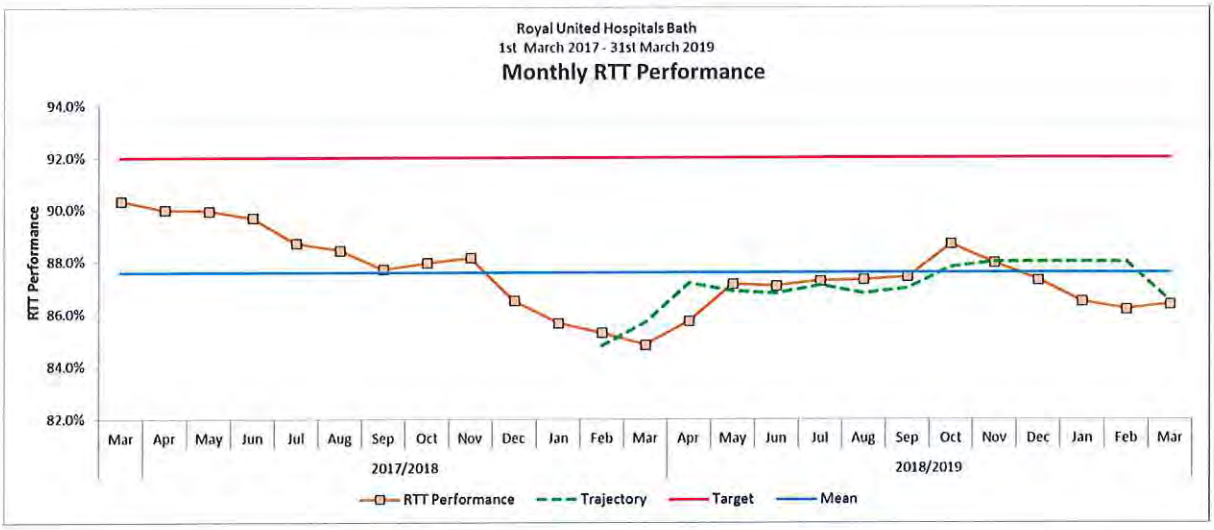
Whilst there have been a number of improvements, however, the RUH headline performance and planned trajectory against this National Emergency Care Access standard has not yet been achieved. The Trust continued to work with partners across the health and care system to better understand system demand and the capacity needed to ensure timely access to emergency care. This included opportunities for patients to access care pre-hospital and outside of a hospital setting, ensuring that patients can access the emergency care they need including admission to hospital with confidence.

The RUH improvement programme is led by the Urgent Care Collaborative Board which oversees the actions required for further improvement. Thanks to the hard work of our staff we also continued to focus on delivery of high quality emergency care across a spectrum of other dimensions.

Patient satisfaction with care that they receive in our Emergency Department and front-door assessment areas remained high. The Emergency Department also continued to focus on the national clinical indicators and patient survey results to ensure we remain responsive to feedback and measures to support high quality clinical care.

18-week Referral to Treatment Time (RTT)

During 2018/19 pressure has continued from the competing demands of emergency care and a sustained increase in elective demand, particularly for cancer activity. We worked closely with lead clinicians to ensure that patients are clinically prioritised to ensure those who need surgery are able to receive treatments. The Trust also worked with its local Clinical Commissioning Groups to understand and support the high demand for outpatient, elective and surgical treatment.

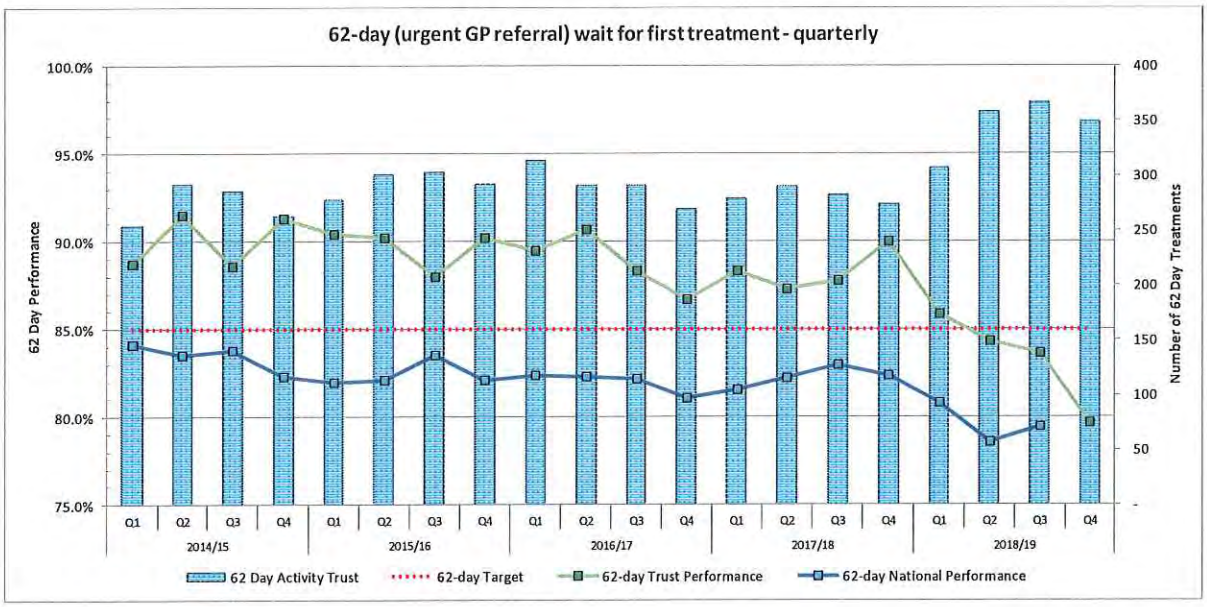


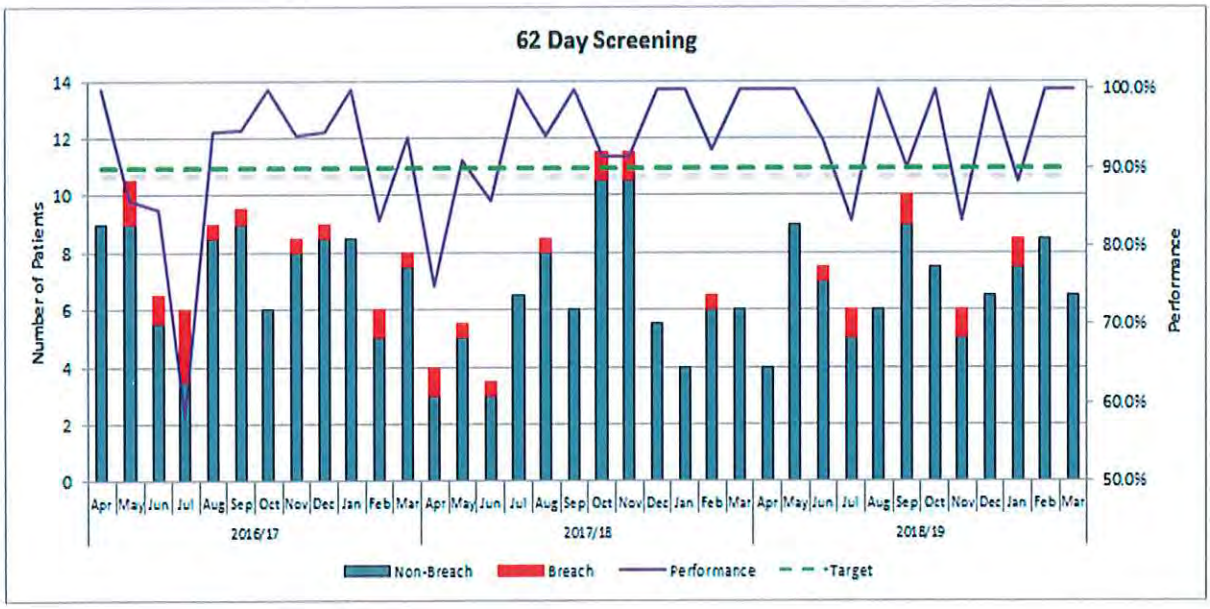
There has been significant growth in referrals of patients with a suspected diagnosis of cancer with clinically urgent patients prioritised over more routine elective work. We have nevertheless been successful in delivering a reduction in the total number of patients waiting for planned treatment to a level below the March 2018 position.

This has in part been achieved through expansion of innovative ideas such as surgical 'Chairport', a model where patients can be transferred to a dedicated recovery chair space supported by trained staff. This facility has been well received by patients and clinicians and has enabled the hospital to offer an increased range and volume of day case procedures. A different approach to planning elective activity during the winter has also helped effectively balance elective and emergency capacity during periods of expected high demand for emergency care.

During 2018/19 the Trust detailed, by specialty, the actions that would be taken to increase elective capacity across the wider health system in order to manage demand more effectively. Performance has been particularly challenging in some medical specialities including Cardiology, Gastroenterology and Dermatology. Efforts to improve our service in these areas is a priority for service leads with an active focus on patient care. Whilst there are some areas of challenge, the Trust has continued to see improvements at a specialty level during the year for most surgical specialities, with particular improvement in Ophthalmology services.

The RUH continues to perform well overall against the cancer standards. This includes the two Single Oversight Framework Cancer Standards; *all cancers maximum of 62-day wait for first treatment from urgent GP referral of suspected cancer*, and *maximum of 62-day wait for first treatment from NHS cancer screening service referrals*. Against both standards the Trusts performance remains above the national average for English NHS and Foundation Trusts for the majority of the year. During the winter period performance declined due to pressure in three cancer tumour site, which experienced an increase in demand. Efforts to support performance recovery have been on-going and the Trust is confident that performance will be regained early in 2019/20.





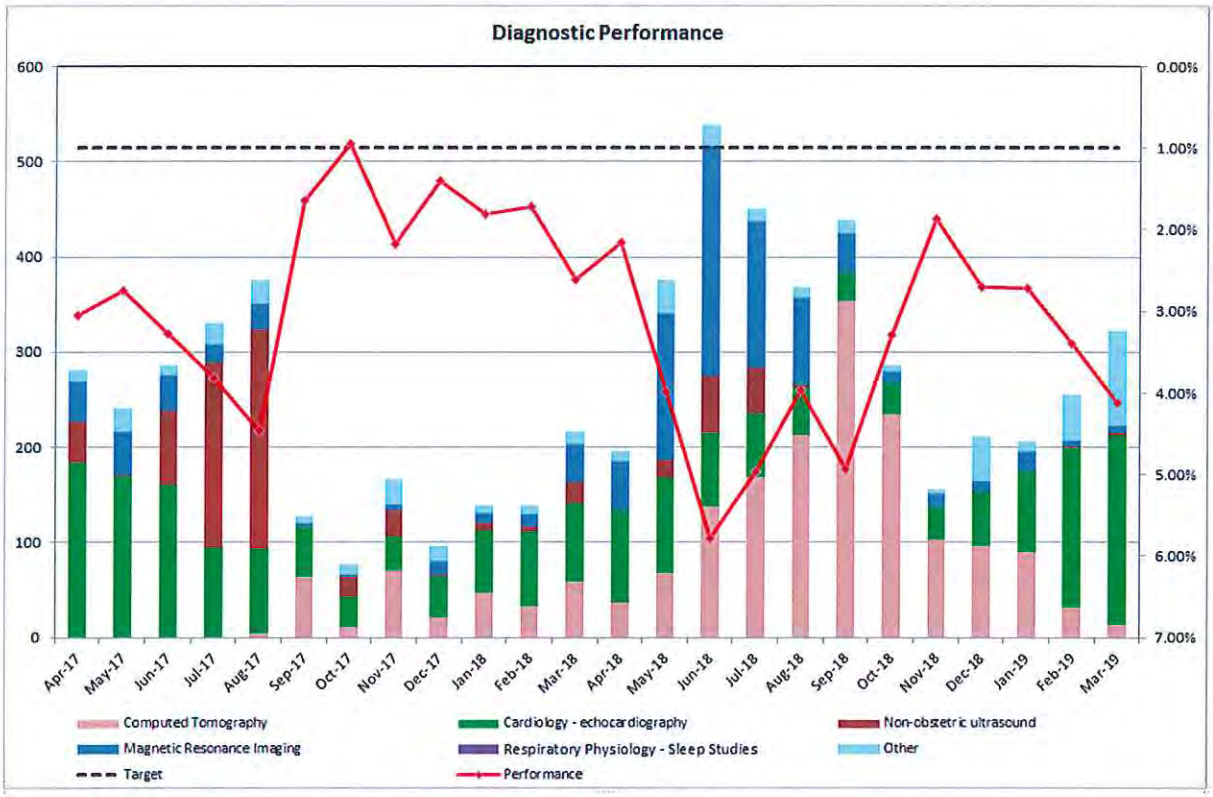
In addition, the Trust's performance continued to be above the *national standards for 2-week wait from referral to first outpatient appointment* for patients with suspected cancer contending with increasing demand for this patient pathway.

Performance against the 2-week wait from GP referral to first outpatient appointment for breast symptomatic patient also improved in year. There has also been good performance against the standard requiring *a maximum of 31-day wait from diagnosis to first treatment for all cancers* and *a maximum of a 31-day wait for second or subsequent treatment surgery or drug treatments.*

Diagnostics

Performance against the maximum six-week wait for diagnostics has been challenging with overall growth in demand and from March 2017 specialist cardiac diagnostic tests were also included in the reporting for the Trust. During 2018/19 the Trust delivered a significant reduction in the number of patients waiting for cardiac diagnostic tests as demonstrated in the graph below. We have also

continued our equipment replacement programme for CT and MRI machines and also sourced external capacity from alternative providers where appropriate.



Maternity indicators

The integrated balanced scorecard incorporates the key maternity indicators including *the Friends and Family Test*, *Breastfeeding*, *Smoking Cessation* and *Midwife to Birth Ratio.* The Trust benchmarks well in the majority of aspects of performance and in particular those metrics relating to the quality and safety of our services. These services were rated as outstanding by CQC inspectors in 2018/19.

Financial performance

Overview

2018/19 represented a significant financial challenge for the NHS as a whole with a focus on stabilising finances, particularly for acute hospitals. Alongside this the Trust continued to work with its local health economy partners to instigate wider healthcare changes via the BSW Integrated Care System. Plans continue to be developed to help the Trust meet growing demand and the need to maintain and improve the quality of care delivered for patients.

The NHS continued to recognise the financial challenges it faces as a whole with the continuation of Provider Sustainability Funding (PSF). For the RUH this meant an allocation of funding of £11m towards delivering an overall surplus target of £12.8m (excluding exceptional items). The funding the Trust received was contingent on delivering an improvement in-patient access performance. This year the RUH has delivered an overall surplus of £16.5m. Included within this surplus was £14.9m PSF. As with 2017/18, this was higher than the original allocation due to the Trust receiving a bonus for meeting the financial control total.

The statement of comprehensive income shows an overall surplus; however, this position has been impacted by a number of exceptional items including:

- Impairment resulting from desktop valuation of £1.8m;
- Depreciation on donated assets of £0.7m; and
  Charitable income of £1.8m donated from the RUH Charitable funds

Adjusting for these exceptional items gives a total reported Trust surplus of £17.2m.

The Trust overall delivered a use of resource metric of 1 at the year-end (out of 4, where 4 is high risk and 1 is low risk). This was an improvement from the previous financial year where a metric of 3 was reported. In 2017/18 the Trust scored a 4 for Capital Service Cover, therefore an override was applied to the overall rating which meant the maximum overall score that could be achieved was a 3.

Overall the Trust received similar income from its commissioners to 2017/18 and saw an increase in non-elective activity levels. Like many hospitals, managing increases in patients admitted in an unplanned way represented the Trust's main operational and financial challenge during the year, including meeting the A&E four-hour emergency access target.

The table below shows the income and expenditure for the Group (includes NHS charitable funds) compared to previous year:

	2018/19 £m	**2017/18 £m**
Income	356.2	327.2
Expenditure	(334.0)	(316.6)
Financing Charges	(5.5)	(5.0)
Surplus before Gains	**16.7**	**5.6**
Other Gains	(0.1)	15.2
Surplus for the period	**16.6**	**20.8**

The delivery of cost and quality improvement programmes, which the Trust calls QIPP, was challenging; however, the Trust delivered £13.9m in-year which was in line with plan. The key schemes to deliver this year included:

- Workforce redesign (£7.1m);
- Non-pay efficiency programme (£1.3m);
- More efficient use of Estate (£0.2m); and
- Hospital Medicine and Pharmacy (£0.9m)

Capital investment

The Trust invested £36.1m in infrastructure and equipment during 2018/19, (£21.4m in 2017/18). This was funded internally through cash and I&E surpluses, donations and additional PDC from the Department of Health primarily for HSLI Digital Programme funding. The capital programme has continued to achieve a balance between maintaining and replenishing the asset infrastructure, reducing risk and improving patient experience.

Significant in-year programmes included expenditure of:

- £10.7m on the continuation of works for the new RNHRD & Therapies build (£3.7m spent in 2017/18);
- £4.1m on the RUH Redevelopment programme including the Oral Maxillofacial Surgery (OMFS) and Orthodontics relocation and Bath Chronic Pain Service patient accommodation;

- £1.5m on improvements within the Radiology department;
- £2m on the Sterile Services Department upgrade and decontamination centralisation;
- £2.5m on the digital programme, including implementation of Patient Flow (Bed Management) and E-Observations, as well as upgrades to the Data Warehouse and initial costs for introducing an Inventory Management System;
- £1.9m relating to the temporary/modular ward project;
- £4.8m on medical equipment, including a new Mammography and Monoplane system.

In conclusion, 2018/19 has been a challenging year for the NHS. Despite this challenging financial environment the Trust has hit its control total and remains committed to delivering high quality services efficiently. However, the overall financial pressure in the NHS means the Trust will continue to face many challenges to ensure that it remains financially, clinically and operationally sustainable going forward.

Environmental matters: Sustainability Report

By enhancing our environment, reducing wasteful practices and helping to innovate new ideas to make our resources go further we can help staff, patients and visitors have a better experience.

Our ***Sustainability Vision*** is to act as a national pilot site, driving positive change within the NHS by:

- Exceeding Government sustainability targets
- Dramatically improving efficiency and reducing costs
- Delivering excellent staff and patient comfort through better control of the built environment.

Our ***2020 Sustainability Performance Targets*** have been set with reference to Government legislation and are summarised below with comments on performance to date:

	Energy and carbon management:	**Water:**	**Waste:**
Expenditure in 18/19	£1.93m	£495k	£404k
2020 performance target	28% reduction in CO_{2e} emissions against 2013 baseline by 2020[1].	25% reduction in water use against 2004/05 baseline by 2020[2].	10% saving against 2016/17 expenditure[3]: - reduce and reuse £15k worth of waste each year
			- save £30k per year from better segregation of residual waste.

With the existing Sustainable Development Management Plan (SDMP) being a five year strategy from 2015, work has now started on the Trust's next SDMP which will be aligned to the 2018 guidance

[1] Department of Health: 'HTM 07-02 (Part A), Making energy work in healthcare'
[2] Department of Health: 'HTM 07-04: Water management and water efficiency'
[3] Note, no specific waste target is set by the Department of Health, hence this target results from the waste hierarchy of: prevent, reuse, recycling, dispose; plus industry best practice performance on health care waste segregation.

from NHSi and the Sustainable Development Unit (SDU). This will use the Sustainable Development Assessment Tool (SDAT) as a basis to ensure all aspects of Sustainability are considered, and have revised targets in line with current guidance and legislation.

Sustainability successes

During 2018/19, there have been some significant successes:

- A new campaign was launched by NHS Improvement and the Sustainable Development Unit (SDU), the Sustainable Health & Care Campaign. The Trust celebrated this campaign with a week of activities in June 2018. This engaged staff from across the hospital in a range of sustainability projects across the themes of: waste; travel; community; innovation; and green spaces.
- We launched plant room tours for staff behind the scenes at the hospital showcasing the work that is happening to generate income and improve the efficiency of the site.
- Developed a discount scheme for customers using reusable drinks and food containers in the site restaurants. We have also started selling reusable hot drink flasks to support a reduction in waste.
- Following on from the monitoring of air quality (specifically Nitrogen Oxide (NOx) emissions) on the main hospital site, we have launched a "Switch off when you drop off" campaign in conjunction with the Smoke Free Site campaign. We have worked with the local bus companies and patient transport services to ensure support for the scheme.
- We continue to work with the Bath and North East Somerset (BaNES) Council team to promote sustainable transport, and to work through the impact of Clean Air Zone proposals for our staff, and other stakeholders.
- A new system for the disposal of waste has been implemented for our theatres reducing incineration requirements.
- We supported the national Cycle to Work Day in August 2018, providing a free breakfast to all staff who cycled in, and free bike safety checks in partnership with a local bike shop.
- The salary sacrifice Cycle Scheme processed 75 bicycles in 2018/19, saving staff an average of £267 each and the RUH £8,625 in National Insurance costs.
- An additional swipe-accessed cycle storage unit has been opened by the Lansdown entrance, providing greater secure cycle storage for staff.
- Demand-side response has been in place at the Trust since 2012, saving the Trust an estimated £120k in 2017/18 by using standby electricity generation capacity to help balance the National Grid.
- A total of 112 solar photovoltaic panels (42.12 kW) are now generating electricity on site, with more due to be installed on the roof of the RNHRD & Therapies building later in 2019.

2018/19 performance

Energy and CO_2 performance

		2016/17	2017/18	2018/19
Non-financial indicators (tonnes CO_2e)	**Total gross emissions**	**11,994**	**12,153**	**12,299**
	Electricity *	1,338	603	587
	Natural gas	10,431	11,359	11,587
	Fuel oil	123	150	94
	Waste	102	41	31
Related site energy consumption (millions kWh)	**Total**	**60.2**	**62.4**	**64.8**
	Electricity *	3.5	1.4	1.8
	Natural gas	56.7	61	63
Financial indicator (£k)	**Total**	**1,968**	**1,962**	**2,338**
	Electricity	419	201	305
	Natural gas	1,090	1,339	1,608
	Fuel oil	26	25	20
	Waste	433	397	404

* Note: Electricity consumed refers to the net consumption of electricity from the National Grid and is calculated as electricity imports–exports. In order to avoid double counting, electricity generated on-site is not included in this figure, as it is supplied from the CHP engine which is ultimately powered from the gas consumption reported above.

During 2018/19, absolute CO_{2e} emissions have risen by 1.21% in comparison with 2017/18. Although to date we have still reduced our emissions by 11% against the 2013 baseline year for our 2020 target. This leaves a 20% saving to be achieved when considering absolute emissions.

Work has been undertaken to assess the Trusts carbon emissions against the backdrop of increasing patient activity, and increasing floor area. This has demonstrated that when normalised against patient activity, the carbon emissions for the Trust have reduced significantly since the 2013 baseline, as per the following:

Year	Tonnes CO_{2e}	CO_{2e} / 1000 patients
2013	13,622	33.07*
2013/14	12,953	30.43*
2014/15	12,873	28.28*
2015/16	12,611	21.76
2016/17	11,994	20.45
2017/18	12,153	20.96
2018/19	12,299	TBC
Reduction achieved	*11%*	*37%*

* Data for RNHRD

Water performance

		2016/17	2017/18	2018/19
Non-financial indicators	Water Consumption ('000m3)	184	179	168
Financial indicator (£k)	Water Supply Costs	308	301	307
	Sewerage Costs	185	186	188
	Total Costs	493	487	495

We announced the launch of a 'leak busting' campaign in the 2014/15 annual report. This was in response to annual increases in water consumption of 18% in 2013/14 and 7% in 2014/15. Since then we have achieved a 25.8% reduction in water consumption, with 5.9% of this being achieved in 2018/19.

We are now considering the revised target for our next 5 year strategy, and working closely with our water supplier to understand what may be achievable on the hospital site.

Waste performance

		2016/17	2017/18	2018/19
Non-financial indicators (tonnes)	**Total Waste**	**1,597**	**1,446**	**1,463**
	Incinerated Clinical Waste	155	153	149
	Alternative Treatment Clinical Waste	387	375	365
	Recycled	485	371	401
	Landfill	570	176	40
	Energy from Waste	N/A	371	508
Financial indicator (£k)	**Total Waste Disposal Cost**	**432**	**383**	**404**
	Incinerated	62	63	94
	Alternative Treatment	156	154	134
	Recycled	87	49	56
	Landfill	127	68	40
	Energy from Waste	N/A	49	80

The new municipal waste and recycling contract that was let in 2017 has performed well with further increases in the volume of waste recycled and diverted from landfill. This also explains why the carbon emissions from waste reported above have reduced further in the last year. Further work is required regarding clinical waste disposal as incinerated waste is at a high level, running at 29% of clinical waste. A significant proportion of clinical waste sent for alternative treatment should be sent as offensive waste which requires a lower level of treatment for disposal. These actions would also further reduce waste costs for the Trust.

The waste team moved under new management within Estates and Facilities Division during the year, and is now managed as part of Facilities. Working in conjunction with the Waste Authorising Engineer, further improvements in waste disposal are expected. Improvements, and compliance, are being driven through a new waste segregation audit process, which looks at the segregation of waste at ward bin level and recommendations are made at ward/department level for actioning.

Social, community, anti-bribery and human rights

All Trust policies and procedures are based on national employment legislation, adhere to NHS constitution staff pledges and contain an equality and diversity impact assessment – to ensure upholding of social, community, anti-bribery and human rights principles. In addition, our implementation of the Equality Delivery System2, Gender Pay Gap and the Workplace Race Equality Standard ensures that we have a transparent governance and accountability structure to build on the work in these two areas. During 2018/19 the Trust had no social, community or human rights violation issues.

Important events since the end of the financial year affecting the Trust

The government has accepted a new deadline of 31 October 2019 for the UK leaving the European Union. The UK may exit the EU earlier than 31 October if a deal is agreed. We continue to plan and prepare for an EU exit, including taking any actions directed by our regulators and the Department for Health and Social Care. No other events to add as at the date of signing.

Details of overseas and subsidiary operations

The Trust has no branches outside the UK.

In December 2015 the RUH became a founding partner in Wiltshire Health and Care, a Limited Liability Partnership (LLP) which from 1 July 2016 became responsible for the delivery of integrated adult community health services across Wiltshire for the next five years.

In January 2018 the RUH registered RUH Services 123 Ltd, now RUH Solutions Ltd, as a potential vehicle for subsidiary trading which has never traded and is in the process of being dissolved.

Signed

James Scott

Chief Executive (Accounting Officer)

21 May 2019

Accountability report

Directors' report

This report is prepared in accordance with the NHS Foundation Trust Code of Governance and the NHS Foundation Trust Annual Reporting Manual (NHS FT ARM) 2018/19 published in February 2019.

Directors' responsibility for the annual report and accounts

The Directors are responsible for preparing the Annual Report and Accounts. The Directors consider that the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the Trust's performance and strategy.

Directors of the Trust

Directors of the RUH during 2018/19:

Brian Stables	Chairman
Joanna Hole	Non-Executive Director Vice Chairman and Senior Independent Director
Nigel Sullivan	Non-Executive Director
Jane Scadding	Non-Executive Director
Jeremy Boss	Non-Executive Director
Nigel Stevens	Non-Executive Director
James Scott	Chief Executive
Peter Hollinshead	Interim Director of Finance (to June 2018)
Libby Walters	Deputy Chief Executive & Director of Finance (from June 2018)
Bernie Marden	Medical Director
Francesca Thompson	Chief Operating Officer (to February 2019)
Rebecca Carlton	Chief Operating Officer (from February 2019)
Helen Blanchard	Director of Nursing & Midwifery (to September 2018. On secondment July – September 2018)
Lisa Cheek	Director of Nursing & Midwifery (Acting July - November 2018, appointed November 2018)
Claire Radley	Director of People*
Jocelyn Foster	Commercial Director*
Howard Jones	Interim Director of Estates and Facilities* (from January 2019 – March 2019)

*Non-voting members

The Trust considers each of the listed Non-Executive Directors to be independent.

Any Director who no longer meets the requirements of the Fit and Proper Persons Test will have their membership of the Board of Directors terminated.

The Board of Directors

Chair and Non-Executive Directors

Brian Stables, Chairman (Appointed: 1 April 2010 - 31 March 2019)

Brian was previously a Foundation Trust Network Board Member and Trustee, and prior to this held the position of Non-Executive Director and Vice Chairman of NHS Wiltshire. He has an MBA and is a Fellow of the Chartered Institute of Management Accountants (FCMA). Brian is a Director of Profex Associates Ltd Management Consultancy, an Associate Lecturer on the Open University Chartered Manager Degree Apprenticeship programme, a tutor with HFMA on postgraduate programmes and a Trustee of Wiltshire Mind.

Alison Ryan, Chair (Appointed: 1 April 2019)
Alison was previously a Non-Executive Director at the University Hospital Bristol NHS Foundation Trust, and previously she held Non-Executive Director positions on the boards of Somerset Partnership NHS Mental Health Trust and at NHS Southwest and NHS South of England Strategic Health Authorities. Alison has 30 years strategic and executive experience in the health and social care sector. Alison is a member of the Chartered Institute of Management.

Joanna Hole, Non-Executive Director, Vice Chair and Senior Independent Director* (Appointed: 1 April 2011) *Vice-Chairman and Senior Independent Director from 1 November 2015

Joanna is Chair of the Non-Clinical Governance Committee, Co-Chairman of the Joint Non-Clinical and Clinical Committee, a member of the Audit Committee, and on the Board of Directors' Nominations and Remuneration Committee. She is also the Board lead for the Physical Environment and Complaints, and Champion for Adult and Children's Safeguarding, Resilience Planning and Freedom to Speak Up. She previously held a number of Senior Civil Service positions within the Ministry of Defence which include: Head of Safety, Sustainable Development and Business Continuity (civilian and military), Director of Business Continuity and Deputy Director of HR Development Framework (Civilian). Her earlier career was in HR, Estate Strategy, Procurement and Corporate Governance.

Nigel Sullivan, Non-Executive Director (Appointed: 1 August 2012)

Nigel serves on the Non-Clinical Governance Committee and the Board of Directors' Nominations and Remuneration Committee. Nigel has a BSc (Hons) and a Post Graduate Diploma in Personnel Management. He has held senior positions in a range of private sector organisations, and his current role is Chief People Officer for Bupa. He is a Director of West Four Apartments Company Limited.

Jane Scadding, Non-Executive Director (Appointed: 1 November 2015)

Jane serves as chair of the Clinical Governance Committee and is a member of the Board of Directors' Nominations and Remuneration Committee. She has a BA (Hons) in French and Management Studies, and is MCIPS qualified and a Fellow of the Chartered Institute of Procurement and Supply. Jane's previous appointments included Chief Procurement Officer for Wincanton plc, Global Procurement Director for capital and construction in GlaxoSmithKline and European Procurement Director for Pharmaceuticals in SmithKline Beecham. Until May 2017 Jane was a Trustee for Bath and Wiltshire School Sports Trust. She is also currently Chief Procurement Officer at TalkTalk.

Jeremy Boss, Non-Executive Director (Appointed: 6 March 2017)

Jeremy serves as chair of the Audit & Risk Committee and of the Charities Committee and is a member of the Commercial Transactions Steering Group. He has a BSc (Hons) in Economics from the University of Warwick and is a Fellow of the British Computer Society and a Fellow of the Institute of Chartered Accountants in England and Wales (ICAEW); also he has served on the ICAEW governing council. Jeremy's previous appointments include Chief Information Officer for both the Department of Energy and Climate Change and the Audit Commission. He is also a current Non-Executive Director and Audit Chair at the Driver and Vehicle Licensing Agency (DVLA).

Nigel Stevens, Non-Executive Director (Appointed: 1 April 2018)

Nigel serves on the Clinical Governance, Board of Directors' Nominations and Remuneration and Audit Committees. He is also the Non-Executive Director champion for patient and families' experience. Nigel has a BA (Hons) in Politics and Geography and an MA in Defence Studies. After 20 years as a logistics officer in the Royal Air Force, Nigel moved into the commercial sector. Following eight years as Chief Executive Officer for the UK and Ireland Division of a major, global public transport group, he is now an independent transport consultant working with the commercial and public sectors on future transport solutions. Nigel is Interim Chair of the Beechen Cliff School Board of Governors.

Executive Directors (voting)

James Scott, Chief Executive (Appointed: June 2007)

James has been a hospital Chief Executive for over 20 years in the West Country. Prior to this he obtained significant experience gained over 16 years in senior roles in NHS organisations across London. James is currently Vice Chair of the West of England Academic Health Science Network. James has a daughter who works at University Hospitals Bristol NHS Foundation Trust.

Peter Hollinshead, Interim Director of Finance (Appointed: February 2018 – June 2018)

Peter has over 25 years as a Board level Director of Finance including being an Interim Director of Finance of 15 different Acute NHS Trusts including: United Lincolnshire Hospitals, University Hospital of Leicester, and University Hospital of North Staffordshire. He has a BA (Hons.) in Economics and is a member of the Chartered Institute of Public Finance and Accountancy. Peter had no declared conflict of interest.

Libby Walters, Deputy Chief Executive & Director of Finance (Appointed: June 2018)

Libby has worked in the NHS for 24 years and prior to joining the RUH held positions as the Director of Finance and Resources at Dorset County Hospital NHS Foundation Trust and as the Director of Finance and Deputy Chief Executive at Yeovil District Hospital NHS Foundation Trust. She is a member of the Chartered Institute of Public Finance and Accountancy and has a particular interest in ensuring the focus on use of resources is intrinsically linked with improving the quality of care provided. Libby is also an active member of the Healthcare Financial Management Association South West Branch, and has no declared conflict of interest.

Bernie Marden, Medical Director (From: April 2018)

Bernie has been a Consultant Paediatrician and Neonatologist at the RUH for 14 years where he has previously been Head of Women and Children's Division and Paediatric Clinical Lead. He is a Chief Clinical Information Officer leading on the Trust's clinical IT transformation strategy and serves as Caldicott Guardian. He holds a Masters in Medical Law and Ethics and is an Honorary Clinical Senior

Lecturer with the University of Bristol. Bernie undertakes private practice in Paediatrics at the RUH, is a Paediatric adviser to Circle Reading and his brother is a Consultant Gastroenterologist at the RUH.

Francesca Thompson, Chief Operating Officer (Appointed: September 2006 – February 2019)

Francesca was previously the Trust's Director of Nursing and was appointed to the role of Chief Operating Officer in 2014. Francesca acted as the Trust representative on the partnership board for Wiltshire Health & Care LLP. She is a Registered Nurse with an MSc in Social Sciences. Francesca is also a Trustee for Dorothy House due to her clinical background in specialist palliative care. She has a keen interest in quality improvement and leading change.

Rebecca Carlton, Chief Operating Officer (Appointed: February 2019)

Rebecca has over 20 years' NHS experience. She has held a number of senior operational management roles including as the Director of Operations for Emergency Care and Acute Medicine in Barts Health Trust and more recently as Hospital Director at Morriston Hospital. She has an MSc in Health Policy, Finance and Planning and participated in the Hope European Exchange Programme as the NHS representative to Denmark. Rebecca has no declared interests.

Helen Blanchard, Director of Nursing & Midwifery (Appointed: August 2013 – September 2018, on secondment July – September 2018)

Helen was previously Chief Nursing Officer and Director of Infection Prevention and Control at Worcestershire Acute Hospitals NHS Trust, Director of Nursing and Quality at Hereford County Hospitals NHS Trust, and held a number of senior nursing and midwifery roles in Acute Trusts. She is a Registered General Nurse and District Nurse, a lecturer/practice educator and has an MSc in Nursing Studies. Helen has no declared interests.

Lisa Cheek, Director of Nursing & Midwifery (Acting July – November 2018, appointed November 2018)

Lisa is an experienced registered general nurse and has held a number of senior nursing roles across acute Trusts. She joined the RUH as Deputy Director of Nursing and Midwifery in July 2016. Previously to this Lisa was Deputy Director of Nursing at Kingston Hospital NHS Foundation Trust. She gained her MSc in Health Service Management at South Bank University. Lisa has no declared interests.

Executive Directors (non-voting)

Claire Radley, Director of People (Appointed: April 2018)

Claire was previously the Assistant Director of Organisational Development at Cardiff and Vale Health Board. Prior to this she held a number of local and national roles in policing, spanning research, performance management, quality, culture, leadership and organisational development. She has a PhD in organisational and occupational culture. Claire is a member of the Honourable Company of Gloucestershire.

Jocelyn Foster, Commercial Director (Appointed: July 2012)

Jocelyn was previously Director of Business Strategy for Kent County Council, Strategy Director at (Parcelforce) Royal Mail, Strategic and Corporate Development Director at Leicestershire Partnership NHS Trust, and has previous public and private sector experience in business strategy, planning, transformation and new business development. Jocelyn has an MBA, DPhil, and BSc (Hons) in Biological Sciences. Herdeclared interests for 2018/19 were as follows: Complaints Panellist - Dental Complaints Service and a financial interest in Veloscient Ltd (facilitating structured data capture for a range of markets, including healthcare).

Howard Jones, Interim Director of Estates and Facilities (Appointed: 1 January – 31 March 2019)

Howard has over 25 years' experience as a Director of Estates and Facilities gained in NHS organisations including the RUH. He has a BEng (Hons) in Environmental engineering, an MSc in Corporate Real Estate Management and is a Chartered Engineer. He has no declared interests.

Brian Johnson, Director of Estates and Facilities (Appointed: 1 April 2019)

Brian has over 30 years experience working nationally and internationally across a broad range of technically challenging, high profile projects in a number of sectors including education, sport and health. Brian's most recent role was Head of Capital projects at the RUH, and prior to this he was Regional Operations Director at Capita Health Partners. He has no declared interests.

Contact with the Directors

Information on how to contact the Chair and the Chief Executive is available on the Trust's website. In addition, all Directors can be contacted at ruh-tr.trustboard@nhs.net

Register of interests

The Trust's Chair, Non-Executive Directors, Executive Directors and Governors are required to comply with the Trust's Code of Conduct and Declarations of Interests Policy and declare any interests that may result in a potential conflict of interest in their role at the Trust; they do this during each of their public meetings. The register of interests of Governors can be obtained by writing to the membership office at RUHmembership@nhs.net.The Directors' declared interests are listed on the Trust's website.

Additional Directors' report disclosures

Cost Allocation and Charging Requirements

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

Political Donations

The Trust has made no political donations over the course of the year.

Better Payment Practice Code

The Trust is required, by the national "better payment practice code", to aim to pay all valid invoices within 30 days of receipt, or the due date, whichever is the later. Over the 12 months to 31 March 2019, the Trust achieved the following performance:

Better payment practice code	Actual Foundation Trust Number	Actual Foundation Trust £'000
Non-NHS		
Total bills paid in the year	82,016	205,547
Total bills paid within target	78,738	199,061
Percentage of bills paid within target	**96.0%**	**96.8%**

NHS		
Total bills paid in the year	1,858	20,799
Total bills paid within target	1,550	16,112
Percentage of bills paid within target	**83.4%**	**77.5%**
Total		
Total bills paid in the year	**83,874**	**226,346**
Total bills paid within target	**80,288**	**215,173**
Percentage of bills paid within target	**95.7%**	**95.1%**

Total interest paid to suppliers under the Late Payment of Commercial Debts Act 1998 was £0 (£0 in 2017/18).

Disclosures relating to NHS Improvement's well-led framework

The Trust has had regard to NHS Improvement's well-led framework (together with the CQC's revised well-led assessment framework, updated in June 2017) when arriving at its evaluation of the organisation's performance, internal control and assurance framework.

The Board of Directors and Senior Divisional Management teams undertook a self-assessment against the well-led framework in quarter 3 of 2017 and the Trust commissioned an external well-led developmental review which took place in January 2018. Each core clinical service within the Trust has also undertaken a self-assessment to ensure that the services are well-led and to identify any areas where additional support may be required.

The outcomes of the self-assessments and the recommendations of the external review formed the basis of action plans in 2018/19 to embed good practice with focus on areas identified where improvement was required. Further information on the Trust's approach to ensuring that services are well-led is set out in the Annual Governance Statement and Performance Report sections of this Annual Report and Accounts.

There are no material inconsistencies between the annual governance statement, the corporate governance statement, the quality report and reports arising from Care Quality Commission planned and responsive reviews of the NHS foundation trust and any consequent action plans developed by the NHS foundation trust.

Enhanced quality governance reporting

Patient care and stakeholder relations

During 2018/19 a number of developments and initiatives introduced by the Trust have further improved patient experience and quality of care. As the direction of travel for health services continues to move towards providing more integrated care, the Trust has continued to work with other organisations and build relationships, strengthening partnership working, stakeholder relations and staff involvement. Highlights are outlined below and further detail can be found in the Quality Report and Performance Report sections of this annual report.

Patient care

Information about how we are using our Foundation Trust status to develop services and improve patient care can be found in the membership section of this report. Performance against key

healthcare targets and progress towards targets, as agreed with commissioners, together with details of other key quality improvements can be found in the Quality Accounts.

Monitoring improvements in the quality of care

The Trust is registered with the CQC with no conditions applied. The last CQC inspection of the Trust took place in June 2018 at the Combe Park site. The CQC inspected five core services (urgent and emergency services, medical care, critical care, children and young people's services). The CQC also reviewed management and leadership of the Trust to make its assessment about whether the Trust is well-led.

The CQC rated the Trust overall as 'Good', an improvement from the 'Requires Improvement' rating achieved during the last comprehensive inspection of the Trust in March 2016. The overall rating for caring remained as 'outstanding' with the CQC recognising that the care provided to patients and their families was kind, compassionate and sensitive to patient needs. The Trust was rated as 'Good' overall for being well-led. Maternity was rated as outstanding and medical care, critical care and services for children and young people were rated as good.

The rating for urgent and emergency services remains as 'Requires Improvement' with the CQC feeling that sufficient improvements had not been made to key areas identified in the last inspection report that impacted on patient care. The CQC noted that the department remained over-crowded, patients were waiting too long on trolleys and risks to patient flow were still concentrated on the emergency department rather than being shared through the wider system.

The CQC identified four actions where the Trust must improve, all related to urgent and emergency services. An improvement plan was developed and returned to the CQC detailing the actions that will be taken to address the four compliance recommendations from the inspection report. Implementation of this improvement plan is monitored on a quarterly basis through Management Board and the Board of Directors.

Quality Governance

The Board of Directors takes clear responsibility for ensuring the quality and safety of services provided by the Trust and has in place robust structures and reporting mechanisms to ensure that quality priorities are identified and monitored. This includes the triangulation of multiple performance measures through mechanisms such as ward accreditation schemes and monthly triangulation reporting to the Board. Where our performance is below what we expect, the Board of Directors will ensure that remedial action is taken to improve services.

It is the role of the Clinical and Non-Clinical Governance Committees to "test" our systems and processes in order to assure the Board of Directors that we have robust systems in place for monitoring quality and safety.

The Trust has developed a Ward and Outpatient Accreditation programme to recognise and incentivise high standards of care and reduce variation in practice. It also provides assurance that the CQC fundamental standards are being met and is used to identify where any improvements in practice are required. The programme uses Performance Indicators to measure the quality and safety of the services provided at individual ward and outpatient level, and has expanded to include Maternity, Paediatrics, Critical Care and Emergency department.

The programme takes a tiered approach of assessment from Foundation Level to Gold Level and progression through each of the levels is recognition of the increase in the quality of care provided. When wards and departments achieve the highest level of Gold, this demonstrates "sustained levels of excellence". The assessments are made up of a number of Key Performance Indicators, broken down under the five key questions asked by the CQC: are services safe, effective, caring, responsive and well-led. Assessment at Bronze level and above is based on performance information that is routinely available and monitored, observations of care and the environment and interviews with staff and patients.

Progress to date:

Ward Accreditation: A total of 32 clinical areas including 25 adult wards, Maternity ward (Mary), Bath Birthing Centre, NICU, Admissions suite, Children's ward, Critical Care Services and Emergency department are included in the Ward Accreditation programme. All areas have now achieved Foundation level, aside from NICU and the Admission suite which were new to the programme towards the end of 2018 and are now under assessment.

Of the 32 clinical areas 25 have achieved Bronze level with the remaining due for reassessment in April 2019.

Silver level is designed to broaden the programme to include assessment of the Multidisciplinary team within wards and departments. Silver level indicators have been developed and the assessment process developed to include analysis of data, unannounced observations of care, inclusion of the Dementia Charter mark and End of Life charter mark and the development of a portfolio of evidence that members of the multidisciplinary team will present to a panel of assessors. The Portfolio is designed to showcase achievements and includes demonstration of improvements made to services following, for example, patient experience feedback and quality improvement projects. The first ward to be assessed for Silver level is Helena in April 2019.

Outpatient Accreditation: A total of 28 areas including 23 adult areas, the Children's unit and four birthing centres are included in the Outpatient Accreditation programme. All areas have achieved Foundation level aside from four birthing centres which were new to the programme towards the end of 2018 and are now under assessment.

Of the 28 Outpatient areas 15 have achieved Bronze level with the remaining undergoing reassessment by the end of April 2019.

The development of Silver indicators for outpatient areas has commenced with the first area to be tested planned for June 2019. In all areas we have continued to see excellent examples of engagement with the programme and high quality patient care.

The CCGs have undertaken several quality visits into clinical areas including the Emergency Department and William Budd ward. Quality visits have also been undertaken to review specific pathways and these have included the Referral to Treatment pathway and the Venous Thromboembolism (VTE) pathway.

Each year we ask our members to let us know the topics they would like us to include in our programme of Caring for You events. This year's sessions included:

- Forever Friends Appeal
- Falls Prevention
- Healthy Minds
- Restart a Heart
- Let's Talk About End of Life Care
- Food and Nutrition
- Age Related Macular Degeneration

Our Trust's integrated balanced scorecard is based on the CQC domains and our ward dashboards allow for the triangulation of data and information flows from ward to Board.

<u>Patient and public experience activities</u>

The Trust's Patient and Carer Experience Strategy 2017-20 was launched in May 2017. It was developed to support staff to seek and act on patient and carer feedback, and ensure that patients, families and their carers using our services have the best possible experience. The strategy describes the importance of staff and patients working together to make improvements, and was developed with the involvement of patients, families and carers, public Trust members and staff.

The strategy sets out how we will continue to put patients and carers at the heart of everything we do and is centred around **three key ambitions**:

- To **listen to patients and carers** – supporting staff to actively engage with patients and carers, encouraging all feedback and learning from listening to their experiences and making improvements, where necessary, as a result of their feedback.

- To **communicate clearly and effectively** - ensuring that we meet the emotional needs of patients/carers by communicating effectively with them and providing information in a way that they can understand.

- To **involve patients and carers in improving services** – to involve patients in the design of new services and making improvements to existing services, providing toolkits/guides.

This year the Patient Experience team completed a '1-year on' review of the Patient and Carer Experience Strategy 2017/2020 and developed a plan for year 2 of the strategy and presented this to the Board of Directors in September 2018. Achievements to date include:

- A 'how to' guide has been published on the staff intranet to support them in collecting and using patient experience and feedback and using this to drive improvement.
- The Ward Dashboard was successfully launched in the autumn and gives staff access to feedback from patients and their families through FFT, PALS and complaints in one easily accessible place.
- The Patient Experience team supported a number of patient experience initiatives in the first year of the strategy.

Some examples of the improvement projects are listed below:

Cancer Associated Thrombosis Service: The Trust was involved in a project aimed at improving anticoagulation services across primary and secondary care. Anticoagulants are medicines which help prevent the development of potentially harmful blood clots in the heart and blood vessels. The anticoagulation team gathered feedback from patients and clinicians to help improve patient information. The team was shortlisted for the National Anticoagulation Achievement Awards and, at a ceremony at the House of Commons, was named winner in the 'Best work in the prevention and treatment of cancer-acquired thrombosis' (CAT) category.

Providing email access for patients wanting to change their appointments: Patients tell us that they sometimes have difficulty contacting outpatient departments by telephone when they want to change their appointments. As a result outpatient departments, e.g. Oral Surgery and Trauma and Orthopaedics, now have an email address for patients to use and we will be rolling this out across all outpatient departments in 2019.

Text messaging with patients: Following patient feedback the Head and Neck Specialist Nurses have purchased a mobile phone to facilitate communication with patients who have had tracheotomies. Patients and nurses communicate by text message following the patient's surgery.

Appointment letters: Patients told us that appointment letters from the RUH were confusing and we have updated the letters based on their feedback and reviewed by the Trust Readers' Panel, consisting of patients and carers. Initial feedback from patients is that the letter is clearer, well-structured and easy to follow.

<u>Using patient feedback to improve services</u>

During this year over 35,000 patients and their carers and families have shared their experiences of the services we provide. This information has been collected through a variety of ways, for example:

- FFT
- PALS, Concerns and Complaints
- Patient Stories
- Hospital questionnaires
- Social media – NHS Choices website/Twitter/Facebook
- PLACE (Patient-Led Assessment of the Care Environment)
- Annual and bi-annual National Patient Experience Surveys – Inpatient/Maternity/Emergency Department/Cancer

Further information on patient experience is included in the quarterly patient experience reports to the Quality Board and the Board of Directors and is available on the Patient Experience Matters section of the Trust's website.

Patient Stories

Each month a patient/carer story is heard at the Board of Directors. This is the first item on the Board agenda and staff involved in the care of the patient attend the Board meeting to share what has changed as a result of the patient/carer story. Their story is either filmed, voice-recorded or the patient/family member shares their experience by attending the Board meeting. Their stories are available on the Trust Intranet for staff to use in training and education.

As a result of listening to patient/family stories we have improved the care we provide by:

- Improving the experience of parents in NICU - this included buying a mobile phone so that parents are called if their baby has moved to another bay; providing overnight beds for parents to stay beside their baby when the NICU accommodation is full; and implementing training for all staff on how to further support mums to breastfeed their babies.
- Improving the experience of parents/carers of patients with a Learning Disability - the Learning Disability team was successful in a bid to buy recliner chairs for wards so that family carers can sleep comfortably next to their loved ones. All wards now have recliner chairs and 'Family and Carer Boards' are also on display in each ward highlighting the important role that carers play and that the hospital actively welcomes carers.
- Improving the experience of patients following bowel surgery – the Trust has implemented the Enhanced Recovery programme on Robin Smith ward. This programme is aimed at helping patients recover more quickly after their surgery by ensuring that they are as healthy as possible before their operation and are actively involved in their recovery after their surgery. The ward staff have developed information cards that are given to patients telling them what to expect on the day of surgery and the days afterwards.

See it my Way

This year, we have held three 'See it my Way' events where patients and carers share with staff their experiences of a condition and/or care at the hospital. The events have covered a number of important areas:

- 'See it my Way – living with a life-limiting condition. May 2018
- 'See it my Way – living with deafness. October 2018
- 'See it my Way – living with a learning disability. February 2019

The events are open to all staff across the hospital and are well attended. A short film is produced following each event which is available on the Intranet for staff to use in education and training.

Improvements in patient/carer information

The Patient Experience team support staff to write and provide written information to patients and carers. We also have a legal responsibility to provide written information in a format that is accessible to patients and carers with sensory impairments and/or learning disabilities. There is an identified Trust Lead responsible for responding to requests for information in an accessible format.

Patient and Carer information is reviewed by a Readers' Panel which is made up from the membership of the Trust. This review ensures that any 'new' written information is written in a way that patients and carers can understand.

