NHS
Southern Health
NHS Foundation Trust

Annual Report and Accounts
2018/19
Southern Health NHS Foundation Trust

OUR VALUES

Patients & people first · Partnership · Respect

Southern Health NHS Foundation Trust
Annual Report and Accounts 2018-2019

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

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1. Performance Report

1.1   Foreword by the Chair and Chief Executive

This year, we believe, has been one of significant progress, meaningful learning and reflection as we have continued our mission to become the organisation our patients and communities rightly deserve.

We started the year by completing the revision of our Trust Board with the addition of a new Medical Director, Chief Operating Officer and Director of Nursing and Allied Health Professionals. We also welcomed three new Non-Executive Directors: Robert Goldsmith who joined in October 2018, and Michael Bernard and Kate FitzGerald who joined in May 2019.

Coming together as a Board, we knew we had to be clear about the scale and breadth of change required across the organisation over the coming years. We spent time reflecting on a number of key issues, including the prosecution by the Health and Safety Executive, our response to past failings and serious incidents, the findings of our staff survey, feedback from our patients, carers and families, findings from inspection reports and national reports, and how we compared to some of the best NHS Trusts in the country.

This highlighted that we still had significant improvements to make in a number of key areas including:
* improve access, quality, safety and consistency of care
* involving people and listening to their views
* joining up care
* attracting and retaining staff, supporting our workforce and changing our culture
* transforming care pathways
* financial challenges.

These are the areas we have focussed on improving over the last 12 months, alongside our 6,000 staff and the people who use our services. During the time we spent with our colleagues from across the Trust, we have seen a workforce made up of compassionate and dedicated people who have chosen to work in the NHS because they want to make a difference. This is truly a strong foundation to build upon.

During the year we have seen our services develop and our staff work incredibly hard, often in very challenging circumstances, to ensure the people we care for receive the best possible services. It is thanks to their skill, diligence and care that improvements have been made, which have been recognised throughout the year:

* In June 2018 NHS Improvement lifted some of the regulatory undertakings placed on Southern Health following the Mazars report published in 2015. Independent scrutiny found significant improvements in the way the Trust now investigates and reports patient deaths and involves family members in this process as well a culture of increased openness and transparency.
* Our re-inspection by the Care Quality Commission in the Summer showed evidence of widespread improvements across the organisation. Whilst the Trust's rating remained as 'requires improvement', over 76% of service areas (13 out of 17) are now rated as good or outstanding (this compares to 53% in 2014).

- In the Autumn, we received the results of a national survey which annually benchmarks the experiences of people using community mental health services. Overall 77% of patients' rated their experience as either 'good' or 'very good', 6% higher than the national average. Of those surveyed, 88% considered Southern Health (compared to the national average of 83%) treated them with dignity and respect.
- In November our regulator, NHS Improvement confirmed that Southern Health had been removed from the category of NHS Trusts requiring specific additional oversight, after being encouraged by the results of our CQC inspection.
- In March 2019, the results of our national staff survey showed significant improvement in a number of areas. More staff completed the survey than ever before, and our staff told us they now feel more engaged, with our score now in the top third of NHS Trusts.

We are clear that we still have much more to do and there will be further challenges ahead. However, we firmly believe that incremental progress is being made and that we are well on the way to creating an organisation that our patients and their families deserve.

Creating the right culture requires strong, effective and stable leadership, and earlier this year we started the process of restructuring the organisation. This will shift us from our current shape, which separates mental and physical health services, to one made up of four geographically defined, clinically-led divisions, alongside a division for our more highly specialised services. Importantly, these divisions comprise both mental and physical health teams. It is our aim that this new structure will further enable the planning and delivery of truly joined up, holistic care, designed around our local communities, that is better able to meet peoples mental and physical health needs. As we write this report we are putting in place the management teams to support each division and hope to have these in place later in the Spring.

One of the most exciting things this year was the progress we have made in relation to quality improvement. We are well on the way to embedding a systematic approach to transforming our services, which we have developed through our partnership with Northumberland, Tyne and Wear NHS Foundation Trust. In doing so we will also bring about a fundamental change in our culture where continuous improvement is everyday practice. Already, over 60 members of staff have undergone thorough quality improvement training, and are now running over 20 diverse projects designed to transform how we work and improve how we deliver services. Around 900 staff have now been involved in these quality improvement projects across the Trust, which is fast becoming a genuine movement for change.

A key part of transforming our services is to better involve our patients and carers. We have made a number of key appointments this year to spearhead a major shift in the way we do this. Our first Head of Patient and Public Involvement has helped us drive through a number of improvements such as the establishment of our Working in Partnership committee which helps us gather feedback from patients, service users, carers, voluntary sector and community groups. We have also been delighted to appoint Experts by Experience (staff or volunteers with lived experience of physical or mental health problems) and User Involvement Facilitators, who are using their insights and fresh perspective to