The Trust encourages the use of electronic information where possible to reduce the costs of printing. Information will be stored on the RUH website and can be emailed to patients and carers.

Each Department Manager, Clinical Lead and/or Matron is responsible for ensuring the department holds an accurate and up-to-date inventory that lists the titles of archived patient information, together with document owner/author.

Information on complaints handling

Our complaints resolution process aims to resolve patients' and carers' concerns at an early stage through PALS. The Trust views complaints constructively and is committed to making sure that complaints are used as an opportunity for learning. The Trust is keen to hear from patients and their families when their care and treatment goes well but also when concerns have been raised so as to use this information to learn and improve.

This year, we have seen a slight increase in the number of formal complaints (215) compared to the previous year (179). Our focus is on resolving queries or concerns at an early stage at departmental level, wherever possible. The majority of complaints relate to communication and clinical care and concerns. The Trust is encouraging staff to address issues at the time either through informal meetings or conversations on the telephone. A number of clinical staff have attended informal training to support this and this will be rolled out more widely in 2019/20.

Complaints are logged and tracked on DATIX, the Trust's reporting system which is also used for incident reporting. This allows staff to receive regular updates when responses are due.

There is a 35-day local target for responding to formal complaints and our performance against this target is included in the quarterly Patient Experience reports to the Quality Board and the Board of Directors and in the Trust's annual complaints report. Less complex complaints may be responded to in a quicker timeframe; however, more complex complaints that are better resolved in a face-to-face meeting may take longer. The Trust encourages meetings as a means of resolution.

Clinical leads and managers are responsible for investigating and responding to complaints made in their respective areas. The Heads of Nursing and Midwifery have oversight of all complaints, the investigations and the Trust's response. All formal complaints are reviewed by the Head of Nursing and Midwifery and responses signed by the Chief Executive. Complaints are discussed at nursing and governance meetings and the learning from complaints is included in the quarterly Patient Experience report to the Quality Board and the Board of Directors.

Stakeholder relations

West of England Academic Health Science Network (AHSN)

The RUH hosts and continues to work in partnership with the West of England AHSN to explore new opportunities for collaboration and innovation to further improve patient safety and quality of care, and share best practice across the South West. RUH staff have progressed through both the AHSN Health Innovators programme and the AHSN West of England Academy training for Improvement Coaches and are now taking forward their innovations and service improvements within the Trust. A

number of our clinical teams have been undertaking specific work streams to support the rapid implementation of innovation and service improvement and share best practice across the NHS. For example, the RUH has worked with partners funded by the West of England AHSN to establish the UK's second FLOW training Academy which provides health and social care staff with key skills and tools to undertake a comprehensive diagnosis of how their local healthcare system is working and where to focus improvement efforts.

Undergraduate and postgraduate medical training

Undergraduate medical students: The RUH hosts the Bath Academy as a teaching hub for Bristol University Medical School, supporting the education and training of nearly 400 medical students, equating to 9000 student weeks, per year. Around 25 Consultants act as Coordinators and Tutors providing and organising the teaching of medical students; they work alongside eight Clinical Teaching Fellows (Junior Doctors) as the keystone to providing the teaching both on the wards and in the classroom.

The Bath Academy goes from strength-to-strength as our reputation as the most popular Academy for Bristol medical students continues to grow. This reputation is enhanced by further improving our Simulation Suite where we can teach medical students how to deal with a multitude of clinical situations in a controlled environment.

Postgraduate Doctors: The RUH continues to respond to and embed the changes in Post-Graduate Medical Education precipitated by the 2016 Junior Doctors Contract. Results from the National Training Survey and Quality Panels have shown the RUH continues to offer excellent training. The pioneering Local Trainee Support Faculty run by the Associate Director of Medical Education for Support is in place to help those trainees who need additional advice and guidance.

The General Medical Council and Health Education England are moving forward on a multi-professional education agenda. At the RUH, we continue to explore non-medical workforce options, such as Physician Associates and Advanced Nurse and Physiotherapy Practitioners. A new Educational Governance structure, Trust Education Group, has been established and successful multi-professional skills days to further integrate those groups in clinical practice have taken place. We look forward to establishing a Simulation Clinical Lead in the coming year to help further develop an already established facility and faculty.

RUH Estates redevelopment

The Trust continues to work in partnership with Kier, under a P21+ contract, smaller contractors and with the support of local people and charitable donors, to carry out an exciting programme of major redevelopment to transform our site and further improve the services we provide. We have worked, and continue to work, closely with patients, clinicians, staff, healthcare stakeholders, the local planning authority and the wider community in developing our plans to ensure any new buildings best meet the needs of patients and staff, fit within the existing infrastructure and improve the overall layout of the RUH site.

We are looking forward to opening the doors of our brand new RNHRD & Brownsword Therapies Centre later in 2019. This £21m development brings together all RNHRD Rheumatology services, RUH and RNHRD Therapy services. The new centre will provide improvements in the environment and facilities, a brand new hydrotherapy pool and co-location of expertise to support patients accessing these services, whilst also transforming the main entrance of the hospital.

During the summer of 2018, we completed a major refurbishment and transformation of the Radiology Department which included the installation of new MRI and CT scanners. In addition, we have opened a new Orthodontic and Maxillofacial department in the heart of the hospital, replacing old building stock in RUH North which will soon be demolished to make way for the Dyson Cancer Centre. The

department includes new dental suites and high-tech radiology equipment which was generously funded by significant donations from two individual donors and a local charitable trust. March 2018 also saw the final stages construction of a new high quality modular ward which will allow us to systematically upgrade the in-patient wards across the hospital commencing with the Surgical Assessment Unit in 2019.

Alongside this estate redevelopment programme we also invested significant capital in our medical equipment and IT infrastructure. The capital programme is funded from a variety of sources including our cost savings programme, charitable fundraising and disposal of assets which are no longer required. Funding for the reprovision of the RNHRD and Therapies Centre specifically includes the proceeds from the sale of the Mineral Hospital Building which was realised in 2017/18.

Primary care services

In 2017/18 the Trust working in partnership with the local GP federation BEMS+, was successful in being awarded a contract from B&NES clinical commissioning group to operate the Urgent Care Centre at the front door of the Emergency Department. This service successfully commenced in May 2018 and aims to provide a more resilient and seamless patient experience for all those with urgent care needs. Significant improvements have now been realised in GP staffing of the unit and we continue to work to develop the opportunities for closer integration with both the Emergency Department and system partners such as out-of-hours provider Medvivo.

Across 2019 we anticipate working closely alongside primary care colleagues to support new primary care networks in development.

Community services

In July 2016, Wiltshire Health and Care (a Limited Liability Partnership (LLP)) created between Great Western Hospitals Foundation Trust, Salisbury Foundation Trust and the RUH) commenced its £40m/yr contract from Wiltshire CCG to deliver seamless and improved community services across Wiltshire. Since launch our relationships with partners across Wiltshire and opportunities for improved community pathway development have been considerably strengthened including rolling out our Home First pathway with Wiltshire Health and Care. Home First builds on a very successful active rehabilitation pilot project run and funded by the RUH therapies team in 2016/17, helping patients with therapy requirements to return home from hospital at an earlier stage. This is funded at scale through Wiltshire Health and Care via the Wiltshire CCG contract going forward. The partnership has further strengthened our ability to work jointly on Wiltshire inpatient delays and particularly in the area of the more complex cases.

In November 2016, BaNES CCG awarded its contract for a prime provider of community services across BaNES to Virgin Care. The RUH continues to work with Virgin Care since the award to help ensure patients receive seamless, effective and timely care unhindered by organisational boundaries. From 1 April 2017, we took on the provision of an integrated community sexual health service for BaNES under subcontract to Virgin Care and have also improved the integration of our RUH therapy services through bringing speech and language resources in-house.

Learning from best practice networks

The RUH remains a member of NHS Quest and NHS Providers. These member-convened networks are committed to a relentless focus on sharing best practice. Members work together to share challenges, benchmark, peer review and design innovative solutions to provide the best care possible for patients and staff. A small annual membership fee is invested by the Trust towards the administration costs of these networks.

In the last year as the RUH has embarked on its organisational development journey – Improving Together. Our continuous transformation programme commenced in July 2018 and our front-line teams have already generated and implemented over 100 initiatives which have improved quality and reduced waste in our care delivery processes.

Wider system

We continue working closely with commissioning and provider partners across the BaNES, Swindon and Wiltshire area to jointly develop sustainability and transformation plans to improve our local population's health and wellbeing, to improve service quality and deliver financial stability. Funding for the administration of this has been shared between partners. The joint plans were published publicly at the end of 2016 and included the following priorities:

- Transforming primary care;
- More focus on prevention and proactive care;
- Making best use of technology and our public estates;
- Developing a modern workforce;
- Improved collaboration across hospital trusts.

The latter, in particular, involved benchmarking and consideration of the efficiency of our models for back-office and work to improve the resilience of our key clinical services. This work continues under an Acute Care Alliance arrangement.

We also continue to engage with stakeholders of the Somerset Sustainable Transformation Partnership, through which we are sharing further learnings and ideas across systems.

In addition to this work our local A&E delivery board has been focused together with partners on plans to improve the resilience of our urgent care systems. We have also been active in promoting use of FLOW methodology across our system to deliver significant multi-organisation pathway improvements, e.g. Home First pathway facilitating improved patient discharge and CareHome multidisciplinary teams which seek to enhance the support and care of residents without hospital admission.

Across 2018/19 we have also been active in our work together at a locality level to deliver against shared priorities and to deepen relationships with development of integrated care alliances in both Wiltshire and B&NES areas.

Third Sector

The RUH works closely with a variety of third sector partners for the benefit of current patients and research for the future. These include those resident on its site: RICE, Designability, RUH Hospital Radio and Friends of the RUH whose passionate volunteers contribute a huge amount of value through their direct activities on wards and generating funds which are used to enhance the patient experience.

Across 2018/19 we continue to work with RICE and the Alzheimer's Society on the Friendly Faces project which in its first twelve months provided over 980 hours of volunteer support to patients with dementia. The aim of the project is to provide an estimated 160 placements and over 4,800 hours of care across a three year programme. We also launched an exciting new initiative between our Palliative Care Team and Dorothy House Hospice Care: The Compassionate Companions Project

aims to provide companionship to patients, ensuring no one spends their final days alone and in an unfamiliar environment.

Consultation with local groups and organisations

Across 2018/19 the RUH worked with local overview and scrutiny committees and successfully completed its public engagement activities with regard to transfer of all RNHRD services from their current location at the Mineral Water Hospital in central Bath to purpose-built facilities in the new RNHRD and Therapies Centre which is due to open its doors to patients in the autumn of 2019.

We have also actively supported the consultation conducted by the Bath and North East Somerset, Swindon and Wiltshire (BSW) Integrated Care System on Transforming Maternity Services Transformation. The proposals were the result of feedback gained from listening to over 2,000 women and families, staff, midwives, obstetricians and others with an interest in maternity services to look at ways we can improve services we provide to mothers and families across the region.

Research

The RUH continued to perform well with a strong research portfolio and ranked as the third most research active Trust in the West of England Clinical Research Network with only the two university hospitals in Bristol undertaking more research. Despite a national backdrop of increasing pressure on research budgets, the Trust maintained its R&D income position to be broadly in line with previous years.

The Trust continued to strengthen its collaborative relationships from a research point of view and played an active part in growing the research undertaken with all three of the local universities with which it has academic relationships, as well as participating in research led by other universities. Examples of the latter are two distinct research projects with the University of Oxford focusing on the role of artificial intelligence in radiology and the use of an antibiotic review kit across the whole hospital. In February, a very successful event was held in conjunction with the University of Bath that both showcased current research projects as well as highlighting potential new areas for work. Refining potential projects and securing funding for them is the next challenge. In addition, the Trust has explored mutual research opportunities with health-related charities such as Designability and RICE.

Friends of the RUH

The RUH and its patients are in the very fortunate position of receiving support from its very passionate charitable groups of Friends. Their volunteers contribute a huge amount of value to our organisation in their direct activities on wards for patient benefit and also in their activities which generate funds which are used to enhance patient experience.

Communities we serve

The RUH is a membership organisation and has a range of mechanisms to engage with its constituents – see later section.

Statement as to disclosure to the auditor

The Trust Board of Directors can confirm that each individual who was a Director at the time this report was approved has certified that:

- So far as the Director is aware, there is no relevant audit information of which the Trust's auditor is unaware; and,
- the Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Trust auditor is aware of that information.
- The director has made such enquiries of his/her fellow directors and of the company's auditors for that purpose;
- and taken other steps (if any) for that purpose, as are required by his/her duty as a director of the company to exercise reasonable care, skill and diligence.

Accounting Policies

NHS Improvement has directed that the financial statements of NHS Foundation Trusts shall meet the accounting requirements of the Department of Health Group Accounting Manual (GAM) agreed with HM Treasury. Consequently the Trust's financial statements have been prepared in accordance with the 2018/19 GAM issued by the Department of Health. The accounting policies contained in that manual follow International Financial Reporting Standards (IFRS) and HM Treasury's Financial Reporting Manual. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

Income Disclosures

Income from the provision of goods and services for the purposes of health services in England is greater than the income from the provision of goods and services for any other purpose for the RUH. Income was received from other sources including private patients and catering. Any net surplus generated from these additional activities serves to enhance patient care and further knowledge and understanding of the conditions treated at the Trust.

Joint Ventures

The Trust has a one-third controlling interest in Wiltshire Health and Care LLP, in partnership with Salisbury NHS Foundation Trust and Great Western Hospitals NHS Foundation Trust.

Wiltshire Health and Care LLP, from July 2016, became responsible for the delivery of adult community healthcare across Wiltshire for at least the next five years. The LLP has a separate Board but strategic control of the organisation remains with the partners as detailed in the Members' Agreement signed by the three NHS Foundation Trusts.

The Trust provides Financial Services to Wiltshire Health and Care managed through a Service Level Agreement.

Remuneration report

The remuneration report has been prepared in accordance with sections 420 to 422 of the Companies Act 2006; regulation 11, parts 3 and 5 of Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulation 2008 (SE 2008/410); parts 2 and 4 of schedule 8 of the

Regulations as adopted by NHS Improvement in the NHS Foundation Trust Annual Reporting Manual 2018/19; and relevant elements of the *NHS Foundation Trust Code of Governance.*

The following report details how the remuneration of senior managers is determined. A 'senior manager' is defined as 'those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS Foundation Trust'. The Trust deems this to be the Executive and Non-Executive members of the Board of Directors.

Annual Statement on Remuneration

Chairman of the Remuneration Committee's annual statement on remuneration

Upon authorisation as an NHS Foundation Trust on 1 November 2014, the Board of Directors established a Nominations and Remuneration Committee with responsibility for the nomination and selection of candidates for appointment as Chief Executive or Executive Directors, as well as issues concerning Executive remuneration.

The Nominations and Remuneration Committee is chaired by the Trust Chairman and has delegated responsibility for the remuneration and terms of service for the Chief Executive and Executive Directors of the Trust. Its responsibility includes all aspects of salary, provision of other benefits, and arrangements for termination of employment and other contractual terms. The membership of the Committee consists of all the Non-Executive Directors. The Chief Executive and the Director of People are in attendance at meetings of the Committee to provide advice, but are not present during any discussions relating to their own remuneration. Benchmarking data, taken from the 'NHSI Guidance on pay for very senior managers in NHS trusts and foundation trusts' (including Annex A), is adopted for comparisons.

Senior Managers' Remuneration Policy

With the exception of the Chief Executive and Executive Directors and apprentices, all non-medical employees of the Trust are remunerated in accordance with the national NHS Agenda for Change pay structure. Medical staff are remunerated in accordance with national terms and conditions of service for doctors and dentists.

The remuneration of the Chief Executive and Executive Directors (with the exception of the Medical Director*) is determined by the Board of Directors' Nominations and Remuneration Committee taking into account market levels, key skills, performance and responsibilities. In reviewing remuneration, including making decisions about whether to pay the Chief Executive and any of the individual Executive Directors more than £150,000 per annum, as outlined in the guidance issued by the Cabinet Office, the Committee has regard to the Trust's overall performance, delivery of agreed objectives, remuneration benchmarking data in relation to similar NHS Foundation Trusts and the wider NHS and the individual Director's level of experience and development of the role.

*The pay, terms and conditions for the Medical Director are determined by the national Consultant Contract and the associated Medical Terms and Conditions. An additional payment is made which reflects the additional responsibilities for the role of Medical Director. The Medical Director is eligible to apply for discretionary performance-related pay under Medical Terms and Conditions but is excluded from eligibility for the Directors' Bonus Payments Scheme.

Remuneration of Senior Managers

Pay component	Cost of living uplift (annual)	Bonus payment (annual)	Relevant Senior Managers
Agreed through the Nominations and Remuneration Committee and benchmarked against the 'NHSI Guidance for pay for very senior managers'	Application of nationally recommended uplift reviewed and determined by Nominations and Remuneration Committee.	Up to 10% of salary, non-consolidated, determined by the Nominations and Remuneration Committee. Awarded based upon assessment of individual and Trust performance.	All Executive Directors of the Trust including the Chief Executive

Performance Assessment of Chief Executive and Executive Directors

Individual performance is reviewed through the Trust's appraisal process to evaluate the extent to which the Chief Executive and Executive Directors have met their objectives and contributed to the delivery of the Trust's strategic objectives. The annual review comprises, where applicable, a cost of living uplift and, at the Committee's discretion, a Directors'* non-consolidated bonus payments scheme of up to 10% of the individual Executive Director's salary for outstanding performance over the last 12 months. The performance of the Chief Executive and Executive Directors is assessed on a continuing basis via formal appraisal and unsatisfactory performance may provide grounds for termination of contract. Any non-consolidated performance payment awarded is removed each year and then awarded where the performance measures have been achieved, and assessed through the appraisal process. The Nominations and Remuneration Committee receives a report identifying the achievement or otherwise of the performance measures.

Objectives for each Executive are set at the start of the financial year in order to deliver the strategic intentions (longer-term) and the operational plans (short to medium-term). These SMART objectives are the performance measures for the individual Executives. The objectives/performance measures are reviewed during the year and progress is recorded.

The provision of a non-consolidated performance payment for senior managers, as described in this report, is not replicated for other groups although Medical and Dental staff do have the opportunity to apply for national or local Clinical Excellence Awards which are consolidated.

The pay and conditions of trust employees were considered during the development of the trust's senior manager's payment scheme, with specific reference to the annual assessment of the cost of living allowance and whether this is to be awarded and / or consolidated into basic pay. The development of the senior manager payment scheme was developed though engagement with other trusts, and was supported by the Nominations and Remuneration Committee.

**with the exception of the Medical Director who was paid under the terms of the national Consultant contract and was therefore eligible to apply for national or local Clinical Excellence Awards and was excluded from any other bonus payment arrangements.*

The Board of Directors' Nominations and Remuneration Committee met on 29 March 2019 to consider the Chief Executive and Executive Directors' remuneration and performance bonus for 2018/19. The meeting was chaired by Brian Stables, Chairman, and was attended by Jeremy Boss, Joanna Hole, Jane Scadding and Nigel Stevens, Non-Executive Directors. Apologies were noted from Nigel Sullivan, Non-Executive Director.

The Chief Executive and the Director of People attended the meeting but withdrew during the discussion about their pay and performance bonus. The Senior Executive Assistant was in attendance and recorded the Committee's discussions and decisions.

Remuneration of the Chairman and Non-Executive Directors

Upon authorisation as an NHS Foundation Trust, the Council of Governors has established a Nominations and Remuneration Committee. This Committee is responsible for the appointment, remuneration and appraisal of the Trust Chairman and Non-Executive Directors.

The Committee first met on 6 November 2014 to consider the remuneration of the Trust Chairman and other Non-Executive Directors. The Committee reviewed national NHS Trust Chairman and Non-Executive Directors' remuneration benchmarking data and agreed to recommend to the Council of Governors that the level of remuneration for the Trust Chairman and the Non-Executive Directors should be in line with similar-sized NHS Foundation Trusts in the South West region. The Committee recommended the following remuneration for Non-Executive Directors outlined below:

Non-Executive Director Remuneration

	Per annum
Basic pay	£12,500
Allowances (payable to the Chair of Non-Clinical and Clinical Governance Committees)	£1,000
Chair of Audit Committee	£14,000
Senior Independent Director	£14,000
Chair	£47,500

The Committee's recommendation was approved by the Council of Governors on 6 November 2014.

The Council of Governors' Nominations and Remuneration Committee did not review the Chairman and Non-Executive Directors' allowances in 2018/19.

Annual Report on Remuneration

Service Contracts

None of the current substantive Executive Directors is subject to an employment contract that stipulates a length of appointment. The appointment of the Chief Executive is made by the Non-Executive Directors and approved by the Council of Governors. The Chief Executive and Executive Directors have a permanent employment contract and the contract can be terminated by either party with six months' notice. The contract is subject to normal employment legislation. Executive Directors are appointed by a committee consisting of the Chairman, Chief Executive and Non-Executive Directors. The Trust's Constitution sets out the circumstances in which a Director will be disqualified from office and employment terminated.

The Service Contract for Non-Executive Directors is not an employment contract. Non-Executive Directors are appointed for an initial term of up to three years and are eligible for further terms of appointment up to three terms or nine years. The Council of Governors is responsible for appointing,

suspending and dismissing the Chairman and Non-Executive Directors as set out in the Trust's Constitution.

Name	NHS FT terms of office*	Current term of Office	Notice period
Brian Stables **Chairman**	01-Nov-2014-31-Mar-2016	01-Apr-2016-31-Mar-2019	3 months
Joanna Hole **Non-Executive Director**	01-Nov-2014-31-Oct-2018	01-Nov-2018-31-Oct-2020	3 months
Nigel Sullivan **Non-Executive Director**	01-Nov-2014-31-Jul-2016	01-Aug-16-31-Jul-2019	3 months
Jane Scadding **Non-Executive Director**	01-Nov-2015-31-Oct-2018	31-Oct-2018–31-Oct-2021	3 months
Jeremy Boss **Non-Executive Director**	06-March-2017–28-February-2020	06- March-2017–28-February-2020	3 months
Nigel Stevens **Non-Executive Director**	01-April 2018-31-Mar2021	01-April-201831-Mar-2021	3 months
James Scott **Chief Executive Director**	01-Jun-2007	N/A	6 months
Peter Hollinshead **Interim Director of Finance**	01-Feb-2018	01-June-2018	N/A
Libby Walters **Deputy Chief Executive & Director of Finance**	04-Jun-2018	N/A	6 months
Bernie Marden **Medical Director**	30-Apr-2018	N/A	6 months
Francesca Thompson **Chief Operating Officer**	25-Sep-2006	14-Feb- 2019	6 months
Rebecca Carlton **Chief Operating Officer**	13-Feb-2019	N/A	6 months
Helen Blanchard **Director of Nursing & Midwifery**	27-Aug-2013	30-Sept-2018	6 months
Lisa Cheek **Acting Director of Nursing & Midwifery**	1-Oct-2018	6-Nov-2018	3 months
Lisa Cheek **Director of Nursing & Midwifery**	07-Nov-2018	N/A	6 months
Claire Radley **Director of People****	1-April-2018	N/A	6 months
Jocelyn Foster **Commercial Director****	30-Jul-2012	N/A	6 months
Howard Jones **Interim Director of Estates and Facilities****	01-Jan-2019	31-March 2019	N/A

**Upon authorisation as an NHS Foundation Trust on 1 November 2014, the Council of Governors appointed the existing Chairman and Non-Executive Directors in accordance with the requirements of the NHS Foundation Trust's Constitution.*

***indicates non-voting members of the Board of Directors*

Disclosures in accordance with the Health and Social Care Act

Director and governor expenses

Information regarding Director and governor expenses during the reporting period is outlined below:

Directors' expenses

No taxable expenses were paid to any Executive or Non-Executive Director during the reporting period or the previous financial year.

Governors' expenses

Governors are not remunerated, but are entitled to claim expenses for costs incurred whilst undertaking duties for the Trust as a Governor (for example, travel expenses to attend Council of Governors' meetings). A total of £1,904.47 was paid to nine Governors (out of 21 Governors) in the period from 1 April 2018 to 31 March 2019.

Senior Managers' Remuneration

The definition of "Senior Managers" is 'those persons in senior positions having authority or responsibility for directing or controlling the major activities of the Royal United Hospitals Bath NHS Foundation Trust.' This is exclusive to the Chair, Non-Executive Directors and Executive Directors. Executive pay is governed by the Nomination and Remuneration Committee and is subject to annual review using national benchmarking. The disclosures in this report meet the requirements of the Health and Social Care Act.

Remuneration for Senior Managers for 2018/19:

	Salary and Fees (bands of £5,000)	Salary and Fees for Clinical Duties (bands of £5,000)	Start (s) or Leave (l) Date	Annual Performance Related Bonuses (bands of £5,000)	Pension Related Benefits (bands of £2,500)	Total (bands of £5,000)
	£'000	£'000	£'000	£'000	£'000	£'000
James Scott **Chief Executive**	185-190	0	0	10-15	-	195-200
Libby Walters **Director of Finance & Deputy Chief Executive** from 04.06.18	115-120	0	0	0	75-77.5	190-195
Peter Hollinshead **Interim Director of Finance** to 01.06.18	35-40	0	0	0	0	35-40
Francesca Thompson **Chief Operating Officer** to 13.02.19	100-105	0	0	5-10	0	105-110
Helen Blanchard* **Director of Nursing** to 30.09.18	60-65	0	0	5-10	60-62.5	130-135
Lisa Cheek **Director of Nursing & Midwifery** from 01.07.18	80-85	0	0	0	95-97.5	175-180
Bernie Marden **Medical Director** from 30.04.18	55-60	100-105	0	0	297.5-300	455-460
Claire Radley **Director of People**	100-105	0	0	0	37.5-40	140-145

from 02.04.18						
Jocelyn Foster **Commercial Director**	110-115	0	0	5-10	40-42.5	155-160
Rebecca Carlton **Chief Operating Officer** from 27.02.19	10-15	0	0	0	2.5-5	10-15
Brian Stables **Chairman**	45-50	0	0	0	0	45-50
Nigel Stevens **Non-Executive Director**	10-15	0	0	0	0	10-15
Jeremy Boss **Non-Executive Director**	10-15	0	0	0	0	10-15
Joanna Hole **Non-Executive Director**	10-15	0	0	0	0	10-15
Jane Scadding **Non-Executive Director**	10-15	0	0	0	0	10-15
Nigel Sullivan **Non-Executive Director**	10-15	0	0	0	0	10-15

Remuneration for Senior Managers for 2017-18:

	Salary and Fees (bands of £5,000)	**Salary and Fees for Clinical Duties (bands of £5,000)**	**Start (s) or Leave (l) Date**	**Annual Performance Related Bonuses (bands of £5,000)**	**Pension Related Benefits (bands of £2,500)**	**Total (bands of £5,000)**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
James Scott **Chief Executive**	180-185	0	0	20-25	0	200-205
Sarah Truelove **Deputy Chief Executive & Director of Finance**	115-120	0	31/01/18 (l)-	10-15	0	125-130
Peter Hollinshead **Interim Director of Finance**	20-25	0	01/02/18 (s)	0	0	20-25
Francesca Thompson **Chief Operating Officer**	115-120	0	0	10-15	32.5-35	160-165
Helen Blanchard* **Director of Nursing**	110-115	0	0	10-15	32.5-35	155-160
Lisa Cheek **Acting Director of Nursing & Midwifery**	25-30	0	23/10/17 (s) 31/01/18 (l)	0	2.5-5	25-30
Tim Craft **Medical Director**	50--55	135-140	0	0	0	190-195
Bernie Marden **Acting Medical Director**	55-60	0	13/11/17	0	17.5-20	75-80
Claire Buchanan **Director of Human Resources**	50-55	0	04/10/17 (l)	5-10	10-12.5	75-80
Victoria Downing-Burn **Acting Director of People**	45-50	0	05/10/17 (s)	0	50-52.5	95-100
Jocelyn Foster **Commercial Director**	105-110	0	0	5-10	42.5-45	160-165
Brian Stables **Chairman**	45-50	0	0	0	0	45-50
Moira Brennan **Non-Executive Director**	10-15	0	0	0	0	10-15
Jane Scadding **Non-Executive Director**	10-15	0	0	0	0	10-15
Joanna Hole **Non-Executive Director**	10-15	0	0	0	0	10-15
Nigel Sullivan **Non-Executive Director**	10-15	0	0	0	0	10-15

Jeremy Boss **Non-Executive Director**	10-15	0	0	0	0	10-15

NHS Pensions are still assessing the impact of the McCloud judgement in relation to changes to benefits in 2015. The benefits and related CETVs disclosed do not allow for any potential future adjustments that may arise from this judgement.

No Senior Manager received any payments in respect of taxable benefits or long-term performance-related bonuses in either 2018/19 or 2017/18.

Total Pension Entitlement

	Real Increase in Pension at Pension Age (bands of £2,500)	**Real Increase in Pension Lump Sum at Pension Age (bands of £2,500)**	**Total Accrued Pension at Pension Age at 31 March 2019 (bands of £5,000)**	**Lump Sum at Pension Age, Related to Accrued Pension at 31 March 2019 (bands of £5,000)**	**Cash Equivalent Transfer Value at 1 April 2017**	**Real Increase in Cash Equivalent Value Transfer**	**Cash Equivalent Transfer Value at 31 March 2019**	**Employer's Contribution to Stakeholder Pension**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Helen Blanchard* **Director of Nursing & Midwifery**	2.5-5	7.5-10	45-50	135-140	839	103	1,045	9
Jocelyn Foster **Commercial Director**	0-2.5	0-2.5	10-15	15-20	191	52	243	16
Bernie Marden** **Medical Director**	12.5-15	30-32.5	55-60	140-145	748	333	1,110	23
Lisa Cheek** **Director of Nursing**	2.5-5	12.5-15	40-45	120-125	687	148	884	12
Libby Walters** **Director of Finance & Deputy Chief Executive**	2.5-5	5-7.5	40-45	105-110	587	126	739	17
Claire Radley** **Director of People**	0-2.5	0-2.5	5-10	0-5	33	26	59	15
Rebecca Carlton** **Chief Operating Officer**	0-2.5	0-2.5	30-35	65-70	429	8	513	2

* Note: Pro-rata due to leaving role during 2018/19

** Note: Pro-rata due to commencing role during 2018/19

One of the five strategic goals of the Trust is to 'be an outstanding place to work where staff can flourish'. The Trust's People Strategy enables the delivery of this. The remuneration of senior

managers basic pay is benchmarked annually using the NHSI benchmarking data, maximising the stability of the senior team(s). Performance pay for Executives drives shared responsibility and is dependent up achievement of individual and collective objectives aligned with the Trust Strategy. Senior Managers on Agenda for Change are subject to the nationally agreed terms and conditions including pay.

The Nomination and Remuneration Committee use and consider the nationally recommended cost of living uplift for the executive team. A maximum non-consolidated performance payment of 10% can be awarded by the Nomination and Remuneration Committee to members of the executive team (excluding the Medical Director) following consideration of achievement of individual and collective objectives that support delivery of the Trust Strategy.

Performance pay, determined by the Nomination and Remuneration Committee, is based upon the following criteria:

- A. Outstanding Annual uplift, consolidated into salary; plus up to a 10 % non-consolidated bonus.
- B. Exceeds expectations Annual uplift, consolidated into salary, plus up to 5% non-consolidated bonus (lower than A).
- C. Satisfactory Annual uplift, consolidated into salary.
- D. Not satisfactory,no increase.

Any performance pay is paid retrospectively for the previous annual period of performance.

The minimum level of performance required for the Nomination and Remuneration Committee to consider the non-consolidated performance pay (over and above the cost of living uplift) is 'exceeds expectations'. There are no additional levels of performance set.

The performance measures and targets for each member of the executive team are set annually in discussion collectively, and also individually with the CEO. The CEO's performance measures and targets are set by the Chair of the Trust. The Nomination and Remuneration Committee also include in their considerations Trust performance against national targets.

Where a Director's performance is deemed 'not satisfactory', no annual cost of living uplift or non-consolidated performance payment is considered. 'Earn-back' is applied to all staff Band 8c and above to which Agenda for Change applies.

There have been no new components within the pay for Executive Directors or senior managers for the 2018/2019 period.

Where senior managers are paid more than £150,000 the Trust has taken steps to ensure this is reasonable. The Trust uses the NHSI Pay benchmarking data on an annual basis to understand the pay norms for a medium-sized NHS acute provider. The Trust reports benchmarked data to the Nomination and Remuneration Committee that informs the decision-making. Where a Director's salary exceeds £150,000 an application for approval is sought through NHSI and the Department of Health and Social Care in accordance with the guidance on pay for very senior managers.

Statement of consideration of employment conditions elsewhere in the Trust

Pay and conditions of employees are taken into account when setting the remuneration policy for senior managers. The nationally recommended annual cost of living allowance for NHS very senior managers is the figure considered by the Nomination and Remuneration Committee. Executive pay is without annually agreed increments / pay steps. Spot salaries for Executives are supported by performance pay.

The development of the Executive pay structure and performance pay was undertaken as part of the Foundation Trust process.

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. This is calculated on a whole-time equivalent basis.

The banded remuneration for the highest paid Director in the Royal United Hospitals Bath NHS Foundation Trust for the year to 31 March 2019 was £195,000-£200,000 (to 31 March 2018: £200,000-£205,000). This was 6.7 times the median remuneration of the workforce (31 March 2018: 7.4), which was £29,716 (31 March 2018: £27,727).

In 2018-19, five employees received remuneration in excess of the highest paid Director (31 March 2018: two). Remuneration ranged from £9,975 to £208,061 (31 March 2018: £15,422 to £213,280).

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.

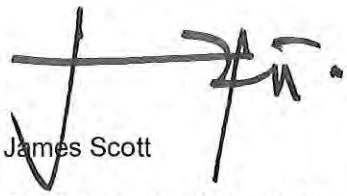
Payments for loss of office

There have been no payments made to any senior manager during 2018-19 or 2017-18 for loss of office. Any compensation payable for loss of office is conducted under the terms and conditions of the appropriate contract of employment.

Payments to past senior managers

No payments or awards were made to past senior managers during the reporting period.

Signed



James Scott

Chief Executive (Accounting Officer)

21 May 2019

Staff report

Analysis of staff numbers

An analysis of average staff numbers across the Trust is outlined in the table below:

Average number of employees (WTE basis)			
		2018/19	**2017/18**
Medical and dental		589	566
Ambulance staff		3	0
Administration and estates		761	724
Healthcare assistants and other support staff		1,521	1,452
Nursing, midwifery and health visiting staff		1,294	1,347
Scientific, therapeutic and technical staff		424	387
Healthcare science staff		147	149
Total average numbers		**4,739**	**4,625**
Of which:			
Number of employees (WTE) engaged on capital projects		10	22

Analysis of staff costs for 2018/19

	Permanently Employed £000	**Other £000**	**Total £000**
Salaries and wages	170,529	-	170,529
Social security costs	16,608	-	16,608
Apprenticeship levy	839	-	839
Pension cost - employer contributions to NHS pension scheme	20,329	-	20,329
Temporary staff - agency/contract staff	-	4,487	4,487
NHS charitable funds staff	536		536
Total Staff Costs	**208,841**	**4,487**	**213,328**

Analysis of staff costs for 2017/18

	Permanently Employed £000	**Other £000**	**Total £000**
Salaries and wages	153,342	9,171	162,513
Social security costs	15,133	799	15,932
Apprenticeship levy	794	0	794
Pension cost - employer contributions to NHS pension scheme	18,700	745	19,445
Temporary staff - agency/contract staff	0	3,684	3,684

Total Staff Costs	**187,969**	**14,399**	**202,368**

Gender analysis

The number of male and female, senior managers and employees as at 31 March 2019:

Staff Group	**Female**	**Male**	**Total**
Directors	5	2*	7
Other Senior Managers	47	30	77
Other employees	4,085	1,156	5,241
Total	4,137	1,188	5,325

*As at the end of March-2019 the Director of Estates & Facilities was in an interim contract so therefore has not been stated as part of number for Directors in post.

Gender analysis

The number of male and female, senior managers and employees as at 31 March 2018:

Staff Group	**Female**	**Male**	**Total**
Directors	4	4	8
Other Senior Managers*	40	22	62
Other employees	3,965	1,157	5,122
Total	4,009	1,183	5,192

*A review of coding of non-clinical Senior Managers for the purposes of national reporting has been undertaken. This figure now relates to Senior Managers Agenda for Change band 8 and above only.

Sickness absence data

The Trust has robust procedures in place for the management of sickness absence with regular reporting at departmental, divisional and Board of Directors' level.

Total days lost for the year ended 31st December 2018 was 40,166 with an average FTE in 2018 of 4,474 giving average working days lost (WTE) of 8.98.

Staff policies and actions applied during the financial year:

The Trust's Equality and Diversity policy and a variety of other supporting policies are the cornerstone of its approach to equality of employment opportunity. We recognise our responsibility to provide (as far as is reasonably practicable) job security of all employees.

Our policies ensure full and fair consideration of applications for employment made by any individual with a protected characteristic; and for continuing the employment of, and arranging appropriate training for, employees who have become disabled during their employment; and for the training, career development and promotion of disabled employees.

Our policies aim to ensure that no job applicant or employee receives less favourable treatment where it cannot be shown to be justifiable on the grounds of:

- Age
- Disability
- Gender reassignment
- Marriage and civil partnership
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation

Equality impact assessments are undertaken when writing or refreshing policies and our recently established staff networks review and comment on policies as part of the feedback process.

Engaging and consulting our employees

The Trust is committed to engaging with all employees and to provide staff with information on a systematic basis on matters of concern to them. This year we have engaged on a four-year programme of organisation development which focuses on continuous improvement at the local level, engaging staff through team-based approaches to problem-solving. Staff are being trained in new methods to give them the skills to resolve issues within their working environment that will benefit patients, their care and staff experience.

The Trust also engages and consults both directly with employees or 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, encourage the involvement of employees in the Trust's performance, and achieve a common awareness on the part of all employees of the financial and economic factors affecting the performance of the Trust.

The Trust has formal consultation arrangements through the joint staff consultative and negotiating committee to provide information to staff, consult them through their designated local representatives and take their views into account. The Trust also uses a variety of regular forms of communication to secure engagement with staff which include:

- Face-to-face meetings and briefing sessions
- Pay-slip bulletin – information pertinent to everyone (corporate development, employment issues etc) circulated to every member of staff with their monthly pay-slip
- Intranet – staff can access policies and procedures, patient information, an on-line telephone directory and up-to-date news about the Trust, including finance reports, performance reports and minutes from key meetings such as the Council of Governors and Board of Directors
- Email briefings – Intheweek, an email newsletter sent to all staff every Monday via their individual NHS email accounts, on a variety of subjects affecting the Trust – from departmental moves to briefings on clinical issues
- All-staff email – used to share critical information
- Staff magazine – @RUHBath is a colourful newspaper published once a month, packed full of news from around the Trust and with a focus on staff and the roles they play in the organisation
- Posters, leaflets, reports – produced specifically for staff
- Twitter – the Trust has a staff twitter account
- Membership magazine – Insight Magazine is distributed to members, and our local community and is available across the Trust every quarter and updates the Trust's membership on service developments, proposals and plans
- The Innovation panel to support and empower staff to put forward and implement ideas for innovation and service improvement

- The Trust has in the last year encouraged three staff networks to form: BAME (Black, Asian and ethnic minorities), Equal Abilities (staff with disabilities) and LGBT+ and allies (lesbian, gay, bisexual and transgender). As well as providing support for these staff groups the networks are very much an opportunity for these staff to voice concerns and comment on the work of the Trust and provide feedback to the executive team.
- Staff Governors – nominated by staff and serving on the Council of Governors with assurance responsibilities on behalf of the wider staff membership of the Foundation Trust.

Our Workforce Strategy sets out how we will attract, recruit and retain appropriately skilled, qualified and experienced staff who share our values, demonstrate our agreed behaviours and who will deliver safe, compassionate, excellent care. It continues to be reviewed to ensure that it reflects the Trust's needs.

Health and safety performance and health and wellbeing

Since 1 April 2018 the Trust has not received a health and safety Improvement Notice. The Trust is currently involved in a civil litigation case around a health & safety claim. This is a historic case, dating back to 2011. The costs incurred for this case are covered by NHS Resolution; the matter remains subject to legal proceedings.

The Trust reviews Reporting of Injuries, Diseases and Dangerous Occurrence Regulation (RIDDOR) incidents for any trends and reports through the existing governance committees to ensure that lessons are learned and implemented.

The Trust has reviewed its health and safety arrangements and governance structure this year. As part of the Trust's arrangements for Health and Safety compliance under the Health and Safety at Work etc. Act 1974, the Trust has in place a Health and Safety governance framework including a Health and Safety Committee. The Committee receives assurance in line with legislation on Management of Health and Safety at Work Regulations 1999, Water safety (L8), Fire safety (RR(FS)O), as well as the CQC Standards including the CQC regulations 2009 and the Health and Social Care Act 2008, regulation 2014. The Committee oversees the work of several sub committees, such as the safer staff group and safer environment group, which each have devolved responsibilities for various aspects of health and safety and technical compliance across the Trust. When monitoring and reporting on health and safety, the Trust uses the Health and Safety Executive's Reporting of Incidents, Diseases and Dangerous Occurrences Regulations (RIDDOR) system to report as per the regulations.

All staff have access to Health and Wellbeing Services including: Occupational Health Service and an Employee Assistance scheme providing confidential counselling services for employees and their families, and progress against the 2016 Health and Wellbeing Strategy is monitored through the Health and Wellbeing Steering Group which reports to the Strategic Workforce Committee. Close working with the Health and Safety Team is a key part of our approach.

We support staff to maintain their health and wellbeing through activities including:

- Provision of a comprehensive Occupational Health Service
- Access to dedicated psychological support services
- Access to a Staff Physio Acute Assessment & Self-Management Service
- Smoking Cessation services
- Spiritual and pastoral care through the Hospital Chaplaincy service
- Schwartz rounds and Trauma Risk Management (TRiM)
- Stress Risk Assessments
- On-site gym, squash courts, cycle schemes
- Open-air swimming pool

- Programme of health and wellbeing campaigns.

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

The Trust has policies in place with respect to countering fraud, bribery and corruption. We take a proactive approach to raising awareness of the potential for fraud, bribery and corruption amongst our staff and work closely with the Counter Fraud service to ensure preventative measures are in place. The Trust has an annual work plan in place which reflects activity relevant to the Trust and the NHS Protect Standards for Providers: Fraud, Bribery and Corruption, and engages an accredited Counter Fraud Specialist to support the activity detailed within the counter-fraud work plan.

Additional mandatory disclosures – Disclosures on Trade Union Facility Time

Relevant union officials

The total number of employees who were relevant union officials during 2018/19 was:

Number of employees who were relevant union officials 18/19	Full-time equivalent employee number
54	4,382

Percentage of time spent on facility time during 18/19

Percentage of time	Number of employees
0%	-
1-50%	53
51%-99%	1
100%	-

The total number of employees who were relevant union officials during 2017/18 was:

Number of employees who were relevant union officials 17/18	Full-time equivalent employee number
54	4,382

Percentage of time spent on facility time during 17/18

Percentage of time	Number of employees
0%	-
1-50%	53

51%-99%	1
100%	-

Percentage of time spent on facility time during 18/19

Total cost of facility time	£27,639.00
Total pay bill	£191,845.00
% of total pay bill spent on facility time	0.014%

Paid trade union activities during 18/19

Time spent on paid trade union activities as a percentage of total paid facility time hours	18.5%

Staff survey

Staff engagement

The Trust monitors staff engagement using the key indicators in the annual NHS Staff Survey, and FFT for Staff results. Our staff engagement score for 2018 of 7.1 remains just above the national average score of 7.0 for acute trusts, and has improved from 7.0 in 2017 (note that the National Survey has adopted a standardised scoring system with scores out of ten).

The Trust's focus for staff engagement in the year 2018/19 was to build on the work that we began in the previous year focusing on staffing levels, particularly within nursing. The Nursing, Midwifery and Care Staff strategy is being delivered, particularly actions and activities focused on retention of staff as well as recruitment of additional staff. Campaigns such as the established Spring Apprenticeship Conference and the new Job Shop are focused on attracting new people to the Trust as well as supporting existing staff to move within the Trust to develop and enhance their experiences and careers.

Additional activities have also included apprenticeships, Return to Practice, Nursing Associate, Trainee Nursing Associates, an internal transfer process established to enable staff to move areas. During 2018/19 the Trust continued to recruit registered nurses through international recruitment.

Equality, Diversity and Inclusion has been a significant area of work during 2018/19, with the appointment of an Equality and Diversity officer who has established three Networks with staff from three of the protected characteristics: BAME, Disability and LGBT&Q. We are focused on improving the opportunities for staff from all backgrounds whilst recognising that we have some targeted work to do.

We continue to work on concerns raised by staff about the levels of violence and aggression from patients, families and visitors. We are seeking to provide training to a number of clinical areas on the Prevention and Management of Violence and Aggression, as well as building our capability and capacity on TRIM, Mental Health First Aid and Stress Risk Assessments.

Feedback about plans to address issues raised in the staff survey are shared with staff in the Trust's corporate publications, @RUH and the weekly email bulletin sent to all staff.

We continue to embed the values co-created with staff, patients, carers and their families. To enable this, our values are introduced to all new staff at induction, all staff discuss how they put the values into practice in their work at their annual appraisal and the values underpin key people management policies.

The importance of appreciation is important at the RUH. We continue to use Mo, our web-enabled engagement tool enabling managers and colleagues to thank each other and recognise the thanks against the Trust Values.

Summary of performance – NHS Staff Survey

All staff across the Trust were invited to complete the annual NHS Staff Survey and a total of 2,321 responses were received, a response rate of 46%, which is a slightly higher rate than the average for the benchmarking group (Acute Trusts) (44%) in England and reflects the hard work and effort that has been put in place throughout 2018 to engage with staff, during what has been another year of significant organisational change and operational challenges.

Areas of particular success and challenge are outlined below:

	2018/19		2017/18		2016/17	
	Trust	**Benchmarking Group**	**Trust**	**Benchmarking Group**	**Trust**	**Benchmarking Group**
Equality, diversity and inclusion	9.2	9.1	9.1	9.1	9.2	9.2
Health and Wellbeing	6.0	5.9	6.1	6.0	6.2	6.1
Immediate Managers	6.8	6.7	6.8	6.7	6.8	6.7
Morale	6.1	6.1	N/a			
Quality of Appraisals	5.6	5.4	5.5	5.3	5.4	5.3
Quality of Care	7.1	7.4	7.1	7.5	7.3	7.6
Safe environment – B&H	8.0	7.9	8.0	8.0	8.1	8.0

Safe environment – violence	9.5	9.4	9.4	9.4	9.3	9.4
Safety culture	6.4	6.6	6.4	6.6	6.4	6.6
Staff engagement	7.1	7.0	7.0	7.0	7.1	7.0

Addressing our key priorities and targets

Our staff survey results offer us a framework upon which to further improve staff experience and engagement - addressing areas of concern and further building on areas in which we are performing well. Action plans include a corporate plan and divisional plans enabling tailored actions to be put in place and to monitor improvements.

Equality, Diversity and Inclusion remains a key priority for the Trust with work reaching into areas such as policy development, training, mentoring and networks.

Our Health and Wellbeing work has become embedded over the past two-three years including additional support for staff through a dedicated staff MSK and Physiotherapy Service, but greater focus on MSK issues will be undertaken this coming year.

The Trust is developing an organisation-wide intervention, Improving Together to engage staff in delivering its strategy and this will be the focus for staff engagement activity in the year ahead.

The development and monitoring of the plans is co-ordinated by the Deputy Director of People through a Staff Survey Working Group reporting to the Strategic Workforce Committee, through the Safe-Staffing Group reporting to the Health and Safety Committee, and via the Diversity and Inclusion Steering Committee (DISCo). These committees report into the Trust Board of Directors. Progress against key priority areas of the programme will be kept under regular review via the Executive Performance Reviews and monitored bi-annually by the Board of Directors.

Expenditure on consultancy

The Trust is working with KPMG to deliver the Improving Together Programme, costs of which have been included within Consultancy in 2018/19. Expenditure on consultancy, as defined in the Department of Health's Group Accounting Manual during 2018/19 was £921k (£413k in 2017/18).

Exit packages

Details of exit packages for 2018/19:

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	1	12	13
£10,000 - £25,000	-	1	1
£25,001 - £50,000	2	-	2
£50,001 - £100,000	-	-	-
£100,001 - £150,000	-	-	-
>£150,000	-	-	-

Total number of exit packages by type	**3**	**13**	**16**
Total resource cost (£'000)	**77**	**61**	**137**

Details of exit packages for 2017/18:

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	-	12	12
£10,000 - £25,000	-	2	2
£25,001 - £50,000	-	-	-
£50,001 - £100,000	-	-	-
£100,001 - £150,000	-	-	-
>£150,000	-	-	-
Total number of exit packages by type	**-**	**14**	**14**
Total resource cost (£'000)	**-**	**82**	**82**

Details of other departures payments 2018/19 and 2017/18:

	2018/19		2017/18	
	Agreements Number	Total Value of Agreements £000	Agreements Number	Total Value of Agreements £000
Voluntary redundancies including early retirement contractual costs.	-	-	-	-
Mutually agreed resignations (MARS) contractual costs.	-	-	-	-
Early retirements in the efficiency of the service contractual costs.	-	-	-	-
Contractual payments in lieu of notice.	13	61	14	82
Exit payments following Employment Tribunals or court orders.	-	-	-	-
Non-contractual payments requiring MHT approval.	-	-	-	-
Total	**13**	**61**	**14**	**82**

Off-payroll engagements

Engagements as of 31 March 2019, for more than £245 per day and that last for longer than six months:

Table 1: For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2017 and 31 March 2018, 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	**3**
Of which:	
Number assessed as within the scope of IR35	0
Number assessed as not within the scope of IR35	3

Number engaged directly (via PSC contracted to trust) and are on the trust's payroll	0
Number of engagements reassessed for consistency/ assurance purposes during the year	0
Number of engagements that saw a change to IR35 status following the consistency review.	0

There were no off-payroll engagements of board member and/or senior officials with significant financial responsibility, between 1 April 2018 and 31 March 2019.

Governance of the Trust

Role of the Board of Directors

The Board of Directors is collectively responsible for the exercise of powers and the performance of the Trust. It is legally responsible for the delivery of high quality, effective services and for making decisions relating to the strategic direction, financial control and performance of the Trust. The Board of Directors attaches great importance to ensuring that the Trust operates to high ethical and compliance standards. In addition, it seeks to adhere to the principles of good corporate practice as set out in the *NHS Foundation Trust Code of Governance*.

The Board of Directors is responsible for:

- Determining the strategic direction of the Trust in consultation with the Council of Governors;
- Setting targets, monitoring performance and ensuring the resources are used in the most appropriate way;
- Providing leadership of the Trust within a framework of prudent and effective controls, which enables risk to be assessed and managed;
- Making sure the Trust performs in the best interests of the public, within legal and statutory requirements;
- Ensuring the quality and safety of healthcare services delivered by the Trust and applying principles and standards of quality governance set out by the Department of Health, the Care Quality Commission and other relevant NHS bodies;
- Being accountable for the services provided and how public funds are spent and exercising those functions effectively, efficiently and economically;
- Effective governance measures;
- Specific duties relating to audit, remuneration, clinical governance, charitable funds and risk assurance;
- Compliance with the Trust's provider licence; and
- Compliance with the Trust's Constitution.

The Board of Directors meets monthly (with the exception of August) with provision to hold extraordinary meetings as and when required. The Board of Directors has a formal schedule of matters specifically reserved for its decisions. This includes approving strategy, business plans and budgets, regulations and control, annual report and monitoring how the strategy is implemented at an operational level. The Board of Directors delegates other matters to its sub-committees and to the Executive Directors and senior management.

Board of Directors focus

Annually, the content of agendas for the following 12 months is agreed to ensure there is a good order and appropriate timing to the management of the above responsibilities and functions.

Board meetings follow a formal agenda which is ordered under the headings of:

- Quality, patient safety, effectiveness and experience;
- Operational performance and use of resources;
- Corporate governance, risk and regulatory; and
- Strategy and business planning and improvement.

The Board of Directors has timely access to all relevant operational, financial, regulatory and quality information. Upon appointment to the Board of Directors, all Directors (Executive and Non-Executive) are fully briefed about their roles and responsibilities. Ongoing development is provided collectively by the monthly Board Seminars and Away Days and individual training needs are assessed through the appraisal process. All Directors attend regional and national events.

The Board of Directors develops its understanding of the views of governors and members/stakeholders through a variety of mechanisms. This includes Executive and Non-Executive Director attendance at meetings of the Council of Governors and its working groups; attendance at joint Board and Council away day events; participation in meetings involving members, such as at the Annual Members' Meeting, at the Members' *Caring for You* events; and Executive Director attendance at Governor Constituency meetings.

Appointment of a New Chair of Board of Directors

The Council of Governors Nominations and Remuneration Committee met on 2 July 2018 to discuss the recruitment process to appoint a new Chair to replace Brian Stables, when his term of office was due to end on 31 March 2019. The Committee approved the appointment of an external recruitment agency to assist the Trust with the recruitment and selection process. The interviews took place in December 2018 and the Council of Governors held an extraordinary meeting on 17 January 2019 to ratify the appointment of the new Chair, Alison Ryan who started 1 April 2019.

Chair

The Chair is responsible for ensuring that the Board of Directors focuses on the strategic development of the Trust and for ensuring robust governance and accountability arrangements are in place, as well as evaluating the performance of the Board of Directors, its committees and individual Non-Executive Directors.

Non-Executive Directors

Non-Executive Directors share the corporate responsibility for ensuring that the Trust is run efficiently, economically and effectively. Non-Executive Directors use their expertise to scrutinise the performance of management, monitor the reporting of performance and satisfy themselves as to the integrity of financial, clinical and other information. The Non-Executive Directors also fulfil their responsibility for determining appropriate levels of remuneration for Executive Directors.

Non-Executive Directors are appointed for a three-year term of office. A Non-Executive Director can be reappointed for a second three-year term subject to the recommendation of the Council of Governors' Nominations and Remuneration Committee and approval by the Council of Governors. A Non-Executive Directors' term of office can be extended beyond a second term on an annual case-by-case basis by the Council of Governors, subject to a formal recommendation from the Chairman, satisfactory performance and the needs of the Board of Directors. In any event, no Non-Executive

Director will serve more than nine years. Removal of the Chairman or another Non-Executive Director shall require the approval of three quarters of the members of the Council of Governors.

The Chair and other Non-Executive Directors and the Chief Executive (except in the case of the appointment of a new Chief Executive) are responsible for deciding the appointment of Executive Directors. The Chair and other Non-Executive Directors are responsible for the appointment and removal of the Chief Executive, whose appointment requires approval by the Council of Governors.

Board of Directors Completeness

The Directors' summary biographies describe the skills, experience and expertise of each Director. There is a clear separation of the roles of the Chairman and the Chief Executive.

All of the Non-Executive Directors of the Trust are considered to be independent in accordance with the NHS Foundation Trust Code of Governance as published by NHS Improvement. The Board considers that the Non-Executive Directors bring a wide range of business, commercial and financial knowledge required for the successful direction of the Trust.

The balance, completeness and appropriateness of the Board of Directors is reviewed at least annually to ensure its effectiveness. In 2018/19 this was undertaken by Non-Executive Directors, the Executive Team and the members of the Council of Governors' Nominations and Remuneration Committee as part of the discussions around the appointment of a new Chair. At the present time, the Board is satisfied as to its balance, completeness and appropriateness and will continue to keep these matters under review in consultation with the Council of Governors.

Board evaluation and development

Evaluation of the Chairman's performance is led by the Senior Independent Director under the auspices of the Council of Governors' Nominations and Remuneration Committee, which is also responsible for evaluating the performance of the Non-Executive Directors. The Chief Executive's performance is evaluated by the Chairman. The Chief Executive is responsible for undertaking an evaluation of the performance of individual Executive Directors, the outcome of which is reported to the Board of Directors' Nominations and Remuneration Committee. Each Committee of the Board of Directors undertakes an annual self-assessment and reports the outcome to the Board of Directors.

The Board of Directors undertakes an annual development review of its performance and its effectiveness as a unitary board. The Board of Directors holds a minimum of four away day sessions during the year, which provide an opportunity for the Board to debate strategic issues in an informal setting. The Board of Directors also has a programme of Board Seminars held after Board meetings on a range of topical issues. Individual Directors attend a range of formal and informal training and networking events as part of their ongoing development.

The Trust undertook an external Well-Led Governance Review during January 2018 in line with NHS Improvement's guidance. The external review was undertaken by Ernst & Young management consultants who last supported the Trust during its application for Foundation Trust status in 2014/15. In the course of 2018/19 the Trust developed and implemented detailed action plans in to embed Well-Led good practice with focus on areas identified where improvement was required. As a result the Trust has moved from segment 3 under the Single Oversight Framework to segment 2.

Board Committees

The Board of Directors have delegated responsibilities to sub-committees to undertake specified activities and provide assurance to Board members. The Committees provide the Board of Directors with a written report of their proceedings. A summary of each committee's role is set out below:

Management Board

The Management Board consists of all the Executive Directors and is chaired by James Scott, Chief Executive. It has delegated powers from the Board of Directors to oversee the day-to-day management of an effective system of integrated governance, risk management and internal control across the whole organisation's activities (both clinical and non-clinical), which also supports the achievement of the organisation's objectives.

Audit Committee

The Audit Committee is chaired by Jeremy Boss, Non-Executive Director. The Audit Committee is responsible for:

- Governance - reviewing the establishment and maintenance of an effective system of internal control and probity across the whole of the organisation's activities;
- Internal Audit - ensuring that there is an effective internal audit function established by the Trust that meets mandatory NHS Internal Audit Standards;
- External Audit - reviewing the work and findings of the External Auditor and considering the implications and management response to their work;
- Local Counter-Fraud - ensuring that there is an effective counter-fraud function established by management that meets NHS Counter-Fraud standards;
- Management - reviewing reports and positive assurances from Directors and managers on the overall arrangements for governance, probity and internal control; and
- Risk Management - assuring the Board of Directors that the Risk Management system operating within the Trust is robust and effective.

In addition to its standing items of business, which include debtor and creditor analysis, internal audit recommendation tracker, financial risks on the Board Assurance Framework, Internal Audit Reports, External Audit Reports and Counter-Fraud progress reports, the Audit Committee has reviewed risk management systems and processes.

There were no significant issues relating to the financial statements, operations or compliance considered by the Audit Committee during the year.

The Audit Committee is also responsible for monitoring the external auditor's independence and objectivity, including the effectiveness of the audit process. There is an annual review undertaken by the members of the Committee, assessing the performance of all the external audit providers against an agreed set of KPIs. These KPIs include verifying compliance with statutory requirements and deadlines, communication with key senior management personnel, satisfactory planning processes, and confirmation that the provision of staff to carry out work for the Trust are those named and qualified to do so.

The current external auditor, Deloitte, was appointed with effect from 1 April 2016; this followed an appropriate tender process as detailed in the Trust SFIs and was approved by the Council of Governors following recommendation by the Committee.

Deloitte has not provided any non-audit services for the Trust in 2018/19.

Non-Clinical Governance Committee (NCGC)

The Non-Clinical Governance Committee is chaired by Joanna Hole, Non-Executive Director. The NCGC focuses primarily on providing assurance to the Board that the Trust has a robust framework for the management of risks arising from or associated with: estates and facilities; environment and equipment; health and safety; workforce; reputation management; information governance; business continuity; business development and other non-clinical areas as may be identified.

Clinical Governance Committee

The Clinical Governance Committee is chaired by Jane Scadding, Non-Executive Director. The Committee focuses primarily on providing assurance to the Board that the Trust has a robust framework for the management of risks arising from or associated with incident management and reporting, quality improvement, compliance with the Care Quality Commission's standards, medical records, patient experience, research and development, and maintaining clinical competence.

Board of Directors' Nominations and Remuneration Committee

The Board of Directors' Nominations and Remuneration Committee was chaired by Brian Stables, Chairman. The Committee's key roles and responsibilities are to appoint the Chief Executive and the Executive Directors and to determine the appropriate employment and remuneration and terms of employment for the Chief Executive and Executive Directors.

The Charities Committee

From April 2018, the Charities Committee has been chaired by Jeremy Boss, Non-Executive Director. The Royal United Hospital Charitable Fund was formed under a Deed dated 10 September 1996 as amended by a Supplemental Deed dated 9 December 2009. It is registered with the Charity Commission in England and Wales (Registered number 1058323) ("the Charity").

The Trust is the Corporate Trustee of the Charity, acting through its voting Board of Director members who are collectively referred to as the Trustee's Representatives ("Trustees") and their duties are those of trustees.

The main beneficiaries of the Charity are the Trust's patients and staff through the provision of grants to the Trust for purchasing and developing facilities; training and development of staff; and research and development.

The Charity's structure is diverse and reflects the breadth of variety of activities within the Trust. There are in excess of 100 separate funds.

The Charitable Fund has a significant and proactive fundraising operation in the form of The Forever Friends Appeal that is primarily, but not totally, focused on principal campaigns agreed with the Charities Committee and the Corporate Trustee.

Whilst the Charities Committee is a formal sub-committee of the Board of Directors, arrangements have been implemented to operate this group and the Full Corporate Trustee of the charity at arm's length from the Trust. These arrangements include: a formal service level agreement between the Trust and the charity outlining the support and associated costs to the charity, reporting to the Full Corporate Trustee of the Charity Annual Report and Accounts and a separate charity strategy.

Commercial Transactions Steering Group

The Commercial Transactions Steering Group is chaired by the Chief Executive. It meets to provide detailed scrutiny and assurance of aspects of tenders and other significant transactions as delegated by the Board of Directors.

Strategic Assurance Committee

The Strategic Assurance Committee is chaired by the Chief Executive. The primary objective of the Strategic Assurance Committee is to provide assurance to the Board of Directors on strategic direction, alignment and delivery.

Board of Directors Membership and Attendance: 1 April 2018 to 31 March 2019

	Board of Directors (11 meetings)	Audit Committee (4 meetings)	Non-Clinical Governance Committee (5 meetings)	Clinical Governance Committee (7 meetings)	Joint Clinical and Non-Clinical Governance Committee (1 meeting)	Board of Directors' Nominations and Remuneration Committee (4 meetings)	Commercial Transactions Steering Group (4 meetings)	Charities Committee (4 meetings)	Fit for the Future Board / Strategic Assurance Committee (5 meetings)	Management Board (12 meetings)
Brian Stables **Chairman**	11/11	-	-	-	-	4/4	3/3	4/4	4/5	-
Joanna Hole **Non-Executive Director, Vice Chairman and Senior Independent Director**	11/11	4/4	5/5	-	1/1	4/4	-	-	-	-
Jane Scadding **Non-Executive Director**	5/11	-	-	6/7	0/1	2/4	-	-	-	-
Nigel Sullivan **Non-Executive Director**	7/11	-	4/5	-	1/1	2/4	-	-	-	-
Jeremy Boss **Non-Executive Director**	10/11	4/4	-	2/2	1/1	3/4	4/4	4/4	-	-
Nigel Stevens **Non-Executive Director**	9/11	2/4	-	6/7	1/1	4/4	-	-	-	-
James Scott **Chief Executive**	9/11	-	-	-	-	4/4	1/4	-	5/5	9/12
Peter Hollinshead **Interim Director of Finance** (until June 2018)	2/2	1/1	1/1	-	-	-	2/2	1/1	1/1	2/2

	Board of Directors (11 meetings)	Audit Committee (4 meetings)	Non-Clinical Governance Committee (5 meetings)	Clinical Governance Committee (7 meetings)	Joint Clinical and Non-Clinical Governance Committee (1 meeting)	Board of Directors' Nominations and Remuneration Committee (4 meetings)	Commercial Transactions Steering Group (4 meetings)	Charities Committee (4 meetings)	Fit for the Future Board / Strategic Assurance Committee (5 meetings)	Management Board (12 meetings)
Libby Walters **Deputy Chief Executive & Director of Finance** (from June 2018)	9/9	2/3	4/4	-	1/1	-	2/2	1/3	3/4	8/10
Helen Blanchard **Director of Nursing & Midwifery** (until June 2018)	3/3	-	-	2/2	1/1	-	0/2	0/1	1/2	2/3
Lisa Cheek **Acting Director of Nursing & Midwifery** (from July 2018)	3/3	-	-	2/2	1/1	-	0/1	1/1	1/1	4/4
Lisa Cheek **Director of Nursing & Midwifery** (from November 2018)	4/7	-	-	2/5	-	-	0/1	1/2	1/2	4/4
Bernie Marden **Medical Director**	11/11	-	-	6/7		0/1	-	-	3/3	8/12
Jocelyn Foster **Commercial Director**	11/11	-	5/5		1/1	-	4/4	4/4	4/5	12/12
Francesca Thompson **Chief Operating Officer** (until February 2019)	9/10	-	3/4	-	1/1	-	-	-	4/4	10/11

	Board of Directors (11 meetings)	Audit Committee (4 meetings)	Non-Clinical Governance Committee (5 meetings)	Clinical Governance Committee (7 meetings)	Joint Clinical and Non-Clinical Governance Committee (1 meeting)	Board of Directors' Nominations and Remuneration Committee (4 meetings)	Commercial Transactions Steering Group (4 meetings)	Charities Committee (4 meetings)	Fit for the Future Board / Strategic Assurance Committee (5 meetings)	Management Board (12 meetings)
Rebecca Carlton **Chief Operating Officer** (from February 2019)	2/2	-	1/1	-	-	-	-	-	-	1/1
Claire Radley **Director of People**	10/11	-	5/5	-	-	4/4	-	-	5/5	9/12
Howard Jones **Interim Director of Estates & Facilities** (from January 2019)	3/3	-	2/2	-	-	-	-	-	0/1	3/3

The Council of Governors

Composition, roles and responsibilities

The Council of Governors (CoG) consists of 21 Governors:

- 11 Public Governors (elected by public members)
- 5 Staff Governors (elected by staff members)
- 5 Stakeholder Governors (appointed by their organisation)

The CoG is chaired by the Trust Chair, Brian Stables. Governors at the RUH are the direct link between the NHS Foundation Trust's members and the Trust. The Council of Governors' prime role is to represent the interests and views of members, the local community, other stakeholders and the public in general. The Council has a right to be consulted on the Trust's strategies and plans and any matter of significance affecting the Trust or the services it provides.

The CoG's roles and responsibilities are set out in law and are detailed in the Trust's Constitution. The work of the Governors is divided between their statutory and non-statutory duties.

The statutory powers and duties of the CoG include:

- Appoint and, if appropriate, remove the Chair and other Non-Executive Directors;
- Determine the remuneration and allowances and other terms and conditions of office of the Chairman and other Non-Executive Directors;
- Approve the appointment of the Chief Executive;

- Approve and, if appropriate, remove the NHS Foundation Trust's Auditors;
- Receive the NHS Foundation Trust's annual accounts, any report from the auditor on them, and the annual report;
- Approve changes to the Trust's Constitution (a joint responsibility with the Board of Directors);
- Approve any proposal by the Trust to enter into a significant transaction;
- Approve any application by the Trust to enter into a merger, acquisition, separation or dissolution; and
- Approve any proposed increase of more than 5% of total income in the amount of the Trust's income attributable to activities other than the provision of goods and services for the purposes of the health service in England.

In preparing the NHS Foundation Trust's forward plan, the Board of Directors must have regard to the views of the CoG.

2018 Governor Elections

In October 2018, the Trust held an election to elect one Staff Governor following a vacancy which arose in September 2018. This election was uncontested and Andrew Owens took up the role in December 2018.

Register of Governors

The register of Governors for the period 1 April 2018 to 31 March 2019 is:

Name	Constituency	Term of Office ends
Public Governors		
Amanda Buss	City of Bath	31 October 2020
Mike Midgely	City of Bath	31 October 2019
Helen Rogers	North East Somerset	31 October 2020
Nick Houlton	North East Somerset	31 October 2019
Michael Welton	Somerset (Mendip)	31 October 2020
Anne Martin	Somerset (Mendip)	31 October 2019
Chris Callow	North Wiltshire	31 October 2019
Jacek Kownacki	North Wiltshire	31 October 2020
James Colquhoun	South Wiltshire	31 October 2019
Chris Hardy	South Wiltshire	31 October 2020
Andrew Simkins	Rest of England & Wales	31 October 2020
Staff Governors		
Julie Scriven	Staff	31 October 2019
Mike Coupe	Staff	31 October 2020
Kate Fryer*	Staff	Stood down September 2018
Darrin King	Staff	31 October 2020
Shaun Lomax	Staff	31 October 2019
Andrew Owens**	Staff	31 October 2020
Stakeholder Governors (appointed)		
Dr Ian Orpen	BaNES CCG	31 October 2020

Cllr Vic Pritchard	BaNES Council	31 October 2020
Dr Andrew Girdher	Wiltshire CCG	31 October 2020
Cllr Johnny Kidney	Wiltshire Council	30 September 2020
Prf. Julian Hughes	University of Bristol	31 March 2019

**Kate Fryer, Staff Governor, stood down in September 2018. The Trust's Constitution states that where a Governor vacancy arises of greater than six months, an election can be held to fill the seat for the remainder of that term of office (until 31 October 2020).*

***Andrew Owens stood in the 2018 election which was uncontested and agreed to take up the position until 31 October 2020.*

Lead Governor

During the CoGs' meeting held on 7 June 2018, the Chairman asked all Governors to consider if they wished to put themselves forward for the role of Lead Governor and submit any expressions of interest and supporting statements to the Membership Office. An anonymous ballot took place and the CoG confirmed the appointment of James Colquhoun as Lead Governor on 5 December 2018. James Colquhoun's term as Lead Governor will cease on 31 October 2019 unless he is re-elected as a Governor during the 2019 election process, in which case it will cease on 30 November 2020.

Link with the Board of Directors

The CoG holds the Non-Executive Directors to account for the performance of the Board. This increases the level of local accountability in public services. The CoG is required to advise the Board of Directors regarding future plans and strategies and the monitoring of performance against the Trust's strategic direction. Through contact with members and the public at events such as constituency meetings, Caring for You, the Annual General Meeting and through other engagement activities, Governors have an opportunity to listen to members and the public and to represent their views on a wide range of matters relating to the Trust's forward plans, priorities and strategies.

The Board of Directors uses a variety of methods to ensure that they take account of, and understand, the views expressed by Governors and members. The CoG is chaired by the Chair of the Board of Directors and these meetings are attended by the Chief Executive. Non-Executive Directors are invited to attend meetings and other Directors attend to report on items relating to their responsibilities. Non-Executive Directors take part in a programme of assurance seminars in order to provide further assurance on Assurance Committees. The Governors have the opportunity to question Executive and Non-Executive Directors.

The Board of Directors and CoG also hold an annual joint away day to provide an opportunity for informal discussions. Although meetings of the Board of Directors are held in public and Governors can and do attend, the Chairman writes to all Governors after every Board of Directors' meeting setting out a summary of the key items discussed at the meeting, and the decisions taken within both the public and the private meetings, and responds to any questions or concerns that Governors may have.

In the event of a dispute between the CoG and the Board of Directors, in the first instance the Chairman would endeavour to resolve the dispute. If the Chairman was not able to resolve the dispute, the Senior Independent Director and Lead Governor would jointly attempt to resolve the dispute. Should the Senior Independent Director and Lead Governor not be able to resolve the dispute, the Board of Directors, pursuant to section 15(2) of Schedule 7 of the 2006 Act, would decide the disputed matter.

Board Monitoring Group

Each month a small group of Public Governors attends meetings of the Board of Directors (BoD). The aim of the Board Monitoring Group is to improve how the CoG holds the Non-Executive Directors (NEDs) to account for the performance of the Board. Attendance at meetings and reading the Board papers has enabled Governors to see the Board in action and in particular the NEDs questioning Executive Directors. The Governors write a report to CoG with suggestions for the priority issues to be raised with Non-Executive Directors and Governor Working Groups.

Council of Governor Meetings

The CoG has met on the following occasions:

- 7 June 2018
- 5 September 2018
- 5 December 2018
- 17 January 2019
- 7 March 2019

The following table summarises Governor attendance at CoG meetings 1 April 2018 to 31 March 2019:

Name	Constituency	Attendance
Public Governors		
Amanda Buss	City of Bath	5 of 5
Mike Midgley	City of Bath	3 of 5
Helen Rogers	North East Somerset	3 of 5
Nick Houlton	North East Somerset	4 of 5
Michael Welton	Somerset (Mendip)	4 of 5
Anne Martin	Somerset (Mendip)	5 of 5
Chris Callow	North Wiltshire	4 of 5
Jacek Kownacki	North Wiltshire	4 of 5
James Colquhoun	South Wiltshire	5 of 5
Chris Hardy	South Wiltshire	4 of 5
Andrew Simkins	Rest of England & Wales	3 of 5
Staff Governors		
Shaun Lomax	Staff	4 of 4
Michael Coupe	Staff	3 of 5
Julie Scriven	Staff	4 of 5
Darrin King	Staff	4 of 5
Kate Fryer	Staff	0 of 1
Andrew Owens	Staff	3 of 3
Stakeholder Governors (appointed)		
Dr Ian Orpen	BaNES CCG	2 of 5
Cllr Vic Pritchard	BaNES Council	5 of 5
Dr Andrew Girdher	Wiltshire CCG	1 of 4
Cllr Johnny Kidney	Wiltshire Council	2 of 5
Prof. Julian Hughes	University of Bristol	2 of 5

The Chief Executive attended three of four Public Council of Governor meetings with the Deputy Chief Executive deputising; other Directors attended as requested by the Governors.

Council of Governors' Nominations and Remuneration Committee

During 2018/19 the Nominations and Remuneration Committee has undertaken the following work:

- Approved Jane Scadding's, Non-Executive Director's extended leave of absence;
- Approved the extension of Jane Scadding, Non-Executive Director's term until October 2020;
- Approved the extension of Joanna Hole, Senior Independent Director's term until October 2020;
- Participated in the recruitment and appointment process for a new Chair Person of the Trust and made a recommendation on the appointment for the Council of Governors' approval.

Governor working groups

Governors continue to fulfil both their statutory and non-statutory duties through their established working groups. Governor working groups are supported by the Membership & Governance Manager, and include an Executive Director lead. All working group agendas include an item for the Governors to develop assurance questions to ask the Non-Executive Directors should further assurance be required post-meeting.

The working groups which have been developed are:

- Governor Strategy & Business Planning Working Group
- Governor Quality Working Group
- Governor Membership & Outreach Working Group

The working groups do not have decision-making powers, but will make recommendations for the approval of the full Council of Governors. Each group is chaired by a Governor.

There are a number of ways for members and the public to communicate with the Governors:

- Post: RUH Membership Office (D1), Royal United Hospitals Bath NHS Foundation Trust, Combe Park, Bath, BA1 3NG
- Email: RUHmembership@nhs.net
- Telephone: 01225 821299, 01225 826288 or 01225 821262

Foundation Trust Membership

Being an NHS Foundation Trust means that we are a membership-led organisation that has a duty to be responsive to and meet the needs of our local community. We are accountable to our members who are represented by an elected Council of Governors. The Royal United Hospitals Bath NHS Foundation Trust membership is made up of public and staff members.

Members are able to:

- Have a say over how services at the RUH are run;
- Provide feedback based on personal experiences as well as those of family and friends;
- Come to special Members' events to gain an insight into the hospital's activities;
- Vote for the public governors who will represent the members and hold the hospital to account;
- Take responsibility for shaping the services provided by the RUH now and in the future;

- Receive copies of Insight, the hospital's quarterly community magazine;
- Take part in focus groups and surveys to help improve patient experience.

Public members

Anyone who is aged 16 or over and lives in England and Wales can become a member of the RUH. We have six public member constituencies as follows:

- City of Bath
- North East Somerset
- Mendip
- North Wiltshire
- South Wiltshire
- Rest of England and Wales

Staff members

Staff who are permanently employed or hold a fixed term contract of at least 12 months are invited to become staff members of the Trust. Staff members are represented by five governors.

Developing a representative membership

The Board of Directors and the Council of Governors are committed to ensuring that the membership is representative of the local community served by the Trust. The Council of Governors' Membership and Outreach Working Group reviews membership data on an annual basis and is content that the Trust's membership is representative of the community who use our services.

It was agreed at the Council of Governors meeting held on 7 June 2018 that there would be no numerical target year-on-year for membership and instead have the focus on maintaining numbers and increasing an engaged membership.

The table below highlights the Trust's actual public membership figures as at 31 March 2019:

Category	**Actual 31 March 2019**
Public	11,777
Staff	4,970
Total	16,747

The number of members within each constituency is as follows:

Constituency breakdown	**As at 31 March 2019**
City of Bath	2,496
North-East Somerset	2,003
Mendip	1,270
North Wiltshire	1,782
South Wiltshire	2,360
Rest of England and Wales	1,839
Out of Trust Area	27
Total	11,777

The Public & Staff Membership Development Strategy 2018/19 has been developed by the Membership & Governance Manager in conjunction with the Governor Membership and Outreach Working Group. The working group supports the Trust in maintaining and developing its membership, evolving methods of communication and engagement with the members and the local community including hard to reach and under-represented groups. It also ensures that the Council of Governors and the Trust take account of the views of its membership, particularly at the Annual Members' Meeting. The Public and Staff Membership Development Strategy sets out objectives to develop further an engaged membership.

The Trust's Membership aim is to ensure that the public is at the heart of everything we do by creating a representative membership and engaging them in the development and transformation of their health services.

The primary objectives are as follows:

- To maintain an engaged and supportive membership, representative of the public and stakeholders in our area.
- To inform members of the health landscape and provide them with the information to access services and make the best health choices.
- To enable members to influence the services the Trust offers them and hold the Board to account for the delivery of those services.
- To develop the infrastructure and processes to enable efficient and effective dialogue between the Trust Board and its members.

Engaging with members

The Trust has 11,777 people registered as members of the Trust, and a further 4,970 staff members. This is an audience of 16,747 people to seek views and opinions from.

The Trust has a number of feedback mechanisms to ensure regular engagement and communication with members; these include:

- Members' quarterly newsletter and Insight magazine
- Staff monthly magazine and weekly newsletter
- E-communications
- Caring for You events
- Governor Constituency meetings
- Online surveys
- Annual Members' Meeting

Throughout 2018/19 the Trust has run a number of engagement events with the public ranging from Caring for You events to Governor Constituency meetings. In 2018/19 there were nine constituency meetings across the region. Each constituency meeting aims to inform attendees about the Trust, but also seeks their views about what could be improved and what is going well. Additional articles and information are also included in the quarterly members' magazine Insight, which is disseminated to all public members.

Throughout 2018/19, the Staff Governors continued to engage with staff by attending team meetings to find out more about the experiences of staff and to also inform them about the role of a governor.

Our Caring for You events are designed exclusively for our members and give them and the public the opportunity to step behind the scenes and understand more about the work of the hospital and

how it supports the health and wellbeing of local communities. Each event attracts 80-120 members and events in 2018/19 included 21st Century Lifestyle, All About Skin, Men's and Women's Health, Cancer and Survivorship and the Value of Therapies. The aim of the events is to enable members to understand more about the work of the hospital and how it supports the health and wellbeing of the local communities, in order to help them connect more closely with our work.

NHS Foundation Trust Code of Governance

NHS Foundation Trusts in their annual reports are required to disclose information relating to the Code's requirements. For each item below, the information, its reference in the Code of Governance and its location within the Annual Report are shown. The reference "ARM" indicates a requirement not of the Code of Governance, but of the NHS Foundation Trust Annual Reporting Manual issued by NHS Improvement.

The Trust considers that it complies with the specific disclosure requirements as set out in the NHS Foundation Trust Code of Governance and NHS Foundation Trust Annual Reporting Manual (FT ARM).

Table 1 – Code of Governance sections included in the Annual Report

Ref No	Code Provision	Annual Report and Accounts Section
A.1.1	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 taken by each of the Boards, and which are delegated to the Executive management of the Board of Directors.	Directors' Report
A.1.2	The annual report should identify the Chairperson, the Deputy Chairperson, the Chief Executive, the Senior Independent Director 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.	Directors' Report
A.5.3	The annual report should identify the members of the Council of Governors, including a description of the constituency or organisation that they represent, whether they were elected or appointed, and the duration of their appointments. The annual report should also identify the nominated Lead Governor.	Directors' Report
FT ARM	The annual report should include a statement about the number of meetings of the Council of Governors and individual attendance by governors and Directors.	Directors' Report
B.1.1	The Board of Directors should identify in the annual report each Non-Executive Director it considers to be independent, with reasons where necessary.	Directors' Report
B.1.4	The Board of Directors should include in its annual report a description of each Director's skills, expertise and experience. Alongside this, in the annual report, the Board should make a clear statement about its own balance, completeness and appropriateness to the requirements	Directors' Report

Ref No	Code Provision	Annual Report and Accounts Section
	of the NHS Foundation Trust.	
FT ARM	The annual report should include a brief description of the length of appointments of the Non-Executive Directors, and how they may be terminated.	Directors' Report & Remuneration Report
B.2.10	A separate section of the annual report should describe the work of the nominations committee(s), including the process it has used in relation to Board appointments.	Directors' Report & Remuneration Report
FT ARM	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.	Directors' Report
B.3.1	A Chairperson's other significant commitments should be disclosed to the Council of Governors before appointment and included in the annual report. Changes to such commitments should be reported to the Council of Governors as they arise, and included in the next annual report.	Directors' Report
B.5.6	Governors should canvass the opinion of the Trust's members and the public, and for appointed Governors the body they represent, on the NHS Foundation Trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the Board of Directors. The annual report should contain a statement as to how this requirement has been undertaken and satisfied.	Governance of the Trust
FT ARM	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)	This power has not been exercised.
B.6.1	The Board of Directors should state in the annual report how performance evaluation of the Board, its committees, and its Directors, including the chairperson, has been conducted.	Directors' Report
B.6.2	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.	Governance of the Trust
C.1.1	The Directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS	Annual Governance Statement

Ref No	Code Provision	Annual Report and Accounts Section
	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).	
C.2.1	The annual report should contain a statement that the Board has conducted a review of the effectiveness of its system of internal controls.	Annual Governance Statement
C.2.2	A trust should disclose in the annual report: a)If it has an internal audit function, how the function is structured and what role it performs; or b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	Annual Governance Statement
C.3.9	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.	Governance of the Trust – Audit Committee
E.1.4	Contact procedures for members who wish to communicate with governors and/or Directors should be made clearly available to members on the NHS Foundation Trust's website and in the Annual Report.	Governance of the Trust
E.1.5	The Board of Directors should state in the annual report the steps it has 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.	Governance of the Trust
E.1.6	The Board of Directors should monitor how representative the NHS Foundation Trust's membership is and the level and effectiveness of member engagement and report on this in the annual report.	Governance of the Trust
FT ARM	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	Governance of the Trust

Ref No	Code Provision	Annual Report and Accounts Section
	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.	
FT ARM	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 7.33 as Directors' report requirement.	Directors' Report

Table 2: "Comply or explain" assessment of compliance with the 2014 Code of Governance

The Royal United Hospitals Bath 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.

Code Ref	Narrative in the Code	RUH Compliance
A.1.4	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 health care delivery.	**Confirmed:** the Board of Directors receives detailed monthly reports on operational performance, quality and finance. There is a Board Assurance Framework and a system of internal controls in place as detailed in the Annual Governance Statement.
A.1.5	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.	**Confirmed:** the Board of Directors receives a monthly operational performance scorecard.
A.1.6	The Board should report on its approach to clinical governance.	**Confirmed:** the Trust undertook an internal review against the Quality Governance Assurance Framework. The outcome of the self-assessment was reported to the June 2015 Board of Directors' meeting. All three clinical divisions (Medicine, Surgery, Women & Children) hold regular, formal divisional clinical governance meetings and report to the Operational Clinical Governance Committee. An internal audit of the Trust's divisional governance processes was completed in May 2018 which gave significant assurance with minor improvement opportunities. The Trust's approach to governance and quality improvement is led by the Director of Nursing and Midwifery and Medical Director. The Medical Director chairs the Quality Board, which is responsible for ensuring that the Trust has effective and efficient arrangements in place for quality assessment, quality improvement and quality assurance. The Quality Board provides assurance to the Board of Directors on the quality of care and treatment provided by services in the Trust. The Quality Board's work plan includes a rolling programme of updates on Quality Accounts priorities, patient experience and the key patient safety and quality improvement priorities identified in the Patient Safety and Quality Improvement Triangle. Each priority has an established clinical leader, and an executive sponsor, who are responsible for setting the work-plan with agreed process and outcome measures. The Annual Quality Accounts also provides details of the Trust's approach to clinical governance.

A.1.7	The Chief Executive as the Accounting Officer should follow the procedure set out by NHS Improvement for advising the Board and the Council and for recording and submitting objections to decisions.	**Confirmed:** the Chief Executive is aware of this provision in the Accounting Officer Memorandum.
A.1.8	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.	**Confirmed:** the Trust has a Constitution, which was last updated in December 2017. Staff are required to sign the Trust's Code of Conduct. The Board of Directors annually confirms its adherence to the Nolan standards of public life and the Fit and Proper Person Requirements.
A.1.9	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.	**Confirmed:** The Trust has a Code of Conduct based on the Trust's values. There are separate codes of conduct for the members of the Board of Directors and Council of Governors. The Board of Directors' Code of Conduct reflects the requirements of the Fit and Proper Persons Test.
A.1.10	The NHS Foundation Trust should arrange appropriate insurance to cover the risk of legal action against its Directors.	**Confirmed:** the Trust is a member of NHS Resolution. The Trust's NHS Foundation Trust Constitution states that providing Directors act honestly and in good faith, any legal costs incurred in the execution of their functions will be met by the Trust.
A.3.1	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.	**Confirmed:** The Trust Chairman and Chief Executive are compliant with this provision. The Trust's Chairman meets the independence criteria.
A.4.1	In consultation with the Council, the Board should appoint one of the independent Directors to be the Senior Independent Director.	**Confirmed:** The Vice Chairman is the Senior Independent Director. The current Vice-Chairman and Senior Independent Director, Joanna Hole, took up office on 1 November 2015.
A.4.2	The Chairperson should hold meetings with the Non-Executive Directors.	**Confirmed:** The Trust Chairman holds regular meetings with Non-Executive Directors.
A.4.3	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.	**Confirmed:** All discussions at the Board of Directors' meetings are contained in the minutes of each meeting.
A.5.1	The Council of Governors should meet sufficiently regularly to discharge its duties.	**Confirmed:** The Council of Governors meets quarterly which is in line with other NHS Foundation Trusts. There is provision to hold additional meetings if required.
A.5.2	The Council of Governors should not be so large as to be unwieldy.	**Confirmed:** The size of the Council of Governors is considered to be appropriate and is regularly reviewed.
A.5.4	The roles and responsibilities of the Council of Governors should be set out in a written document.	**Confirmed:** A document setting out the roles and responsibilities of the Council of Governors is available from the Trust's public website and is also set out in the NHS Foundation Trust's Constitution.
A.5.5	The Chairperson is responsible for leadership of both the Board and the Council	**Confirmed:** Members of the Board of Directors (both Executive and Non-Executive) are in attendance at

	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.	Council of Governor meetings. The Trust holds joint away day sessions for governors and the Board of Directors.
A.5.6	The Council should establish a policy for engagement with the Board of Directors for those circumstances when they have concerns.	**Confirmed:** The Trust has a Board of Directors' and Council of Governors' engagement policy which sets out the process for governor(s) to raise concerns.
A.5.7	The Council should ensure its interaction and relationship with the Board of Directors is appropriate and effective.	**Confirmed:** The Board of Directors and Council of Governors keep this relationship under review.
A.5.8	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.	**Confirmed:** The process for removing the Chairman and Non-Executive Directors is set out in the NHS Foundation Trust's Constitution. Governors are aware of this provision and of the consequences of using this power.
A.5.9	The Council should receive and consider other appropriate information required to enable it to discharge its duties.	**Confirmed:** The Trust is compliant with this provision and provides extensive information to the Council of Governors via regular reports and through the Council's various working groups.
B.1.2	At least half the Board, excluding the Chairperson, should comprise Non-Executive Directors determined by the Board to be independent.	**Confirmed:** The Trust is compliant with this provision. All Non-Executives are considered to be independent.
B.1.3	No individual should hold, at the same time, positions of Director and governor of any NHS Foundation Trust.	**Confirmed:** The Trust is compliant with this provision, which is incorporated into its Constitution. Directors and governors are aware of this provision.
B.2.1	The nominations committee or committees, with external advice as appropriate, are responsible for the identification and nomination of Executive and Non-Executive Directors.	**Confirmed:** This provision is set out in the Trust's Board of Director's/Council of Governors' Nominations and Remuneration Committees' Terms of Reference.
B.2.2	Directors on the Board of Directors and governors on the Council should meet the "fit and proper" persons test described in the provider licence.	**Confirmed:** The Trust has undertaken appropriate checks to assure itself that every member of the Board of Directors meets the "fit and proper persons" criteria as described in the provider licence. Governors have confirmed that they meet the requirements of the Fit and Proper Persons criteria and the Council of Governors' Nominations and Remuneration Committee Terms of Reference are clear that candidates must meet the criteria.
B.2.3	The Nominations Committee should regularly review the structure, size and composition of the Board and make recommendations for changes where appropriate.	**Confirmed:** Both the Board of Directors' and Council of Governors' Nominations and Remuneration Committee's Terms of Reference include this requirement.
B.2.4	The Chairperson or an Independent Non-Executive Director should chair the	**Confirmed:** This provision is set out in the Nominations

	Nominations Committee.	and Remuneration Committee's Terms of Reference.
B.2.5	The Governors should agree with the Nominations Committee a clear process for the nomination of a new Chairperson and Non-Executive Directors.	**Confirmed:** This is made explicit in the Terms of Reference for the Council of Governors' Nominations and Remuneration Committee.
B.2.6	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.	**Confirmed:** The Council of Governors' Nominations and Remuneration Committee comprises a majority of Governors as set out in the Terms of Reference.
B.2.7	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.	**Confirmed:** The Council of Governors' Nominations and Remuneration Committee's Terms of Reference includes this requirement. The Council of Governors' Nominations and Remuneration Committee took account of the views of the Board of Directors when considering the skills, experience and qualifications for the new Chairperson appointed with effect from 1 April 2019.
B.2.8	The annual report should describe the process followed by the Council in relation to appointments of the Chairperson and Non-Executive Directors.	**Confirmed:** This is set out in the Annual Report.
B.2.9	An independent external adviser should not be a member of or have a vote on the Nominations Committee.	**Confirmed:** This provision is complied with via the Trust's Nominations and Remuneration Committees' Terms of Reference.
B.3.3	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.	**Confirmed:** The Trust is compliant with this provision. This is monitored through the declaration of interests process.
B.5.1	The Board and the Council of Governors should be provided with high-quality information appropriate to their respective functions and relevant to the decisions they have to make.	**Confirmed:** The Board of Directors and Council of Governors receive high quality information appropriate to their respective functions.
B.5.2	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.	**Confirmed:** The Board of Directors' minutes provide evidence of executive and Non-Executive Directors' challenge. In addition, the Board of Directors' assurance committees provide the opportunity to test systems and processes in more detail and to confirm a level of assurance. Further, independent advice would be made available if required.
B.5.3	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	**Confirmed:** The Chief Executive is aware of this provision and will make available independent professional advice as and when appropriate.

	discharge their responsibilities as Directors.	
B.5.4	Committees should be provided with sufficient resources to undertake their duties.	**Confirmed:** This is considered as part of the Committees' annual reviews of their effectiveness.
B.6.3	The senior Independent Director should lead the performance evaluation of the Chairperson.	**Confirmed:** The Senior Independent Director leads the performance evaluation of the Trust's Chairman.
B.6.4	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.	**Confirmed:** The Board of Directors regularly discusses whether there are any development needs and these are addressed by the Board of Directors' programme of seminars, away days and external training events.
B.6.5	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.	**Compliant:** The Chair meets with governors on a one-to-one basis to discuss their performance. The Chair leads the assessment of the collective performance of the Council of Governors annually. Information on discharge of responsibilities is included in the Governors' Annual Report and the Lead Governor also reports on this topic at the Annual Member's Meeting.
B.6.6	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.	**Confirmed:** The Trust's NHS Foundation Trust Constitution sets out the criteria and process for removing a Governor.
B.8.1	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.	**Confirmed:** The Chairman (Chair of the Board of Directors' Nominations and Remuneration Committee) is aware of this requirement.
C.1.2	The Directors should report that the NHS Foundation Trust is a going concern with supporting assumptions or qualifications as necessary.	**Confirmed:** The monthly finance report to the Board of Directors confirms that the Trust is a going concern.
C.1.3	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	**Confirmed:** The Trust's Annual Report and Annual Quality Accounts Reports are presented to the Annual Members' Meeting and are available from the Trust's website.

	performance.	
C.1.4	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, health care 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, health care delivery performance or reputation and standing of the NHS Foundation Trust.	**Confirmed:** The Board of Directors is aware of this requirement.
C.3.1	The Board should establish an Audit Committee composed of at least three members who are all independent Non-Executive Directors.	**Confirmed:** The Trust's Audit Committee comprises three independent Non-Executive Directors.
C.3.3	The Council should take the lead in agreeing with the Audit Committee the criteria for appointing, re-appointing and removing external auditors.	**Confirmed:** The Council of Governors agreed the tender process for appointing new external auditors in consultation with the Audit Committee.
C.3.6	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.	**Confirmed:** The Council of Governors approved the recommendation to reappoint Deloitte as the Trust's external auditors for the period 1 April 2019 to 31 March 2021 at the meeting held in March 2019.
C.3.7	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.	**Confirmed:** The Trust's Chairman is aware of this requirement.

C.3.8	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.	**Confirmed:** The Audit Committee receives regular reports from the Trust's Counter Fraud Service. The Non-Clinical Governance Committee provides assurance to the Board of Directors on the Trust's Raising Concerns Policy.
D.1.1	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.	**Confirmed:** The Board of Directors' Nominations and Remuneration Committee is responsible for determining the eligibility for Executive Directors to receive performance-related bonuses after a review of each Executive Director's performance.
D.1.2	Levels of remuneration for the Chairperson and other Non- Executive Directors should reflect the time commitment and responsibilities of their roles.	**Confirmed:** The Council of Governors' Nominations and Remuneration Committee determine the remuneration of the Chairman and other Non-Executive Directors after taking account of the time commitment and responsibilities of their roles.
D.1.4	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.	**Confirmed:** This will be undertaken if and when required.
D.2.2	The Remuneration Committee should have delegated responsibility for setting remuneration for all Executive Directors, including pension rights and any compensation payments.	**Confirmed:** The Terms of Reference of the Board of Directors' Nominations and Remuneration Committee make it clear this responsibility rests with the Committee.
D.2.3	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.	**Confirmed:** The Council of Governors' Nominations and Remuneration Committee took account of external benchmarking data as part of their work in determining the level of remuneration for the Chairman and other Non-Executive Directors. Chairman and Non-Executive Director remuneration has not changed since the Trust achieved Foundation Trust status in 2014.
E.1.2	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.	**Confirmed:** The Trust has a membership and engagement strategy.
E.1.3	The Chairperson should ensure that the views of governors and members are communicated to the Board as a whole.	**Confirmed:** Governors receive advance notice of the Board of Directors' agenda and papers and are invited to contact the Chairman if they have any comments and or questions. A number of Governors attend the public Board meeting as observers. There is also a joint annual away day.
E.2.1	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-	**Confirmed:** The Trust meets this requirement. Strong relationships are maintained with principal stakeholders.

	operate.	
E.2.2	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.	**Confirmed:** The Trust meets this requirement.

NHS Improvement's Single Oversight Framework

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

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

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

The Single Oversight Framework applied from Quarter 3 of 2016/17. Prior to this, Monitor's *Risk Assessment Framework* (RAF) was in place. Information for the prior year and first two quarters of 2016/17 relating to the RAF has not been presented as the basis of accountability was different. This is in line with NHS Improvement's guidance for annual reports.

Segmentation

NHS Improvement has segmented trusts according to the level of support each trust is assessed as requiring across the five themes listed above to enable Trusts to deliver high quality, safe care for patients. In November 2017, following a period of higher than usual turnover in the Executive team at the Trust, NHS Improvement determined that the Trust should be subject to mandated support to bring about leadership stability and placed in segment 3 under the Single Oversight Framework. As a consequence, the Trust has agreed a series of binding enforcement undertakings with NHS Improvement under section 106 of the Health & Social Care Act 2012 to address identified areas for improvement. This involved completing an external well-led developmental review (which was completed in January 2018) and consolidating the findings of this review into a comprehensive list of recommendations and actions, which have been completed. The Trust was advised by NHS Improvement in February 2019 that the enforcement undertakings had been fully met and it has subsequently moved to segment 2 under the Single Oversight Framework.

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

Finance and use of resources

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

Area	Metric	2018/19 Scores				2017/18 Scores	
		Q4	Q3	Q2	Q1	Q4	Q3
Financial sustainability	Capital Service Capacity	1	1	3	2	4	4
	Liquidity	1	1	1	1	1	1
Financial efficiency	I&E Margin	1	1	3	1	1	1
Financial controls	Distance from Financial Plan	1	2	4	1	1	2
	Agency Spend	1	1	2	1	1	1
Overall scoring		1	1	3	1	3	3

The Trust has received an overall finance score of 1 which is the highest possible rating. This is an improvement from 2017/18 when a technical adjustment resulted in a score of 3 being achieved.

Statement of the Chief Executive's responsibilities as the accounting officer of the Royal United Hospitals Bath 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 the Royal United Hospitals Bath 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 the Royal United Hospitals Bath 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; and
- 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*.

Signed

James Scott, Chief Executive

21 May 2019

Annual governance statement 2018/19

Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the 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 the RUH 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 the RUH for the year ended 31 March 2019 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

I have the overall and final responsibility for all risk, health and safety issues and for providing the Trust with the necessary organisation and resources to produce, implement and manage effective policy and action to realistically minimise risk to the lowest possible level within available resources.

The Board of Directors has ultimate responsibility and accountability for the quality and safety of services provided by the RUH. The Board of Directors has approved the Strategic Framework for Risk Management which provides a clear, systematic approach to the management of risks to ensure that risk assessment is an integral part of clinical, managerial and financial processes across the Trust. The Strategic Framework sets out the role of the Board of Directors, the Management Board, the Divisional Boards and the assurance committees, together with the individual responsibilities of the Chief Executive, Executive Directors and all staff in managing risks.

The RUH uses a web-enabled electronic risk management system (Datix) to record, manage and monitor risks on the Trust-wide Risk Register. Significant risks are reviewed monthly by the Management Board. The Management Board then takes on oversight of the significant risks until they have been managed to an acceptable level of risk.

The Board of Directors reviews the top operational risks scoring 16 and above on a quarterly basis as well as a quarterly review of the complete risk register, alongside the Board Assurance Framework. The Board of Directors last reviewed the full risk register in January 2019. In addition, the monthly operational performance and finance reports highlight any key areas of risk and the Board of Directors' report template includes a section on risk. The Board of Directors also identifies risks as part of the self-certification documentation under the Licence.

Assurance Committees

The Board of Directors has established three assurance committees each chaired by a Non-Executive Director together with other Non-Executive Director members that ensure that there are effective monitoring and assurance arrangements in place to support the system of internal control. The key responsibilities in relation to risk management are set out below:

Audit Committee

- Provides assurance to the Board of Directors about the soundness of overall systems of governance and internal control
- Risk Management Systems and Processes
- Financial Risk Management
- Reviews allocated risks on the Board Assurance Framework.

Clinical Governance Committee

- Provides assurance that the key clinical systems and processes are effective and robust
- Reviews allocated risks on the Board Assurance Framework.

Non-Clinical Governance Committee

- Provides assurance that the non-clinical systems and processes are effective and robust
- Reviews allocated risks on the Board Assurance Framework

After every meeting, the Committee Chair presents a report to the Board of Directors highlighting the key issues discussed, any risks identified, key decisions and recommendations.

The external well-led review commissioned by the Trust and carried out in January-February 2018 noted that the processes and structures for providing assurance to the Board of Directors are of particular strength, and the flow of assurance from Committees to the Board is clearly articulated and executed; these processes have been maintained throughout 2018/19.

Charities Committee

The Board of Directors has also established a Charities Committee, which is responsible for reviewing and approving the use of the Trust's charitable funds.

Divisional Boards

The three clinical Divisions (Medicine, Surgery, and Women and Children's) have each established a Governance Committee, which is responsible for reviewing and managing risks within their respective divisions. The Operational Governance Committee, which is a sub-committee of the Trust's Management Board, acts as the operational committee for supporting the management of clinical risk issues. The Health and Safety Committee acts as the operational committee for supporting the management of health and safety risks.

Leadership of the Risk Management Process

As Accounting Officer I have overall responsibility for risk management across all organisational, financial and clinical activities. Other members of the Executive Team exercise lead responsibility for the specific types of risk as follows:

Director of Nursing and Midwifery

- Designated Director with responsibility for the implementation of governance frameworks and risk management.

Director of Finance

- Designated Director with responsibility and accountability for financial risk.
- The Director of Finance is the Senior Information Risk Officer (SIRO) designated with the responsibility to ensure there is a framework in place for the management of information governance-related risks.

Director of People

- Designated Director with responsibility for ensuring that there is a framework in place for the management of non-clinical risk across the organisation.

Medical Director

- Director Lead for medical risk for the Trust.

Estates and Facilities: whilst overall responsibility sits with the Chief Executive, there is a Director of Estates and Facilities with designated responsibility for:

- Health and safety and ensuring effective physical and human precautions are in place to control health and safety risks.

The role of the Executive Directors is to ensure that appropriate arrangements and systems are in place to achieve:

- Identification and assessment of risks
- Elimination or reduction of risks to an acceptable level
- Compliance with internal policies and procedures, statutory and external requirements
- Effective management of risks.

These responsibilities are managed operationally through the Head of Risk and Assurance who has responsibility for ensuring that staff are trained and equipped to manage risk effectively and in accordance with the Strategic Framework for Risk Management. This is achieved through risk training programmes and supporting divisional teams.

Staff empowerment and risk management training

Risk management training is provided through the induction programme for all new staff. The corporate training programme ensures that all new staff are provided with details of the Trust's risk management systems and processes and understand their responsibilities for reporting incidents. The corporate induction is augmented by local induction programmes by managers. The Trust's mandatory training programme includes health and safety, manual handling, fire awareness, infection control, safeguarding patients, resuscitation and information governance. In addition, the Head of Risk and Assurance provides tailored training for individual roles and works closely with staff across the Trust to ensure they understand their responsibilities and accountabilities for managing risk in their areas. The approach is informed by various sources of information, including incident reports, key quality indicator reports, survey feedback and comments, risk analyses and national guidance and best practice.

The Risk and Control Framework

The Strategic Framework for Risk Management defines risk, the Trust's risk appetite, and identifies individual and collective responsibility for risk management within the organisation. It also sets out the Trust's approach to the identification, assessment, scoring, treatment and monitoring of risk. The strategic framework:

- Defines the objectives of risk management and process and structure by which it is undertaken
- Defines the Trust's risk appetite which articulates the content and range of risk(s) that the Trust might take
- Sets out the lead responsibilities and the organisational arrangements as to how these are discharged
- Sets out the key policies, procedures and protocols governing risk management.

The Trust uses a risk assessment matrix to score individual risks. The risk assessment matrix enables the Trust to assess the level of risk in a standardised way, using a 5x5 risk matrix methodology. This prioritisation tool is based on national guidance. Each risk is given a score for both the consequence/severity of the potential risk and its likelihood of occurring. The two scores are then multiplied together to give an overall risk impact score. The higher the final score the greater the risk. All risks are recorded and held on the Datix risk management system, which is used to produce reports for all levels of management.

The Trust has defined that, in most circumstances, an acceptable risk is one which falls in the 'insignificant' (green) category. This covers all areas of business, but is easiest to define and quantify in financial terms where the Trust is willing to risk the collective loss of budget of up to 0.25% of the total annual budget to achieve the Trust's Objectives. The Board of Directors has reviewed the Board Assurance Framework and identified a "target risk rating" for each risk, which represents the level of risk the Trust is willing to accept in relation to that specific issue.

The Board of Directors undertakes a quarterly review and discussion of the Trust risk register, to review the impact upon the Board Assurance Framework and review the organisation's risk appetite. The Management Board must approve all risks added to the risk register with a score of >16 and undertakes a monthly review of all current risks on the risk register with a score of 10-15 in order to ensure that the lower scoring risks with the potential to have significant impact are not overlooked.

The Management Board is also responsible for reviewing and approving any current risks that have been downgraded from a major risk.

The Trust seeks to ensure that lessons learned from incident, complaint and other investigations are used to update and improve practice. These issues are regularly communicated to the Operational Governance Committee where Trust-wide representatives have the opportunity to discuss themes which may emerge from these investigations and make recommendations for, and implement, policy or procedural change. The Operational Governance Committee reports to the Management Board and escalates issues which require higher level scrutiny.

Incidents are dealt with in accordance with the Incident Reporting and Management Policy and Procedure. An anonymised summary of all new Serious Incidents is included in the monthly Board of Directors' Quality Report which is published on the Trust's website. The Board of Directors also receives a quarterly Incidents, Claims and Inquests report which contains more detailed analysis of trends and learning and is considered in the private Board of Directors' meeting.

The Trust's Internal Auditors conducted a Financial Risk Management Audit in October 2016. The Internal Auditors gave "significant assurance" and stated that: "there is a robust system in place for identifying risks and ensuring they are logged on Datix. Our benchmarking of the Trust's BAF against 38 other trusts showed it compares well with others".

The Audit Committee receives a report at least annually on the Risk Management Process and Embeddedness across the Trust. This report provides the Audit Committee with an update on the process for risk management across the organisation and the degree to which these are embedded in the practices of management teams. The report completed in February 2019 reviewed Capital Projects Risk Management and gave a rating of 'Significant assurance with minor improvement opportunities', concluding that overall there was a robust system of risk management in relation to capital projects.

Board Assurance Framework

The Trust has a Board Assurance Framework. The Board Assurance Framework is a process by which the Trust gains assurance that it has a well-balanced set of objectives for the year and that there are controls and assurances in place to manage the key risks associated with achieving the objectives.

The Board Assurance Framework was reviewed quarterly by the Board of Directors with each risk assigned to a lead Executive Director and to the relevant assurance committee. The assurance committees review their respective risks at each meeting and their comments are reported to the Board of Directors, with the responsible Executive Director updating the controls and mitigations regularly. Strategic risks are also regularly reviewed at the Board of Directors' Away Days which are held quarterly.

Risks to data security

The Trust manages its risks to data security through a number of different approaches. The Trust has a Board-level senior information risk owner (SIRO). The SIRO chairs an Information Governance Group (IGG) which is responsible for setting the framework for information governance standards in the Trust and ensuring delivery of action plans to improve compliance. The Trust's Caldicott Guardian role is held by the Medical Director who is a member of the Information Governance Group.

Risks to data security realised in year are detailed under the 'Information Governance' section.

Description of the principal risks facing the Trust

The Trust's top three risks to the delivery of its strategic and operational plans as tracked in the Board Assurance Framework are:

- Limited supply of registered nurses, doctors and other healthcare professionals impacts on the Trust's ability to recruit to vacancies in these areas;
- Failure to deliver consistently the access standards and time frames for some services in line resulting in increased waiting times for care and treatment and deteriorating outcomes for patients, most notably ED Performance, particularly bed capacity and the flow of patients through the hospital from admission to discharge: This risk relates to the Trust's ability to manage within its bed base and maintain timely flow of patients out of the Emergency Department, Medical Assessment Unit and Surgical Assessment Unit to the main inpatient wards. This is to ensure that the Trust is able to offer a high quality and safe service to patients presenting as an emergency.

- Increasing financial pressures faced by the NHS and its impact on the Trust's delivery of a sustainable financial position. This also impacts on the achievement of additional Provider Sustainability Funding which would improve service delivery.

The Trust's other key risks include:

- The risk of failing to deliver the planned financial surplus which could impact on the Trust's ability to deliver its Estates Strategy;
- Scale of structural change across the NHS and increasing workforce pressures.

EU Exit

At this time the United Kingdom (UK) will exit the European Union (EU) on 31st October 2019, although this may be sooner if there is a political agreement on the EU Exit plan. The UK's exit from the EU is viewed as a rising tide business continuity incident with impacts expected in the event of both a 'no deal' or 'orderly' exit. There are plans to mitigate against the potential impacts of EU Exit in a combination of national, local and individual organisational efforts. To support this central government has and continues to provide guidance for NHS funded organisations outlining national planning and the steps required by trusts such as the Royal United Hospitals Bath NHS Foundation Trust. The Trust has established an EU Exit Resilience Task and Finish Group to coordinate preparations. This group is chaired by the Deputy Chief Operating Officer acting as the Trust's Senior Responsible Officer for EU Exit. This group brings together key areas of the Trust to identify risks posed by EU Exit, and where possible, ensure that mitigations are being considered and put in place.

Principal risks to compliance with the NHS Foundation Trust Provider Licence Condition 4 (FT governance)

The NHS Foundation Trust Provider Licence requires NHS Foundation Trusts to meet the compliance standards for finance and governance as set out in NHS Improvements Single Oversight Framework. The Trust has complied with NHS Improvement's requirements for finance but, due to a number of operational performance challenges, the Trust has failed to meet the four-hour standard with the Emergency Department, and 18-week referral to treatment performance and the diagnostics DM01 six-week target during 2018/19. In quarter 1 the Trust also failed to meet the cancer two-week wait to first outpatient appointment for breast symptomatic patients.

In 2018, the Trust commissioned an external well-led developmental review which identified that routine governance processes and systems were strong. It also identified that the processes and structure for providing assurance to the Board and the focus on risk management were of particular strength. As part of the review, the Trust received a number of recommendations and actions which were identified and consolidated into a comprehensive action plan which was delivered in 2018/19. As a result of implementing the action plan, NHS Improvement close the Section 106 undertakings in February 2019. A Well-Led follow up report was carried out by KPMG in April 2019 and its final report will be reviewed by the Trust in 2019.

ED performance, capacity and flow

There were sustained operational pressures during 2018/19 driven by a number of factors including a significant increases in ambulances arriving at the hospital, extended lengths of stay and delays for patients, particularly those who needed on-going care outside of the hospital. The Trust did not meet the four-hour waiting time standard within the Emergency Department but continued to focus on efforts to improve the service provided in emergency care. This included developing an Urgent Care Improvement Plan with support from the NHS Emergency Care Intensive Support Team. The Urgent Care Improvement Plan has three areas of work:

- The Front Door (Emergency Department) – the first point of contact for most emergency patients
- Specialties (Access to specialist medical or surgical services); and Back Door (Discharge or patients leaving hospital). Each improvement area led by an Executive Director with support from staff and clinical leaders in that area.

The Trust has continued to work with the local health and social care system and NHS regulators, through the A&E Delivery Board, a forum featuring leaders from Health and Social Care working together to develop and oversee improvement for patients across the health and social care system. The way the hospital and wider system perform against these important areas of service delivery is reviewed weekly by Executive Directors from the Trust, Community providers, Commissioners and Local Authority leaders on a monthly basis.

Progress on delivering the improvement plans is reported to the Board of Directors each month so progress can be monitored. The Board of Directors receive information regarding the quality and safety of the care delivered within the Emergency Department in order to ensure that the Care Quality Commission safety domain is routinely addressed.

Governance

The Board has an established process to assure itself of the validity of its corporate Governance Statement required under NHS Foundation Trust Condition 4 (8) (b), with appropriate sources of assurance being provided to the Board, thereby allowing it to self-certify compliance or otherwise with the Statement.

Communication with stakeholders

The Board Assurance Framework and the Trust's risk management processes as set out in the Strategic Framework for Risk Management bring together the evidence to produce and support the Annual Governance Statement.

Communication with stakeholders is central to ensuring risks identified by stakeholders that affect the Trust can be captured, assessed, discussed and, where appropriate, action plans can be developed to resolve any issues. Example engagement activities with stakeholders are outlined within the Directors Report. A number of regular forums also exist that allow communication with stakeholders including:

- **The Council of Governors** which has a formal role as a stakeholder body for the wider community in the governance of the Trust. This includes public governors' constituency meetings, regular member newsletters, and the Annual Members' Meeting.
- **Partner organisations**, including monthly commissioner contract review meetings and other meetings with Clinical Commissioning Groups (including quality and performance meetings and clinical commissioning reference board), Council representatives, voluntary sector and local universities.
- **BSW partners,** including monthly meetings that bring together Chief Executives, Finance Directors and other key staff.
- **Staff** – staff engagement meetings, staff survey and team briefings.
- **Public and service users** – patient surveys, Patient and Carer Experience Group and Patient Advice and Liaison Service.

Developing workforce safeguards

The Trust operates with an evidence-based approach to the effective and safe deployment of staff to ensure that the right people are in the right place at the right time with the right skills.

Supporting the evidence base, which includes the use of data from benchmarking sources such as the Model Hospital, is the professional judgement of our senior nurses and medical heads of division as well as the regular reporting and monitoring of outcomes for patients, and the experiences of patients and staff.

Trust Board of Directors receives a monthly quality dashboard providing oversight and assurance on a range of workforce and quality indicators. It also receives a Well-Led dashboard. The indicators on these dashboards and in the SoF are reported prior to Board to the relevant committee (Strategic Workforce Committee; Quality Committee) and include: statutory and mandatory training compliance; retention, turnover and vacancies; deployment of the flexible workforce (bank and agency) including hours filled and spend; staffing ratios; sickness absence and appraisal compliance.

At an operational level there is a daily review of staffing in light of demands due to seasonal changes, acuity and activity. This is a dynamic process and is overseen by senior nursing staff.

Where skill mix reviews are conducted they are subject to quality impact assessments.

The Trust has well-established governance arrangements for the development and implementation of short, medium and long-term workforce planning and strategies.

Workforce planning within the RUH is a significant part of the annual business planning process which includes engagement of the Trust's clinical and corporate divisions. The development and outputs of the workforce annual planning process is overseen by the Executive Performance Review Process.

The RUH is also an integral partner in the BaNES, Swindon and Wiltshire (BSW) Integrated Care System, working on a range of joint workforce issues including an emerging strategy to support the strategy and the longer-term NHS plan.

Compliance with the CQC

The Trust is compliant with the registration requirements of the CQC. The Trust was registered with no compliance conditions on 1 April 2010.

The CQC conducted a comprehensive inspection of the Trust in June 2018. The inspection report was published in September 2018, giving the Trust an overall rating of 'Good'. Further detail on the findings can be found in the Quality Accounts section.

The Trust has published an up-to-date register of interests for decision-making staff within the past 12 months, as required by the *'Managing Conflicts of Interest in the NHS' guidance.*

Compliance with NHS pension scheme regulations

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

Compliance with equality, diversity and human rights legislation

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

Compliance with obligations under the Climate Change Act

The Foundation Trust has undertaken risk assessments and has a sustainable development management plan in place. These are currently under review to take into account the UK Climate Projections 2018 (UKCP 18) as published in November 2018. The Trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

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

The Board of Directors has received regular reports about the economy, efficiency and effectiveness of the use of resources. The reports provide detail on the financial, clinical and performance of the Trust and highlight any areas through benchmarking or the traffic light system where there are concerns.

The Reference Cost Index (RCI) is a percentile of 100, with 100 being the baseline national average. It shows the actual cost of a Trust's case mix compared with the same case mix delivered at national average cost. The RUH 2017/18 RCI score is 88.5, suggesting that as an organisation healthcare is provided at a cost 11.5 below the national average.

Internal audit has reviewed various systems and processes in place during the year and has published reports setting out any required actions to ensure economy, efficiency, effectiveness and use of resources. The outcomes of these reports are graded as to the level of assurance and are reviewed by the respective assurance committees.

NHS Improvement assigns ratings based on its assessment of the Trust under its Single Oversight framework. The Trust's performance against the Single Oversight Framework targets is reported monthly to the Board. The Trust further obtains assurance of its systems and processes and tests its benchmarking by working with other NHS and external organisations, and also through organisations such as NHS Providers where foundation trusts share good practice.

The Better Value, Better Care Board oversees the Trust's response to the Carter Efficiency Review recommendations and reports to the Management Board and Board of Directors on progress.

Information governance

Information governance remains a high priority for the Trust. The Trust has a Caldicott Guardian (Medical Director) and a Senior Information Risk Officer (SIRO), the Deputy Chief Executive and Director of Finance.

All staff are governed by a Code of Confidentiality and access to data held on IT systems is restricted to authorised users. Information governance training is incorporated into a corporate induction programme for all new employees and all staff are required to undertake information governance training annually to national standards as part of the Trust's mandatory training package.

The annual information governance self-assessment exercise has taken place using the Information Governance Toolkit provided by Connecting for Health. The Information Governance Toolkit's requirements relate to the following areas:

- Information governance management;
- Confidentiality and Data Protection Assurance;

- Information Security Assurance;
- Clinical Information Assurance;
- Secondary Use Assurance;
- Corporate Information Assurance.

The Trust has achieved a satisfactory "standards met" level having attained the mandatory 100 evidence items known as assertions for the Data Security & Protection Toolkit (DSP Toolkit) previously known as the Information Governance Toolkit for the submission in 2018/19. The levels for the DSP Toolkit are now "Standards Met or Standards not met" for the new DSP Toolkit rather than recorded as a percentage.

In March 2019 an internal Audit, undertaken by KPMG, conducted a detailed review of elements of the General Data Protection Regulation (GDPR) and the processes adopted by the Trust to ensure lawful compliance of the new legislation, as part of the assurance process. A rating of significant assurance with minor improvement opportunities has been provided in relation to our review of Data Protection and GDPR. Additionally, overall the audit found that the Trust has clear governance and oversight in place for Data Protection and remediation of GDPR risks. Given NHS Trusts have routinely been required to submit the DSP Toolkit (previously the IG Toolkit) on a yearly basis, it has put the Trust in a stronger position than many other organisations.

From 1 April 2018 to 31 March 2019, the Trust had two serious information governance incidents which were reported to the Information Commissioner's Office (ICO) to provide transparency but there was no further action taken by the ICO due to the robust management of the incidents and the technical and organisational security measures that were taken at the time. There were 50 incidents whereby information was disclosed in error. The issues for disclosure on investigation also included incorrect details recorded at origin on the NHS Spine and therefore information such as appointment letters were sent to the wrong GP Practice or home address of the patient thus causing the breach. There were 24 reported incidents due to unauthorised access and four whereby information was lost in transit. During the same period, the Trust had 109 other personal data related incidents. The Trust has rigorous and robust processes and procedures in place to mitigate breaches of the Data Protection Act. When a breach occurs, the Trust ensures that remedial action has been taken to minimise the risk of a recurrence and has resulted in the significant reduction in incidents reported to the ICO.

A programme of 43 proactive Information Risk Management audits has taken place across the year and staff are required to complete annual Information Governance refresher training. This training includes any lessons learnt from incidents that have occurred.

During the year we have focused on understanding the personal data that the Trust holds for both patients and staff which has enabled an audit of all information assets to be recorded accurately and the mapping of the Trust data flows. This has provided assurance in the way that information and data is shared with other healthcare providers and stakeholders. The review of the sharing process has ensured that the Trust continues to be compliant with new legislation of the Data Protection Act 2018 and GDPR.

Annual Quality Report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. NHS Improvement (in exercise of the powers conferred on Monitor) has issued guidance to NHS Foundation Trust Boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the *NHS Foundation Trust Annual Reporting Manual*. The Annual Quality Report 2018/19 has been developed in line with relevant national guidance.

Quality Governance Arrangements

The Trust has robust quality governance arrangements in place, which incorporate the monitoring and delivery of the Trust's ambitious patient safety priorities and the quality account priorities. The Board of Directors is responsible for ensuring the quality and safety of services provided by the Trust and has developed a robust quality governance structure and reporting mechanisms to ensure that quality objectives are identified, monitored and, where performance is below the expected standard, action is taken to address the issue. The Board of Directors and the Management Board have reviewed the annual quality account priorities and have considered the progress with the priorities through the monthly Quality Reports. A range of both internal and external groups has contributed to the 2018/19 Quality Accounts report, and to identifying the Quality Priorities for 2019/20, including staff, governors, members, Healthwatch and Clinical Commissioning Groups. The Trust's external auditor is responsible for reviewing the Quality Accounts against national requirements, and for testing a sample of the quality indicators disclosed in the Quality Accounts to ensure that the performance information contained in the Quality Accounts is accurate and robust.

The Management Board as the key operational delivery group in the Trust oversees operational performance against quality indicators and receives regular information on quality and patient safety work. The Quality Board, which is accountable to the Management Board, has responsibility to formulate the quality improvement strategic direction. The Quality Board ensures that the Board of Directors, via the Management Board, is aware of risks to the quality of care being delivered and plans to mitigate these risks, and poorly performing services and the actions being taken to improve them. In addition the Quality Board has oversight each month of progress with all the CQUIN schemes.

The Operational Clinical Governance Committee, chaired by the Director of Nursing and Midwifery, is the group which delivers risk management at an operational level. The Operational Clinical Governance Committee works closely with the Quality Board and the Quality Board's sub-groups: the Patient Safety Steering Group, the Patient and Carer Experience Group and the Clinical Outcomes Group, chaired by the Medical Director – as well as the Divisional Clinical Governance Groups.

The Trust's participation in national and regional patient safety initiatives sets the tone for the rest of the organisation and demonstrates that quality improvement is a top priority.

The Chief Executive is the Vice-Chair of the West of England Academic Health Science Network. The Trust is also a member of NHS Quest, a member network for NHS Foundation Trusts who wish to focus on improving quality and safety.

It is the role of the Clinical and Non-Clinical Governance Committees to "test" our systems and processes in order to assure the Board of Directors that we have robust systems in place for monitoring quality and safety and ensure that there are appropriate controls in place to ensure the accuracy of data.

The Quality Accounts contain information that is subject to internal and external validation. The information has been made available to the public through the quality and operational performance reports that are provided to the public meeting of the Council of Governors.

The Trust's report on Quality Accounts is subject to review by its external auditor who will report on its review of the arrangements that the Trust has put in place to secure the data quality of information included in the Quality Accounts.

Disclosure on processes to gain assurance in relation to quality and accuracy of elective waiting time data

Effective Board of Directors' decision-making is reliant upon the quality of the data received to inform those decisions. It is therefore imperative that the Board of Directors receives regular assurances over sources of key data underpinning its performance and the integrity of its reporting against national targets. The Trust has an established system for data quality management which includes a team of Senior Business Analysts who provide support to the clinical teams / service lines in reviewing quality, activity and the patient activity data that contributes to finance information. Analysts support investigation and correction of data errors. The development of user-friendly reporting formats (such as Business Objects, Scorecards and Dashboards and SPC charts) is aimed at displaying information in a format that drives greater engagement from teams. In turn, greater engagement creates more feedback on quality and drives accuracy.

The Trust has an established Data Quality Steering Group which reports into the Clinical Informatics Board (as a sub-group of the Management Board).The role of the Data Quality Steering Group is to ensure there is a central repository of data quality issues and risks and that remedial actions are being undertaken. The Group also ensures that the response to internal and external data quality audits is being progressed and the requisite governance improvements are being undertaken in line with Information Governance Toolkit standards.

Capabilities and culture

The Trust has an ethos of continuous improvement and has established the Quality Improvement Centre under the leadership of the Director of Nursing and Midwifery which brings together staff responsible for patient safety, quality improvement and assurance, clinical audit, risk management and patient experience to support the delivery of the Quality Strategy throughout the Trust.

Complaints are seen as an opportunity to learn and the Trust is keen to ensure that this remains the focus. The Trust has adopted a more personal approach to resolving concerns which involves meeting with complainants to discuss their concerns rather than responding in writing.

Systems and processes

Patient feedback is reviewed by the Board of Directors in a number of different ways:

- Monthly Board of Directors' Quality Report includes the friends and family test results which is triangulated with other performance data for each ward; feedback through complaints, patient surveys and Patient Advice Liaison Service contacts;
- Monthly Board of Directors' patient story at every meeting and matron presentations;
- Quarterly Patient Feedback and Incident, Claims and Inquest reports to the Board of Directors;
- Executive and Non-Executive Directors' patient safety visits;
- Member and patient feedback at the Annual Members' Meeting and Governor Constituency meetings;
- Board of Directors' annual mortality review;
- National Patient Safety reports to Board.

How we monitor data and report on quality

- The Trust reviews the implementation status of all National Institute for Clinical Excellence guidance and Central Alerting System guidance to risk-assess any development areas for the Trust and to take action to implement recommendations.
- The Board of Directors receives an annual mortality review report which compares the Trust's hospital standardised mortality rate (HSMR) with other comparable Trusts. The Trust uses clinical outcome data to assess and improve services with participation in national audits as well as undertaking local audits.

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 auditor in its management letter and other reports. I have been advised on the implications of the results of my review of the effectiveness of the system of internal control by the Board of Directors, Audit Committee, Clinical Governance Committee, Non-Clinical Governance Committee and the Management Board. When issues are identified, plans are put in place to address any weaknesses and ensure that any learning is embedded in the organisation. This ensures that the system is subject to continuous improvement.

The Trust's Assurance Framework provides me with evidence of the effectiveness of controls that manage the risks to the organisation achieving its strategic objectives, have been reviewed and are being actively managed. Internal Audit provides me with an opinion about the effectiveness of the assurance framework and the internal controls reviewed as part of the Internal Audit plan. Work undertaken by Internal Audit is reviewed by the Assurance Committees (Audit, Non-Clinical and Clinical Governance Committees). The Assurance Framework and the top risks on the Risk Register are reviewed by the Board of Directors four times a year. The Board of Directors reviews the full Risk Register annually. This provides me and the Board of Directors with evidence of the effectiveness of controls in place to manage risks to achieving the Trust's principal priorities.

Clinical Audit is one of a number of methods used by the Trust for assessing the quality and safety of care provided to patients. Clinical audit is an essential part of the Quality Improvement process and all audits undertaken within the Trust must demonstrate the potential to improve the standard of care delivered. The Trust has a Clinical Audit Policy which sets out how Clinical Audit should be conducted in the Trust.

The Trust's Clinical Audit Annual Programme of priority topics is approved by the Quality Board and includes topics identified from the National Clinical Audit and Patient Outcomes Programme, National Institute for Health and Clinical Excellence guidance, Central Alerting System Alerts and Serious Incidents. The Quality Board receives a quarterly progress report on the outcome of the clinical audit programme.

The Head of Internal Audit's opinion for the period based 1 April 2018 to 31 March 2019 is one of significant assurance with minor improvements:

"Our work has confirmed that there is generally a sound system of internal control which is designed to meet the Trust's objectives and that controls in place are being consistently applied in all key areas reviewed."

My review is also informed by External Audit opinion, inspections carried out by the Care Quality Commission and other external inspections and reviews.

The processes outlined below are well established and ensure the effectiveness of the systems of internal control and data quality through:

- Board of Directors' review of the Board Assurance Framework, including the risk register and internal audit reports on its effectiveness

- Audit Committee and Clinical and Non-Clinical Governance Committees' review of the effectiveness of the Trust's systems and processes
- Review of serious incidents and learning by the Operational Governance Committee and internal audit report on its effectiveness
- Review of progress in meeting the Care Quality Commission's essential standards by the Quality Board
- Clinical Audits
- National Patient and Staff Surveys
- Internal audits of effectiveness of systems of internal control
- Internal Audit of Committee Governance and Effectiveness
- Well-Led Framework Governance Self-Assessment
- External Well-Led Assessment.

Conclusion

In making its corporate governance statement, the Trust will have assured itself of the validity of the statement through identification of the information and evidence available to support each part of the statement, and testing the robustness of this with the Audit Committee prior to the Board of Directors approving the final statement.

No significant internal control issues have been identified. My review confirms that the Trust has a sound system of internal control that supports the achievement of its policies, aims and objectives.

Signed

James Scott, Chief Executive (Accounting Officer), 21 May 2019

Accountability report signed

James Scott, Chief Executive (Accounting Officer), 21 May 2019

Royal United Hospitals Bath
NHS Foundation Trust

Quality Accounts

2018-19

This Quality Account covers the period 1 April 2018 to 31 March 2019

Contents

Glossary of terms	
ACE OPU	Assessment and Comprehensive Evaluation Older Person's Unit
ACS	Acute Coronary Syndrome
ARK	Antibiotic review kit
AKI	Acute Kidney Injury
ASP	Antiphospholoipd Syndrome
BANES	Bath and North East Somerset
BIU	Business Intelligence Unit
BAPM	British Association of Perinatal Medicine
CCG	Clinical Commissioning Group
C.*diff*	Clostridium difficile
CQC	Care Quality Commission
CQUIN	Commissioning for Quality and Innovation
DTT	Decision to Treat
EAP	Employee Assistance Program
ECIST	National Emergency Care Intensive Support Team
E. Coli	Escherichia coli
ED	Emergency Department
FFFAP	Falls and Fragility Fracture audit program
FFT	Friends and Family test
FLS	Fracture Liaison service
HEESWSN	Health Education England South West Simulation Network
HMSR	Hospital Standardised Mortality Ratios
HSJ	Health Service Journal
IM&T	Information Management and Technology
LocSSIPS	Local Safety Standards for Invasive Procedures
MAU	Medical Admissions Unit
MDT	Multi-Disciplinary Team
MRSA	Methicillin Resistant Staphylococcus Aureus
MOP	Minor Operating Procedures
MSK	Musculoskeletal
NatSSIPS	National Safety Standards for Invasive Procedures
NEWS	National Early Warning Score
NHS	National Health Service
NHSE/I	National Health Service England / Improvement
NICE	National Institute for Health and Care Excellence
NTC	Neonatal Transitional Care
PALS	Patient Advise and Liaison Services
PROMS	Patient reported outcome measure
Q1	Quarter 1 (April, May, June)
QI	Quality Improvement
QSIR	Quality, service improvement and redesign
RCA	Root Cause Analysis
RCEM	Royal College of Emergency Medicine
ROP	Retinopathy of Prematurity
RUH	Royal United Hospitals
RTT	Referral to treatment
SAU	Surgical Admissions Unit
SHMI	Summary Hospital level mortality Indicator
SJR	Structured Judgment Review
SKIP	Sepsis and Kidney Injury Prevention
SSNAP	Sentinel Stroke National Audit Programme
SPR	Specialist Registrar
SSB	Sugar sweetened beverage
STP	Sustainability and transformation plan
SWAST	South West Ambulance Service
UTC	Urgent Treatment Centre
VTE	Venous thromboembolism
WEAHSN	West of England Academic Health Science Network

Part 1

Letter from our Chief Executive

Quality Accounts 2018-19

Part 1: Chief Executives Statement –statement on quality

The Board of Directors is committed to providing services of the highest quality to our patients, their families and carers and to being a listening organisation that is responsive to individual needs. As an organisation we strive to place patient safety and service improvement at the heart of everything we do. We aspire to be a good partner: innovative, collaborative and passionate about patient experience, and we work closely with service users, their carers, our partners in other agencies and third sector colleagues to deliver integrated care across our local system.

The Trust values: **Everyone Matters, Working Together, Making a Difference** are at the core of everything we do for our patients, and represent our aspiration for the type of hospital we strive to be.

The Trust identifies a series of quality priorities each year, and I am pleased to report that we made substantial progress against our quality priorities for 2018/19 as described in the accounts below.

The Trust is proud of its dedicated staff, and I am delighted to report that several teams have been recognised for their outstanding work and nominated for a number of awards in 2018/19. This reflects the commitment of our staff to deliver the highest quality of care.

This has included, amongst many others: -

- Our Home First partnership team named as regional winners in the National NHS70 Parliamentary Awards. The Home First scheme was launched by the Trust in 2017 and aims to reduce the length of stay for patients who are clinically well enough to leave hospital, but who might need extra support to return to their usual place of residence;
- The Royal United Hospitals'(RUH) specialist Sleep team, and Pulmonary Hypertension care service both shortlisted in this year's British Thoracic Society awards;
- Three pioneering projects from the Trust shortlisted as Health Service Journal (HSJ) Award finalists which celebrate excellence and innovations throughout the health service, including a patient safety project introducing screening tools to identify patients at risk of sepsis and acute kidney injury (AKI) and a nomination for establishing a national quality improvement training programme for staff at the RUH. Staff from our Project SEARCH team were also recognised in the Widening Participation category and went on to win at the Awards Ceremony on 21st November 2018. This category recognises organisations who make efforts to recruit from groups and communities who aren't well represented in the NHS workforce, have had trouble finding employment elsewhere or that have specific needs and

experiences. Project SEARCH is a one-year course supported by the Trust, in partnership with Virgin Care and Fosse Way School, which helps students with learning disabilities to gain work experience and find jobs;

- The Trust received a commendation at the 2018 Quality in Care (QiC) Diabetes Awards for its work in helping children manage their diabetes; and
- Our multi-award winning Frailty Flying Squad were named winners for the 5127 Award at the 2018 Fab Awards on 17-18th November. The pioneering specialist team of doctors, nurse practitioners and therapists work in the Trust's Emergency Department and Medical Assessment Unit and identifies older patients who, with some intensive assessment and treatment, have the opportunity to return to the community rather than being admitted to hospital.

Like many other acute trusts this year, we have been facing huge pressures on our Emergency Department (ED) with increasing admissions and a higher than the national average elderly population. With our partners we have focused on reducing long lengths of stay in hospital and this year we have seen a month on month reduction in the number of patients staying over 21 days in hospital (24% reduction from 2017/2018). This means that patients leave hospital when they are ready to and avoid any unnecessary delays. We remain committed to delivering high quality safe care to our patients at all times, and we recognise the impact that periods of continued pressure have both on our patients and staff. I would like to take this opportunity to thank our staff for their dedication and support throughout the year.

We also continue to work in a more efficient and effective manner, make savings and meet efficiency targets while still providing quality care to our patients. The Trust has established a programme of work that will support us in the delivery of sustainable highest quality services to our patients and enable us to be an employer of choice through our particular focus on staff engagement and wellbeing.

This exciting four-year programme is called "Improving Together" and will focus on creating a culture of service improvement across our hospitals at all levels, and ensuring that front-line clinical staff are empowered to effect change and improvements to the services they provide. The work will deliver our vision and key objectives for patient safety and quality, staff satisfaction and sustainability.

I confirm that to the best of my knowledge the information in these quality accounts is accurate, and I hope that you find it interesting and informative. I would welcome any feedback you would like to share.
Signed:

James Scott
Chief Executive

Date: 10/05/2019

Part 2

Our Priorities

Part 2: Priorities for Improvement and statements of assurance from the Board of Directors

2.1 About Royal United Hospitals Bath NHS Foundation Trust

The Royal United Hospitals Bath NHS Foundation Trust (the Trust) primarily provides healthcare services to around 500,000 people across Bath and North East Somerset, Wiltshire, Somerset and South Gloucestershire. Our dedicated workforce of clinical and non-clinical staff deliver a range of high quality services from our main major acute hospital site in Combe Park in Bath, the Mineral Water Hospital in central Bath, and a number of community birth centres and other outpatient centres across the region.

The Trust provides around 760 beds, a comprehensive range of acute services, including medicine and surgery, services for women and children, accident and emergency services, specialist rehabilitation services, and diagnostic and clinical support services.

The Trust, in partnership with local universities and colleges, also plays a significant role in education and research. Doctors, nurses and many other healthcare professions have been with us as students and have stayed with us as qualified staff. This focus on learning supports innovation and improvement in the excellent care provided for our patients. The Trust continues to work collaboratively with system partners across the local sustainability and transformation plan (STP) to improve and transform services for our patients.

2.12 Why are we producing a Quality Account?

All NHS Trusts are required to produce an annual Quality Account to provide information on the quality of services to service users and the public, as part of the drive across the NHS to be open and honest.

The Trust welcomes this opportunity to demonstrate how well we are performing, taking into account the views of service users, carers, staff and the public, and comparing our progress against the previous year and where we can, against national performance. We proactively use this information to make decisions about our services and use it as an opportunity to identify areas for improvement.

In this year's Quality Account we have set out how we have performed against The Trust's patient safety priorities as well as the national priorities, setting out plans for improvement where we have not met any of these priorities.

For 2018/2019 we set four quality account priorities under the categories of safe care, effective care and patient experience. This Quality Account will explain why we chose these priorities and will summarise how we have performed against them and any improvements we have made. Our Quality Account Priorities 2019-20 have been aligned to our 2018-2021 Strategy which is built around our five True North Goals which reflect out Trust values:

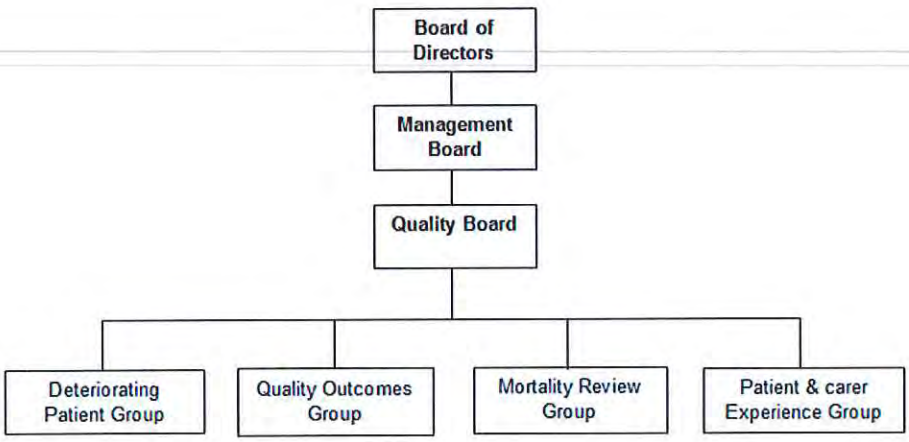
2.13 How do we improve Quality?

Providing high quality, safe, effective, patient centred care is at the heart of all we do. Our vision is:

To provide the highest quality of care;
delivered by an outstanding team who all live by our values

Quality improvement, leadership and governance

Our approach to quality improvement and governance is led by our Director of Nursing and Midwifery and Medical Director. The Medical Director chairs Quality Board, which reports to Board of Directors, and the Director of Nursing and Midwifery leads the Trust's Quality Improvement Centre, which brings together staff working in patient safety, risk management, quality improvement, clinical audit and patient experience.



Quality improvement approach

In 2018 the RUH continued to deliver a number of improvement training programmes:

- Flow Coach programme
- Quality, Service Improvement & Redesign (QSIR) Practitioner
- QSIR Fundamental

These have built on our capability and capacity to improve safety and experience for our patients and staff.

In 2018/19 QSIR was formally evaluated by the University of West of England:

- 100% candidates would recommend the course to colleagues'
- 96% reported increased confidence in tackling problems when implementing improvements'
- 93% expressed increased confidence in helping others with Quality Improvement issues.'

The evaluation concluded that "A legacy of QI ability and implementation now exists amongst participants and the associated workforce"

The RUH QSIR work was also recognised nationally in 2018 being shortlisted as finalists for the HSJ Awards, with the judges commenting:

"Exceeded all goals despite challenges and evidence of the impact of improvement projects was clearly demonstrated. High value due to scale of project and involvement across the organisation"

In 2018 the RUH commenced the Improving Together Programme; an organisational development programme to achieve sustained performance by aligning strategy, people, process and culture. One work stream within the programme is the Bath Improvement System which is a system of routines, behaviours and tools which ensure daily continuous improvement and performance excellence.

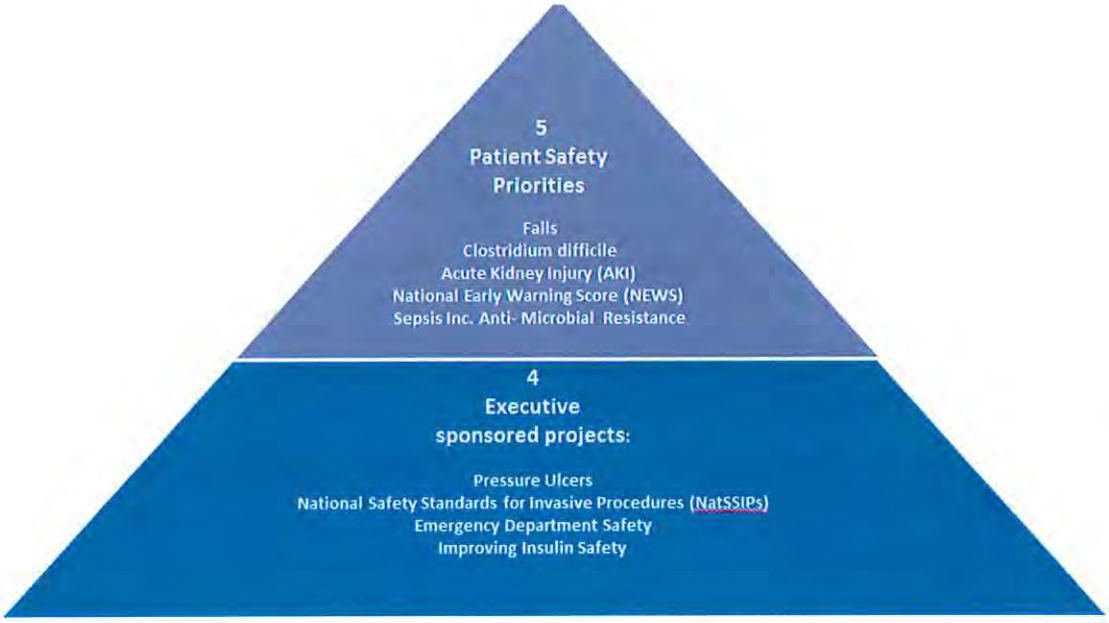
Our focus for 2019/20 will be the implementation of the Improving Together Training Strategy that describes how we will build on the internal capability – skills, tools, mind-sets and establish a common improvement methodology and shared improvement language across the Trust. All existing quality improvement courses will come under the umbrella of Improving Together and all staff will receive training/coaching in the necessary tools, routines and behaviours to allow them to carry out improvements in their own areas. There will be a clear learning pathway for a range of staff to develop their competencies in quality improvement to an advanced practitioner level.

The Improving Together Programme Board monitors key performance indicators to track progress towards implementation of Improving Together and outcomes seen from teams who have completed training.

This strategy supports the national framework described in Developing People, Improving Care.

2.14 Patient Safety Priorities 2018/19

The Trust is committed to providing safe and compassionate care and we have established a culture of improving patient safety through our patient safety priorities. The Trust patient safety priorities are set out in our patient safety triangle and consist of our five top patient safety priorities and four executive sponsored patient safety priorities.



Each patient safety priority has an established clinical leader, and an executive sponsor, who are responsible for setting the work-plan with agreed process and outcome measures. These are reported to Quality Board, which is chaired by the Medical Director, and to the Board of Directors.

The Trust actively participates, contributes and is leading some of the work aligned to the West of England Academic Health Science Network (WEAHSN). The RUH is fortunate to host the WEAHSN Network. The WEAHSN is managed by a Partnership Board which includes representatives from the other AHSN member organisations. The WEAHSN patient safety collaborative is chaired by our Chief Executive and the Director of Nursing and Midwifery is the Trusts representative which helps to ensure we can align the Trust's patient safety priorities to national priorities and that we benefit from collaborative working.
The four patient safety priorities are:

1. Falls
2. National Early Warning Score (NEWS)
3. Clostridium Difficile infection
4. Sepsis

Falls

The Falls Prevention pathway is the framework for the Falls improvement work. In September 2018 the Falls Steering group held an event following a review of the pathway (originally launched in June 2017). Representatives from each ward attended the relaunch which featured work stations including falls prevention documentation, enhanced

observations process, clinical assessment including recording lying and standing blood pressure, environmental risks and post falls care.

The Falls eLearning programme is being developed led by two subject matter experts from the Falls Steering group. The programme is aimed at all patient facing staff and launched at the end of February 2019.
Following the successful bid to Health Education England South West Simulation Network (HEESWSN) the Falls Simulation training project commenced in April 2018. The aim of the project was to improve the knowledge of the multidisciplinary teams to support the reduction of in-patient falls. The project is funded until March 2019 and to date 182 staff members in nine wards have received training. Other outputs from the training have included: "Fred is falling" workbooks, lanyard wallets with clinical information reminders and guidance and a short video capturing the teaching given as part of the Simulation project.
To support the awareness in the use and training of the Falls retrieval kit (Hover jack) a trolley dash to all wards took place September 2018. In addition to complement training a video has been developed to raise awareness and knowledge in the use of the kit.

All patient falls (defined as an event which results in a person coming to rest inadvertently on the ground or floor) are reported via DATIX the incident reporting tool. The Falls Steering group monitors all falls within the Trust; this includes reviewing the results of all root cause analysis (RCA's) investigations into falls that have occurred. This process enables us to learn from incidents, identify themes and trends and look for improvements. A review of the Serious Incident investigation process for Moderate and above harm falls was completed in January 2019. A more effective approach to falls investigations has been developed to focus on prevention rather than investigation. This consists of a falls huddle which takes place in the clinical area where the fall has occurred to identify if learning is already included if the falls work plan or if there is new learning around the cause of the fall. New learning would trigger a comprehensive root cause analysis (RCA).

The Healthcare Quality Improvement Partnership benchmark is 6.63 falls per 1000 bed days (October 2015): The Trust has performed under the benchmark for all falls per 1000 bed days for the last 3 years.
Comparing the period April 2017 - January 2018 to April 2018 - January 2019 shows a 13.8% reduction in Inpatient areas in the total number of falls. Of the falls in the same periods 2017 -2018 3.1% of the falls were Moderate and above harm compared to the period 2018 - 2019 where 2.3% were Moderate and above harm.

National Early Warning Score (NEWS)

The aim of the National Early Warning Score (NEWS) work stream is to ensure that NEWS is reliably and accurately used when monitoring adult patients' vital signs, for example blood pressure, pulse and respiratory rate, that care is appropriately and reliably escalated and correct actions are taken to ensure optimal care for the patient.

A Deteriorating Patient campaign took place April 2018. A key part of this was tea trolley training to provide key messages around NEWS, Sepsis, fluid balance and escalation of the deteriorating patient. The training was delivered to 148 members of staff in 23 areas.
In line with national requirements from NHS England a new chart was developed to support the adoption of NEWS2 which included a new parameter of assessment for confusion and

two scoring systems for oxygen saturation levels. The chart was launched Trust wide in November 2018 alongside a programme of training and awareness.

In November 2018 a Deteriorating Patient proforma was developed and launched as a prompt to aid nursing staff when escalating the deterioration of a patient triggered by a raised NEWS2, this also includes a section for completion by medical staff detailing their assessment and action plan post patient review. The NEWS 2 eLearning package is under development with a launch planned for March 2019.This will complement training delivered by the cascade trainers at ward and department level.
Towards the end of 2018 the NEWS work stream has linked with the Sepsis and AKI work stream to develop the Deteriorating Working group. To further support this joint working a model for a combined Deteriorating Patient team in all wards and departments has been developed.

NEWS2 work stream members are actively supporting the project for an electronic observation system. The eObservations project board has been established with fortnightly meets scheduled, in addition a weekly mobilisation team has been established. Devices to support the implementation are being sourced with the first test ward aiming to go live March/April 2019.

***Clostridium difficile* infection**

The Trust continues to work to reduce the number of *Clostridium difficile* infections using an improvement plan with multidisciplinary input. The improvement plan includes antimicrobial stewardship including the introduction of ARK (antibiotic review kit), a focus on improving environmental and equipment cleanliness and learning from root cause analysis investigations. Infection prevention and control education continues to be a focus with significant improvement across the divisions working towards the 90% compliance target. All positive *Clostridium difficile* samples are now ribotyped, regardless of whether the toxin test is positive. Ribotyping is a molecular technique undertaken in a laboratory to identify the characteristics of a particular strain of bacteria. This has helped to identify our predominant strains and also to assist with investigation of potential outbreaks, however having two of the same ribotype in an area does not necessarily indicate that there has been cross contamination.

The 2018/19 trajectory for Trust attributed *Clostridium difficile* infections was 21 cases. During the reporting period there were a total of 32 reported via the Public Health England Healthcare Associated Infections Data Capture System. In 5 cases there were no lapses in care identified and it was agreed by the Commissioners that these cases would not count towards the year-end total, resulting in 27 cases. There are another 4 cases that have been submitted to CCG *Clostridium difficile* panels, the result of these appeals are not yet known. If they are all agreed this will take the year-end total to 23 cases.

NHS Improvement were due to make a supportive visit to the Trust in February 2019 to review progress against the improvement plan however this has been delayed due to unavailability of one of the visitors. The visit has been rescheduled to take place in June 2019

Sepsis and Acute Kidney Injury

Sepsis and Acute Kidney Injury (a sudden deterioration in kidney function) remain the commonest cause of deterioration in patients in hospital as well as being common reasons for admission. If not identified early, both can result in a poor outcome for patients. They are both national safety priorities and remained important priorities for the RUH in 2018/19. We continued our work to improve early recognition of these conditions by embedding the tools to identify Sepsis early. These are based on a change in the patient's vital signs as measured by the national early warning score, and we have continued to ensure all staff have received adequate training. Sepsis and AKI training have been established in formal training as 'essential for all clinical staff'. An e-learning tool has also been developed.

However, maintaining levels of screening has been challenging, we have developed a very early screening tool to ensure we pick up changes as soon as possible, but without electronic triggers it has been difficult to achieve a compliance of more than 80%. Despite this the sepsis team have continued to support all the clinical areas, and 89% of patient with Sepsis have received antibiotics within an hour of diagnosis. We have also particularly improved screening for children and maternity patients, with over 90% at risk children being screened for sepsis and 100% mothers with Sepsis receiving antibiotics in an hour from diagnosis.

The sepsis work has resulted in improved management of all patients with infections and this is demonstrated by a national dashboard produced in 2018 demonstrating improved outcomes for patients with infection. This has shown a 17 % reduction in mortality, a 12% reduction in Intensive care bed days and a 10% reduction in length of stay for patients at the RUH with infection.

In 2018 we linked the Sepsis and Acute Kidney Injury teams together to ensure the work was aligned and the Sepsis Nurses also supported early detection of decreasing kidney function while a patient was in hospital, improving early detection of any clinical deterioration in a patient's condition. This has resulted in a 25% reduction in the incidence of AKI acquired during a hospital admission, and a reduction in length of stay for all those with AKI by 6 days. Mortality rates for those with an AKI also decreased by 8%.

The work on Sepsis and AKI over the last few years has therefore, significantly improved outcomes for patients by our focus on very early recognition of any change in a patient's condition, and this was acknowledged nationally with the Sepsis/AKI inpatient work being shortlisted as a Finalist in the Patient Safety category of the HSJ Awards in 2018.

In 2018 the RUH Sepsis Lead also supported establishment of a Sepsis Support Group in Bath, coordinated by the UK Sepsis Trust, which meets several times a year providing support for those who have had Sepsis.

2.15 Quality Account Priorities 2018/2019 and 2019/2020

Choosing our Quality Account priorities is important to us and our aim is to ensure the chosen priorities are ones which will make a real difference to our patients.

We have engaged with our staff, the Governor Quality working group, the Trust's Council of Governors, the Patient and Carer Experience Group, the Board of Directors, and our Clinical Commissioning Groups to determine the priorities. We agreed four priorities and for each priority, we outline below why it is important to us as a Trust and for our patients, and identify specific indicators we aim to achieve and how progress will be measured. Our priorities for 2019/20 focus on improving pathways of care and ensuring we are continuously listening and learning and making improvements as a result of our patient feedback. The Governors Quality working group were particularly keen to endorse and support taking forward continuity of carer whilst the Patient and Carer group were very supportive of learning from patient feedback as a quality priority'.

The next two sections will set out our progress against the four Quality Account priorities chosen for 2018/ 2019 and describe the four priorities agreed for 2019/2020. Table 6 in section 2.17 below, demonstrates how each of the four chosen priorities relates to Patient Safety, Patient Experience and Clinical Effectiveness, in addition to how each of the priories complements our True North goal

The Quality Account priorities and the progress will continue to be monitored through Quality Board, which is chaired by the Medical Director.

2.16 Priorities for improvement - looking back over last year

Overview 2018-19

Priority	Aim	Achieved	Partially achieved
Priority 1	Transitional Care	✓	
Priority 2	Reducing the waiting time for diagnostic tests		✓
Priority 3	Ensuring our patients with a fractured neck of femur go to theatre within 36 hours of admission		✓
Priority 4	We will listen to patients and carers and use their feedback to improve Services	✓	

Priority 1: Transitional Care

Neonatal Transitional Care (NTC) aims to keep mothers and babies together and help with safe and effective parenting, attachment and the establishment of infant feeding. NTC supports new mothers of babies with increased care needs.

Why it is important:

As far as possible every newborn baby should be with their mother. Mothers and babies have both a psychological and physiological need to be together at birth and in the hours and days that immediately follow; this can reduce harm from later health concerns.

It is recommended that all healthy mothers and babies, regardless of feeding preference and method of birth, have uninterrupted skin-to-skin care beginning immediately after birth for at least an hour and/or, for breastfeeding women, until after the first feed.

Keeping mothers and babies together on a postnatal ward allows them to have extended skin to skin care which will reduce the stress levels in the baby, provides protection against infection and assists the babies positioning for breast feeding. Furthermore there is increasing evidence that early emotional interactions between a baby and their parents, particularly the mother, are fundamental to brain development, subsequent success, life chances and the ability to form strong loving relationships.

<table>
<tr><th>What we said we would do</th><th>What we did</th></tr>
<tr><td>By providing services, clinical pathways and staffing models that keep mothers and babies together</td><td>

Introduced a Transitional Care pathway, using Flow coaching methodology, a methodology where both staff and service users meet in a "Big Room" and discuss a quality improvement pathway and how to deliver it. A Neonatal Nurse is allocated to work on Transitional Care 24 hours a day.
The Advanced Neonatal Nurse Practitioner reviews these babies daily and decides on care plan and discharge plan.
All babies reviewed at point of admission as to where the most appropriate location of care is, trying always to maintain mother and baby together.
Introduction of Kaiser Early Onset Sepsis Tool which determines the need for a baby to receive antibiotics. This tool reduces the number of babies who receive antibiotics
British Association of Perinatal Medicine (BAPM) hypoglycaemia guideline introduced

</td></tr>
<tr><td>Reduce the percentage of babies born a few weeks before or after the expected date of delivery admitted to the neonatal unit from 11% (Baseline from 2016) to 9% by March 2019</td><td>
Table 1 demonstrates the percentage of live term births admitted into the neonatal unit and demonstrates that we have consistently over achieved the target of 9% (2% below baseline by March 2019).
Table 1:
<table>
<tr><th rowspan="2">RUH, Local Neonatal Unit</th><th rowspan="2">Live Births</th><th colspan="2">Term Admissions</th></tr>
<tr><th>Number</th><th>Percentage Live Births</th></tr>
<tr><td>Q1 April-June</td><td>1162</td><td>60</td><td>5.2%</td></tr>
<tr><td>Q2 July- Sept</td><td>1171</td><td>67</td><td>5.7%</td></tr>
<tr><td>Q3 Oct-Dec</td><td>1120</td><td>65</td><td>5.6%</td></tr>
<tr><td>Q4 Jan-March</td><td>1077</td><td colspan="2">Figure outstanding at time of report</td></tr>
</table>
Table 2: Admission criteria to Transitional Care
<table>
<tr><th></th><th>Transitional care</th></tr>
<tr><td>First Wave of implementation
Gestational age</td><td>34.0-35+6 weeks gestation
4 hourly observations</td></tr>
<tr><td>Current weight</td><td>1.8 kg or above at birth
4 hourly observations</td></tr>
</table>
</td></tr>
</table>

	Second Wave of implementation Feeding requirements	Require regular tube feeding but are otherwise well
	Infant of diabetic mother	Requires increased monitoring or management of low blood sugars. 34-35+5 weeks gestation requires risk assessment.
	Infection	Requires intravenous antibiotics
	Jaundice	Frequent serum bilirubin blood test at least 8 hourly and/or requiring double phototherapy
	Neonatal Abstinence Syndrome	Babies requiring treatment for neonatal abstinence syndrome due to maternal substance use, following risk assessment of mother and baby.

How we will continue to work with this priority

- Ensure British Association of Perinatal Medicine hypoglycaemia guideline is embedded with audit data to back that the guideline is being used
- Continue with Kaiser Early Onset Sepsis Tool to enable a reduction in the number of babies being admitted requiring antibiotics and audit to back it up
- Review and audit all term admissions to the Neonatal Unit looking at the appropriateness of the location of care

Achieved

Priority 2. Reduce the waiting time for diagnostics tests.

What is the priority?

Reducing the time taken to get diagnostic invasive procedures for inpatients who are not on wards that specialise in those procedures. This priority will look specifically at patients who are waiting for invasive heart tests (i.e. coronary angiograms) and non-invasive tests to examine the digestive tract (i.e. gastric endoscopies)

Why is it important?

Patients can wait a long time to have some invasive diagnostic tests; this is especially the case if they are not being cared for on a ward that specialises in that clinical condition. Concentrating on these patients, who are waiting for an angiogram or an endoscopy we will be able to improve the timeliness of the test and reduce the total time that the patients spends in hospital waiting for the test.

Cardiac diagnostic tests

What we said we would do	What we did
Patients would be moved to their specialty wards i.e. the cardiac ward as early as possible (ONGOING)	An improved model of for the movement of patients awaiting cardiac procedures has been developed. This includes the use of an Acute Coronary Syndrome (ACS) nurse and acute physician with cardiology speciality knowledge and skills to review patients on the Medical Admissions Unit and Medical Short Stay unit to ensure that the correct patients are referred on for coronary angiography. These patients are then clinically risk assessed and placed on the waiting list in an appropriate order according to the severity of the patients risk for further chest pain. This list is shared with the Cardiac ward and the clinical site team – who coordinate patient flow through the hospital, Medical Admissions Unit, and Medical Short Stay. Across the other adult wards medical staff are encouraged to attend a dedicated session where they can discuss any cardiology concerns about their patients with the cardiology consultants. This ensures that patients are transferred up to the Cardiac ward beds in an appropriate and rapid manner that is balanced with patients being urgently admitted into the hospital from outpatient clinics, the emergency department or who no longer need the intensive support provided of the Coronary Care Unit.
Consultants and Medical Nurse Practitioners would be proactive in the management of ensuring these patients were in the correct beds (ONGOING)	The input of the specialist ACS nurse and doctor working in Medical Admissions Unit has resulted in improved prioritising of patients to ensure that the correct patients are moved to a Cardiac ward bed. This pathway remains a priority across Acute Medicine and Cardiology directorates. Additionally the dedicated cardiology session is actively used by medical staff to identify and prioritise patients.
Treatment would begin in a more timely manner (ONGOING)	The above actions help to ensure that patients are seen in the most appropriate order according to clinical need. Work has been completed to ensure that information is given to the Cardiac Catherisation laboratory and the Cardiac ward from Medical Short Stay/ Medical Admissions Unit and other wards across the Trust, to provide accurate and pertinent information to help with this prioritisation.
Reduction in the number of cardiac patients not on a ward of that Speciality (ONGOING)	The time patients spend on the Medical Short Stay Unit has been reduced to allow a more rapid flow through the beds and where possible patients are transferred directly from Medical Admissions Unit to the Cardiac ward. In Quarter 4 2018/19 work has begun to incorporate the use of Medical Short Stay beds as chest pain beds creating a pathway for patients to move through from Emergency Department to Medical Short Stay and then to the Cardiac ward if their clinical condition requires cardiac angiography or to stay on Medical Short Stay if this is more appropriate.
The pathway for patients waiting for an	This continues to be a work in progress and will continue to be improved upon with the work shown above.

inpatient angiogram who are not waiting on the Cardiac ward will be improved with 100% of patients transferred to the Cardiac ward within 48hrs. (ONGOING)	Systems are being put in place to collect data to evidence this improvement.

How we will continue to work with this priority?

- Develop the chest pain pathway between Emergency Department and Medical Short Stay.
- Develop a business case for the role of a dedicated Acute Coronary Syndrome nurse to work with Emergency Department/ Medical Admissions Unit/ Medical Short Stay/ Cardiac ward.
- Continue to improve the pathways for patients who require coronary angiograms and general cardiology input including specialist tests across the Trust. This will include the use of the seated recovery lounge within the Cardiac Catheterisation Laboratory as well as the use of beds on the cardiac ward.
- Work with the Clinical Site team to highlight the number of patients outlying on wards across the Trust that require cardiac angiography

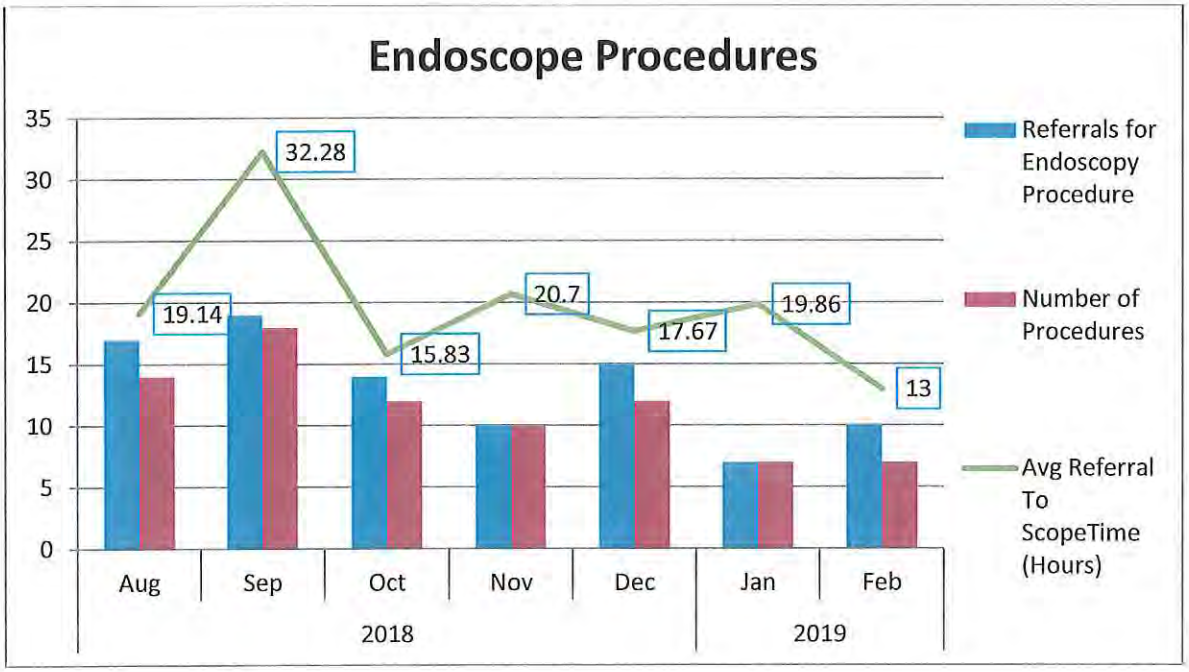
Gastric diagnostic test

What we said we would do	What we did
Patients would be moved to their specialty wards i.e. the gastroenterology ward as early as possible (ONGOING)	All emergency gastroenterology patients are sent to the endoscopy department from Emergency Department, Medical Assessment Unit and Surgical Assessment Unit and then admitted from the department onto Haygarth Ward after their investigation. These patients are identified throughout the day by the Medical Nurse Practitioner and/or Discharge Facilitator liaising with the above departments and the Clinical Site Team in order to move patients onto the ward and to avoid admission onto an outlier ward
Consultants and Medical Nurse Practitioners would be proactive in the management of ensuring these patients were in the correct beds (ONGOING)	The nurse practitioner and discharge facilitator liaises with Medical Assessment Unit senior nurse early each weekday morning to manage and allocate the forthcoming beds on Haygarth to gastroenterology patients within Medical Assessment Unit / Emergency Department The nurse practitioner and the senior nurse on Haygarth ward also review patients on the ward to identify any patients who can be transferred to a more appropriate bed in order to make capacity for admissions from endoscopy department and Medical Assessment Unit or patients from different wards that may need to come to Haygarth ward.
Treatment would begin in a more timely manner	Referrals for endoscopies have been transferred to the Trust's electronic computer system (Millennium) since August 2018. This replaced the paper faxed referral system and has reduced the risk

(ACHIEVED)	of delays. Since August 2018 there has not been incidents of missed referrals.
Reduction in the number gastroenterology patients not on a ward of this Speciality (ACHIEVED)	The consultants have changed their practice to ensure there is a Gastroenterologist consultant of the day available to see all gastroenterology patients who are not on the gastroenterology ward (outliers) to ensure they are reviewed daily, including weekends. Therefore any patients awaiting a procedure will be seen by a gastroenterologist daily. Haygarth has an outlier board and the consultant will add patient details to this and liaise with the nurse in charge when they identify a patient who needs to come to the ward.
Patients waiting for an inpatient endoscopy who are not on the gastroenterology ward will receive their scope within 24 hours of the request. (ACHIEIVED)	Between August 2018 (when the referral system was transferred from fax to electronic on millennium) and February 2019 the average time for endoscopy procedures were 21 hours from referral. With the exception of September 2018 where the average time was 32 hours, however this was due to an increased number of patients being referred (19 patients were referred in September, the average is 13 patients referred per month). Of these 19 patients referred, 18 were confirmed as needing an endoscopy procedure when reviewed by the gastroenterologist.
Whilst we have successfully achieved against 3 of the 5 standards that we set ourselves within the gastroenterology part of this quality priority, we did not achieve against any of the standards within cardiology. We recognise that our journey for improvement continues, therefore we acknowledge limited achievement for this quality priority	

The improvement has been in the reduced risk of referrals being delayed due to missed referrals since the referral system was transferred to an electronic system in August 2018 (there has not been any missed referrals since August 2018). Table 3 below, shows the numbers of referrals for endoscope, numbers of actual procedures performed and the reduction in time from referral to procedure.

Table 3:



How we will continue to work with this priority

- The medical nurse practitioner and discharge facilitator will continue to liaise early on each day with the Medical Assessment Unit senior nurse to transfer identified gastroenterology patients to Haygarth Ward.
- The outlier patients will continue to be reviewed by a gastroenterologist daily (7 days/week) and liaise with the ward and bed manager to transfer to Haygarth ward.
- Due to the electronic referral system now in use on millennium for in -patient endoscopies, the risk of any delays for procedure is reduced, therefore we will continue to provide an average wait time each month for inpatient endoscopies of below 24 hours.
- The plans are currently with the Information Management Technology team to replace paper referrals for other gastroenterology procedures, such as colonoscopies and flexi sigmoidoscopies with millennium referrals of which we can monitor the timeliness of these referrals too.

Partially achieved

Priority 3: Ensuring our patients with a fractured neck of femur go to theatre within 36 hours of admission

Why it is important:

The timing of surgery is an early marker of a patient's progress following a hip fracture. Patients who receive surgery within 36 hours are more likely to have improved outcomes post operatively. These include:

- Reduced Mortality
- Reduced length of stay
- Reduced post-op complications

However, as the population ages there are an increasing number of patients who would not benefit from surgical intervention, and who are therefore managed conservatively.

There is also an increase in the number of patients admitted with a hip fracture on the same day putting pressure on trauma theatre capacity.

What we said we would do	What we did
Review and redesign the patient pathway to reduce duplications and avoid unnecessary Delays (ACHIEVED)	The Hip fracture proforma has been revised by both the orthogeriatrians and Emergency Department doctors. All paperwork has been reviewed and deemed to be relevant so no further changes were necessary. A process mapping session took place with all the relevant parties (Consultants, Emergency Department Consultants, Therapists) to look at all paperwork and

<table>
<tr><td></td><td>reduce where possible any unnecessary delays.</td></tr>
<tr><td>Improve expertise in diagnosis (ACHIEVED)</td><td>X-Ray protocols have been written and shared with consultants/junior doctors. This has been shared through junior doctors training and at Orthopaedic Governance meetings with the Consultants. Modifying the angle at which the affected limb is x-rayed has been identified in literature as more accurately categorising. This view would negate the need of a second scan if the hip fracture is not initially visible.</td></tr>
<tr><td>Ensure that patients are well enough to receive an anaesthetic and have an operation through medical optimisation (ACHIEVED)</td><td>The lead doctor for hip fractures has produced guidelines for acceptable reasons for hip fracture operations to be delayed on medical grounds including issues with blood thinning treatments and these have been shared with teams.
The Anaesthetists have been asked to work with anaesthetic trainees in an attempt to reduce the time taken to anaesthetise the patient, as prolonged periods of time can impact upon the number of cases performed on each list.

Hip fracture surgery is now scheduled where possible to be undertaken in the morning, as this ensures that as many patients with hip fractures are operated on as possible each day reducing the likelihood of any delays.

A time and motion study is being undertaken by an anaesthetist looking at the theatre pathway that the patient takes from a ward to theatre and back, in order to identify how the system can be improved and made as efficient as possible.

Having a second orthopaedic consultant available has resulted in increased theatre availability and therefore increased efficiency in getting trauma patients to theatre in a timely manner (this is still a trial whilst Philip Yeoman Ward remains closed to elective orthopaedic patients during the winter period. The trial will be evaluated following the reopening of Philip Yeoman after 1st April).

The percentage of patients going to theatre for surgery within the 36-hour target has significantly increased during the closure of Philip Yeoman ward as elective, as indicated in table 4 below:

Table 4:

<table>
<tr><th>Indicator or description</th><th>Apr-18</th><th>May-18</th><th>Jun-18</th><th>Jul-18</th><th>Aug-18</th><th>Sep-18</th><th>Oct-18</th><th>Nov-18</th><th>Dec-18</th><th>Jan-19</th><th>Feb-19</th></tr>
<tr><td>Total number of patients meeting the National Hip Fracture Database criteria</td><td>49</td><td>53</td><td>44</td><td>48</td><td>43</td><td>46</td><td>50</td><td>50</td><td>49</td><td>38</td><td>46</td></tr>
<tr><td>Number of patients eligible for theatre</td><td>48</td><td>51</td><td>44</td><td>47</td><td>42</td><td>45</td><td>48</td><td>48</td><td>48</td><td>38</td><td>40</td></tr>
<tr><td>Number of patients to theatre within 36hrs of admission</td><td>23</td><td>24</td><td>35</td><td>30</td><td>23</td><td>28</td><td>26</td><td>34</td><td>37</td><td>33</td><td>35</td></tr>
<tr><td>Percentage of Hip fractures operated on within 36 hrs</td><td>47.0 %</td><td>45.0 %</td><td>80.0 %</td><td>63.0 %</td><td>53.5 %</td><td>60.9 %</td><td>52.0 %</td><td>68.0 %</td><td>75.5 %</td><td>86.8 %</td><td>76.1 %</td></tr>
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Reduced length of stay of patients who have a broken hip (ONGOING)	Length of Stay has been fairly static, this is very much driven by the availability of social services and home first services, which support and assess people in their own homes therefore some patients may well be therapy and medically well enough for discharge, however social factors extend length of stay.
Reduced complications post – surgery (ONGOING)	Pressure ulcers are a recognised complication of any surgical procedure, and patients who are having hip surgery are at particular risk due to their lack of mobility created by the injury. In addition, the demographic of hip fracture patients tend to be older and frailer. From April 2018 to date there have been five category 2 or 3 pressure sores on the trauma wards. Two category 2 pressure ulcers were investigated by tissue viability specialist nurses and felt to be unavoidable meaning that all care was carried out employing full policy and procedures. However, one category 3 pressure ulcer and one category 2 were found to be avoidable when they were investigated. This compares to 2017/18 figures of One unavoidable and four avoidable pressure ulcers, and therefore that has been an improvement in practice. Work across the organisation continues in the endeavour of reducing this number further.

Reduced mortality rate (ONGOING)

Table 5: RUH hip fracture performance against national figures

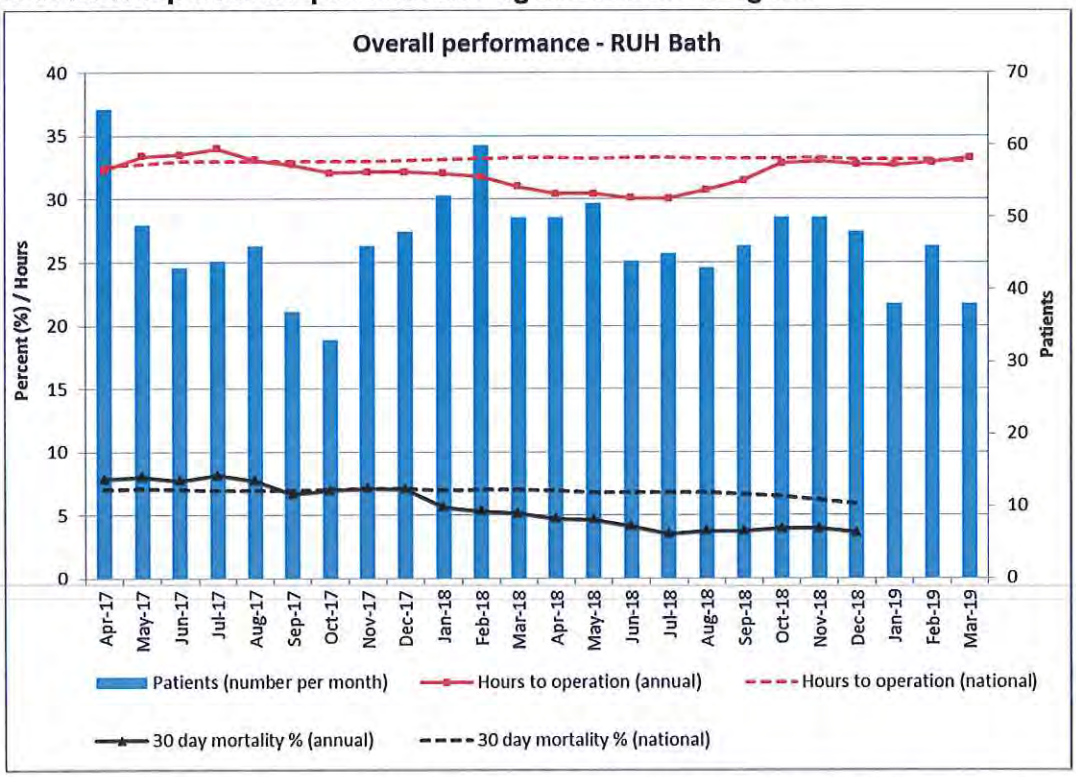


Table 5 has been adapted from data from the National Hip Fracture Database; it above shows hip fracture data for RUH against national statistics April 2017-March 2019. In relation to the national average, RUH have an above average aged and comorbid population, and therefore when these factors are considered, the 30-day mortality is reduced further. If this is compared to the rest of the country, and taking into account the general demographic of the RUH population, RUH is performing well in terms of maintaining patient safety for this group.

Whilst we have successfully achieved against 3 of the 6 standards that we set ourselves. We recognise that our journey for improvement continues, therefore we acknowledge partial achievement for this quality priority

How we will continue to work with this priority

The work to improve getting hip fracture patients to theatre within 36hours remains a priority within the department. The changes in practice below will be reviewed and lessons learned actioned in order to take the priority forward and improve the patient pathway

- The period during which elective orthopaedic activity has ceased, allowing a second on-call orthopaedic consultant and senior anaesthetic consultant to be available more often, has decreased time to theatre for hip fracture patients.
- Anaesthetic approaches are being reviewed between general anaesthetics and spinal anaesthetics may optimise theatre time for this patient group – this will be audited.
- Incidence where there is a delay to theatre are being DATIX incident reported in order to further identify trends.

Partially Achieved

Priority 4: We will listen to patients and carers and use their feedback to improve Services

We will actively collect, use and share patient and carer experience feedback to improve services, quality of care and patient, family and carer experience.

Why it is important:

Using patient and carer experience feedback will:

- Develop a culture of continuous learning
- Improve patient and carer experience
- Improve services to meet the needs of patients and their carers.

What we said we would do	What we did
Complete a '1-year on' review of the Patient and Carer Experience Strategy 2017-2020 and plan for year 2 of the strategy and present to the Board of Directors in September 2018	For this review and update to the Board of Directors we identified achievements against the strategy ambitions: • There was a launch on the RUH intranet pages of guidelines and tools to support staff through the process of collecting and using patient experience feedback in May 2017. • We increased our support of services developing bespoke activities to gather patient and carer experience data. The Patient Experience Team had supported 53 projects at the time of the 1-year on review. • There was a successful completion and launch of a useful Ward Dashboard for staff to access appropriate, timely information in autumn 2018.
Develop the RUH	The milestone for quarter 2 of this year was that Patient and Carer

electronic data entry system - eQuest to enable feedback to be collected and recorded electronically through the Trust website.	Experience questionnaires would be on the RUH website so patients and carers would have the ability to feedback their experiences electronically. Unfortunately, due to technical problems with e-Quest this was delayed and added to the risk register. Installation of eQuest on the RUH website to enable patient experience feedback through the website on track to be complete in March 2019.
Support teams and individual staff to collect and analyse patient and carer experience as part of service review and service improvement projects.	This milestone has been met and since the launch of the Patient and Carer Experience Strategy the Patient Experience Team has supported 79 projects across 55 departments and wards (as of 25/02/2019). Further information on the projects is included in quarterly patient experience reports to the Board of Directors (available on the Trust website) Formats to collect feedback from patients and their carers include questionnaires, focus groups, shadowing patients and telephone interviews. The reasons for collecting feedback have been for continuous improvement, Flow (improving patient flow), QSIR projects (Quality and Service Improvement and Redesign), new services reviews, environment reviews, etc. Below are some examples of where The Patient Experience Team have supported the collection of patient and carer experience feedback with subsequent improvements: • **Community Warfarin questionnaire** Increased awareness of patient choice to attend a range of clinic venues; making the testing process far more convenient for them. • **Appointment Reminder Service electronic survey** Patient feedback influenced decision making during the procurement of a new text reminder service. • **Neonatal Intensive Care Unit patient story** Overnight beds are now provided for parents to stay beside their baby when the NICU accommodation is full and training has been implemented for all staff on how to support mums to breastfeed their babies. • **Patient shadowing on Gastroenterology** Improvements made to written patient information provided prior to procedure and an upgrade of the patient waiting environment.
Identify learning from patient experience feedback and share the results, analysis and learning from this	During 2018-19 have developed feedback reports and information to communicate on a daily (e.g. Friends and Family Test (FFT) responses for wards doing Bath Improvement System), weekly (e.g. complaints updates), monthly (e.g. Patient Advice and Liaison Services (PALS) and FFT reports) and quarterly (e.g. Quarterly Patient Experience Divisional Reports) basis.

feedback across the Trust and the wider community.	The ward dashboard was launched in September 2018 and gives staff access to information about patient experience in their ward/outpatient area. Feedback from patients/families is collected via the FFT and contacts with the PALS and complaints. Training and embedding on the use of the ward dashboard is ongoing.
Measures:	
Overall year on year improvement in national patient experience survey results	We are continuing work with this priority as a Quality Account for 2019-2020 - by the end of this financial year we will have more understanding of the impact of our work on the results of the national patient experience survey.
Increase in service improvements made as a result of complaints. This information will be included in our quarterly patient experience reports.	The RUH Patient and Carer Experience Quarterly Reports detail learning and service improvements as a result of complaints. We also detail learning from patient stories that are presented to the Board of Directors on a monthly basis.
Increase in the number of services that have proactively collected and used patient feedback to improve patient, family and carer experience.	Since the launch of the Patient and Carer Experience Strategy in May 2017 the Patient Experience Team has supported 79 projects across 55 departments and wards to proactively collect and understand patient and their family and carer experience.

How we will continue to work with this priority

This work will continue as a Quality Account for 2019-20. The milestones identified for 2019-20 are detailed in Quality Priority 3 below.

Achieved

2.17 Priorities for Improvement 2019/2020 – Looking forward to this year

Table 6:

Priorities for Improvement looking forward 2019-20 and the relationship with the True North Goal	Priority 1: Continuity of Carer	Priority 2: Development of Frailty Assessment Unit	Priority 3: Improving Patient and Carer Experience	Priority 4: Improvement in early recognition of deteriorating patients
Patient Safety	√			√
Patient Experience	√	√	√	
Clinical Effectiveness	√	√		
True North Goal				
Recognised as a listening organisation; patient centred and compassionate	√	√	√	
Be an outstanding place to work where staff can flourish	√			
Quality improvement and innovation each and every day	√	√		√
Work together with our partners to strengthen our community	√	√		
Be a sustainable organisation that is fit for the future	√			

Priority 1:
Continuity of carer model to personalise services.

Why is it important?

Quality services for pregnant women need to be personalised as each pregnancy and family are different. Child birth is a life-changing event with experiences that can shape the lives of mothers and their babies. Continuity of carer models will enable maternity services to support this. The model will ensure that care is centred around the woman and her baby so she can access support and information to meet their individual needs. Women will build strong trusting relationships with midwives and other professionals which will improve the safety and quality of their care.

What we will do in 2019-2020.

- 20% of pregnant women will be booked onto a pathway that provides continuity of carer.
- Create two pilots at two different birthing centres (Frome and Trowbridge).
- Create a working group to include members from the birthing centres and the acute unit, to scope how we can work across more areas to provide continuity.

How will we know we are making a difference:

- Maternal satisfaction will increase as they will be attended by a midwife that they know. This will result in positive patient feedback/experience about our service.
- We will be able to evidence safer care.
    - Women are 7 times more likely to know the midwife at birth
    - 16% less likely to lose their baby
    - 15% less likely to have regional analgesia

- 24% less likely to experience pre-term birth
- 16% less likely to have an episiotomy*

- Women in these pilot areas should have a midwife, who is part of a small team of 4 to 8 midwives, based in the community who knows the women and family, and can provide continuity throughout the pregnancy, birth and postnatally.
- Staff sickness rates should reduce as continuity of carer models encourage more flexible working patterns.

*Sandall J, Soltani H, Gates S, Shennan A, Devane D. 28 April 2016. Midwife-led continuity models of care compared with other models of care for women during pregnancy, birth and early parenting. www.cochrane.org/CD004667/PREG_midwife-led-continuity-models-care-compared-other-models-care-women-during-pregnancy-birth-and-early

Priority 2:
Development of Frailty Assessment Unit

Why is it important?

This development will continue to improve the service provision for the frail elderly people. It builds upon the previous work to develop the front door Frailty assessment in the Emergency Department and the introduction on the Frailty Flying Squad.

- Assessment and Comprehensive Evaluation Older Person's Unit (ACE OPU) is part of the "front door" of the RUH; it is not a general OPU ward.
- It is a 27 bedded short stay ward for frail older patients, medically admitted from the Emergency Department or the Medical Admissions Unit who have an expected medical length of stay of less than 4 days.
- It provides daily senior Geriatrician review and rapid multidisciplinary assessment coupled with a five day community supported multidisciplinary team (MDT) meeting.
- This model will ensure that patients are seen in a timely manner by the correct clinical team, leading to a more holistic patient experience.
- The aim is to discharge between 6-8 patients per day.

The proposal is that all frail patients are admitted directly to ACE OPU.
A recognised clinical frailty score (Rockwood frailty score, a measurement of fitness and frailty) would determine the frailty of the patient and then whether the patient were admitted to ACE OPU or Medical Admissions Unit.

What we will do in 2019-2020:

- Define the frailty pathway to ensure that all appropriate patients are admitted directly to ACE OPU
- Provide a consistent Frailty Flying Service from 08:00 – 20:00
- Increase the number of patients that have a completed Rockwood score and if the score is five and above for the clinical assessment, risk assessment, care planning and ongoing referral to be completed.
- Decrease length of stay for patients with a Rockwood score of five or above

How will we know we are making a difference:

- Increased number of patients having a Frailty Score to be completed within 30mins of arrival in the Emergency Department
- Increased numbers of correct patients being directly admitted to ACE OPU
- Reduce length for patients managed through this pathway and re-admissions within 30 days
- The discharge pathway streamlined.
  Increase in discharges from ACE OPU within 72 hours

Priority 3:
Improving Patient and Carer Experience

Why is it important?

The experience that a patient and family have in the hospital has a lasting impact and is what they remember. Feedback from patients and their families tells us that we don't consistently listen and act upon their feedback, learn from them and share the learning with each other. This not only impacts on patient experience, but can affect care quality, especially when learning is not embedded.

What we will do in 2019-2020:

- Improve internal communication of patient experience feedback and the subsequent learning and improvements
- Design and implement a training programme that empowers staff to confidently respond to verbal concerns
- Establish a governance structure to identify areas of improvement based on patient / carer experience
- Celebrate and reward staff who are actively improving patient experience

How will we know we are making a difference:

- Increase in the RUH scores of three identified questions in the annual NHS national staff surveys
- Reduction in the number of PALS cases and formal complaints
- Increase in the RUH scores of two identified questions in the NHS national inpatient and maternity surveys
- A central data-base is developed that includes improvements made as a result of patient and carer experience feedback
- Increase in the number of improvement tickets involving patient experience / feedback and increase number of huddles involving patients
- Organise a celebration event that highlights improvements based on patient experience and rewards staff involved in improving patient experience

Priority 4:
Improvement in early recognition of deteriorating patients

Why is it important?

Early recognition of any deterioration in a patient's clinical condition is essential to allow early review and decision making to occur, so that actions can be taken promptly to either prevent further deterioration, escalate care to a higher level, or make decisions that more aggressive intervention is not in the interests of the patient and allow appropriate care and comfort to be maintained.

The RUH has been using the national Early warning score (NEWS) for many years to support identification of deterioration and an updated version NEWS2 was introduced in November 2018 in line with national recommendations. This is, however, still being manually collected by the nursing staff and to ensure reliable information is available for all patients' electronic tools are required.

What we will do in 2019-2020

- For 2019/20 we will continue to improve processes to identify both Sepsis and Acute Kidney Injury (AKI), as early as possible, as well as working on early identification of deterioration from any cause. We have joined the Sepsis, AKI and NEWS working groups to form a Deteriorating Patient Working Group from 2019 and aim to improve early decision making and early implementation of appropriate management for any deteriorating patient. To support that we will be implementing electronic recording of vital signs, such as heart rate and blood pressure. This will enable automatic prompts for deterioration in a patient's condition, facilitating more reliable

identification of unwell patients and automatic screening for Sepsis where indicated. By April 2020, acute teams will also be able to view a patient's vital signs remotely from other areas of the hospital, enabling them to review those patients with high early warning scores proactively.

- In 2019 we will also appoint a permanent prevention team for Sepsis and Acute Kidney Injury, the SKIP team (Sepsis and Kidney Injury Prevention), who will continue to educate and support staff in all areas of the hospital to identify Sepsis and any decrease in kidney function early, aiming to improve outcomes further.
- We will develop 'deteriorating patient champions' on all wards; to continue awareness at ward level and also support awareness campaigns planned throughout the year. These 'NEWS UP, WHATS Up" campaigns, in all ward areas will focus on ensuring staff understand the processes for early identification of any deterioration and continue to focus on sepsis screening and accurate recording of urine output. Tea trolley training (a method of taking training to the clinical area, where staff of all disciplines are encouraged to stop what they are doing for 5- 10 minutes, have a refreshment and undertaking some learning), will be used to support the campaigns and the campaigns will also focus on supporting the new electronic system.
- We will continue to use patient stories in our training and involve patients in our awareness campaigns.
- We will develop a process for requesting NEWS score from community colleagues when referring patients including community hospitals, South West Ambulance Service (SWAST) and General Practitioners', to enable rapid assessment of those with high scores on arrival.

How will we know we are making a difference:

- Implementation of electronic recording observations to all areas by April 2020
- Deteriorating champions on all wards by December 2019
- SKIP Band 7 and Band 6 nurses appointed by May 2019
- Delivered two NEWS UP WHATS Up campaigns by December 2019
- Sepsis Screening compliance 90% for all eligible patients including children and maternity by March 2020
- Deliver antibiotics in an hour from diagnosis for 90% patients with Sepsis by March 2020
- 90% patients have vital signs monitored at appropriate time intervals by March 2020
- Discharge NEWS score and scale recorded in 80% discharge summaries by December 2019
- 80% patients referred from primary /community care with have NEWS score on referral by March 2020
- 5% reduction in incidence of inpatient acquired AKI by March 2020
- 5% reduction in mortality of Suspicion of Sepsis coded conditions by March 2020

2.2 Statement of assurance from the Board of Directors

Mandatory Statement 1

1. During 2018/19 the Royal United Hospitals Bath NHS Foundation Trust provided and/or subcontracted eight relevant health services across three clinical divisions; Medicine, Surgery and Women & Children's.

    1.1. The Royal United Hospitals Bath NHS Foundation Trust has reviewed all the data available to them on the quality of care in all eight relevant health services.

    1.2. The income generated by the relevant health services in 2018/19 represents 100% of the total income generated from the provision of relevant health services by the Royal United Hospitals Bath NHS Foundation Trust income for 2018/19.

Mandatory Statement 2

During 2018/19, 48 national clinical audits and 5 national confidential enquiries covered relevant health services that the Royal United Hospitals Bath NHS Foundation Trust provides.

During that period the Royal United Hospitals Bath NHS Foundation Trust participated in 98% of national clinical audits and 100% of national confidential enquiries of the national clinical audits and national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries that the Royal United Hospitals Bath NHS Foundation Trust participated in, and for which data collection was completed during 2018/19, are listed below alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry.

Clinical Audit / National Confidential Enquiries	Participation?	% cases submitted
NCEPOD		
Child Health Clinical Outcome Review Programme: **Cancer in Children, Teens and Young Adults** *Only eligible for organisational data collection part of the study (not participating in patient data collection)*	Yes	100%
Medical and Surgical Clinical Outcome Preview Programme: **Perioperative Diabetes**	Yes	100%
Medical and Surgical Clinical Outcome Review Programme: **Pulmonary embolism**	Yes	100%
Medical and Surgical Clinical Outcome Preview Programme: **Acute Bowel Obstruction**	Yes	100% (ongoing)
Medical and Surgical Clinical Outcome Review Programme: **Long-Term Ventilation** *Only eligible for organisational data collection part of the study (not participating in patient data collection)*	Yes	100%
Acute		

Clinical Audit / National Confidential Enquiries	Participation?	% cases submitted
Case Mix Programme (CMP)	Yes	100%
Feverish Children (care in emergency departments)	Yes	100%
Major Trauma Audit	Yes	73-81%
National Audit of Intermediate Care (NAIC)	N/A	N/A
National Emergency Laparotomy Audit	Yes	96% (Q3)
Vital signs in Adults (care in emergency departments)	Yes	100%
VTE risk in lower limb immobilisation (care in emergency departments)	Yes	100%
Blood and Transplant		
Mandatory Surveillance of Bloodstreams Infections and Clostridium Difficile Infection	Yes	100%
National Comparative Audit of Blood Transfusion programme: **Use of Fresh Frozen Plasma and Cryoprecipitate in Neonates and Children**	Yes	100%
National Comparative Audit of Blood Transfusion programme: **Management of Massive Haemorrhage**	Yes	100%
Serious Hazards of Transfusion (SHOT): UK National Haemovigilance	Yes	100%
Cancer		
National Bowel Cancer Audit (NBOCA)	Yes	84% (2017/18)
National Lung Cancer Audit (NLCA)	Yes	100%
National Oesophago-gastric Cancer (NAOGC)	Yes	61-70% (2018 report)
Heart		
Adult Cardiac Surgery	N/A	N/A
Cardiac Rhythm Management	Yes	100%
Myocardial Ischaemia National Audit Project (MINAP)	Yes	100%
National Audit of Cardiac Rehabilitation	Yes	100%
National Audit of Percutaneous Coronary Interventions (PCI)	Yes	100%
National Cardiac Arrest Audit	Yes	100%
National Congenital Heart Disease (CHD)	N/A	N/A
National Heart Failure Audit	Yes	100%
Long term conditions		
Inflammatory Bowel Disease programme / IBD registry	No	Database still not live, no cases submitted
National Asthma and COPD Audit Programme	Yes	100%
National Clinical Audit for Rheumatoid and Early Inflammatory Arthritis (NEIAA)	Yes	100%
National Diabetes Audit - Adults	Yes	100%

Clinical Audit / National Confidential Enquiries	Participation?	% cases submitted
National Paediatric Diabetes Audit (NPDA)	Yes	100%
Mental Health		
Mental Health Clinical Outcome Review Programme	N/A	N/A
National Audit of Anxiety and Depression	N/A	N/A
National Audit of Psychosis	N/A	N/A
Prescribing Observatory for Mental Health (POMH-UK)	N/A	N/A
Older People		
Falls and Fragility Fracture Audit Programme (FFFAP)	Yes	100%
National Audit of Breast Cancer in Older People	Yes	100%
National Audit of Dementia	Yes	100%
Sentinel Stroke National Audit Programme (SSNAP)	Yes	100%
Other		
Adult Community Acquired Pneumonia	Yes	100%
Elective Surgery (National PROMs Programme)	Yes	100%
Learning Disability Mortality Review Programme (LeDeR)	Yes	100%
National Audit of Care at the End of Life	Yes	100%
National Audit of Intermediate Care	N/A	N/A
National Audit of Pulmonary Hypertension	Yes	100%
National Bariatric Surgery Registry (NBSR)	N/A	N/A
National Audit of Specialist Rehabilitation for Patients with Complex Needs Following Major Injury (NCASRI)	N/A	N/A
National Joint Registry	Yes	100%
National Mortality and Case Record Review Programme	N/A	N/A
National Ophthalmology Audit	Yes	100%
National Vascular Registry	N/A	N/A
Neurosurgical National Audit Programme	N/A	N/A
Non-Invasive Ventilation - Adults	Yes	100%
Reducing the impact of serious infections (Antimicrobial Resistance and Sepsis)	Yes	100%
Seven Day Hospital Services	Yes	100%
Surgical Site Infection Surveillance Service	Yes	100%
Urology		
BAUS Urology Audit - Cystectomy	N/A	N/A
BAUS Urology Audit – Female Stress Urinary Incontinence (SUI)	N/A	N/A
BAUS Urology Audit – Nephrectomy	Yes	100%

Clinical Audit / National Confidential Enquiries	Participation?	% cases submitted
BAUS Urology Audit – Percutaneous Nephrolithotomy (PCNL)	Yes	100%
BAUS Urology Audit – Radical Prostatectomy	Yes	100%
National Prostate Cancer Audit	Yes	100%
Women's & Children's Health		
Maternal, Newborn and Infant Clinical Outcome Review Programme	Yes	100%
National Audit of Seizures and Epilepsies in Children and Young People	Yes	100%
National Maternity and Perinatal Audit (NMPA)	Yes	100%
National Neonatal Audit Programme	Yes	100%
Paediatric Intensive Care (PICANet)	N/A	N/A
UK Cystic Fibrosis Registry	Yes	100%

The reports of 28 national clinical audits were reviewed by the provider in 2018/19 and the Royal United Hospitals Bath NHS Foundation Trust intends to undertake the following actions to improve the quality of healthcare provided.

- Sentinel Stroke National Audit Programme (SSNAP). The audit monitors performance across ten domains which include efficiencies with treatment, therapy input and discharge processes. Each of the domains receives an overall score, and is categorised into a level (A-E) with A indicating high performance and E indicating poor performance. The audit findings from July to September 2018 showed a reduction in compliance with the audit standards. The total indicator level has gradually decreased from an A in 2017 to a C. This is due to a drop in banding in three domains – Occupational Therapy, Speech and Language Therapy (now an E) and Multidisciplinary Team (MDT) Working. It is expected that this is due to staffing issues pertaining to absences which have not been covered. The Speech and Language Therapist for stroke has been required to cover an empty post in another area of the Trust which has been vacant for some time. There has also been a significant reduction in weekend therapy cover which has led to a drop in compliance with the therapy based standards. It is anticipated that seven day working across therapies and the management of beds by the Stroke Team will increase the banding in these areas. Three stroke Medical Nurse Practitioners were appointed in early 2018 to support front door stroke work.

- National Hip Fracture Database. The report showed that the Trust was below the national average for hip fractures which were sustained as an inpatient. Performance was declining during the period. During and since the audit there has been a widespread quality improvement drive surrounding the prevention of inpatient falls. A falls simulation project has been undertaken to educate and train staff on falls prevention and the actions to take if a patient sustains a fall. From November 2018 a new standard for lying and standing BP has been introduced (as recommended by the Royal College of Physicians) – a new section has been added to the NEWS 2 charts. The Trust's falls intranet page has been updated to provide staff with a resource and a falls pathway relaunch event increased awareness of the new documentation and changes to the falls pathway.

- National Neonatal Audit Programme. The report showed that the Trust performed better than the national average in 6 standards and lower than the national average in 3 standards. These 3 standards relate to the temperature of babies born <32 weeks admitted to the unit, documented consultation of parents with a senior member of the team and screening time for ROP. To promote normal temperature on admission for very preterm babies, a new Trust Humidity Guideline has been written regarding the transfer of babies from delivery suite to NICU. A new data clerk has been appointed which it is anticipated will result in more complete and better documentation on the BadgerNet database. An additional ophthalmologist has been brought in to perform Retinopathy of Prematurity (ROP) screening during periods where the initial ophthalmologist is absent. With regard to ROP screening, the Trust was below the national average but the report for 2018/19 Quarter 3 shows that the Trust is currently higher than the national average.

- In 2017/18 the Trust participated in the Royal College of Emergency Medicine (RCEM) audit – Fractured Neck of Femur. The Trust performed better than the national average in 5 standards and worse than the national average in 3 standards. These 3 standards relate to the timely administration of analgesia, time to X-ray and the 4 hour arrival-to-admission target. Posters have been produced and displayed in the relevant clinical areas which emphasize timely prescription and administration of analgesia, timely x-rays, reviews and referrals, femoral nerve block and IV fluids and drug charts. Education and training involving the Abbey Pain Scale and an overview of treatment pathway has been provided to all staff. Reminders have been added to FirstNet to guide staff during treatment. A new 'Neck of Femur' meeting group has been formed to look at fast-tracking patients, time to wards and patients with a confirmed fracture diagnosed admitted to the Trust from elsewhere. The foundation year two programme now includes teaching around falls and these fractures sustained on wards at the Trust and how to manage and refer them.

- In 2017/18 the Trust participated in the RCEM audit – Procedural Sedation. The Trust performed equally to or better than the national average in 10 standards and worse than the national average in 3 standards. These 3 standards relate to the use of LocSSIPs / NatSSIPs checklists, documented assessment of suitability of discharge and the provision of written advice on discharge. Since the audit and prior to the publication of the results a separate checkbox has been added to the sedation proforma. This is part of a larger project involving the use of these checklists in the Emergency Department for all significant or invasive procedures and is accompanied by a multidisciplinary education programme.

- Falls and Fragility Fracture Audit Programme (FFFAP): Fracture Liaison Service (FLS) database. The Trust is now 6th out of 59 participating Fracture Liaison Services for patient identification. Despite our staffing levels and the hours that have been allocated to updating and monitoring the database, the Trust's patient identification has been higher than that the national average since early 2017. A FLS database tool has been developed and implemented by the Trust's Fracture Liaison Service; the tool has significantly reduced the time that is required to successfully participate in the programme. The tool keeps a comprehensive record of patients that have been recruited into the database and provides the function of automatically producing follow-up letters which are distributed to patients. Currently, the Trust only completes 4 month follow-ups

for patients within the Somerset Clinical Commissioning Group (CCG) due to funding. This explains why the standards relating to 4 month follow-ups are areas that the Trust does not come across well in. It is planned that a Rheumatology Specialist Registrar (SpR) will review 12 month adherence between Bath and North East Somerset (BANES) and Somerset patients. It is hoped that this will indicate the benefit that the extra 4 month follow-ups of Somerset patients has on adherence and therefore provide the Trust with data to approach the other CCG's to make the case for them to fund 4 month follow-ups.

- The results of the 2017/18 National Comparative Audit of Blood Transfusion Programme: Transfusion Associated Circulatory Overload were published in the 2018/19 period. The audit highlighted a number of areas for improvement. In response to the recommendations, it is planned that an electronic powerplan for the documentation of indication, risk assessments and for single unit red cell transfusions will be introduced. Actions/steps to take to reduce risk factors are included in the paper care plan and are to be added to the powerplan to aid staff. Medical mandatory training has been updated to improve staff awareness and knowledge. An audit will be conducted in the near future to determine if the actions have been successfully implemented and if any changes are being adhered to.

The reports of 90 local clinical audits were reviewed by the provider in 2018/19 and the Royal United Hospitals Bath NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided.

- RUH Audit of Antiphospholipid Testing. The audit showed that only 76% of appropriate laboratory comments are added to positive samples and only 72% of all patients undergoing initial assessment for antiphospholipid syndrome (APS) had full laboratory testing. In response to these findings, the Trust aims to establish an electronic requesting pathway for antiphospholipid antibody testing with appropriate input/support from the laboratory Information Management and Technology (IM&T) team. Whilst clinical criteria were not reviewed in the audit, laboratory testing was suboptimal against recommended guidelines in 28% of patients during the audit period. The aim is to establish a single electronic order set, available to all clinical areas, to incorporate appropriate clinical information, optimise the testing pathway, eliminate duplicate requesting and hence improve the value and efficiency of laboratory investigation of APS. Such an approach will allow integrated reporting, with risk stratification of laboratory data, improving the quality of reporting to clinicians.

- Fine Bore Nasogastric Feeding Tube for Adults Care Plan audit. There were areas of the audit that were graded as amber and red. These standards related to the documentation within the care plan. In response, there has been continued emphasis on documentation during the theoretical component of the training session for registered nursing staff. It has been advised that out-of-hours X-rays to confirm the position of the nasogastric tube should not be performed unless urgently clinically required. This will reduce the risk of an X-ray not being reviewed by appropriately qualified medical staff. This will be added to the Trust's Nasogastric feeding policy

- Audit of Minor Operating Procedures, waiting times and booking processes. The audit showed that the Dermatology department was struggling to accommodate urgent

procedures (within 31 days) with the current system that is in place and the current staffing levels. Decisions to Treat (DTT) times are now logged to help prioritise bookings. All patients with a suspected cancer should be listed for a procedure within 2 weeks (and circled as urgent on the clinical outcome form). The 'soon' category has been adjusted from 6 weeks to 10 weeks, and 'non-urgent' will remain as 18 weeks. The relevant breach date, either Referral to Treatment (RTT) or cancer will be documented on the top right hand corner of the yellow Minor Operating Procedures (MOP) form once it has been received by reception – this will help reception staff who book the procedure to schedule MOPs procedures within the desired time frame. A yellow form, outcome form and histology form will be completed for every patient referred for a MOPs procedure, even if the plan is for the referring clinician to carry out the procedure themselves. This will provide reception and clinical staff with more information to help decide on the appropriateness of re-scheduling procedures if required to accommodate an urgent request and to ensure the safe and smooth running off 'pooled' theatre lists.

Mandatory Statement 3

The NHS has a clear mandate from government that it should be committed to research and the use of research evidence in its clinical activities. Patients benefit from access to clinical trials including cutting edge treatments and the NHS benefits from new medicines, technologies and processes. Consequently, the RUH aims to provide as many patients as possible with the opportunity to participate in research trials and have access to treatments that might not otherwise have been available to them.

The number of patients receiving relevant health services provided or sub-contracted by the Royal United Hospitals Bath NHS Foundation Trust in 2018/19 that were recruited during that period to participate in research approved by a research ethics committee was *2456,* which represents a 12.5% increase compared to figures from 2017/18.

Currently, there are just over 300 trials open with patients either receiving treatment or in follow-up, with approximately a further 30 trials currently in set-up.

The Trust continues to work closely with industry partners to deliver a wide variety of studies in numerous clinical specialties and provide access to treatments not currently available. Moreover, these commercial partnerships provide an external source of funding.

The RUH continues to expand its portfolio of research which is initiated and run by our own research staff, encompassing consultants, research nurses and allied health professionals, a number of whom hold academic Professor and lectureship positions in a variety of clinical areas. The RUH continues to work collaboratively with surrounding universities including the Universities of Bath, Bristol and The West of England. In 2018/19, the Trust held its first RUH Research Showcasing Event which was held in collaboration with the University of Bath and attracted over 100 attendees. It is envisaged that this event and similar future events with other universities will forge new research partnerships moving forward.

The following grants were awarded to Trust researchers in 2018/19:

Grant Provider	Project Title	Lead Applicant	Specialty	Amount awarded	Other information
US Department of Defence	Optimizing Patient-Reported and Vascular Outcome Measures in Systemic Sclerosis-Associated Raynaud Phenomenon	Dr John Pauling	Rheumatology	US$1.2 million	Collaborative project with 3 organisations including John Hopkins and Pittsburgh University
Scleroderma Clinical Trials Consortium	Development and validation of a novel patient-derived patient-reported outcome instrument for assessing the activity and impact of Raynaud's phenomenon in systemic sclerosis	Dr John Pauling	Rheumatology	US$12,000	
Bath Institute for Rheumatic Diseases	Grant to fund MSc students to complete and enhance research done by Dr Vicky Flower into vasculopathy in scleroderma	Dr John Pauling	Rheumatology	£10,000	Awaiting funding outcome
National Ankylosing Association (NASS)	Assessing the impact of rehabilitative interventions on the natural history of ankylosing spondyloarthritis	Dr Raj Sengupta	Rheumatology	£30,000	
Gatsby Foundation	Change of care perspective from secondary to primary care	Dr Emily Henderson	Ageing (Parkinsons)	3.2 million Euros	This is a joint application with the Netherland/UL C.
National Institute of Academic Anaesthesia	Improving outcomes for frail patients undergoing elective colorectal cancer surgery	Dr Sara-Catrin Cook	Anaesthesia	£17,479	
National Institute of Academic Anaesthesia/AA GBI	The Videolaryngoscope Airway Database App Project	Dr Sara-Catrin Cook	Anaesthesia	£4882	
National Institute for Health	Pre-Clinical Doctoral Fellowship	Sandi Derham	Rheumatology	£60,534.00	

Research					
Ely Lilly	Clinical Phenotypes of Psoriatic Arthritis Patients based in UK Rheumatology Clinics	Dr William Tillett	Rheumatology	£108,050.00	
Versus Arthritis	A Sensory Training System (STS) for use at home by people with persistent limb pain.	Professor Candy McCabe	Pain	£100,000	Held at UWE
Novartis Pharmaceuticals UK Ltd	Joint working agreement to audit Ankylosing Spondylitis patients care pathway against NICE Guideline	Dr Raj Sengupta	Rheumatology	£22,701	

Mandatory Statement 4

A proportion of the Royal United Hospitals Bath NHS Foundation Trust in 2018/19 was conditional on achieving quality improvement and innovation goals agreed between the Royal United Hospitals Bath NHS Foundation Trust and any person or body they entered into a contract, agreement or arrangement with for the provision of relevant health services, through the Commissioning for Quality and Innovation payment framework. Further details of the agreed goals for 2018/19 and for the following 12 month period are available at www.england.nhs.uk/nhs-standard-contract/cquin/cquin-17-19/

This year, it is anticipated that the Trust will receive £5.7m in CQUIN payments out of a possible £5.8m, which represents 98 percent achievement. In the previous year, 2017/18 the Trust achieved 83 per cent achievement, £4.7m out of a possible £5.6m.

Mandatory Statement 5

The Royal United Hospitals Bath NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is 'registered'. The Royal United Hospitals Bath NHS Foundation Trust has no conditions attached to its registration.

The Care Quality Commission has not taken any enforcement action against the Royal United Hospitals Bath NHS Foundation Trust during 2018/19.

Mandatory Statement 6 Removed

Mandatory Statement 7

The Royal United Hospitals Bath NHS Foundation Trust has not participated in any special reviews or investigations by the CQC during the reporting period.

Mandatory Statement 8

The Royal United Hospitals Bath NHS Foundation Trust submitted records during 2018/19 to the Secondary Uses service for inclusion in the Hospital Episode Statistics, which are included in the latest published data.

The percentage of records in the published data*:

Which included the patient's valid NHS number was:

- 99.7% for admitted patient care
- 99.9% for outpatient care
- 98.8 % for accident and emergency care

Which included the patient's valid General Medical Practice Code was:

- 100% for admitted patient care
- 100 % for outpatient care
- 100% for accident and emergency care

*Based on Provisional April 2018 to February 2019 SUS Data at the Month 11 Inclusion Date published by NHS Digital

Mandatory Statement 9

The Royal United Hospitals Bath NHS Foundation Trust Information Governance Assessment Report overall score for 2018/19 was 100% and was graded green (satisfactory).

Mandatory Statement 10

The Royal United Hospitals Bath NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during 2018/19 by the Audit Commission.

Mandatory Statement 11

The Royal United Hospitals Bath NHS Foundation Trust will be taking the following actions to improve data quality:

- Continue to use and further develop the Data Quality Assurance Framework implemented during 2015/16 as a way of assessing the quality of information reported to the Board. This process assigns a confidence rating to key performance standards based on the outcome and frequency of internal and external data quality audits.
- Continue to incorporate Data Quality in the Internal Audit Programme, ensuring that the quality of information remains a high priority for the Trust.
- Continue the work of the Data Quality Steering Group, which meets regularly to oversee data quality within the Trust. The group monitors data quality issues and receives the outcomes of audits and external data quality reports to support resolution of issues and improvement work. The meetings are attended by staff from the information department and staff working in operational roles as well as finance and IM&T to make sure that the Trust maintains high quality and accurate patient information to support patient care.

- Action any data quality issues raised by Commissioners and other NHS and non-NHS bodies that receive and use the Trust's data.

Learning from Deaths

Mandatory statement 27.1

During 2018/19 1306 of The Royal United Hospitals Bath NHS Foundation Trust patients died. This comprised the following number of deaths which occurred in each quarter of that reporting period:

- 327 in the first quarter
- 288 in the second quarter
- 352 in the third quarter
- 339 in the fourth quarter

Mandatory statement 27.2

The process for selecting patient deaths was paused at the beginning of Quarter 1 while being restructured and improved. Consequently we have only been able to report limited data in Quarter 1 and more complete data about this process in Quarter2, Quarter 3 and Quarter 4. Reviews continued for the 2017/18 patients who died in Quarter 4 and this is recorded in 27.7 below.

By 11th February 2019, 385 case record reviews and 52 investigations have been carried out in relation to 979 of the deaths included in item 27.1.

In 8 cases a death was subjected to both a case record review and an investigation. The number of deaths in each quarter for which a case record review or an investigation was carried out was:

- 21 in the first quarter
- 169 in the second quarter
- 170 in the third quarter
- 24 in the fourth quarter

Mandatory statement 27.3

0 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 relation to each quarter, this consisted of:

- 0 representing 0% for the first quarter
- 0 representing 0% for the second quarter
- 0 representing 0% for the third quarter
- 0 representing 0% for the fourth quarter

These numbers have been estimated using the Royal College of Physicians Structured Judgement Review (SJR) tool which is used to investigate the care of patients whose death triggers on initial review using a screening tool.

The Trust also ensures service improvements are identified and implemented following Coroners' Inquests. When notified of an inquest where a serious incident investigation has not already been carried out this will prompt consideration as to whether one is required; families expressing concerns are directed to the formal complaint process and any feedback provided by families or the Coroner during a hearing are noted and fed back to the relevant teams.

Mandatory statement 27.4

The Trust is still developing and embedding the methodology that will reliably allow us to review all deaths going forwards. The pilot system was reviewed in Q1 2018/19 and the new revised system launched at the beginning of Q2. While we are reporting 0 cases during the reporting period judged to be more likely than not to be due to problems in the care provided to the patient, we did in 49 cases identify problems with care that did not directly contribute to the death, but non the less provided important learning. Examples of areas of learning include:

- Delayed recognition of deterioration of patients on medical wards due to acute surgical problems
- Peri-operative nutrition
- Record keeping
- Medicines reconciliation on admission
- Delay in escalating deterioration in NEWS

We expect to gain greater insights and learning as the work gains momentum.

Mandatory statement 27.5

As part of our Trust Strategy we have identified our Quality True North Goal to achieve "quality improvement and innovation each and every day" as measured by a reduction in avoidable harm and mortality. We are focusing in particular on the recognition of the deteriorating patient and medicines safety. Both of these areas are themes in the reviews.

Mandatory statement 27.6

The Trust will be rolling out electronic observations to support our teams in appropriately utilising the early warning scores and to facilitate early escalation of the deteriorating patient. There is a newly formed deteriorating patient group chaired by the Medical Director. This group will coordinate developments such as the critical care outreach team expanding into 24/7 working, sepsis screening, acute kidney injury and escalation of clinical concerns.

Mandatory statement 27.7

149 case record reviews and 0 investigations completed after 31th March 2018 which related to deaths which took place before the start of the reporting period.

Mandatory statement 27.8

0 representing 0% of the patient deaths before the reporting period are judged to be more likely than not to have been due to problems in the care provided to the patient. This number has been estimated using the Royal College of Physicians Structured Judgement

Review (SJR) tool which is used to investigate the care of patients whose death triggers on initial review using a screening tool.

Mandatory statement 27.9

0 representing 0% of the patient deaths during 2017/18 are judged to be more likely than not to have been due to problems in the care provided to the patient.

2.3 Reporting against core indicators

Summary Hospital Level Mortality Indicator (SHMI)

Measure	Latest Reporting Year	RUH Performance		National Average	National Best	National Worst
		Oct 17 Sep 18	Oct 16 Sep 17	Oct 17 - Sep 18		
Value	2018/19	0.99	1.01	1.00	0.69	1.27
Banding	2018/19	2	2	2	3	1
% of Patient Deaths with Palliative Care Coding	2018/19	25.6%	22.1%	33.4%	59.5%	14.2%

The Royal United Hospitals Bath NHS Foundation Trust considers that this data is as described for the following reasons:

The data is published by NHS Digital using data provided by the Trust. SHMI is reported as a twelve month rolling position, and the reporting periods shown are the latest available from NHS Digital.

The SHMI value is better the lower it is. The banding level helps to show whether mortality is within the "expected" range based on statistical methodology. There are three bandings applied, with a banding of two indicating that the mortality is within the expected range. The Trust has a value of two meaning that mortality levels are not significantly higher or lower than expected.

The Royal United Hospitals Bath NHS Foundation Trust intends to take or has taken the following actions to improve this indicator, and so the quality of its services by:

The Trust scoring against this measure is within the expected range and the latest published figures show an improvement on the previous period. Because of this no specific improvement actions have been identified, however the Trust is committed to continuing to reduce mortality as measured by both SHMI and HSMR (Hospital Standardised Mortality Ratio) indicators. The Trust performance against HSMR is detailed in section three of the Quality Accounts.

Our Clinical Outcomes Group, chaired by the Medical Director, monitors these indicators on a regular basis, and we use the Dr Foster Intelligence System to monitor mortality and clinical effectiveness

Patient Reported Outcome Measures (PROMS)

Measure		Latest Reporting Year	RUH Performance		National Average	National Best	National Worst
			Apr 18- Sep 18	Apr 17 - Mar 18	Apr 17 Mar 18		
PROMS: Patient reported outcome measure	Groin Hernia - EQ VAS	2017/18	*				
	Groin Hernia - EQ-5D Index	2017/18	*				
	Total Hip Replacement EQ VAS	2017/18	*	13.956	13.877	18.514	7.991
	Total Hip Replacement EQ-5D Index	2017/18	*	0.460	0.458	0.550	0.357
	Total Hip Replacement Oxford Hip Score	2017/18	*	22.759	22.210	25.045	18.000
	Hip Replacement Primary EQ VAS	2017/18	*	11.221	14.230	19.049	8.287
	Hip Replacement Primary EQ-5D Index	2017/18	*	0.436	0.468	0.566	0.376
	Hip Replacement Primary Oxford Hip Score	2017/18	*	22.432	22.680	26.299	18.871
	Hip Replacement Revision EQ VAS	2017/18	*	*	7.654	9.543	1.881
	Hip Replacement Revision EQ-5D Index	2017/18	*	*	0.289	0.322	0.142
	Hip Replacement Revision Oxford Hip Score	2017/18	*	*	13.901	17.664	10.753
	Total Knee Replacement EQ VAS		*	9.750	8.153	13.985	1.752
	Total Knee Replacement EQ-5D Index		*	0.354	0.337	0.406	0.254
	Total Knee Replacement Oxford Knee		*	18.385	17.102	20.394	12.899
	Knee Replacement Primary EQ VAS	2017/18	*	9.203	8.280	14.323	2.509
	Knee Replacement Primary EQ-5D Index	2017/18	*	0.350	0.338	0.417	0.234
	Knee Replacement Primary Oxford Knee	2017/18	*	18.253	17.259	20.635	13.156
	Knee Replacement Revision EQ VAS	2017/18	*	*	4.892	10.202	1.252
	Knee Replacement Revision EQ-5D Index	2017/18	*	*	0.292	0.328	0.196
	Knee Replacement Revision Oxford Knee	2017/18	*	*	13.124	15.444	9.374
	Varicose Vein Aberdeen Varicose Vein	2017/18	*	*			
	Varicose Vein EQ VAS	2017/18	*	*			
	Varicose Vein EQ-5D Index	2017/18	*	*			

The Royal United Hospitals Bath NHS Foundation Trust considers that this data is as described for the following reasons

The data is published by NHS Digital using data provided by the Trust and patient responses. The Trust give pre-operative questionnaires to all eligible patients and a follow up post-operative questionnaires sent to patients by an external company in line with national guidance.

Information is only available for some measures for the Trust against PROMS measures for the most recent reporting period. This is because a low number of the post-operative questionnaires have been returned to date, due to the time it takes to gather and process responses. Small numbers are not published because it is difficult to make accurate assumptions about improvements in care, and in some cases information has to be excluded to protect patient confidentiality.

The reporting periods shown are the latest available from NHS Digital

The Royal United Hospitals Bath NHS Foundation Trust intends to take or has taken the following actions to improve this indicator, and so the quality of its services by:

Historically the Trust scoring against this measure has been within expected range (above national average) for the majority of areas. Because of this, no specific improvement actions have been identified.

There are three different measures included in PROMS, the EQ VAS, EQ-5D Index and Oxford hip and knee scores. The EQ-5D Index is a combination of five key criteria concerning general health and EQ VAS is the current state of the patients general health marked on a visual analogue scale. The Oxford Hip and Knee scores relate specifically to the patient's condition and therefore are a particular area of focus for the Trust when monitoring PROMS results.

Following on from an NHS England Consultation on PROMS collection of varicose vein and groin hernia procedures ceased on 1st October 2017

The Trust will continue to review performance against PROMS measures when more recent data becomes available.

Re-admissions

Measure		Latest Reporting Year	RUH Performance		National Average*	National Best*	National Worst*
			Apr 18 - Sep 18	Apr 17 - Mar 18	2017/18		
Patient readmitted to a hospital within 28 days of being discharged	0-15 years old	2018/19	10.30%	9.90%	9.20%	3.30%	16.50%
	16 years or over	2018/19	9.50%	9.50%	8.30%	5.90%	11.50%

The Royal United Hospitals Bath NHS Foundation Trust considers that this data is as described for the following reasons:

Published data from NHS Digital for the most recent time periods was not available at the time of reporting, and so in order to provide more up to date information the performance above has been taken from a different source. The data has been taken from Dr Foster Intelligence, a benchmarking tool used by the Trust to monitor patient outcomes using data submitted by the Trust. National comparison figures have also been taken from Dr Foster for 2017/18 based on non-teaching Acute Hospital Trusts.

Due to the time it takes to publish the data we are only able to include figures from April – September 2018 as the latest period.

The Royal United Hospitals Bath NHS Foundation Trust intends to take or has taken the following actions to improve this indicator, and so the quality of its services by:

The children's readmission rate has seen a small increase in the period April – September compared to the annual rate seen in 2017/18, while the adult rate has remained the same. Re-admission rates published by Dr Foster are reviewed at the Trust's monthly Clinical Outcomes Group meeting that is chaired by our Medical Director. The paediatric service provides open access as a safety net and therefore would expect to have a percentage of children returning to hospital.

Responsiveness to personal needs of patients

Measure		Latest Reporting Year	RUH Performance		National Average	National Best	National Worst
			2017/18	2016/17	2017/18		
Responsiveness to the Personal needs of Patients	Inpatient Overall score	2017/18	70.3%	69.0%	68.6%	85.0%	60.5%

The Royal United Hospitals Bath NHS Foundation Trust considers that this data is as described for the following reasons

The data is published by NHS Digital using patient responses to the National Inpatient Survey. The list of patients was provided by the Trust using the methodology and criteria specified for the survey. In order to protect the confidentiality of responses the survey was administered and analysed by Picker, a Care Quality Commission (CQC) approved external contractor. The inpatient overall score uses the results of a selection of questions from the survey looking more broadly at hospital care.

The Royal United Hospitals Bath NHS Foundation Trust intends to take or has taken the following actions to improve this indicator, and so the quality of its services by:

The results for the National Inpatient Survey 2017 were presented to the Board of Directors in July 2018. The CQC compared the Trust responses to the survey questions against all other acute Trusts and whether the RUH was 'better', 'worse' or 'about the same'. In 2017, the Trust scored better than average on two questions 'Did you get enough help from staff to eat your meals?' (8.4/10) and 'After the operation or procedure, did a member of staff explain how the operation or procedure had gone in a way you could understand?' (8.5/10). There were no questions where the Trust was in the 'worse' performing category.

There was one question where the Trust score showed a 'statistically significant decrease' which related to patients bringing their own medication in to hospital and being able to take it when they needed to. A pilot project for insulin dependent diabetics being able to take their insulin as they would normally at home has been successful and is being rolled out across the wards.

Staff recommending the Trust to family and friends

Measure	Latest Reporting Year	RUH Performance		National Average*	National Best*	National Worst*
		2018	2017	2018		
Staff who would recommend the trust to their family or friends	2018	76.8%	74.8%	71.3%	87.3%	39.8%

The Royal United Hospitals Bath NHS Foundation Trust considers that this data is as described for the following reasons

The data shown is taken from the NHS Staff Survey. The survey is run and analysed by an external company and so this cannot be calculated internally. This is done in line with national guidance. For the past 4 years all staff members were given the opportunity to complete a staff survey to make sure opinions were captured from as many people as possible.

The Royal United Hospitals Bath NHS Foundation Trust intends to take or has taken the following actions to improve this indicator, and so the quality of its services by:

The Trust scored above the national average for acute trusts for this measure, and the proportion of staff who would recommend the Trust for treatment to friends and family has remained improved on last year's results. The Trust has commenced a programme called Improving Together, a long-term improvement program unlike anything we have ever committed to before. It will help us deliver our vision to provide the highest quality of care. It will help us to live our values. It will see us working together on a few shared goals, with every improvement effort we make bringing us closer to reaching them

Venus thromboembolism (VTE)

Measure	Latest Reporting Year: 2018/19	RUH Performance		National Average	National Best	National Worst
		2018/19	2017/18	2018/19		
Patients admitted to hospital who were risk assessed for venous thromboembolism	Q1	93.00%	79.84%	95.42%	100.00%	75.84%
	Q2	92.84%	79.50%	95.37%	100.00%	68.67%
	Q3	92.26%	87.70%	95.37%	100.00%	54.86%
	Q4	93.07%	92.52%			

The Royal United Hospitals Bath NHS Foundation Trust considers that this data is as described for the following reasons:

The data shown is published by NHS Digital using data provided by the Trust. The figures published are consistent with local calculations of the information that has been submitted.

Performance is published as quarterly totals. At the time of reporting only comparative data to the end of quarter three of 2018/19 has been published.

The Royal United Hospitals Bath NHS Foundation Trust intends to take or has taken the following actions to improve this indicator, and so the quality of its services by:

Following implementation of the electronic prescribing medication administration system (ePMA) in November 2017, the risk assessment for VTE became electronic and this has resulted in the data being more reliable and has consistently shown a compliance of over 90%.

Clostridium difficile (C. difficile)

Measure		Latest Reporting Year	RUH Performance		National Average	National Best	National Worst
			2018/19	2017/18	2017/18		
Rate of C.difficile infection	Rate per 100,000 bed-days for specimens taken from patients aged 2 years and over	Reported	14.3	8.5	13.7	0.0	91.0
		Actual	10.3				

The Royal United Hospitals Bath NHS Foundation Trust considers that this data is as described for the following reasons

The performance shown for the current reporting period (April 2018 to March 2018) has been calculated internally by the Trust using data submitted nationally as published data was not available at the time of reporting. The comparative data for 2017/18 is published by NHS Digital.

During 2018/19 the Trust has reported a total of 32 cases of Clostridium difficile infection however it has been agreed by the Commissioners that no lapses in care occurred in 5 of the cases and are therefore not counted against the year-end total, resulting in 27 actual cases. A further 4 cases are awaiting appeal decisions, the result of which are not known at the time of writing this report.

The Royal United Hospitals Bath NHS Foundation Trust intends to take or has taken the following actions to improve performance, and so the quality of its services by:

Completion of an improvement action plan following a visit from NHS Improvement in January 2018. A new action plan has been commenced to include areas where lapses of care have been documented following analysis of cases during 2018/19. Actions include improved stool sampling and documentation, support and education for ward teams when a case occurs and a focus on cleaning across the Trust.

Incidents

Measure		Latest Reporting Year	RUH Performance	RUH Performance	RUH Performance	National Median*	National Best*	National Worst*
			Oct 17 - Mar 18	Apr 17 - Sep 17	Oct 16 - Mar 17	Oct 17 - Mar 18		
Patient Safety incidents and the percentage that resulted in severe harm or death	Number of Patient Safety Incidents	2017/18	3308	3200	3873	4638	11325	1311
	Rate of Patient Safety Incidents (per 1000 bed days)		31.1	29.3	33.8	40.8	124.0	24.2
	Number Resulting in severe harm or death		34	23	28	15	0	99
	% resulting in severe harm or death		0.3%	0.2%	0.2%	0.1%	0.0%	0.6%

The Royal United Hospitals Bath NHS Foundation Trust considers that this data is as described for the following reasons:

The performance shown is for the latest and most recent reporting periods published by NHS Digital.

Incident reporting remains consistent for the patient population using Trust services. The increase in the most recent data is a reflection of the winter pressures, an increasing population and longer life expectancy. Further to this are staffing concerns which reflect a national picture of infrastructure where recruitment to full establishment is a challenge. Patient falls are among the top three reported category of incidents. Falls reporting is driven by the falls steering group highlighting to staff the need to report these type of incidents to assist in the development, implementation and monitoring the impact of a falls prevention work plan.
The level of severe harm has slightly increased compared to the same time period of the previous year. Sharing learning across the Trust and reviewing severe harm incidents at multidisciplinary meetings has contributed to a pro-active culture with a reduction in severe harm events. However, winter pressures have an impact on incidents being higher than those over the summer months.

The Royal United Hospitals Bath NHS Foundation Trust intends to take or has taken the following actions to improve this indicator, and so the quality of its services by:

- Training in reporting and management of patient safety incidents has been offered to staff in ward areas with support from the clinical risk team.
- Root cause analysis training has commenced on a monthly basis which is offered to all clinical and non-clinical managers across the Trust.
- Implementation of a new approach to falls investigations using a work plan to identify new learning will provide focus on prevention and reducing harm from falls.
- Recruitment of Divisional Patient Safety leads has contributed to increased awareness of the need to report. Patient safety leads across the Trust actively support staff involved in incidents, advise on investigating incidents including serious incidents and promote sharing the learning from patient safety investigations through local specialist governance processes.
- The Clinical Risk team continues to work with Divisional leads and the Quality Improvement Team to support a pro-active approach to patient safety ensuring processes are streamlined to produces meaningful outcomes that can be shared across the Trust through internal networks and governance processes.

Part 3
Other Information

Part 3 Other information

3.1 Local Quality Indicators – clinical effectiveness; patient safety; and patient experience

This section of our Quality Accounts provides an overview of the quality of care we provided in 2018 /2019. The information shows our performance against mandated indicators as set out in the guidance from NHS Improvement and also against a number of indicators selected by the Board of Directors in consultation with our Commissioners.

Three indicators have been selected from each of the domains of patient safety, clinical effectiveness and patient experience. Where possible, we have included our previous year's performance and how we benchmark against the national average.

These indicators have been selected from the Trust's Integrated Balanced Scorecard and fit with the domains of caring, effective, safe, responsive and well led. They also link with areas that we have identified in our Quality Account priorities, CQUIN targets and patient safety priorities. We believe that our performance against these indicators demonstrates that we are providing high quality patient centred care which will continue to be monitored over the coming year.

Patient Safety

The patient safety indicators are:

1. Falls
2. Infections
3. Pressure Ulcers

Falls

	Trust local target	2018/19 Performance	Did we achieve in 2018/19 against our target?	2017/18 Performance	Did we achieve in 2017/18 against our target?	2016/17 Performance	Did we achieve in 2016/17 against our target?
Number of admitted patient falls resulting in harm (average per month)	2	✓	✗	3	✗	3	✗
Falls resulting in harm per 1000 bed days	N/A	0.11	N/A	0.16	N/A	0.16	N/A

Falls performance is reported in more detail in section 2.14

Infections

		RUH Target (National)	2018/19 Total		Have we improved on 2017/18 (actual cases)?	2017/18 Total		Did we achieve in 2017/18 against our national target?	Were we better than the 17/18 national rate in 18/19? (actual cases)
			Reported	Actual		Reported	Actual		
Clostridium difficile	Total infections	21	32	23	✗	31	19	✓	✓
	Rate per 100,000 bed days	9.4	14.3	10.3	✗	15.1	8.5	✓	✓
MRSA	Total infections	0	2		✗	1		✗	✗

Reducing avoidable healthcare associated infections is an important factor for improving patient safety.

The Infection Prevention and Control Team have been working collaboratively with both our clinical partners within the Clinical Commissioning Groups and other healthcare providers to drive a whole health economy approach to reducing infections.

Mandatory surveillance of methicillin- resistant Staphylococcus aureus (MRSA), Gram negative bloodstream infections and *Clostridium difficile* has continued during 2018/19. Learning from these incidents has been used to improve practice and identify where there are gaps in knowledge.

Clostridium difficile performance is reported in more detail in section 2.14

During 2018/19 there were two Trust attribute MRSA bloodstream infections. Post infection reviews and root cause analysis investigations were carried out for both cases. One case was deemed to be unavoidable; the source of infection was a chest infection. The other was probably avoidable; the patient was at high risk developing a blood stream infection due to previous colonisation with MRSA and lifestyle. The source of infection was a central venous access line. Learning has been identified in both cases and the action plans have been monitored through the divisional governance structure.

Mandatory surveillance is carried out for three types of Gram negative blood stream infections: *E coli*, *Klebsiella spp* and *Pseudomonas aeruginosa.* All cases are reported through the Public Health England data capture tool. There is a government ambition to reduce Gram negative blood stream infections by 50% by 2021. *E coli* form the largest number of these infections therefore the focus nationally has been on reducing healthcare associated cases by 50%, starting with a 10% reduction target for each of the first two years. Healthcare associated infections can be acquired from any healthcare intervention and the target is shared with the wider health community.

During 2018/19 the number of healthcare associated *E coli* blood stream infections was 61 which is a reduction of 13% on last year.

Pressure Ulcers

		2018/19					2017/18		2016/17	
		2018/19 Trust local target	2018/19 Total	2018/19 Average per month	Did we achieve in 2018-19 against our local target?	Have we improved on 2017-18?	Total	Average per month	Total	Average per month
Category two	Category two	12	8	0.6	✓	✓	15	1	34	3
	Medical device related	8	5	0.4	✓	✓	6	0.5	15	1
Category three		0	2	0.1	✗	✗	1	0	3	0
Category four		0	0	0	✓	✓	0	0	1	0

The ambition for 2018/19 is a **20%** reduction of avoidable category 2 pressure ulcers, **25%** reduction of avoidable Medical Device Related pressure ulcers and the elimination of all avoidable category 3 and 4 pressure ulcers.

The ambition remains to have a zero tolerance for all pressure ulcers.

There have been 8 avoidable category 2 pressure ulcers in 2018-19 which is a 33% decrease from 2017-18.

There have been 5 avoidable medical device related pressure ulcers in 2018-19 which is a 37% decrease from 2017-18.

There have been 2 avoidable category 3 pressure ulcers in 2018-19 which is a 50% increase from 2017-18

There have been 0 avoidable category 4 pressure ulcers in 2018-19.
Following full RCA investigation of a patient with a category 3 and a patient with a category 4 pressure ulcer, all interventions were found to be correct and timely and therefore deemed unavoidable as per International guidance (EPUAP, NPUAP, PPPIA 2014)

The Royal United Hospitals NHS Foundation Trust has a clear pathway for pressure ulcer prevention and regular awareness campaigns to keep pressure ulcer prevention at the forefront of providing quality care.

Where the Trust saw an increase in the number of pressure ulcers around September and October in line with other Trusts in England, further improvement plans were put in place and monitored by the Senior Nursing team and the Tissue Viability Steering group. These actions saw an immediate effect with a decrease in avoidable harms which has so far been sustained.

All hospital acquired pressure ulcers are investigated to identify any themes and potential learning. These are then used to drive improvement work at local and Trust level.

We are confident that our pressure ulcer data is accurate. Pressure ulcers are recorded on our electronic patient record and our DATIX incident reporting system. These are then checked and confirmed by our Tissue Viability team. An annual prevalence is carried out to provide assurance that the incidence data we are capturing is accurate and figures were improving.

In 2019 the NHS Improvement national guidance for measurement and data collection will slightly change the way we report to include avoidable/unavoidable pressure ulcers; we currently report avoidable pressure ulcers for quality accounts. This will mean the figures will appear to be higher next year but the Trust will continue to ensure the prevention of all pressure ulcers remains a priority.

Clinical Effectiveness

The clinical effectiveness indicators are:

1. Sepsis
2. Cancer Access Targets
3. Summary Hospital Level Mortality Indicator (SHMI)
4. Hospital Standardised Mortality Ratios (HMSR)

Sepsis

		2018/2019					Have we improved on 2017/2018?	2017/2018
		Q1	Q2	Q3	Q4	Total		
Sepsis Screening	Performance	81%	82%	73%	N/A	78%	✗	79%
	Did we meet our CQUIN target?	✗	✗	✗		✗		✓
Timely Treatment of Sepsis with IV Antibiotics	Performance	87%	93%	91%	N/A	90%	✓	89%
	Did we meet our CQUIN target?	✗	✓	✓		✓		✓

Sepsis is a national priority being driven by NHS England and although there is not a Sepsis CQUIN for 2019/20 it continues to be priority nationally and forms part of the CCG contract.

The data includes adults, paediatrics, direct admissions and inpatients. The sepsis measures in 2018/19 are directly comparable with 2017/18 measures.

At RUH we are confident that the information we use for monitoring sepsis is accurate. Information is collected from the patient information system within our emergency department and from patient notes. This is then validated by clinical staff and fed back to staff in the department for monitoring performance and driving improvement.

For 2019/20 the work will continue to be taken forward as part of priority 4 - Improvement in early recognition of deteriorating patients and further details on our improvement plans can

be found in Section 2.14

In September 2018 a national 'Suspicion of sepsis 'dashboard has been produced to track outcomes from patients with all infections termed 'suspicion of sepsis'. From this dashboard RUH has demonstrated significant improved outcomes for patients with 'suspicion of sepsis' diagnoses. This is despite an increase in incidence 'suspicion of sepsis' each year.

In 2019 the sepsis team will become a permanent funded SKIP team (sepsis and kidney injury prevention team) to continue to focus on early identification and management.

Cancer Access Targets

		Royal United Hospitals Bath NHS Foundation Trust							National
	Measure	Target	2018/19 RUH Total	Did we achieve in 18/19?	2017/18 RUH Total	Did we achieve in 17/18?	2016/17 RUH Total	Did we achieve in 16/17?	2018/19 National Total
Two week wait	From GP referral to 1st outpatient appointment	93.0%	93.0%	✓	94.2%	✓	94.1%	✓	92.0%
	From GP referral to 1st outpatient appointment - breast symptoms	93.0%	94.2%	✓	90.1%	✗	83.9%	✗	86.6%
31 day wait	From diagnosis to first treatment for all cancers	96.0%	98.5%	✓	99.0%	✓	99.5%	✓	96.8%
	From diagnosis to subsequent treatment - surgery	94.0%	97.6%	✓	100.0%	✓	99.2%	✓	93.3%
	From diagnosis to subsequent treatment - drug treatments	98.0%	100.0%	✓	100.0%	✓	100.0%	✓	99.4%
	From diagnosis to subsequent treatment - radiotherapy treatments	94.0%	100.0%	✓	100.0%	✓	100.0%	✓	97.1%
62 day wait	From urgent referral to treatment of all cancers	85.0%	83.3%	✗	88.6%	✓	89.0%	✓	79.0%
	From referral to treatment from a screening service	90.0%	94.8%	✓	92.7%	✓	91.3%	✓	88.0%

2017/18 figures for RUH differ marginally from those in 2017/18 Quality Account due to using latest data for 2017/18

Overall the Trust has performed well against cancer targets with the exception of the 62 day target which has not been consistently achieved throughout 2018/19. This is due to a number of factors which are increasing pressure on the target. Within specific tumour sites, the biggest threat to Trust-level performance is from Colorectal and Urology (Prostate specifically) due primarily to an increase in referrals and a change in the nationally recommended diagnostic pathway respectively. Referral rates have increased across the majority of tumour sites as has the requirement for diagnostics. A number of projects are ongoing within the RUH to help improve performance, largely focussed on expediting the diagnostic phase of the pathway for all patients. Some national funding has been provided by NHSE/I to support this work and to support delivery of the new 28 Day Faster Diagnosis Standard which will be measured from April 2019 and performance managed from April 2020.

The performance shown is derived from nationally submitted data to the Cancer Waiting Times data collection and published by NHS England.

Summary Hospital Level Mortality Indicator (SHMI)

This is reported as part of the core indicators in part 2.

Hospital Standardised Mortality Ratios (HSMR)

			2018/19		2017/18		2016/17	
			April to January		April - March		April to March	
		National Average	HSMR value	Were we within expected range?	HSMR value	Were we within expected range?	HSMR value	Were we within expected range?
HSMR	Overall	100	98.1	✓	105.7	✓	112.2	✗
	Weekday	100	94.8	✓	102.1	✓	108.7	✗
	Weekend	100	110.5	✓	118.2	✗	122.1	✗

We use the Dr Foster Intelligence benchmarking tool to monitor our HSMR performance. This looks at observed and expected outcomes to measure mortality. The calculation uses statistical methods to identify whether mortality is significantly better, worse or within the expected range of the national average.

We monitor HSMR through our monthly Clinical Outcomes Group meeting that is chaired by the Trist Medical Director and is attended by clinical and non-clinical staff within the Trust. As part of this any areas of concern are investigated.

Due to the time it takes to publish the data we are only able to include figures from April – January 2019. We are pleased to note that our overall HSMR values for April to January 2019 have seen an improvement on 2017/18 and are within the expected range for overall, weekday and weekend mortality

Patient Experience

The patient experience indicators are:

1. Referral to Treatment Times
2. Friends and Family
3. Emergency Department Four hour waiting times

Referral to Treatment Times

	Royal United Hospitals Bath NHS Foundation Trust							National
Measure	Target	2018/19 RUH Total	Did we achieve in 18/19	2017/18 RUH Total	Did we achieve in 17/18	2016/17 RUH Total	Did we achieve in 16/17	National 2018/19
Incomplete pathways - patients waiting no longer than 18 weeks for treatment	92.0%	87.1%	✗	87.8%	✗	90.4%	✗	87.3%
Incomplete pathway total reduction	Less than March 2018	-2.4%	✓					

The Trust has worked hard to balance elective, non-elective and an increase in Cancer referrals throughout 2018/19. This has resulted in us being unable to meet the Open Pathway performance access standard of 92%.

During 2018/19 a new RTT measure was introduced which was to reduce the number of

patients on an incomplete pathway from the March 18 to March 19 position. The Trust has met this measure with a 2.4% reduction during the 12 month period.

The contributory factors are related to 2 main causes:

Non- elective demand - as part or winter planning the Trust handed over the elective Orthopaedic ward to support non-elective demand and patient flow, resulting in a 3 month period of reduced elective activity.

Cancer referrals – increase in referrals for suspected cancer who are prioritised over routine referrals resulting in long waits in outpatients.

The Trust has made good progress with surgical specialties including the expansion of chair port now providing day case recovery for more than 60% of all day cases. This has meant that there have been far fewer cancellations and this has improved waiting times for treatment.

The Trust has been working with Commissioners and Independent providers to manage elective care over the year. As part of winter planning the Trust contracted with other providers for Orthopaedic activity as the elective Orthopaedic ward was transferred to support non-elective demand for a 3 month period. In outpatients 2 large volume specialties of Gastroenterology and Dermatology have seen an unprecedented increase in referrals for suspected cancer which has resulted in longer waits and impacted significantly on the ability to meet the 92% standard.

Priority areas for improvement include:

- The Trust will continue to work with local system to improve elective services. Aligned to the STP's prioritisation of outpatient transformation in 2019/20, The Trust will be undertaking an internal Outpatient Improvement Programme, using *Improving Together* methodology to embed change in the organisation.
- Through the Acute Hospitals Alliance work will continue in 2019/20 on Get It Right First Time and clinical service reviews in Cardiology and Gastroenterology.
- Internally, further priority areas of work in 2019/20 include theatre transformation, Chairport (day case elective activity) and paediatric day surgery.

Our workforce plan identifies risks and planned mitigations relating to delivery of the elective activity plan.

The Trust will meet the standard to ensure that the waiting list size at March 2019 remains at the same level as March 2018, and are forecasting to achieve the same standard in March 2020. The Trust is working with commissioners to offer patients waiting over 6 months' alternative providers, including where the RUH may be offered to patients from other providers.

We are confident that the recording of RTT pathways is robust and includes a number of daily reports to monitor patient pathways. The waiting time performance is derived from nationally submitted Consultant-led Referral To Treatment (RTT) waiting times data that are published by NHS England.

Friends and Family

Measure		Royal United Hospital			National	
		2018/19 RUH Total	Have we improved on 2017/18?	2017/18 RUH Total	How do we compare to National?	2018/19 National Total [1]
Inpatients	Percentage of patients that would recommend the RUH to friends and family	97.0%	About the same	96.9%	✓	95.6%
A&E	Percentage of patients that would recommend the RUH to friends and family	97.0%	About the same	97.2%	✓	86.9%

We are confident that our patients have been given the opportunity to provide feedback via the Friends and Family Test (FFT), and that the information displayed represents the responses that we have received. Patients are given the opportunity to complete feedback cards, which are then entered onto our patient experience system. Eligible patient numbers are taken from our Patient Administration System. Responses are eligible populations reported in line with national definitions.

Performance is good and the Friends and Family Test continues to be reported through the Trust Performance and Quality Groups and is on the Trust Scorecard. In addition, the additional comments submitted by patients on the questionnaire are logged and analysed to pick up on any issues. There has been a very small (0.2%) reduction this year in the percentage of patients that would recommend the Emergency Department to friends and family. The response rate for the Emergency Department is low and the department are working to improve this. The Trust also receives feedback about the department through the National Emergency Department survey and through patient contact with the Patient Experience team through the Patient Advice and Liaison services (PALS).

Emergency Department Four hour waiting times

Measure	Royal United Hospitals Bath NHS Foundation Trust									National
	Target	2018/19 RUH Total	Did we achieve in 18/19?	2017/18 RUH Total	Did we achieve in 17/18?	2016/17 RUH Total	Did we achieve in 16/17?	2015/16 RUH Total	Did we achieve in 15/16?	2018/19 National total
Patients attending the Emergency department waiting a maximum of four hours before a decision is made to treat, admit or discharge - All Types - Including the Urgent Care Centre	95.0%	80.5%	✗	82.7%	✗	83.3%	✗	86.9%	✗	88.0%
Patients attending the Emergency department waiting a maximum of four hours before a decision is made to treat, admit or discharge - Type 1 - Emergency Department only	95.0%	77.5%	✗	80.6%	✗	80.8%	✗	84.7%	✗	81.5%

2017/18 figures for RUH differ marginally from those in 2017/18 Quality Account due to using latest data for 2017/18

Four-hour performance standard has continued to be challenging for the RUH and the Trust is clear that support from the wider system will continue to be required to further improve delivery. The RUH has continued to draw upon the expertise and experience from those urgent care and emergency systems coping more effectively in order to inform our improvements and planning. In addition, the National Emergency Care Intensive Support Team (ECIST) has been working with the RUH since February 2018, resulting in the RUH urgent and emergency care system developing a system-wide improvement plan with a focus on patient length of stay, in particular those with a stay exceeding 21 days, Home First

capacity and alternatives to admission. The improvement programme is led by the Executive Urgent Care Collaborative Board which has responsibility to oversee the improvement plans and actions.

We remain committed to delivering safe and high quality care to our patients and in particular, during the periods of heightened pressure within our Emergency Department. Focus in year has been on the provision of alternative pathways to admission through paediatrics, surgical and medical ambulatory care and direct admission pathways to reduce the number of patients in the Emergency Department. Services have been sustained in paediatrics and surgery, however further work is planned to increase the medical direct admission capacity in 2019/20. 26% of the medical take is now routinely cared for through the ambulatory care service.

In 2019/20 the RUH priorities include:

- Developing new clinical pathways to support urgent care patients, including the Bath Urgent Treatment Centre, development of an ambulatory care assessment pathway for trauma patients and improved direct admit pathways in to our Medical Assessment Unit.

- Further step change focus on improving discharge pathways, building on progress to date. In particular Super Discharge Weeks, and working with partners on further reducing the length of stay for patients with a delayed transfer of care.

- Implementation of the new Patient Flow digital capacity management system to optimise the benefits for patient flow, including the new side room tool to support infection control.

With a higher than national average elderly population, improving care for frail patients is central to our plans, including continued development of the Frailty Flying Squad and a focus in the coming year on developing a Frailty Assessment Unit.

The new modular ward, supporting the Trust's strategic estates plan, offers a potential mitigation for any bed closures related to the estate, as seen in 2018/19.

In addition the Emergency Department will be focused on improvement in the Royal College of Emergency Medicine Clinical Quality Standards to make further improvements in time to triage, treatment and total time in the department. Front Door teams within the medical division will also form part of Wave Three of the Improving Together programme to support transformation.

The performance shown is based on data submitted to the NHS A&E Attendances and Emergency Admissions data collection published by NHS England.

3.2 Care Quality Commission (CQC)

The Care Quality Commission (CQC) undertook a planned inspection of the Trust in June 2018 and inspected five core services (urgent and emergency services, medical care, critical care, children and young people's services). The CQC also reviewed management and leadership of the Trust to answer the key question about whether the Trust is well led.

The CQC rated the Trust overall as 'Good', an improvement from the 'Requires Improvement' rating achieved during the last comprehensive inspection in March 2016. A full overview of the ratings are shown below.

	Safe	Effective	Caring	Responsive	Well-led	Overall
Urgent and emergency services	Requires improvement →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Requires improvement →← Sept 2018	Requires improvement ↓ Sept 2018	Requires improvement →← Sept 2018
Medical care (including older people's care)	Good →← Sept 2018	Good ↑ Sept 2018	Good →← Sept 2018	Good ↑ Sept 2018	Good →← Sept 2018	Good ↑ Sept 2018
Surgery	Good Aug 2016	Good Aug 2016	Good Aug 2016	Requires improvement Aug 2016	Good Aug 2016	Good Aug 2016
Critical care	Good ↑ Sept 2018	Good ↑ Sept 2018	Good →← Sept 2018	Good ↑ Sept 2018	Good ↑ Sept 2018	Good ↑ Sept 2018
Maternity	Good ↑ Sept 2018	Good →← Sept 2018	Outstanding ↑ Sept 2018	Outstanding ↑ Sept 2018	Outstanding ↑ Sept 2018	Outstanding ↑ Sept 2018
Services for children and young people	Good →← Sept 2018	Good →← Sept 2018	Outstanding →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018
End of life care	Good Aug 2016	Good Aug 2016	Outstanding Aug 2016	Outstanding Aug 2016	Good Aug 2016	Outstanding Aug 2016
Outpatients and Diagnostics	Good Aug 2016	Not rated	Good Aug 2016	Requires improvement Aug 2016	Good Aug 2016	Good Aug 2016
Overall*	Good ↑ Sept 2018	Good →← Aug 2018	Outstanding →← Sept 2018	Requires improvement →← Sept 2018	Good →← Sept 2018	Good ↑ Sept 2018

The overall rating for caring remained as 'outstanding' with the CQC recognising that the care provided to patients and their families was kind, compassionate and sensitive to patient needs. The Trust was rated as 'Good' overall for being well-led. This was because there was a clear vision and strategy to deliver high quality, sustainable care to people who use services. There were clear governance processes in place that ensured the quality and safety of patients were monitored, risks identified and action taken to address these. The CQC also noted that there was active engagement with patients, carers and staff.

The inspection report identifies many areas of good and outstanding practice including maternity care with the CQC noting that the person-centred culture was evident and the care and support that women and their partners received often exceeded expectations. The CQC also recognised, for example, that quality improvement was embedded within the Emergency Department (ED) and department leads were committed to the development of staff and the exceptional multidisciplinary working within children's and young people's services.

Within critical care the CQC noted that there were sufficient numbers of appropriately trained staff to meet patient needs. People were protected from abuse and neglect, there was good multidisciplinary working, staff adhered to infection control processes and there was a positive incident reporting culture on the unit, lessons were learned and action taken to improve practice.

Within medical care the CQC commented on how information from complaints, incidents and audit was used to improve services. Staff felt supported to speak up about any concerns they had and to develop initiatives to improve patient care.

For services for children and young people the CQC recognised that there were clearly defined and embedded systems, processes and practices to keep children safe and safeguarded from abuse. The CQC also noted the exceptional multidisciplinary working and care provided to babies, children, young people and their families. There were clear responsibilities, roles and processes to support effective governance with leaders demonstrating a clear vision and strategy for the service and having the skills, knowledge and experience to lead the service.

The rating for Urgent and Emergency services remains as 'Requires Improvement' with the CQC finding that sufficient improvements had not been made to key areas identified in the last inspection report that impacted on patient care. The CQC noted that the department remained over-crowded, patients were waiting too long on trolleys and risks to patient flow were still concentrated on the emergency department, rather than being shared through the system.

The CQC identified four actions where the Trust must improve, all related to urgent and emergency services. An improvement plan was developed and returned to the CQC detailing the actions to address the four compliance recommendations from the inspection report. Implementation of this improvement plan is monitored on a quarterly basis through Management Board and the Board of Directors. The following table shows progress achieved to date in addressing the CQC recommendations.

Urgent and Emergency Services

CQC recommendation	Improvements made
Ensure the systems designed to protect children from harm and abuse are working effectively and processes are fully documented, especially during times of pressure. The Trust must improve staff awareness of 'Think Family' principles in the Urgent Treatment Centre (UTC).	Weekly audits on compliance for completion of the safeguarding screening tool (reviewed by Emergency Department Paediatric Safeguarding reviewers). Weekly report produced for how up to date the Paediatric reviewing for assessment of children presenting to the Emergency Department. Administration system set up to ensure reviewing nurses are reviewing those individual cases where the safeguarding screening tool has not been completed. Safeguarding referral process in the Urgent Treatment Centre has been amended: step by step guidance available to staff. Safeguarding supervision sessions available for staff (attendance should be at least twice yearly). Compliance with this requirement monitored through

CQC recommendation	Improvements made
	the Urgent Treatment Centre Governance meetings. Adult and child link nurses in post who work closely with the RUH safeguarding team.
The Trust must resolve issues preventing the collection of reliable data regarding time to initial assessment for ambulance and self-presenting patients. Ensure staff report treatment delays on the adverse incident reporting system.	Data accuracy for time to initial assessments investigated with both Business Intelligence Unit (BIU) and front-line staff. Dedicated ring-fenced triage nurse in minors. BIU report produced daily on time to initial assessment (disseminated to senior Emergency Department nursing team and triumvirate and divisional leads). This is also included on the weekly Urgent Care scorecard. Daily BIU report produced and DATIX risk assessment submitted for number of patients nursed in the corridor (this does not currently include patient identifiable information). This is also included on the weekly Urgent Care scorecard.
Provide staff who are involved in the assessment of children in the urgent care centre appropriate training in paediatric assessment in line with the recommendations of the Royal College of Paediatrics and Child Health. Ensure suitable numbers of medical and nurse staff are provided. This must ensure safe nurse to patient ratios can be maintained at predictably busy times and there are sufficient medical staff to maintain safe staffing levels and treat patients in line with best practice guidance.	Training Needs Analysis developed which identifies which staff have received paediatric training. Paediatric master classes are being developed for Emergency Department and Urgent Treatment Centre staff (held 4 times a year), which include key Paediatric competencies. Work undertaken with the Emergency Care Improvement Programme to provide a medical staffing model. Workforce planning will be mapped with the deputy divisional manager / Emergency Department specialty manager and Emergency Department Matron.
Improve the time taken to treat, discharge or admit patients to be compliant with the performance improvement plan agreed with NHS Improvement. Improve the flow of patients requiring admission to the medical wards to reduce the length of time patients wait on trolleys after admission has been agreed. Ensure	Standard Operating Procedure produced for use of the safety checklist (to be rolled out). Weekly snapshot audits undertaken on completion of the safety checklist and NEWS. Actions related to patient flow work to continue to be reported and monitored through the Urgent Care Collaborative.

CQC recommendation	Improvements made
patients are checked regularly whilst waiting in the department and that this is recorded on the observation chart and safety checklist escalation pro-forma.	Increased direct admits to Medicine and Surgery through ring-fencing areas on Medical Admissions Unit and Surgical Assessment Unit. Fit to sit chairs introduced on the Emergency Department Observations Unit. Emergency Department full capacity protocol established in September 2018 limiting the number of patients in the corridor.

3.3 Commissioning for Quality and Innovation (CQUIN)

The Commissioning for Quality and Innovation (CQUIN) is a payment framework which enables Commissioners to reward excellence by linking a proportion of acute healthcare provider's income conditional on demonstrating improvements in quality in specified areas of care. For 2018/19 all schemes have been nationally mandated and applied to all acute Trusts.

Where relevant the scheme is led by a clinician, who supports the achievement of the quality indicator milestones and is accountable for the financial performance of the scheme. The following outlines the progress with the 2018/2019 CQUIN schemes.

National CQUIN schemes for 2018/19

Overview of 2018/19 CQUIN achievements:

CQUIN Scheme	Achieved	Partially achieved	Not achieved	Data not available
Improvement of Health and Wellbeing of NHS Staff			X	
Healthy Food for NHS staff visitors and patients	✓			
Improving the uptake of flu vaccinations for front line staff		✓		
Reducing the impact of serious infections (Antimicrobial Resistance and Sepsis)		✓		
Improving services for people with mental health needs who present to the Emergency Department	✓			
Offering advice and guidance	✓			
Preventing ill health by risky behaviours – alcohol and tobacco	✓			
Making Every Contact Count (MECC) – Urgent Treatment Centre	✓			
Stroke Pathways – Engagement across the Sustainability and Transformation region				✓
Medicines Optimisation		✓		
Nationally Standardised Dose Banding Adult Intravenous (SACT)	✓			
Optimising Palliative Chemotherapy Decision		✓		

Staff Health and Wellbeing

This scheme is comprised of three parts in support of the Five Year Forward View commitment 'to ensure the NHS as an employer sets a national example in the support it offers its own staff to stay healthy'. Oversight of the schemes was via the Health and Wellbeing Group which is chaired by the Deputy Director of Human Resources and members continue to work towards its achievement and also other wider initiatives to support staff health and wellbeing in the Trust.

The scheme was split into three parts;

- Improving Health and Wellbeing of NHS Staff
- Healthy food for NHS staff, visitors and patients
- Improving the uptake of flu vaccinations for frontline clinical staff within Providers

Improving Health and Wellbeing of NHS Staff

The Trust continues to work towards supporting both the physical and mental health and wellbeing of its staff, this is monitored via the NHS Annual Staff Survey where the Trust is required to evidence improvement in the staff responses to three questions:

1. Does your organisation take positive action on health and well-being?
2. In the last 12 months have you experienced musculoskeletal problems (MSK) as a result of work activities?
3. During the last 12 months have you felt unwell as a result of work related stress?

During the year the Staff Health and Wellbeing Group promoted and hosted a range of wellbeing initiatives including the Trust's Health and Wellbeing Festival in September 2018 which offered staff; free swimming and exercise sessions, trolley dashes to wards in the evening with leaflets and healthy snacks for staff and there was a wide range of opportunities for staff to inform themselves on a range of topics such as pelvic health, hydration, sepsis and kidney health. Our Employee Assistance Program (EAP) team were on hand to provide stress MOT sessions, and Occupational Health colleagues gave health checks.

Staff also have access to information and support via a dedicated Health and Wellbeing intranet webpage which covers a wide range of topics from accommodation, stress management, staff physiotherapy and occupational health as examples.

The Trust is disappointed not to have reached the 5% point improvement in two of the three NHS annual staff survey questions laid out by the scheme when compared to the baseline from 2016 and did not achieve the CQUIN as a consequence. The table below demonstrates the 2018 results:

Question	2016 result (%)	2018 result (%)	Change
Does your organisation take positive action on health and well-being?	31.16% responding 'Yes, definitely'	28.41% responding 'Yes, definitely'	**-2.75%**
In the last 12 months have you experienced musculoskeletal problems (MSK) as a result of work activities?	76.07% responding 'no'	71.93% responding 'no'	**-4.14%**
In the last 12 months have you felt unwell as a result of work related stress?	65.41% responding 'no'	63.66% responding 'no'	**-1.75%**

The Trust has a number of support events planned for this year including:

- 13-19 May 2019 Mental Health Awareness
- 24-29 September 2019 Annual Health & Wellbeing Festival, including: well-being MOT checks; advice on mental wellbeing / mindfulness and sleep and a soft-launch of the Flu Campaign.
- 18 October 2019 – World Menopause Day – Café-style event
- We are also working towards a revamp and promotion of the improved health & wellbeing pages both internally and externally.

Healthy food for NHS staff, visitors and patients

It is important for the NHS to start leading the way on tackling obesity and the consumption of sugar and sugar sweetened drinks, starting with the food and drink that is provided and promoted in hospitals to staff, visitors and patients. This scheme required the Trust and retail partners to:

1. Ensure a ban on advertising sugary drinks and foods high in fat, sugar and salt had been maintained from the previous year
2. Make a commitment to the national Sugar Sweetened Beverage (SSB) reduction scheme and ensure that the total litres of SSB accounted for less than 10% or less of all litres sold
3. Ensure confectionary and sweets sold did not exceed 250 Kcal per packet
4. 75% of pre- packed sandwiches and savoury meals contained 400kcal or less and 5g of saturated fat

The Trust and its charitable Friends of the RUH partner has maintained its commitment to providing healthy food and drink to staff, visitors and patients by implementing all of the above requirements. The catering department has a longstanding commitment to providing fresh, traceable food that meets nutritional guidelines and continues to be accredited with a SOIL Association 'Food for life' award, alongside this the Patient Catering Team was awarded the 2018 New Year's Honours 'Team of the Year Award'.

Improving the uptake of flu vaccinations for frontline clinical staff.

The Trust was required to achieve an uptake of the flu vaccination by 75% of frontline clinical staff by February 2019. The campaign ran from October 2018 to February 2019 and focussed on each clinician's responsibility to protect themselves and those around them from the virus, but has also incentivised staff by ensuring the vaccine is as easy as possible to receive. The vaccination team for the Trust has been led by the Flu Vaccination Scheme Board and Occupational Health and Wellbeing Nurse Manager.

The Trust has achieved an uptake in vaccinations of 70.2% of front line clinical staff with 75.4% substantive frontline staff.

Reducing the impact of serious infections (Antimicrobial Resistance and Sepsis)

A scheme aimed at continuing the Trust's excellent track record in swiftly identifying and treating sepsis which was recognised by being shortlisted for an HSJ award in 2018, the scheme also focussed on combating the rise of antimicrobial resistance by reducing the overuse and inappropriate prescription of antimicrobials.

The sepsis safety programme has been an ongoing priority in the Trust since 2014. The scheme focuses on the rapid detection, via screening, and treatment of patients with Sepsis

in the Emergency Department and inpatient settings. As a result of this work we are now identifying patients earlier and administering antibiotics faster.

In November 2018 NEWS2 (National Early Warning Score) was implemented Trust-wide in line with CQUIN and patient safety alert requirements.

The Trust continues to provide high numbers of antibiotic reviews by appropriate clinicians and is working towards the reduction of antibiotic consumption per 1,000 admissions and proportion of broad spectrum antibiotic use. To further support the scheme, from January 2019 the Trust is taking part in ARK (Antibiotic Review Kit), a national research programme to test implementation of a package of measures to help healthcare staff stop antibiotics when they are no longer needed.

Improving services for people with mental health needs who present to the Emergency Department

The Trust continues to work in partnership with our Mental Health provider to identify and review patients who have attended the Emergency Department on multiple occasions who may have underlying mental health needs who may benefit from care in a more appropriate setting.

Patients have been identified jointly by clinical leads from the RUH and Avon & Wiltshire Mental Health Partnership NHS Trust, who would benefit from the creation of a joint care plan which was then created by a multi-disciplinary team, including members from the Emergency Department community mental health team, local Ambulance Trust and others. Care plans are shared with member organisations participating in the multi-disciplinary team (MDT) for dissemination to clinical colleagues, as appropriate, to support co-ordinated care across organisations. Where relevant the patient's GP is engaged before a review by the MDT and followed up after depending on the patient's presentation.

In-year reporting has evidenced a high percentage of patients who received care plans went on to reduce their attendances to the Emergency Department.

Offering Advice and Guidance

The scheme requires the Trust to operate an Advice & Guidance service for non-urgent GP referrals, allowing GPs to access consultant advice prior to referring patients into the hospital.

The Trust currently offers access to clinicians in 21 elective specialties and three Acute Connect services covering Medicine Advice, referrals and Surgical Admissions

Since the launch of the telephony service, Trust clinicians have answered over 12,000 calls with an average connection time of 00:39 seconds and 03:39 minutes call length. This means that over 75% of specialities who receive GP referrals offer an advice and guidance service with over 70% of calls answered first time.

Preventing ill health by risky behaviours – alcohol and tobacco

Smoking is estimated to cost £13.8bn to society and £2bn on the NHS through hospital admissions, £7.5bn through lost productivity, £1.1bn in social care. Smoking is England's biggest killer, causing nearly 80,000 premature deaths a year and a heavy toll of illness,

33% of tobacco is consumed by people with mental health problems. The focus of the scheme was to identify patients who disclosed themselves as smokers or who consume alcohol above the lower risk level and offer advice and guidance or support with accessing cessation services.

The Trust undertook to build a system to record data on patients. A Healthy Choices team was established who consist of specially trained support staff who are responsible for contacting the patient whilst they are still in hospital, to offer them further advice and nicotine replacement products, and onward referral to the community cessation services. The team is supervised by the Trust's in-house smoking cessation and alcohol liaison services who are on hand to lead on any particularly complex cases and offer further support to the team.

Making Every Contact Count (MECC) – Urgent Treatment Centre
A scheme to improve the health of the population by using every contact with an individual to maintain or improve their mental and physical health and wellbeing. Clinicians in the Urgent Treatment Centre ensured that service users who have lifestyle risk factors e.g. smoking, alcohol misuse, physical inactivity, obesity etc. are identified, provided with brief opportunistic advice which is empowering and culturally sensitive, and signposted or referred to local healthy lifestyle services. The Trust undertook to implement a programme of education for staff in the Urgent Treatment Centre to support them with Making Every Contact Count. Strong links were developed with other healthy lifestyle services within the Trust and a continual programme of staff engagement and learning embedded.

Stroke Pathways – Engagement across the Sustainability and Transformation region
This scheme sought to support Stroke teams across Bath and North East Somerset, Wiltshire and Swindon to engage in Collaborative meetings and agreed improvement work. Providers submit data to the Sentinel Stroke National Audit Programme (SSNAP) which was reviewed to benchmark and identify areas of system wide improvement. The aim is to improve outcomes for stroke patients and reduce variation.

Medicines Optimisation
This scheme aims to support the procedural and cultural changes required to optimise the use of medicines commissioned by specialised services. The following priority areas for implementation have been identified nationally by clinical leaders, commissioners, Trusts, the Carter Review and the National Audit Office, namely:

- Faster adoption of best value medicines with a particular focus on the uptake of best value generics, biologics and Commercial Medicines Unit frameworks as they become available
- Significantly improved drugs data quality
- The consistent application of lowest cost dispensing channels
- Compliance with policy/ consensus guidelines to reduce variation and waste.

The pharmacy team have worked with clinical teams across the hospital to amend prescribing practice when new medicines are approved and put in place additional processes to ensure all appropriate data is captured and reviewed. The Trust also undertook a procurement exercise to select a provider for the pharmacy shop located in the Atrium.

Nationally Standardised Dose Banding Adult Intravenous (SACT)

Chemotherapy is the single biggest service area within NHS England's specialised commissioning budget traditionally, chemotherapy doses have been unique to individual patients based on a weight calculation. Such specific dosing does not provide additional clinical or patient benefit and significantly increases time and costs of preparation and costs of drug wastage. The NHS England scheme sought to standardise doses of prescribed chemotherapy to reduce variation in prescribing as part of the national medicines optimisation agenda.

The scheme required the clinical teams to support the principle of dose banding of adult intravenous systemic anticancer therapy and then increase the percentage of dose banded prescriptions administered.

Optimising Palliative Chemotherapy Decision
A scheme focused on ensuring that in cases where chemotherapy was being used to treat palliative patients, a peer to peer discussion had taken place and been recorded. This should ensure decisions to start and continue further treatment should be made in direct consultation with peers and then as a shared decision with the patient.

Over the course of the year the team have developed a rolling programme of education to support clinicians to record peer to peer conversations and continued to embed the existing processes for 30 day mortality reviews and how two specific groups of patients are recorded.

3.4 Duty of Candour

In November 2014, it became a legal requirement for all NHS Trusts to implement Duty of Candour. This was an important step towards ensuring an open, honest and transparent culture.

The intention of this regulation is to ensure that providers are open and transparent with people who use services and other 'relevant persons' (people acting lawfully on their behalf) in relation to care and treatment. It sets out specific requirements that providers must follow when things go wrong with care and treatment, including informing people about the incident, providing reasonable support, providing truthful information and an apology when things go wrong. It is important that lessons are learned and improvements made when things go wrong and that the culture of the organisation encourages openness and transparency. The CQC reviewed Duty of Candour as part of its inspection of the Trust in June 2018 and noted that there was evidence that the Duty of Candour regulations had been complied with and staff they spoke to had a good understanding of the requirements.

To ensure compliance, the Trust has produced a Duty of Candour policy to guide staff. The Trust Risk and Assurance team provide support to staff to ensure they are compliant with the process as per the policy.

Duty of Candour has been incorporated into the Trust's incident reporting system. Moderate, Severe and Catastrophic patient safety incidents automatically trigger Duty of Candour 'fields' which have to be completed by the incident reporter and informs relevant staff of required actions they need to take. Duty of Candour is embedded in the process of investigating incidents. The risk team advise the Patient Safety Managers within each

division of outstanding Duty of Candour actions relating to the sharing of investigation findings.

The Trust conducts Duty of Candour audits where incidents are reviewed in order to assess whether the requirements of the regulation are being met and ensure the correct procedure has been followed.

On a quarterly basis, a review of those incidents for which the reporter has indicated that Duty of Candour is not applicable, is performed. If it is discovered that Duty of Candour should have been implemented, the Duty of Candour action chain is initiated and the reporter of the incident contacted to explain why the previous decision has been overturned.

In January 2019 KPMG commenced an external audit relating to the implementation and compliance with duty of candour. The Trust will review their findings and any recommendations made.

3.5 Additional considerations:

1. **Statement regarding progress in implementing the priority clinical standards for 7 day hospital services. This progress should be assessed as guided by the seven day hospital services board assurance framework published by NHSI**

We are compliant with all seven day standards except clinical standards 2 and 6. For standard 2 in April 2018 our weekday compliance was 84% and weekend compliance was 50%, giving an overall compliance of 76%. We are altering the job plans of consultants and improving documentation of consultant ward rounds to improve this standard. In standard 6 we are non-complaint due to interventional radiology provision. This is a regional problem which we are working with our partner hospitals to solve.

2. **In its response to the Gosport Independent Panel Report, the Government committed to legislation requiring all NHS trusts and NHS foundation trusts in England to report annually on staff who speak up (including whistleblowers). Ahead of such legislation, NHS trusts and NHS foundation trusts are asked to provide details of ways in which staff can speak up (including how feedback is given to those who speak up), and how they ensure staff who do speak up do not suffer detriment. This disclosure should explain the different ways in which staff can speak up if they have concerns over quality of care, patient safety or bullying and harassment within the trust.**

The Trust revised its Raising Concerns Policy during 2018/19 to ensure it was in line with the national best practice.

In many circumstances the easiest way for an individual to get a concern resolved will be to raise it formally or informally with their line manager (or lead clinician or tutor), but where this is not appropriate, individuals can contact the Trust Freedom to Speak Up Guardian who is an independent and impartial source of advice to staff at any stage of raising a concern, with access to anyone in the organisation, including the Chief Executive, or if necessary, outside the organisation.

Individuals can also speak to any of the Local Freedom to Speak Up Guardians who support the Trust Freedom to Speak Up Guardian and provide an additional route, locally, to raise concerns. A member of the risk management team or our Board of Directors' Secretary can also be contacted. If the concern remains after this, the Director of People is the Trust's Executive Director with responsibility for whistleblowing and the Chief Executive, Chairman or Non-Executive Director with responsibility for whistleblowing may also be contacted.

These individuals treat concerns confidentially unless otherwise agreed; ensure timely support to progress the concern; escalate to the board any indications that the individual raising the concern is being subjected to detriment for raising the concern; remind the organisation of the need to provide timely feedback on how the concern is being dealt with; ensure access to personal support.

If an individual raises a genuine concern under the Freedom to Speak Up: Raising Concerns Policy, they will not be at risk of losing their job or suffering any form of reprisal as a result. The Trust, led by the Board of Directors, will not tolerate the harassment or victimisation of anyone raising a concern. Nor tolerate any attempt to bully them into not raising any such concern

Organisations are reminded that schedule 6, paragraph 11b of the *Terms and Conditions of Service for NHS Doctors and Dentists in Training (England) 2016* requires "a consolidated annual report on rota gaps and the plan for improvement to reduce these gaps shall be included in a statement in the Trust's Quality Account

The Guardian of Safe Working reports to Board on a quarterly basis which is shared with the Joint Local Negotiating Committee and Medical Workforce Planning Group. The reports include data on all rota gaps. In addition, the Guardian provides a consolidated annual report to Board outlining all rota gaps and any improvement plans in place.

- **Statements from NHS England or relevant CCG local Healthwatch organisation, & overview & scrutiny committees**

- **A statement of directors responsibilities for the quality report**

ANNEX 1: STATEMENTS FROM NHS ENGLAND OR RELEVANT CCG, LOCAL HEALTHWATCH ORGANISATIONS, & OVERVIEW & SCRUTINY COMMITTEES

Bath & North East Somerset Council

Cllr Francine Haeberling
Guildhall
High Street, Bath
BA1 5AW
Bath & North East Somerset Council
Telephone: 01225 872199
Email:
Francine_Haeberling@BATHNES.GOV.UK
www.bathnes.gov.uk

Date: 15th April 2019

Dear Lisa,

Thank you for your recent request for the Health & Wellbeing Select Committee to respond to your draft Quality Account Report for this year. Previously I have provided you with a response and have enjoyed reading through the great work and progress that has often been made and how you have overcome a number of challenges.

However, we will not be providing a response to this year's Quality accounts, this is partly due to the impact of our local general elections during this period and the timescales for responding. I will also be standing down from my role along with a number of my fellow Committee members, making it difficult to provide a constructive voice from our current Committee.

Once the Quality Report has been finalised, please could you send a copy to scrutiny@bathnes.gov.uk. This will be circulated to our new reconstituted Committee/Panel after the elections in May, who I am sure, will welcome the opportunity to continue to play a role in providing assurance to the public on the quality of health care services which are delivered locally.

Yours Sincerely

Councillor Francine Haeberling,
Chair of the Health & Wellbeing Select Committee
Bath and North East Somerset Council

Healthwatch Bath and North East Somerset and Healthwatch Wiltshire combined response to the Royal United Hospitals Bath NHS Foundation Trust Quality Account

Healthwatch thanks the Trust for sharing its Quality Account in paper and audio formats, and welcomes the opportunity to comment. Healthwatch is an independent organisation that champions the voice of patients and the wider public with respect to health and social care.

Healthwatch welcomes the Glossary of Terms at the front of the document, but noted that the document is not always user friendly, for example there are several occasions when tables and accompanying text are not grouped together. Technical terms, such as the Rockwood Score, are not always explained, which can become a barrier for lay people or non-clinicians who are trying to read and understand it.

Healthwatch are pleased to see that two of the four improvement priorities set for 2018/19 were met, including those for Transitional Care allowing mothers and babies to be kept together. Although only partly achieved, Healthwatch welcomes the improved pathway for better outcomes for patients with a fractured neck of femur, although we noted some delays to discharge due to availability of social care support. Healthwatch looks forward to this priority being achieved in the coming year.

Healthwatch are glad to see patient feedback as a priority area and the variety of methods used to gather it. Healthwatch are encouraged that new guidelines and tools have been developed to support staff to gather patients' experiences. Healthwatch are disappointed to read that the launch of an online questionnaire to gather feedback had been delayed due to technical problems.

Healthwatch notes the priorities set for 2019/2020. Feedback received by Healthwatch highlights the importance of continuity of care staff for patients and we are pleased to see this as a priority area.

Healthwatch notes that patient involvement will be sought from an early stage around development of the Frailty Assessment Unit.

Healthwatch applauds the priority to improve patients' and carers' experiences, and the training programme that will be used to empower staff to confidently respond to verbal concerns. Healthwatch are delighted to read that staff will be rewarded for actively improving patients' experiences. Healthwatch would like to see a breakdown of the complaints and compliments the trust receives.

In priority four Healthwatch welcomes the Tea trolley training as an approach to incorporate training into the clinical area, with staff from all disciplines being encouraged to stop and support priority campaigns. Healthwatch waits with interest to see outcomes for the coming year.

Mandatory Statement 2

Healthwatch are concerned about the decrease in stroke audit findings and encouraged that some recruitment has taken place. There is concern about the vacancy for the Speech and Language Therapist and when this might be replaced as this is a vital post in terms of patients' recovery. Healthwatch are keen to monitor this situation going forwards.

There is a significant decrease in the score around patients bringing in and administering their own medication. While a pilot project for insulin-dependent diabetics has been successful, Healthwatch would like to receive information of other initiatives aimed at addressing this issue with other patient groups.

Mandatory Statement 3

Healthwatch asks if the Trust has concerns over grants that are joint European funded for the future due the UK's exit from the EU?

2.3 Reporting against core indicators

Healthwatch is concerned that the number of incidents resulting in severe harm or death has increased and is higher than the national average. Healthwatch are aware that winter pressures and staffing issues have had an impact on this and that an action plan is in place. Healthwatch are interested to understand what impact the action plan has over the course of the year.

Part 3 Other information

The patient falls target has not been achieved for the last three years. Healthwatch are pleased to see initiatives in place to address this, such as the falls e-learning programme. Healthwatch are keen to see if there is a reduction in falls as a result.

Healthwatch notes the missed targets during 2018 /2019 for Clostridium difficile and would like to see the RUH/National target being achieved next year. It would be useful for Healthwatch to understand the system where cases do not count and the outcome of the cases submitted to the CCG Clostridium difficile panel.

Healthwatch are pleased that the pressure ulcer targets have been met, with the exception of category three. Healthwatch welcomes the clear pathway for pressure ulcer prevention and would like to know how learning from the category three pressure sores that are below target is being used to improve patient care.

healthwatch

Cancer access targets

Healthwatch welcomes results of the performance against cancer targets with the exception of the 62 day target.

Patient Experience

Referral to treatment figures are below target, and also have decreased in time. Healthwatch notes that this has not been met due to the balance of elective, non-elective and cancer referrals. Healthwatch are pleased that work is being done to address these waits, including the expansion of chair port.

Healthwatch are pleased to see that Friends and Family Test results are higher than the national average and have remained stable for inpatients. We note that the response for A&E is low. Healthwatch are happy to advise approaches to increase these figures.

Healthwatch notes that the 2018/19 four hour waiting time targets were not met for the Emergency Department, however we support the efforts that are being made to achieve this target and appreciate the ongoing difficulties that the Trust faces.

Healthwatch applauds the Care Quality Commission rating of 'Good' overall for the Trust and the overall rating of 'Outstanding' for caring. We look forward to hearing more about the improvements planned to ensure compliance with the CQC's recommendations.

Healthwatch are pleased to see that the Trust are continuing work to improve the health and wellbeing of staff. We applaud the Food for Life award and the Patient Catering Team being awarded 'Team of the Year'.

healthwatch Wiltshire

healthwatch Bath and North East Somerset

NHS
Bath and
North East Somerset
Clinical Commissioning Group

7th May 2019

Ms Lisa Cheek
Director of Nursing and Midwifery
Royal United Hospital
Combe Park
Bath BA1 3NG

Dear Lisa,

Quality Accounts 2018/19 for the Royal United Hospitals Bath NHS Foundation Trust (RUH)

NHS Bath and North East Somerset Clinical Commissioning Group (BaNES CCG) is the co-ordinating commissioner and together with NHS Wiltshire CCG, NHS Somerset CCG and Bristol, North Somerset and South Gloucestershire CCG we are responsible for the commissioning of health services from the Royal United Hospitals Bath NHS Foundation Trust (RUH) on behalf of the local populations. We welcome the opportunity to provide this statement and comment on the RUH's Quality Account.

The Quality Account presents a summary and balanced overview on the progress of the RUH's local and national quality priorities and quality improvement work undertaken within 2018/19 as well as reporting on the required content as set out by NHS Improvement's Quality Account reporting requirements. The CCGs note that where data is not yet available, a placeholder has been inserted. We have reviewed the report for factual accuracy and notified RUH of any inaccuracies. We are assured that these have been corrected in the final version.

Throughout 2018/19, there have been robust arrangements in place between the RUH and the CCGs to agree, monitor and review the quality of services, covering the key domains of quality, patient safety, clinical effectiveness and patient experience. The quality and performance of the services provided by the Trust are monitored through the Clinical Outcomes and Quality Group and the Contract Review Group meetings.

The CCGs appreciate the collaborative work with the West of England Academic Health Science Network and the Trust's continued commitment to supporting and developing staff skills and knowledge through the quality improvement training programme and the Project SEARCH employability programme. The CCGs are pleased to see that quality improvement methodology will be strengthened even further within the Trust in 2019/20 with the newly implemented Improving Together programme.

Clinical Chair: Dr Ian Orpen | Chief Officer: Tracey Cox
St Martin's Hospital, Clara Cross Lane, Bath BA2 5RP | Tel: 01225 831800 | Fax: 01225 840407 | www.banesccg.nhs.uk

Reviewing the Trust's patient safety priorities for 2018/19, the CCGs acknowledge the positive impact the Falls Prevention Pathway and training has had on reducing patient falls. There have also been noticeable improvements in reducing the incidence of Acute Kidney Injury (AKI) acquired during a hospital admission and reducing the length of stay for those patients with AKI.

Commissioners note that the clostridium difficile infection (CDI) rate for 2018/19 has not been met. However, commissioners recognise that the Trust has implemented a range of initiatives to support the reduction in the number of CDI cases and Infection Prevention and Control has been a key focus at the quality contract meetings in 2018/19. Commissioners, along with NHS Improvement, will continue to support the Trust with CDI in 2019/20.

The Trust has implemented the second version of the National Early Warning Score (NEWS2) but the account does not detail whether the objectives of this patient safety priority have been fully met in terms of being reliably and accurately used within the Trust. Sepsis screening compliance has been variable throughout the year although the CCGs acknowledge that sepsis screening for children has improved in 2018/19. The use of NEWS2 and compliance with sepsis screening will continue to be monitored in 2019/20 through the quality contract meetings.

The Trust has detailed the work they have undertaken against their four quality priorities for 2018/19 and the progress made against these. It is very positive to see the results of the quality improvement work on keeping mothers and babies together on postnatal wards. We are pleased to acknowledge how the Trust uses a range of activities to engage with patients and carers and how this feedback is used for continuous learning on the wards. A number of initiatives have been implemented for reducing the wait time for diagnostic tests for inpatients and in ensuring that patients with a fractured neck of femur go to theatre within 36 hours of admission. The full impact has not yet been realised from these quality priorities, however we look forward to receiving the data to provide this assurance.

Commissioners acknowledge the priorities for improvement planned for 2019/20 and that these continue to focus on quality improvement initiatives which are across the lifespan of the population and are also linked to the Trust's new Improving Together quality improvement programme.

It is notable that the Trust has participated in the full range of national and local clinical audits and that this has resulted in actions to improve quality. One area in which we hope to see an improvement is the compliance with the Sentinel Stroke National Audit Programme standards. Commissioners recognise that the Trust has participated in the BaNES, Swindon and Wiltshire Stroke Collaborative in 2018/19 and this network will continue in 2019/20.

During 2018/19 the Trust has implemented and participated in the national CQUIN (Commissioning for Quality and Innovation) programme. We are particularly pleased to note that through the Preventing Ill Health by Risky Behaviours CQUIN, routine screening has been undertaken and advice and guidance for patients has been successfully implemented.

The RUH has also continued to work collaboratively with the local adult mental health provider to improve services for people with mental health needs who present to the Emergency Department.

Commissioners note that within 2018/19 a key focus for the Trust has been to review the methodology and processes for completing mortality reviews. Commissioners were able to receive a presentation from Dr Foster Intelligence System at a quality contract meeting in 2018/19 to gain further assurances on the Trust's mortality data. Learning from deaths will continue to be monitored in 2019/20 through the quality contract meetings as the Trust gains greater insight and learning.

It is positive to note that the RUH achieved an overall rating of 'Good' from the Care Quality Commission (CQC) inspection in June 2018 which was an improvement from the Trust's previous inspection rating. Despite staffing challenges at the RUH with recruitment and retention as per the national picture, we commend the Trust on the positive CQC feedback of outstanding for the 'Caring' domain and we wish to recognise the appreciation of the commitment and the work by all staff at all levels at the RUH.

In conclusion it is clear that the Trust has demonstrated numerous areas of effective improvement in patient safety and quality initiatives. The CCGs recognise the RUH's commitment to working closely with commissioners and the public to ensure the on-going safe delivery of safe, high quality services and we look forward to continuing this positive collaborative relationship in the forthcoming year

Yours sincerely

LISA HARVEY
Director of Nursing and Quality
NHS Bath and North East Somerset Clinical Commissioning Group

cc Tracey Cox, Chief Executive, BaNES, Swindon and Wiltshire CCGs
Dina McAlpine, Director of Nursing and Quality, Wiltshire CCG
Sandra Corry, Director of Nursing and Quality, Somerset CCG
Janet Baptiste-Grant, Director of Nursing and Quality, BNSSG CCG

ANNEX 2: 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 01 April 2018 to 31 March 2019;
    - papers relating to quality reported to the board over the period 01 April 2018 to 31 March 2019;
    - feedback from commissioners dated 07/05/2019;
    - feedback from governors dated 09/01/2019;
    - feedback from local Healthwatch organisations dated 02/05/2019;
    - feedback from overview and scrutiny committee dated 15/04/2019;
    - the Trust's complaints report published under Regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 25 July 2018;
    - 2017 and 2018 national patient surveys;
    - 2017 and 2018 national staff surveys;
    - the Head of Internal Audit's annual opinion of the Trust's control environment dated 21/05/2019;
    - CQC inspection report dated 26 September 2018;
- the quality report presents a balanced picture of the NHS foundation Trust's performance over the period covered;
- the performance information reported in the quality report is reliable and accurate;

- there are proper internal controls over the collection and reporting of the measures of performance included in the quality report, and these controls are subject to review to confirm that they are working effectively in practice;

- the data underpinning the measures of performance reported in the quality report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review;

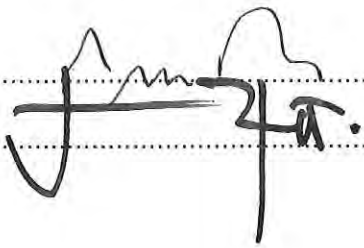
- the quality report has been prepared in accordance with NHS Improvement's annual reporting manual and supporting guidance (which incorporates the quality accounts regulations) as well as the standards to support data quality for the preparation of the quality report.

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.

21 May 2019 ..... Date ..... Chair

21 MAY 2019 ..... Date ..... Chief Executive



Independent auditor's report to the council of governors of Royal United Hospitals Bath NHS Foundation Trust on the quality report

We have been engaged by the council of governors of Royal United Hospitals Bath NHS Foundation Trust to perform an independent assurance engagement in respect of Royal United Hospitals Bath NHS Foundation Trust's quality report for the year ended 31 March 2019 (the 'quality report') and certain performance indicators contained therein.

This report, including the conclusion, has been prepared solely for the council of governors of Royal United Hospitals Bath NHS Foundation Trust as a body, to assist the council of governors in reporting Royal United Hospitals Bath 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 Royal United Hospitals Bath NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

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

- percentage of patients with a total time in A&E of four hours or less from arrival to admission, transfer or discharge, and
- maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers, reported in accordance with official performance statistics based on 50:50 breach allocation rules.

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

Respective responsibilities of the directors and auditors
The directors are responsible for the content and the preparation of the quality report in accordance with the criteria set out in the 'NHS foundation trust annual reporting manual' issued by NHS Improvement.

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

- the quality report is not prepared in all material respects in line with the criteria set out in the 'NHS foundation trust annual reporting manual' and supporting guidance;
- the quality report is not consistent in all material respects with the sources specified in NHS foundation trust annual reporting manual; 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 'Detailed guidance for external assurance on quality reports'.

We read the quality report and consider whether it addresses the content requirements of the 'NHS foundation trust annual reporting manual' and supporting guidance, and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the quality report and consider whether it is materially inconsistent with:

- board minutes for the period April 2018 to 21 May 2019;
- papers relating to quality reported to the board over the period April 2018 to 21 May 2019;
- feedback from Commissioners, dated May 2019;
- feedback from local Healthwatch organisations, dated May 2019;
- the trust's latest complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated July 2018;
- the 2018 national patient survey;
- the 2018 national staff survey;
- Care Quality Commission inspection report, dated December 2018;
- the Head of Internal Audit's annual opinion over the trust's control environment, dated 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.

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

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicators;
- making enquiries of management;
- testing key management controls;
- limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation;
- comparing the content requirements of the 'NHS foundation trust annual reporting manual' to the categories reported in the quality report; and
- reading the documents.

A limited assurance engagement is smaller in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

Limitations
Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable measurement techniques which can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these criteria, may change over time. It is important to read the quality report in the context of the criteria set out in the 'NHS foundation trust annual reporting manual' and supporting guidance.

The scope of our assurance work has not included testing of indicators other than the two selected mandated indicators, or consideration of quality governance.

Conclusion
Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2019:

- the quality report is not prepared in all material respects in line with the criteria set out in the 'NHS foundation trust annual reporting manual' and supporting guidance;
- the quality report is not consistent in all material respects with the sources specified in NHS foundation trust annual reporting manual; and
- the indicators in the quality report subject to limited assurance have not been reasonably stated in all material respects in accordance with the 'NHS foundation trust annual reporting manual' and supporting guidance.

Deloitte LLP
Birmingham

23 May 2019

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF GOVERNORS AND BOARD OF DIRECTORS OF ROYAL UNITED HOSPITALS BATH NHS FOUNDATION TRUST

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Royal United Hospitals Bath NHS Foundation Trust (the 'foundation trust') and its subsidiaries (the 'group'):

- **give a true and fair view of the state of the group's and foundation trust's affairs as at 31 March 2019 and of the group's and foundation trust's income and expenditure for the year then ended;**
- **have been properly prepared in accordance with the accounting policies directed by NHS Improvement – Independent Regulator of NHS Foundation Trusts; and**
- **have been prepared in accordance with the requirements of the National Health Service Act 2006.**

We have audited the financial statements which comprise:

- the group statement of comprehensive income;
- the group and trust statement of financial position;
- the group and trust statements of changes in equity;
- the group and trust statement of cash flows; and
- the related notes 1 to 38.

The financial reporting framework that has been applied in their preparation is applicable law and the accounting policies directed by NHS Improvement – Independent Regulator of NHS Foundation Trusts.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the foundation trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Summary of our audit approach

Key audit matters	The key audit matters that we identified in the current year were: • Management override of controls • Capitalisation of assets • Property valuations Within this report, any new key audit matters are identified with ⍓ and any key audit matters which are the same as the prior year identified with ⍓.
Materiality	The materiality that we used for the group financial statements was £7.2m which was determined on the basis of 2% of group income.
Scoping	The focus of our audit work was on the trust. We performed specified audit procedures on the trust's subsidiary, RUH Charitable Fund, where

	the extent of our testing was based on our assessment of the risks of material misstatement and the materiality of the charity to the Group. Our audit therefore covered all the entities within the Group, which account for 100% of the Group's net assets, revenues and surplus.
Significant changes in our approach	We have included a new key audit matter in relation to the Trust's property valuations due to significant judgement involved as part of the desktop valuation. There have been no other significant changes to our approach.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

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

We have nothing to report in respect of these matters.

Key audit matters

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

Management override of controls	
Key audit matter description	This key audit matter relates to the potential for management to use their judgement to influence the financial statements results as well as the potential to override the Trust's controls for specific transactions. The group's revenue includes Provider Sustainability Funding (PSF) of £14.9m (2017/18: £11.4m) which is dependent on the group meeting certain financial performance targets. Consequently, there could be an incentive to manipulate the financial results in order to achieve Control Totals each quarter or at the year-end to ensure PSF funding is received. The financial statements could be manipulated through the selection of accounting judgements or estimates, for example through the completeness and valuation of liabilities, specifically early cut off of

	payables, completeness and valuation of accruals and completeness and valuation of provisions or fraudulently manipulate the financial statements or estimates via journals. Details of critical accounting judgements and key sources of estimation uncertainty are included in note 1.19 and 1.20.
How the scope of our audit responded to the key audit matter 	We have considered the overall sensitivity of judgements made in preparation of the financial statements, and considered the overall control environment and 'tone at the top'. **Manipulation of journals entries** • We have made inquiries of individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries and other adjustments. • We have used data analytics tools to select journals for testing, based upon identification of items with characteristics indicative of potential manipulation of reporting. Our analysis covered the entire journals posted in the year. • We traced the journals to supporting documentation, and evaluated the accounting rationale for the posting. We evaluated individually and in aggregate whether the journals tested were indicative of fraud or bias. **Manipulation of accounting estimates** • We reviewed accounting estimates for biases that could result in material misstatements due to fraud. • Our work included considering each of the areas of judgement identified including completeness and accuracy of accruals and provisions, and property valuations (as discussed above). Where relevant, the recognition and valuation criteria used were compared to the specific requirements of IFRS.
Key observations 	No material matters or bias were identified as part of our audit work.
Property valuation 	
Key audit matter description 	As described within note 1.7, Property, Plant and Equipment Accounting Policies, and note 1.19 Critical Accounting Judgements, there are significant judgements in the valuation of non-current assets. The Foundation Trust holds property assets within Property, Plant and Equipment at a modern equivalent use valuation of £143.1m (2017/18 £139.8m). The valuations are by nature significant estimates which are based on specialist and management assumptions (including the floor areas for a Modern Equivalent Asset, the basis for calculating build costs, the level of allowances for professional fees and contingency, and the remaining life of the assets) and which can be subject to material changes in value. The net valuation movement on the Foundation Trust's estate shown in note 16.1 is a net impairment of £1.4m (2017/18: uplift of £3.4m).
How the scope of our audit responded to the key audit matter 	We evaluated the design and implementation of controls over property valuations, and tested the accuracy and completeness of data provided by the Group to the valuer. We used Deloitte internal valuation specialists to review and challenge the appropriateness of the key assumptions used in the valuation of the Group's properties.

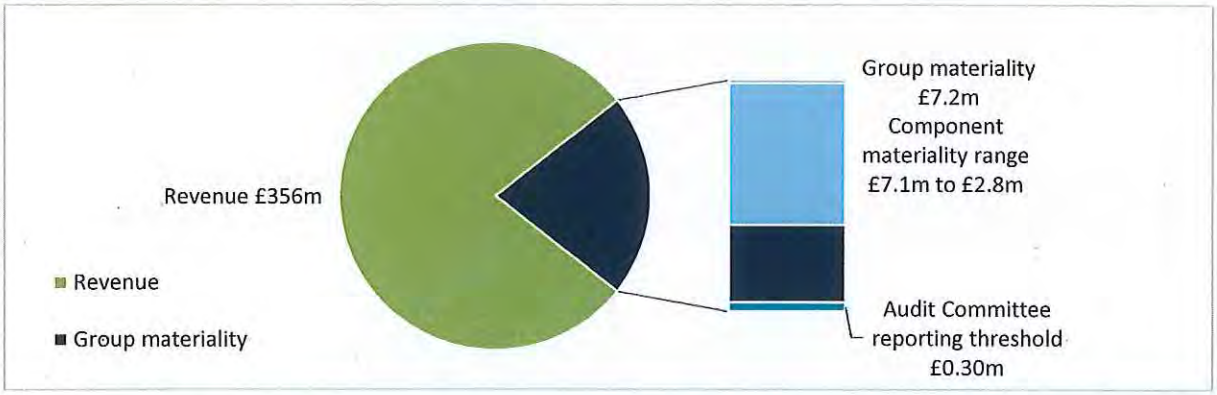
	We have reviewed the disclosures in notes 1.7.2, 1.19 and 16.1 and evaluated whether these provide sufficient explanation of the basis of the valuation and the judgements made in preparing the valuation. We assessed whether the valuation and the accounting treatment of the impairment was compliant with the relevant accounting standards, and in particular whether impairments should be recognised in the Income Statement or in Other Comprehensive Income.
Key observations	Based on the audit evidence obtained, we conclude that the valuation of the Trust's estate is appropriate.
Capitalisation of Assets	
Key audit matter description	This is a key audit matter as revenue includes PSF of £14.9m (2017/18: £11.4m) which is dependent on the Trust meeting certain financial performance targets. Consequently, we note there could be an incentive to manipulate reporting in order to achieve Control Totals each quarter or at the year-end to ensure PSF funding is received. Capital additions for the year were £36.1m (2017/18: £21.4m) as disclosed in notes 15 and 16 to the financial statements. Determining whether expenditure should be capitalised can involve significant judgement as to whether the expenditure is directly attributable to bringing an asset into use and is therefore capital in nature in accordance with IAS 16 or IAS 38. There is an incentive to capitalise assets in order to increase the in-year reported surplus. The accounting policy in relation to the capitalisation of fixed assets is included with note 1.7.1 of the financial statements. The accounting policy in relation to the capitalisation of intangibles assets is included within note 1.8.1 to the financial statements.
How the scope of our audit responded to the key audit matter	We evaluated the design and implementation of controls in relation to the capitalisation of assets. We have tested a sample of additions to fixed assets and intangibles made by the trust, exercising professional skepticism considering if the items meet the criteria for capitalisation as set out within the trust's accounting policies and the relevant accounting requirements. The extent of the work performed was responsive to the level of risk identified.
Key observations	No material misstatements relating to the capitalisation of assets were identified as part of our audit work.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Foundation trust financial statements
Materiality	£7.2m (2017/18: £6.5m)	£7.1m (2017/18: £6.47m)
Basis for determining materiality	2% of group income (2017/18: 2% of group income).	Trust materiality equates to less than 2% of trust income and is capped at 99% of group materiality We reassessed the percentage used in the context of our cumulative knowledge and understanding the audit risks at the foundation trust and our assessment of those risks for this year.
Rationale for the benchmark applied	Revenue was chosen as a benchmark as the group is a non-profit organisation, and revenue is a key measure of financial performance for users of the financial statements.	Revenue was chosen as a benchmark as the trust is a non-profit organisation, and revenue is a key measure of financial performance for users of the financial statements.



We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £0.3m (2017/18: £0.3m), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of the scope of our audit

Our group audit was scoped by obtaining an understanding of the Group and its environment, including group-wide controls, and assessing the risks of material misstatement at the Group level.

The focus of our audit work was on the Trust, with work performed at the Trust's head offices in Bath directly by the audit engagement team, led by the audit partner.

We performed specified audit procedures in relation to the Trust's subsidiary, RUH Charitable Fund, where the extent of our testing was based on our assessment of the risks of material misstatement and the component materiality specific for the subsidiary.

Our audit covered all of the entities within the Group, which account for 100% of the Group's net assets, revenue and surplus.

Our audit work was executed at levels of materiality applicable to each individual entity which were lower than group materiality and ranged from £2.8m to £7.1m.

Other information

The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon.

We have nothing to report in respect of these matters.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of accounting officer

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

In preparing the financial statements, the accounting officer is responsible for assessing the group's and the foundation trust's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the accounting officer either intends to liquidate the group or the foundation trust or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the National Health Service Act 2006

In our opinion:

- the parts of the Directors' Remuneration Report and Staff Report to be audited have been properly prepared in accordance with the National Health Service Act 2006; and
- the information given in the Performance Report and the Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Annual Governance Statement, use of resources, and compilation of financial statements

Under the Code of Audit Practice, we are required to report to you if, in our opinion:

- the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual, is misleading, or is inconsistent with information of which we are aware from our audit;
- the NHS Foundation Trust has not made proper arrangements for securing economy, efficiency and effectiveness in its use of resources; or
- proper practices have not been observed in the compilation of the financial statements.

We have nothing to report in respect of these matters.

We are not required to consider, nor have we considered, whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

Reports in the public interest or to the regulator

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

- 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; or
- any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006 because we have reason to believe that the foundation trust, or a director or officer of the foundation trust, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency.

We have nothing to report in respect of these matters.

Certificate

We certify that we have completed the audit of the accounts in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Code of Audit Practice.

Use of our report

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

Gus Miah (Senior statutory auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
Birmingham, United Kingdom
23 May 2019

Royal United Hospitals Bath NHS Foundation Trust

Annual accounts for the year ended 31 March 2019

Foreword to the accounts

Royal United Hospitals Bath NHS Foundation Trust

These accounts, for the year ended 31 March 2019, have been prepared by Royal United Hospitals Bath NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.

Signed .....

James Scott
Chief Executive
Date **21st May 2019**

Statement of Comprehensive Income

For Year Ended 31 March 2019

		Group	
		2018/19	2017/18
	Note	£000	£000
Operating income from patient care activities	3	306,433	282,727
Other operating income	4	49,386	44,379
Operating expenses	5, 8	(333,677)	(316,567)
Operating surplus from continuing operations		**22,142**	**10,539**
Finance income	11	364	214
Finance expenses	12	(301)	(311)
PDC dividends payable		(5,555)	(4,888)
Net finance costs		**(5,492)**	**(4,985)**
Other gains / (losses)	13	(77)	15,240
Surplus for the year from continuing operations		**16,573**	**20,794**
Surplus on discontinued operations and the gain on disposal of discontinued operations		-	-
Surplus for the year		**16,573**	**20,794**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Revaluations	18	472	2,558
May be reclassified to income and expenditure when certain conditions are met:			
Fair value gains/(losses) on financial assets mandated at fair value through OCI	19	191	(1)
Total comprehensive income for the period		**17,236**	**23,351**
Surplus for the period attributable to:			
Royal United Hospitals Bath NHS Foundation Trust		16,573	20,794
TOTAL		**16,573**	**20,794**
Total comprehensive income for the period attributable to:			
Royal United Hospitals Bath NHS Foundation Trust		17,236	23,351
TOTAL		**17,236**	**23,351**

Statement of Financial Position

For Year Ended 31 March 2019

	Note	Group 31 March 2019 £000	Group 31 March 2018 £000	Trust 31 March 2019 £000	Trust 31 March 2018 £000
Non-current assets					
Intangible assets	15	9,921	9,706	9,921	9,706
Property, plant and equipment	16	200,147	176,109	200,147	176,109
Other investments / financial assets	19	8,512	7,128	-	-
Receivables	23	1,785	1,534	1,182	1,134
Total non-current assets		**220,365**	**194,477**	**211,250**	**186,949**
Current assets					
Inventories	22	3,000	4,322	3,000	4,322
Receivables	23	30,121	24,580	31,889	24,741
Cash and cash equivalents	24	22,331	35,504	18,946	32,912
Total current assets		**55,452**	**64,406**	**53,835**	**61,975**
Current liabilities					
Trade and other payables	25	(28,502)	(29,144)	(28,395)	(29,144)
Borrowings	26	(3,424)	(3,052)	(3,424)	(3,052)
Provisions	29	(335)	(2,149)	(335)	(2,149)
Other liabilities	26	(5,691)	(4,756)	(5,691)	(4,756)
Total current liabilities		**(37,952)**	**(39,101)**	**(37,845)**	**(39,101)**
Total assets less current liabilities		**237,865**	**219,782**	**227,240**	**209,823**
Non-current liabilities					
Borrowings	26	(13,771)	(15,127)	(13,771)	(15,127)
Provisions	29	(763)	(784)	(763)	(784)
Total non-current liabilities		**(14,534)**	**(15,911)**	**(14,534)**	**(15,911)**
Total assets employed		**223,331**	**203,871**	**212,706**	**193,912**
Financed by					
Public dividend capital		159,070	156,846	159,070	156,846
Revaluation reserve		44,601	42,237	44,601	42,237
Income and expenditure reserve		9,035	(5,171)	9,035	(5,171)
Charitable fund reserves	21	10,625	9,959	-	-
Total taxpayers' equity		**223,331**	**203,871**	**212,706**	**193,912**

The notes on pages 11 to 59 form part of these accounts.

James Scott
Chief Executive
Date **21st May 2019**

Statement of Changes in Equity

For Year Ended 31 March 2019

Group	Public dividend capital	Revaluation reserve	Financial assets reserve*	Other reserves	Merger reserve	Income and expenditure reserve	Charitable fund reserves	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2018 - brought forward	**156,846**	**42,237**	**-**	**-**	**-**	**(5,171)**	**9,959**	**203,871**
Surplus for the year	-	-	-	-	-	16,098	475	**16,573**
Other transfers between reserves	-	1,892	-	-	-	(1,892)	-	**-**
Revaluations	-	472	-	-	-	-	-	**472**
Fair value gains on financial assets mandated at fair value through OCI	-	-	-	-	-	-	191	**191**
Public dividend capital received	2,224	-	-	-	-	-	-	**2,224**
Taxpayers' and others' equity at 31 March 2019	**159,070**	**44,601**	**-**	**-**	**-**	**9,035**	**10,625**	**223,331**

Statement of Changes in Equity

For Year Ended 31 March 2018

Group	Public dividend capital £000	Revaluation reserve £000	Available for sale investment reserve £000	Other reserves £000	Merger reserve £000	Income and expenditure reserve £000	Charitable fund reserves £000	Total £000
Taxpayers' and others' equity at 1 April 2017 - brought forward	**152,084**	**41,098**	**-**	**-**	**-**	**(25,930)**	**8,506**	**175,758**
Surplus for the year	-	-	-	-	-	18,579	2,215	**20,794**
Other transfers between reserves	-	(796)	-	-	-	796	-	**-**
Revaluations	-	2,558	-	-	-	-	-	**2,558**
Transfer to retained earnings on disposal of assets	-	(623)	-	-	-	623	-	**-**
Fair value losses on available-for-sale financial investments	-	-	-	-	-	-	(1)	**(1)**
Public dividend capital received	4,762	-	-	-	-	-	-	**4,762**
Other reserve movements	-	-	-	-	-	761	(761)	**-**
Taxpayers' and others' equity at 31 March 2018	**156,846**	**42,237**	**-**	**-**	**-**	**(5,171)**	**9,959**	**203,871**

Statement of Changes in Equity

For Year Ended 31 March 2019

Trust	Public dividend capital	Revaluation reserve	Financial assets reserve*	Other reserves	Merger reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2018 - brought forward	**156,846**	**42,237**	**-**	**-**	**-**	**(5,171)**	**193,912**
Surplus for the year	-	-	-	-	-	16,098	**16,098**
Other transfers between reserves	-	1,892	-	-	-	(1,892)	**-**
Revaluations	-	472	-	-	-	-	**472**
Public dividend capital received	2,224	-	-	-	-	-	**2,224**
Taxpayers' and others' equity at 31 March 2019	**159,070**	**44,601**	**-**	**-**	**-**	**9,035**	**212,706**

Statement of Changes in Equity

For Year Ended 31 March 2018

Trust	Public dividend capital	Revaluation reserve	Available for sale investment reserve	Other reserves	Merger reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2017 - brought forward	**152,084**	**41,098**	**-**	**-**	**-**	**(25,930)**	**167,252**
Prior period adjustment	-	-	-	-	-	-	-
Taxpayers' and others' equity at 1 April 2017 - restated	**152,084**	**41,098**	**-**	**-**	**-**	**(25,930)**	**167,252**
Surplus for the year	-	-	-	-	-	18,579	**18,579**
Other transfers between reserves	-	(796)	-	-	-	796	-
Revaluations	-	2,558	-	-	-	-	**2,558**
Transfer to retained earnings on disposal of assets	-	(623)	-	-	-	623	-
Public dividend capital received	4,762	-	-	-	-	-	**4,762**
Other reserve movements	-	-	-	-	-	761	**761**
Taxpayers' and others' equity at 31 March 2018	**156,846**	**42,237**	**-**	**-**	**-**	**(5,171)**	**193,912**

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.

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

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

Charitable funds reserve
This reserve comprises the ring-fenced funds held by the NHS charitable funds consolidated within these financial statements. These reserves are classified as restricted or unrestricted; a breakdown is provided in note 21.

Statement of Cash Flows

For Year Ended 31 March 2019

	Note	Group 2018/19 £000	Group 2017/18 £000	Trust 2018/19 £000	Trust 2017/18 £000
Cash flows from operating activities					
Operating surplus / (deficit)		22,142	10,539	21,872	3,966
Non-cash income and expense:					
Depreciation and amortisation	5	10,253	8,679	10,253	8,679
Net impairments	7	1,844	(1,853)	1,844	(1,853)
Income recognised in respect of capital donations	4	(1,964)	(24)	(1,964)	(735)
(Increase) / decrease in receivables and other assets		(6,123)	(1,061)	(7,538)	4,070
(Increase) / decrease in inventories		1,322	(656)	1,322	(656)
Increase / (decrease) in payables and other liabilities		(1,040)	4,300	(1,040)	4,300
Increase / (decrease) in provisions		(1,843)	1,243	(1,843)	1,243
Movements in charitable fund working capital		878	(619)	-	-
Other movements in operating cash flows		23	94	(1)	44
Net cash flows from / (used in) operating activities		**25,492**	**20,642**	**22,905**	**19,058**
Cash flows from investing activities					
Interest received		159	63	159	63
Purchase of intangible assets		(3,112)	(3,906)	(3,112)	(3,906)
Purchase of PPE and investment property		(29,266)	(14,239)	(29,266)	(14,239)
Sales of PPE and investment property		114	18,940	114	18,940
Receipt of cash donations to purchase assets		-	24	1,794	735
Net cash flows used in investing activities		**(32,105)**	**882**	**(30,311)**	**1,593**
Cash flows from financing activities					
Public dividend capital received		2,224	4,762	2,224	4,762
Movement on loans from DHSC		(2,958)	(3,595)	(2,958)	(3,595)
Capital element of finance lease rental payments		(311)	(8)	(311)	(8)
Interest on loans		(287)	(367)	(287)	(367)
Interest paid on finance lease liabilities		(15)	(6)	(15)	(6)
PDC dividend paid		(5,213)	(5,150)	(5,213)	(5,150)
Net cash flows used in financing activities		**(6,560)**	**(4,364)**	**(6,560)**	**(4,364)**
Increase / (decrease) in cash and cash equivalents		**(13,173)**	**17,160**	**(13,966)**	**16,287**
Cash and cash equivalents at 1 April - brought forward		**35,504**	**18,344**	**32,912**	**16,625**
Cash and cash equivalents at 31 March	24	**22,331**	**35,504**	**18,946**	**32,912**

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

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.

Note 1.1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, and certain financial assets and financial liabilities.

Note 1.2 Going concern

These accounts have been prepared on a going concern basis.

Whilst the Trust does not consider itself to be significantly exposed to any significant risks arising from the EU exit, the ongoing uncertainty of a final agreed outcome means that this cannot be fully assessed. The potential areas of exposure are wide ranging across the accounts. Income and expenditure may be affected by issues such as increased supply chain, fuel and drug costs. Whilst the Balance Sheet may be affected by ability of debtors to meet debts due to the Trust, and fluctuating property valuations.

The Trust continues to operate in a climate of financial uncertainly within the NHS in England. Whilst there are known risks over the coming five years, including a substantial capital programme, continuing operational pressures and financial challenges, there is sufficient evidence to support the strong likelihood the Trust will continue operating over the next Financial Year.

The key pieces of evidence in support of this is the balanced financial plan for 2019/20 which has been approved by the Trust Board of Directors and submitted to NHSI for review and an internal 5 year financial strategy that demonstrates the expectation of balanced budgets over the next 5 years.

The Board of Directors has a reasonable expectation that the Trust will have access to adequate resources to continue to deliver the full range of mandatory services for the foreseeable future. The assessment accords with the statutory guidance contained in the NHS Foundation Trust Annual Reporting Manual and the Department of Health Group Accounting Manual and for this reason the Trust continues to adopt the going concern basis in preparing the accounts.

Note 1.3 Consolidation

NHS Charitable Funds

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

The Charitable Fund's statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on UK Financial Reporting Standard (FRS) 102. On consolidation, necessary adjustments are made to the charity's assets, liabilities and transactions to:

- recognise and measure them in accordance with the Trust's accounting policies and
- eliminate intra-group transactions, balances, gains and losses.

The key accounting policy for the RUH Charitable Funds relates to it's investments. The Corporate Trustee have established a policy under which the funds are invested, ensuring that the money is not exposed to undue risk but provides returns sufficient to counter the effects of inflation. All investments are held at market value on the balance sheet.

Joint ventures

The Trust has a one third controlling interest in Wiltshire Health and Care LLP, in partnership with Salisbury NHS Foundation Trust and Great Western Hospitals NHS Foundation Trust.

The LLP has a separate Board but strategic control of the organisation remains with the partners as detailed in the Members Agreement signed by the three NHS Foundation Trusts.

The financial risks of the LLP to the Members are limited to nil as per the signed members agreement, the surpluses are accounted for in the Trust's accounts using the equity method, however as the LLP reports a breakeven position as at the 31st March 2019 there is no investment gain to recognise within the Trust's financial position.

Note 1.4 Revenue

Note 1.4.1 Revenue from contracts with customers

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

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

Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for health care services. A performance obligation relating to delivery of a spell of health care is generally satisfied over time as healthcare is received and consumed simultaneously by the customer as the Trust performs it. The customer in such a contract is the commissioner, but the customer benefits as services are provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligns with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that are substantially the same and have a similar pattern of transfer. At the year end, the Trust accrues income relating to activity delivered in that year, where a patient care spell is incomplete. Similarly, where pathway payments have been received in year but activity is not yet complete, the Trust defers partial income relating to the incomplete pathway. The payment terms for all income received under NHS contracts do not deviate from the standard payment terms, as set out S36 of the 2018/19 NHS standard contract guidance. The contracts in place with Commissioners do not specify specific Commissioner requested services.

Revenue is recognised to the extent that collection of consideration is probable. Where contract challenges from commissioners are expected to be upheld, the Trust reflects this in the transaction price and derecognises the relevant portion of income.

Where the Trust is aware of a penalty based on contractual performance, the Trust reflects this in the transaction price for its recognition of revenue. Revenue is reduced by the value of the penalty.

The effect of readmissions is material however is reflected in the contract baseline and therefore in the transaction price.

The Trust receives income from Commissioners under Commissioning for Quality and Innovation (CQUIN) schemes. The Trust agrees schemes with Commissioners however the CQUIN payments are not considered distinct performance obligations in their own right; instead they form part of the transaction price for performance obligations under the contract.

The Trust has undertaken an assessment of all revenue streams as required by IFRS 15 - Revenue from contracts with Customers. The Trust was already treating all material revenue streams in line with the requirements set out under the standard, and did not identify any significant amendments to the treatment of revenue for 2018/19.

Revenue from research contracts

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

NHS injury cost recovery scheme

The Trust receives income under the NHS injury cost recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset. For 2018/19, the Compensation Recovery Unit (CRU) has advised the percentage probability of not receiving the income is 21.89%

Note 1.4.2 Revenue grants and other contributions to expenditure

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

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

Note 1.5 Expenditure on employee benefits

Short-term employee benefits
Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees.

Pension costs

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

Note 1.6 Expenditure on other goods and services

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

Note 1.7 Property, plant and equipment

Note 1.7.1 Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow to, or service potential be provided to, the Trust
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably
- the item has cost of at least £5,000, or
- collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, e.g. plant and equipment, then these components are treated as separate assets and depreciated over their own useful lives.

Note 1.7.2 Measurement

Valuation

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

Land, buildings and dwellings are measured subsequently at valuation. Assets which are held for their service potential and are in use (i.e. operational assets used to deliver either front line services or back office functions) are measured at their current value in existing use. Assets that were most recently held for their service potential but are surplus with no plan to bring them back into use are measured at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Revaluations of land, buildings and dwellings are performed with sufficient regularity to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. The Trust obtained a desktop revaluation of its land, buildings and dwellings as at 31st March 2019. The current values in existing use are determined as follows:

- Non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

- Land - market value for existing use or depreciated replacement cost on a modern equivalent asset basis.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. The cost includes any associated professional fees and, where capitalised in accordance with IAS 23, borrowings costs. Assets are revalued and depreciation commences when the assets are brought into use.

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

Subsequent expenditure

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

Depreciation
Items of property, plant and equipment are depreciated over their remaining useful lives in a manner consistent with the consumption of economic or service delivery benefits. Depreciation is calculated on a straight line basis. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'held for sale' cease 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, respectively.

Revaluation gains and losses
Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating income.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments
In accordance with the GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

Note 1.7.3 De-recognition

Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- the sale must be highly probable i.e.:

  - management are committed to a plan to sell the asset
  - an active programme has begun to find a buyer and complete the sale
  - the asset is being actively marketed at a reasonable price
  - the sale is expected to be completed within 12 months of the date of classification as 'held for sale' and
  - the actions needed to complete the plan indicate it is unlikely that the plan will be abandoned or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Note 1.7.4 Donated and grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

Note 1.7.5 Useful lives of property, plant and equipment

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	Min life Years	Max life Years
Land	70	70
Buildings, excluding dwellings	2	60
Dwellings	37	39
Plant & machinery	2	25
Transport equipment	5	7
Information technology	2	7
Furniture & fittings	2	15

Finance-leased assets (including land) are depreciated over the shorter of the useful life or the lease term, unless the Trust expects to acquire the asset at the end of the lease term in which case the assets are depreciated in the same manner as owned assets above.

Note 1.8 Intangible assets

Note 1.8.1 Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the Trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Trust and where the cost of the asset can be measured reliably.

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 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.

Note 1.8.2 Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 of IFRS 5.

Intangible assets held for sale are measured at the lower of their carrying amount or "fair value less costs to sell".

Amortisation
Intangible assets are amortised over their expected useful lives in a manner consistent with the consumption of economic or service delivery benefits.

Note 1.8.3 Useful economic life of intangible assets

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	Min life Years	Max life Years
Software licences	2	5
Licences & trademarks	2	9

Note 1.9 Inventories

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

Note 1.10 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

Note 1.11 Financial assets and financial liabilities

Note 1.11.1 Recognition

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

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

Note 1.11.2 Classification and measurement

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

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

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

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

Financial assets and financial liabilities at amortised cost

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

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

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

Financial assets measured at fair value through other comprehensive income

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

The Trust has irrevocably elected to measure the following equity instruments at fair value through other comprehensive income. All gains and losses arising from investment funds held by The Royal United Charitable Fund will be measured at fair value through Other Comprehensive Income. The investment fund does not meet the criteria set out in the accounting standards to be recognised as a gain or loss through income and expenditure.

Impairment of financial assets

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

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

In line with NHS guidance, the Trust has not applied an expected credit loss to NHS debts as they are deemed recoverable within the NHS group.

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

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

Note 1.11.3 Derecognition

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

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

Note 1.12 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

Note 1.12.1 The Trust as lessee

Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the Trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease.

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for an item of property plant and equipment.

The annual rental charge is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income. The lease liability, is de-recognised when the liability is discharged, cancelled or expires.

Operating leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

Note 1.13 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.

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed at note 29 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any "excesses" payable in respect of particular claims are charged to operating expenses when the liability arises.

Note 1.14 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 in note 30 where an inflow of economic benefits is probable.
Contingent liabilities are not recognised, but are disclosed in note 30, 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.

Note 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.

Note 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 fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

Note 1.17 Third party assets

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

Note 1.18 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the trust not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

However the losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

Note 1.19 Critical judgements in applying accounting policies

In the application of the Trust's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and the estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Property Valuations
Property, plant and dwellings were valued by Cushman and Wakefield as at 31 March 2019. These valuations are based on the Royal Institution of Chartered Surveyors valuation standards insofar as these are consistent with the requirements of HM Treasury, the National Health Service and the Department of Health. Property valuation techniques include an inherent element of estimation; in particular specialised assets that have no active market require valuation based on assessing the likely replacement cost of an asset. Future property values will be influenced by factors such as construction costs and developments in healthcare technology and any recognised impairments. Future asset values will inevitably fluctuate but the Trust mitigates against material correcting adjustments by commissioning regular professional asset valuation reviews. Accounting policy note 1.7 provides further detail on the Trust's asset valuation accounting policy.

Note 1.20 Sources of estimation uncertainty

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

Estimation of asset lives as the basis of deprecation calculations
Depreciation of equipment is based on asset lives, which have been estimated on recognition of assets.

Provisions
Provisions have been made for probable legal and constructive obligations of uncertain timing or amount as at the reporting date. These are based on estimates using information available at the reporting date. They are estimates of future cash flows which are dependent on future events. Any difference between these estimates and the actual future liability will be accounted for in the period in which such determination is made. Details of the Trust's provisions are set out in note 29.

Note 1.21 Early adoption of standards, amendments and interpretations
No new accounting standards or revisions to existing standards have been early adopted in 2018/19.

Note 1.22 Standards, amendments and interpretations in issue but not yet effective or adopted

The following standards, amendments and interpretations have been issued by the International Accounting Standards Board (IASB) and International Financial Reporting Interpretations Committee (IFRIC) but have not yet been adopted in the Annual Reporting Manual. NHS Improvement does not permit the early adoption of accounting standards, amendments and interpretations that are in issue at the reporting date but effective at a subsequent reporting period.

IFRS 16 Leases – Application required for accounting periods beginning on or after **1 April 2020.**
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
IFRIC 23 Uncertainty over Income Tax Treatments – Application required for accounting periods beginning on or after **1 January 2019.**

The Trust await the interpretation for the public sector and NHS before interpreting the effect on the accounts.

Note 2 Operating Segments

The Trust Board is the Chief Operating Decision Maker. The Trust Board reviews and has a strategic overview of the Trust's healthcare services, and all operating segments.

The Trust consider the RUH Charitable Funds to be an operating segment. The Trustees of the RUH Charitable Funds are Corporate Trustees of the Trust Board. Whilst the RUH Charitable Funds is managed by, and operates separately from, the main services provided by the Trust, the Trust Board receives quarterly performance reports from the Charity.

Income for the RUH Charitable Funds comprises of donations mainly from individuals and local organisations. The activities of the Charity are focussed to improve the environment in the hospital for staff and patients and support innovative developments not funded by NHS money.

The Charitable Fund does not own any Property, Plant & Equipment or Intangible assets. Income, expenditure, assets and liabilities of the Charity are not reported by segment to the Trust Board, rather aggregated as part of the whole organisation to Management Board and the Board of Directors.

The financial position of the Charity is reported within this set of Financial Statements and as such has not been seperately disclosed below.

Note 3 Operating income from patient care activities (Group)

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4.1

Note 3.1 Income from patient care activities (by nature)	2018/19 £000	2017/18 £000
Elective income	39,905	38,566
Non elective income	115,818	110,696
First outpatient income	36,092	34,277
Follow up outpatient income	30,826	28,353
A & E income	12,385	10,882
High cost drugs income from commissioners (excluding pass-through costs)	34,165	33,524
Other NHS clinical income	27,879	22,057
Private patient income	645	623
Agenda for Change pay award central funding	3,248	-
Other clinical income	5,470	3,749
Total income from activities	**306,433**	**282,727**

Note 3.2 Income from patient care activities (by source)	2018/19	2017/18
Income from patient care activities received from:	**£000**	**£000**
NHS England	52,497	50,534
Clinical commissioning groups	243,350	226,624
Department of Health and Social Care	3,261	-
Other NHS providers	176	314
NHS other	1,349	483
Local authorities	1,251	846
Non-NHS: private patients	645	623
Non-NHS: overseas patients (chargeable to patient)	295	152
Injury cost recover scheme	603	622
Non NHS: other	3,006	2,529
Total income from activities	**306,433**	**282,727**
Of which:		
Related to continuing operations	306,433	282,727
Related to discontinued operations	-	-

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

	2018/19	2017/18
	£000	£000
Income recognised this year	295	152
Cash payments received in-year	185	46
Amounts added to provision for impairment of receivables	-	51

Note 4 Other operating income (Group)

	2018/19	2017/18
	£000	£000
Other operating income from contracts with customers:		
Research and development (contract)	1,064	955
Education and training (excluding notional apprenticeship levy income)	14,212	12,833
Non-patient care services to other bodies	7,992	8,596
Provider sustainability / sustainability and transformation fund income (PSF / STF)	14,851	11,366
Income in respect of employee benefits accounted on a gross basis	2,478	1,765
Other contract income	5,000	4,986
Other non-contract operating income:		
Education and training - notional income from apprenticeship fund	-	77
Receipt of capital grants and donations	1,964	24
Rental revenue from operating leases	270	486
Charitable fund incoming resources	1,555	3,291
Total other operating income	**49,386**	**44,379**
Of which:		
Related to continuing operations	49,386	44,379
Related to discontinued operations	-	-

Note 4.1 Income from activities arising from commissioner requested services

Under the terms of its provider licence, the Trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider licence and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	2018/19	2017/18
	£000	£000
Income from services designated as commissioner requested services	297,070	278,355
Income from services not designated as commissioner requested services	58,749	48,751
Total	**355,819**	**327,106**

Note 5 Operating expenses (Group)

	2018/19	2017/18
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	17	-
Purchase of healthcare from non-NHS and non-DHSC bodies	1,272	1,486
Staff and executive directors costs	207,750	196,766
Remuneration of non-executive directors	149	150
Supplies and services - clinical (excluding drugs costs)	33,313	33,531
Supplies and services - general	3,890	3,824
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	42,997	42,642
Inventories written down	-	58
Consultancy costs	921	413
Establishment	3,455	2,837
Premises	10,339	10,242
Transport (including patient travel)	1,012	836
Depreciation on property, plant and equipment	8,517	7,635
Amortisation on intangible assets	1,736	1,044
Net impairments	1,844	(1,853)
Movement in credit loss allowance: contract receivables / contract assets	(180)	-
Movement in credit loss allowance: all other receivables and investments	-	277
Increase/(decrease) in other provisions	(1,248)	145
Audit fees payable to the external auditor		
audit services- statutory audit	54	61
other auditor remuneration (external auditor only)	11	11
Internal audit costs	110	105
Clinical negligence	10,000	7,423
Legal fees	209	989
Insurance	333	243
Research and development	2,697	2,455
Education and training	3,057	3,647
Rentals under operating leases	18	69
Redundancy	-	72
Hospitality	245	220
Losses, ex gratia & special payments	13	49
Other NHS charitable fund resources expended	744	753
Other	402	437
Total	**333,677**	**316,567**
Of which:		
Related to continuing operations	333,677	316,567
Related to discontinued operations	-	-

Note 6 Other auditor remuneration (Group)

	2018/19	2017/18
	£000	£000
Other auditor remuneration paid to the external auditor:		
Audit-related assurance services	11	11
Total	**11**	**11**

Note 6.1 Limitation on auditor's liability (Group)

The limitation on auditor's liability for external audit work is £1m (2017/18: £1m).

Note 7 Impairment of assets (Group)

	2018/19	2017/18
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	1,844	(801)
Other	-	(1,052)
Total net impairments charged to operating surplus / deficit	**1,844**	**(1,853)**
Impairments charged to the revaluation reserve	-	-
Total net impairments	**1,844**	**(1,853)**

Note 8 Employee benefits (Group)

	2018/19 Total £000	2017/18 Total £000
Salaries and wages	170,529	162,513
Social security costs	16,608	15,932
Apprenticeship levy	839	794
Employer's contributions to NHS pensions	20,329	19,445
Temporary staff (including agency)	4,487	3,684
NHS charitable funds staff	536	468
Total gross staff costs	**213,328**	**202,836**
Total staff costs	**213,328**	**202,836**
Of which		
Costs capitalised as part of assets	785	1,330

Note 9 Retirements due to ill-health (Group)

During 2018/19 there were 5 early retirements from the Trust agreed on the grounds of ill-health (2 in the year ended 31 March 2018). The estimated additional pension liabilities of these ill-health retirements is £329k (£108k in 2017/18).

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

Note 10 Pension costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

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

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 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.

Note 11 Finance income (Group)

Finance income represents interest received on assets and investments in the period.

	2018/19	2017/18
	£000	£000
Interest on bank accounts	159	63
NHS charitable fund investment income	205	151
Total finance income	**364**	**214**

Note 12 Finance expenditure (Group)

Finance expenditure represents interest and other charges involved in the borrowing of money.

	2018/19	2017/18
	£000	£000
Interest expense:		
Loans from the Department of Health and Social Care	278	297
Finance leases	15	6
Total interest expense	**293**	**303**
Unwinding of discount on provisions	8	8
Total finance costs	**301**	**311**

Note 12.1 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015 (Group)

	2018/19	2017/18
	£000	£000
Total liability accruing in year under this legislation as a result of late payments	3	-

Note 13 Other gains / (losses) (Group)

	2018/19	2017/18
	£000	£000
Gains on disposal of assets	3	15,338
Losses on disposal of assets	(80)	(97)
Gains / losses on disposal of charitable fund assets	-	(1)
Total gains / (losses) on disposal of assets	**(77)**	**15,240**
Total other gains / (losses)	**(77)**	**15,240**

Note 14 Trust income statement and statement of comprehensive income

In accordance with Section 408 of the Companies Act 2006, the Trust is exempt from the requirement to present its own income statement and statement of comprehensive income. The Trust's surplus for the period was £16.1 million (£18.6m 2017/18). The Trust's total comprehensive income for the period was £18.8 million (£20.7 million 2017/18).

Note 15 Intangible assets - 2018/19

Group	Software licences	Licences & trademarks	Intangible assets under construction	Total
	£000	£000	£000	£000
Valuation / gross cost at 1 April 2018 - brought forward	**1,783**	**11,306**	**-**	**13,089**
Additions	53	824	1,146	**2,023**
Disposals / derecognition	(81)	(94)	-	**(175)**
Valuation / gross cost at 31 March 2019	**1,755**	**12,036**	**1,146**	**14,937**
forward	**1,317**	**2,066**	**-**	**3,383**
Provided during the year	159	1,577	-	**1,736**
Disposals / derecognition	(81)	(22)	-	**(103)**
Amortisation at 31 March 2019	**1,395**	**3,621**	**-**	**5,016**
Net book value at 31 March 2019	**360**	**8,415**	**1,146**	**9,921**
Net book value at 1 April 2018	**466**	**9,240**	**-**	**9,706**

The Trust has only disclosed the group intangible asset note, as the RUH Charitable Funds do not own any intangible assets.

Note 15.1 Intangible assets - 2017/18

Group	Software licences	Licences & trademarks	Intangible assets under construction	Total
	£000	£000	£000	£000
Valuation / gross cost at 1 April 2017 - as previously stated	**1,478**	**4,226**	**1,348**	**7,052**
Additions	32	868	3,617	**4,517**
Reversals of impairments	-	1,336	-	**1,336**
Reclassifications	276	4,876	(4,965)	**187**
Disposals / derecognition	(3)	-	-	**(3)**
Valuation / gross cost at 31 March 2018	**1,783**	**11,306**	**-**	**13,089**
stated	**1,109**	**949**	**-**	**2,058**
Provided during the year	211	833	-	**1,044**
Reversals of impairments	-	284	-	**284**
Disposals / derecognition	(3)	-	-	**(3)**
Amortisation at 31 March 2018	**1,317**	**2,066**	**-**	**3,383**
Net book value at 31 March 2018	**466**	**9,240**	**-**	**9,706**
Net book value at 1 April 2017	**369**	**3,277**	**1,348**	**4,994**

The Trust has only disclosed the group intangible asset note, as the RUH Charitable Funds do not own any intangible assets.

Note 16 Property, plant and equipment - 2018/19

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2018 - brought forward	**9,972**	**129,790**	**5,184**	**9,525**	**50,276**	**34**	**9,806**	**819**	**215,406**
Additions	-	4,031	40	20,591	8,266	-	997	121	**34,046**
Impairments	-	(2,734)	-	-	-	-	-	-	**(2,734)**
Reversals of impairments	890	-	-	-	-	-	-	-	**890**
Revaluations	-	(7,089)	(265)	-	-	-	-	-	**(7,354)**
Reclassifications	-	3,549	-	(3,549)	-	-	-	-	**-**
Disposals / derecognition	-	-	-	-	(3,372)	-	(90)	(16)	**(3,478)**
Valuation/gross cost at 31 March 2019	**10,862**	**127,547**	**4,959**	**26,567**	**55,170**	**34**	**10,713**	**924**	**236,776**
Accumulated depreciation at 1 April 2018 - brought forward	**-**	**5,010**	**182**	**-**	**28,409**	**34**	**5,319**	**343**	**39,297**
Provided during the year	-	2,842	95	-	3,869	-	1,622	89	**8,517**
Revaluations	-	(7,549)	(277)	-	-	-	-	-	**(7,826)**
Disposals / derecognition	-	-	-	-	(3,258)	-	(88)	(13)	**(3,359)**
Accumulated depreciation at 31 March 2019	**-**	**303**	**-**	**-**	**29,020**	**34**	**6,853**	**419**	**36,629**
Net book value at 31 March 2019	**10,862**	**127,244**	**4,959**	**26,567**	**26,150**	**-**	**3,860**	**505**	**200,147**
Net book value at 1 April 2018	**9,972**	**124,780**	**5,002**	**9,525**	**21,867**	**-**	**4,487**	**476**	**176,109**

The Trust has only disclosed the group property, plant and equipment note, as the RUH Charitable Funds do not own any property, plant and equipment.

Note 16.1 Property, plant and equipment - 2017/18

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2017 - as previously stated	**9,972**	**122,286**	**4,913**	**3,545**	**49,432**	**43**	**7,823**	**798**	**198,812**
Additions	-	2,807	122	7,540	4,166	-	2,168	44	**16,847**
Impairments	-	(336)	-	-	-	-	-	-	**(336)**
Reversals of impairments	-	1,137	-	-	-	-	-	-	**1,137**
Revaluations	-	2,557	149	-	-	-	-	-	**2,706**
Reclassifications	-	1,373	-	(1,560)	-	-	-	-	**(187)**
Disposals / derecognition	-	(34)	-	-	(3,322)	(9)	(185)	(23)	**(3,573)**
Valuation/gross cost at 31 March 2018	**9,972**	**129,790**	**5,184**	**9,525**	**50,276**	**34**	**9,806**	**819**	**215,406**
Accumulated depreciation at 1 April 2017 - as previously stated	**-**	**2,345**	**88**	**-**	**28,161**	**43**	**4,047**	**279**	**34,963**
Provided during the year	-	2,556	89	-	3,471	-	1,438	81	**7,635**
Revaluations	-	143	5	-	-	-	-	-	**148**
Disposals / derecognition	-	(34)	-	-	(3,223)	(9)	(166)	(17)	**(3,449)**
Accumulated depreciation at 31 March 2018	**-**	**5,010**	**182**	**-**	**28,409**	**34**	**5,319**	**343**	**39,297**
Net book value at 31 March 2018	**9,972**	**124,780**	**5,002**	**9,525**	**21,867**	**-**	**4,487**	**476**	**176,109**
Net book value at 1 April 2017	**9,972**	**119,941**	**4,825**	**3,545**	**21,271**	**-**	**3,776**	**519**	**163,849**

The Trust has only disclosed the group property, plant and equipment note, as the RUH Charitable Funds do not own any property, plant and equipment.

Note 16.2 Property, plant and equipment financing - 2018/19

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2019								
Owned - purchased	10,862	123,215	4,959	23,463	20,706	3,860	434	187,499
Finance leased	-	-	-	-	2,767	-	-	2,767
Owned - donated	-	4,029	-	3,104	2,677	-	71	9,881
NBV total at 31 March 2019	**10,862**	**127,244**	**4,959**	**26,567**	**26,150**	**3,860**	**505**	**200,147**

Note 16.3 Property, plant and equipment financing - 2017/18

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2018								
Owned - purchased	9,972	120,830	5,002	8,154	18,233	4,487	391	167,069
Finance leased	-	-	-	-	549	-	-	549
Owned - donated	-	3,950	-	1,371	3,085	-	85	8,491
NBV total at 31 March 2018	**9,972**	**124,780**	**5,002**	**9,525**	**21,867**	**4,487**	**476**	**176,109**

The Trust has only disclosed the group property, plant and equipment financing note, as the RUH Charitable Funds do not own any property, plant and equipment.

Note 17 Donations of property, plant and equipment

During the year ending 31 March 2019 the Trust received donations from which assets were purchased to the value of £1.9m.

The majority of donations were made up a follows:
- £1.7m from the Royal United Hospital Bath Charitable Fund to fund project costs for RNHRD & Therapies Centre and Cancer Centre development works.
- £0.2m from various sources to fund medical equipment.

The cash donation from Royal United Hospital Bath Charitable Fund was restricted to ensure funds were only used for project costs toward the RNHRD & Therapies Centre.

Note 18 Revaluations of property, plant and equipment

The Trust's policy is to complete a full revaluation at least every 5 years, with a desktop review every 3 years. Cushman and Wakefield, who are a members of the Royal Institute of Chartered Surveyors and are independent of the Trust, undertook a full desktop valuation of the Trust's land and buildings as at 31 March 2019. The last full revaluation was undertaken as at 31 March 2016. The valuations were carried out in accordance with the RICS Appraisal and Valuation Manual in so far as these terms are consistent with the agreed requirements of the Department of Health and Treasury. The valuations were undertaken in accordance with the Trust's accounting policy (see note 1) and reflect the clarification in RICS guidance issued to Valuers in 2018/19.

The desktop review has resulted in £472k being charged to Other Income in the Statement of Comprehensive Income. Overall, the review contributed to a net change in valuation of £1.4m and a net impairment of £1.8m. There has also been a net movement between the Revaluation Reserve and I&E Reserve of £1.9m to reflect the change in asset lives as advised by the Trust's valuers. The total movement was £2.7m reduced by £0.8m relating to in year depreciation of the Trust's revaluation reserve.

Useful lives of property, plant and equipment	Min life Years	Max life Years
Land	70	70
Buildings, excluding dwellings	2	60
Dwellings	37	39
Plant & machinery	2	25
Transport equipment	5	7
Information technology	2	7
Furniture & fittings	2	15

Note 19 Other investments / financial assets (non-current)

	Group		Trust	
	2018/19	2017/18	2018/19	2017/18
	£000	£000	£000	£000
Carrying value at 1 April - brought forward	**7,128**	**7,028**	**-**	**-**
Acquisitions in year	1,193	101	-	-
Movement in fair value through SOCI	191	(1)	-	-
Carrying value at 31 March	**8,512**	**7,128**	**-**	**-**

The Trust does not hold any investments / financial assets as such all investments/ financial assets stated above relate to the RUH Charitable Fund.

Note 20 Disclosure of interests in other entities

The Trust has a one third controlling interest in Wiltshire Health and Care LLP, in partnership with Salisbury NHS Foundation Trust and Great Western Hospitals NHS Foundation Trust.

Wiltshire Health and Care LLP formed in July 2016, and became responsible for the delivery of adult community healthcare across Wiltshire for at least the next five years. The LLP has a separate Board but strategic control of the organisation remains with the partners as detailed in the Members Agreement signed by the three NHS Foundation Trusts.

Wiltshire Health and Care LLP has a full year annual turnover of over £40 million. The clinical services provided to Wiltshire are procured mainly from Great Western Hospitals NHS Foundation Trust, with other small service provision, both clinical and corporate, received from Salisbury NHS Foundation Trust and the Royal United Hospitals Bath NHS Foundation Trust on a contract basis.

The financial risks of the LLP to the Members are limited to nil as per the signed members' agreement, the surpluses are accounted for in the Trust's accounts using the equity method, however the LLP reports a breakeven position as at the 31 March 2019, therefore there is no investment gain to recognise.

Note 21 Analysis of charitable fund reserves

	31 March 2019 £000	31 March 2018 £000
Unrestricted funds:		
Unrestricted income funds	1,786	1,195
Restricted funds:		
Other restricted income funds	8,839	8,764
	10,625	**9,959**

Unrestricted income funds are accumulated income funds that are expendable at the discretion of the trustees in furtherance of the charity's objects. Unrestricted funds may be earmarked or designated for specific future purposes which reduces the amount that is readily available to the charity.

Restricted funds may be accumulated income funds which are expendable at the Trustee's discretion only in furtherance of the specified conditions of the donor and the objects of the charity. They may also be capital funds (e.g. endowments) where the assets are required to be invested, or retained for use rather than expended.

Note 22 Inventories

	Group & Trust	
	31 March 2019 £000	31 March 2018 £000
Drugs	422	1,774
Consumables	2,507	2,468
Energy	64	72
Other	7	8
Total inventories	**3,000**	**4,322**
of which:		
Held at fair value less costs to sell	-	-

Inventories recognised in expenses for the year were £53.8m (2017/18: £49.9m). Write-down of inventories recognised as expenses for the year were £0m (2017/18: £0.1m).

Note 23 Receivables

	Group		Trust	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Current				
Contract receivables*	30,386	-	32,180	-
Trade receivables*	-	9,463	-	9,463
Accrued income*	-	11,168	-	11,547
assets*	(365)	-	(365)	-
Allowance for other impaired receivables	-	(512)	-	(512)
Deposits and advances	-	8	-	8
Prepayments (non-PFI)	-	2,731	-	2,731
PDC dividend receivable	74	416	74	416
VAT receivable	-	982	-	982
Other receivables	-	106	-	106
NHS charitable funds: trade and other receivables	26	218	-	-
Total current receivables	**30,121**	**24,580**	**31,889**	**24,741**
Non-current				
Contract receivables*	1,443	-	1,443	-
Trade receivables*	-	1,398	-	1,398
assets*	(261)	-	(261)	-
Allowance for other impaired receivables	-	(264)	-	(264)
NHS charitable funds: trade and other receivables	603	400	-	-
Total non-current receivables	**1,785**	**1,534**	**1,182**	**1,134**
Of which receivable from NHS and DHSC group bodies:				
Current	20,627	11,604	20,627	12,136
Non-current	-	-	-	-

*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.

Note 23.1 Allowances for credit losses - 2018/19

	Group		Trust	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
Allowances as at 1 Apr 2018 - brought forward		**776**		**776**
Impact of implementing IFRS 9 (and IFRS 15) on 1 April 2018	776	(776)	776	(776)
Changes in existing allowances	(180)	-	(180)	-
Utilisation of allowances (write offs)	30	-	30	-
Allowances as at 31 Mar 2019	**626**	**-**	**626**	**-**

Note 23.3 Allowances for credit losses - 2017/18

IFRS 9 and IFRS 15 are adopted without restatement therefore this analysis is prepared in line with the requirements of IFRS 7 prior to IFRS 9 adoption. As a result it differs in format to the current period disclosure.

	Group All receivables	Trust All receivables
	£000	£000
Allowances as at 1 Apr 2017 - as previously stated	**909**	**909**
Increase in provision	277	277
Amounts utilised	(410)	(410)
Allowances as at 31 Mar 2018	**776**	**776**

Note 24 Cash and cash equivalents movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	Group		Trust	
	2018/19	2017/18	2018/19	2017/18
	£000	£000	£000	£000
At 1 April	**35,504**	**18,344**	**32,912**	**16,625**
Net change in year	(13,173)	17,160	(13,966)	16,287
At 31 March	**22,331**	**35,504**	**18,946**	**32,912**
Broken down into:				
Cash at commercial banks and in hand	38	17	14	17
Cash with the Government Banking Service	22,293	35,487	18,932	32,895
Total cash and cash equivalents as in SoFP	**22,331**	**35,504**	**18,946**	**32,912**
Total cash and cash equivalents as in SoCF	**22,331**	**35,504**	**18,946**	**32,912**

Note 25 Trade and other payables

	Group		Trust	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Current				
Trade payables	5,592	7,909	5,592	7,909
Capital payables	5,805	4,502	5,805	4,502
Accruals	9,873	9,692	9,873	9,692
VAT payables	85	78	85	78
Other taxes payable	4,192	3,985	4,192	3,985
Accrued interest on loans*	-	77	-	77
Other payables	2,848	2,901	2,848	2,901
NHS charitable funds: trade and other payables	107		-	-
Total current trade and other payables	**28,502**	**29,144**	**28,395**	**29,144**
Of which payables from NHS and DHSC group bodies:				
Current	4,126	3,997	4,126	3,997
Non-current	-	-	-	-

*Following adoption of IFRS 9 on 1 April 2018, loans are measured at amortised cost. Any accrued interest is now included in the carrying value of the loan within note 26.2. IFRS 9 is applied without restatement therefore comparatives have not been restated.

Note 25.1 Early retirements in NHS payables above

There were no early retirements included in the payables note above in relation to the current or prior year.

Note 26.1 Other liabilities

	Group		Trust	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Current				
Deferred income: contract liabilities	5,691	4,756	5,691	4,756
Total other current liabilities	**5,691**	**4,756**	**5,691**	**4,756**

Note 26.2 Borrowings

	Group		Trust	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Current				
Loans from DHSC	3,026	2,958	3,026	2,958
Obligations under finance leases	398	94	398	94
Total current borrowings	**3,424**	**3,052**	**3,424**	**3,052**
Non-current				
Loans from DHSC	11,714	14,672	11,714	14,672
Obligations under finance leases	2,057	455	2,057	455
Total non-current borrowings	**13,771**	**15,127**	**13,771**	**15,127**

Note 27 Reconciliation of liabilities arising from financing activities

Group	Loans from DHSC	Finance leases	Total
	£000	£000	£000
Carrying value at 1 April 2018	**17,630**	**549**	**18,179**
Cash movements:			
Financing cash flows - payments and receipts of principal	(2,958)	(311)	**(3,269)**
Financing cash flows - payments of interest	(287)	(16)	**(303)**
Non-cash movements:			-
Impact of implementing IFRS 9 on 1 April 2018	77	-	**77**
Additions	-	2,218	**2,218**
Application of effective interest rate	278	15	**293**
Carrying value at 31 March 2019	**14,740**	**2,455**	**17,195**

The Charitable Funds do not hold any loans or finance leases, therefore financing activities relate to the Trust only.

Note 28 Royal United Hospitals Bath NHS Foundation Trust as a lessee

Obligations under finance leases where the Trust is the lessee.

	Group	
	31 March 2019	31 March 2018
	£000	£000
Gross lease liabilities	**2,518**	**567**
of which liabilities are due:		
- not later than one year;	416	100
- later than one year and not later than five years;	1,655	357
- later than five years.	447	110
Finance charges allocated to future periods	(63)	(18)
Net lease liabilities	**2,455**	**549**
of which payable:		
- not later than one year;	398	94
- later than one year and not later than five years;	1,613	345
- later than five years.	444	110

The Charitable Funds do not hold any lease liabilities, therefore all lease liabilities relate to the Trust only.

Note 29 Provisions for liabilities and charges analysis (Group)

Group	Pensions: early departure costs	Legal claims	Equal Pay (including Agenda for Change)	Redundancy	Other	Total
	£000	£000	£000	£000	£000	£000
At 1 April 2018	**861**	**51**	**396**	**72**	**1,553**	**2,933**
Arising during the year	82	47	-	3	288	**420**
Utilised during the year	(80)	(61)	-	(75)	(579)	**(795)**
Reversed unused	(29)	-	(396)	-	(1,043)	**(1,468)**
Unwinding of discount	8	-	-	-	-	**8**
At 31 March 2019	**842**	**37**	**-**	**-**	**219**	**1,098**
Expected timing of cash flows:						
- not later than one year;	79	37	-	-	219	**335**
- later than one year and not later than five years;	763	-	-	-	-	**763**
- later than five years.	-	-	-	-	-	**-**
Total	**842**	**37**	**-**	**-**	**219**	**1,098**

The Charitable Funds do not have any provisions, therefore the provision for the Group are those of the Trust.

Pensions - early departure costs
Early retirement costs and injury benefit payments for staff other than directors, based on the information provided by NHS Pensions. It is certain that the amounts and timings of the cash flows are accurate for the life of the claimant.

Other Legal Claims
Litigation claims against the Trust that are being handled by NHS Litigation Authority. The provision is based on the information provided by NHS Litigation Authority.

Other
Other provisions have been made in relation to employment issues and performance related pay. These amounts are estimates based on known risks and salaries. It is very likely that these will be resolved in the coming year.

Note 29.1 Clinical negligence liabilities

At 31 March 2019, £157.3m was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Royal United Hospitals Bath NHS Foundation Trust (31 March 2018: £91.3m).

Note 30 Contingent assets and liabilities

	Group		Trust	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Value of contingent liabilities				
NHS Resolution legal claims	37	51	37	51
Gross value of contingent liabilities	**37**	**51**	**37**	**51**
Amounts recoverable against liabilities	-	-	-	-
Net value of contingent liabilities	**37**	**51**	**37**	**51**
Net value of contingent assets	**-**	**-**	**-**	**-**

Contingent liabilities are the legal claims under the liability to third parties and property expenses administered by the NHS Resolution (formerly NHS Litigation Authority).

Note 31 Contractual capital commitments

	Group		Trust	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Property, plant and equipment	14,149	24,855	14,149	24,855
Intangible assets	697	634	697	634
Total	**14,846**	**25,489**	**14,846**	**25,489**

Note 32 Other financial commitments

The Trust has no other financial commitments.

Note 33 Defined benefit pension schemes

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.

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 payments.

Note 34 Financial Instruments

Note 34.1 Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the Trust has with NHS England and Clinical Commissioning Groups 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. The Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day to day operational activities rather than being held to change the risks facing the NHS Trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's Standing Financial Instructions and policies agreed by the Board of Directors. 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. Although the Trust has operations overseas, it has no establishment in other territories. The Foundation Trust therefore has low exposure to currency rate fluctuations.

Interest Rate Risk
The Trust borrows from government for capital expenditure, subject to affordability. The borrowings are for 1 – 25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund rate, fixed for the life of the loan. Additionally the Trust's cash balances are held with the Government Banking Service. The Trust therefore has low exposure to interest rate fluctuations.

Credit Risk
Because the majority of the Trust's income comes from contracts with other public sector bodies, it has low exposure to credit risk. The maximum exposures as at 31 March 2019 are in receivables from customers, as disclosed in the trade and other receivables note. These funding arrangements ensure that the Trust is not exposed to any material credit risk.

Liquidity risk
The Trust's net operating costs are incurred under agency purchase contracts with NHS England and local Clinical Commissioning Groups, which are financed from resources voted annually by Parliament. The Trust receives the majority of such contract income in accordance with the National Tariff Payment System (NTPS), which is intended to match the income received in year to the activity delivered in that year by reference to a National / Local Tariff unit cost. The Trust receives cash each month based on an annually agreed level of contract activity and there are periodic corrections made to adjust for the actual income due under the contract.

The Trust presently finances its capital expenditure mainly from donations, internally generated funds and loans from the Department of Health and is not, therefore, exposed to significant liquidity risks in this area.

Note 34.2 Carrying values of financial assets

IFRS 9 Financial Instruments is applied retrospectively from 1 April 2018 without restatement of comparatives. As such, comparative disclosures have been prepared under IAS 39 and the measurement categories differ to those in the current year analyses.

Group	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
Carrying values of financial assets as at 31 March 2019 under IFRS 9	£000	£000	£000	£000
Trade and other receivables excluding non-financial assets	30,574	-	-	**30,574**
Cash and cash equivalents	18,946	-	-	**18,946**
Consolidated NHS Charitable fund financial assets	4,014	-	8,512	**12,526**
Total at 31 March 2019	**53,534**	**-**	**8,512**	**62,046**

The Charitable Fund have elected to classify equity instruments as fair value through OCI on initial recognition, the carrying value of these designated assets are £8.5m.

Group	Loans and receivables	Assets at fair value through the I&E	Held to maturity	Available-for-sale	Total book value
Carrying values of financial assets as at 31 March 2018 under IAS 39	£000	£000	£000	£000	£000
Trade and other receivables excluding non-financial assets	24,893	-	-	-	**24,893**
Cash and cash equivalents	32,912	-	-	-	**32,912**
Consolidated NHS Charitable fund financial assets	2,592	7,128	-	-	**9,720**
Total at 31 March 2018	**60,397**	**7,128**	**-**	**-**	**67,525**

Trust	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
Carrying values of financial assets as at 31 March 2019 under IFRS 9	£000	£000	£000	£000
Trade and other receivables excluding non-financial assets	30,548	-	-	**30,548**
Cash and cash equivalents	18,946	-	-	**18,946**
Total at 31 March 2019	**49,494**	**-**	**-**	**49,494**

Trust	Loans and receivables	Assets at fair value through the I&E	Held to maturity	Available-for-sale	Total book value
Carrying values of financial assets as at 31 March 2018 under IAS 39	£000	£000	£000	£000	£000
Trade and other receivables excluding non-financial assets	24,893	-	-	-	**24,893**
Cash and cash equivalents	32,912	-	-	-	**32,912**
Total at 31 March 2018	**57,805**	**-**	**-**	**-**	**57,805**

Note 34.3 Carrying values of financial liabilities

IFRS 9 Financial Instruments is applied retrospectively from 1 April 2018 without restatement of comparatives. As such, comparative disclosures have been prepared under IAS 39 and the measurement categories differ to those in the current year analyses.

Group	Held at amortised cost	Held at fair value through I&E	Total book value
	£000	£000	£000
Carrying values of financial liabilities as at 31 March 2019 under IFRS 9			
Loans from the Department of Health and Social Care	14,740	-	**14,740**
Obligations under finance leases	2,455	-	**2,455**
Trade and other payables excluding non-financial liabilities	24,118	-	**24,118**
Total at 31 March 2019	**41,313**	**-**	**41,313**

Group	Held at amortised cost	Held at fair value through I&E	Total book value
	£000	£000	£000
Carrying values of financial liabilities as at 31 March 2018 under IAS 39			
Loans from the Department of Health and Social Care	17,630	-	**17,630**
Obligations under finance leases	549	-	**549**
Trade and other payables excluding non-financial liabilities	25,081	-	**25,081**
Total at 31 March 2018	**43,260**	**-**	**43,260**

Trust	Held at amortised cost	Held at fair value through I&E	Total book value
	£000	£000	£000
Carrying values of financial liabilities as at 31 March 2019 under IFRS 9			
Loans from the Department of Health and Social Care	14,740	-	**14,740**
Obligations under finance leases	2,455	-	**2,455**
Trade and other payables excluding non-financial liabilities	22,217	-	**22,217**
Total at 31 March 2019	**39,412**	**-**	**39,412**

Trust	Held at amortised cost	Held at fair value through I&E	Total book value
	£000	£000	£000
Carrying values of financial liabilities as at 31 March 2018 under IAS 39			
Loans from the Department of Health and Social Care	17,630	-	**17,630**
Obligations under finance leases	549	-	**549**
Trade and other payables excluding non-financial liabilities	25,081	-	**25,081**
Total at 31 March 2018	**43,260**	**-**	**43,260**

Note 34.4 Maturity of financial liabilities

	Group		Trust	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
In one year or less	27,542	26,194	25,641	26,194
In more than one year but not more than two years	3,356	3,297	3,356	3,297
In more than two years but not more than five years	4,808	7,013	4,808	7,013
In more than five years	5,607	6,756	5,607	6,756
Total	**41,313**	**43,260**	**39,412**	**43,260**

Note 35 Losses and special payments

Group and Trust	2018/19 Total number of cases Number	2018/19 Total value of cases £000	2017/18 Total number of cases Number	2017/18 Total value of cases £000
Special payments				
Compensation under court order or legally binding arbitration award	5	-	-	-
Ex-gratia payments	32	351	66	49
Total special payments	**37**	**351**	**66**	**49**

The Trust had one case in 2018/19 above £300k, this related to a Health & Safety Executive ruling (£337k) for which a provision was released in year.

Note 36 Initial application of IFRS 9

IFRS 9 Financial Instruments as interpreted and adapted by the GAM has been applied by the Trust from 1 April 2018. The standard is applied retrospectively with the cumulative effect of initial application recognised as an adjustment to reserves on 1 April 2018.

IFRS 9 replaces IAS 39 and introduces a revised approach to classification and measurement of financial assets and financial liabilities, a new forward-looking 'expected loss' impairment model and a revised approach to hedge accounting.

Under IFRS 9, borrowings from the Department of Health and Social Care, which were previously held at historic cost, are measured on an amortised cost basis. Consequently, on 1 April 2018 borrowings increased by £77k, and trade payables correspondingly reduced.

Reassessment of allowances for credit losses under the expected loss model resulted in a £0k decrease in the carrying value of receivables.

The GAM expands the definition of a contract in the context of financial instruments to include legislation and regulations, except where this gives rise to a tax. Implementation of this adaptation on 1 April 2018 has led to the classification of receivables relating to Injury Cost Recovery as a financial asset measured at amortised cost. The carrying value of these receivables at 1 April 2018 was £0k.

Note 37 Initial application of IFRS 15

IFRS 15 Revenue from Contracts with Customers as interpreted and adapted by the GAM has been applied by the Trust from 1 April 2018. The standard is applied retrospectively with the cumulative effect of initial application recognised as an adjustment to the income and expenditure reserve on 1 April 2018.

IFRS 15 introduces a new model for the recognition of revenue from contracts with customers replacing the previous standards IAS 11, IAS 18 and related Interpretations. The core principle of IFRS 15 is that an entity recognises revenue when it satisfies performance obligations through the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services.

As directed by the GAM, the Trust has applied the practical expedient offered in C7A of the standard removing the need to retrospectively restate any contract modifications that occurred before the date of implementation (1 April 2018).

The impact of the application of IFRS 15 in the financial statements was not material in the current reporting period.

Note 38 Related parties

During the year none of the Department of Health Ministers, Royal United Hospitals Bath NHS Foundation Trust board members or members of the key management staff, or parties related to any of them, has undertaken any material transactions with Royal United Hospitals Bath NHS Foundation Trust.

The Department of Health is regarded as a related party. During the 12 month period to 31 March 2019, the Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department. These entities are:

CCGs
NHS Wiltshire CCG
NHS Bath and North East Somerset CCG
NHS Somerset CCG
NHS Bristol, North Somerset and South Gloucestershire CCG
NHS Gloucestershire CCG

NHS England Organisations
NHS England - Core (including Provider Sustainability Funding)
NHS England South West Local Office
NHS England - South West Commissioning Hub
NHS England South Central Local Office
NHS England - Wessex Specialised Commissioning Hub

NHS Trusts and Foundation Trusts
University Hospitals Bristol NHS Foundation Trust
Great Western Hospitals NHS Foundation Trust
North Bristol NHS Trust
Salisbury NHS Foundation Trust
Avon and Wiltshire Mental Health Partnership NHS Trust
Somerset Partnership NHS Foundation Trust
Yeovil District hospital NHS Foundation Trust
Gloucestershire Hospitals NHS Foundation Trust

Other Agencies
Health Education England
Department Of Health (excluding PDC)
Bath and North East Somerset Council
Wiltshire Unitary Authority
Welsh Assembly Government (including all other Welsh Health Bodies)
Public Health England
NHS Litigation Authority
NHS Blood and Transplant (excluding Bio products Laboratory)

In addition, the Trust has had a number of material transactions with other government departments and other central and local government bodies. Most of these transactions have been with Her Majesty's Revenue and Customs in relation to Value Added Tax, National Insurance Contributions and Income Taxes.

The Trust has also received revenue and capital payments from the Royal United Hospital Bath NHS Trust Charitable Funds, for which the Trust Board acts as Corporate Trustee. The audited accounts of the Charitable Funds are available at www.ruh.nhs.uk.

The Trust is an equal partner in Wiltshire Health and Care LLP, the Trust received payment of £127k (2017-2018 £23k) in respect to the provision of Financial Services to the partnership.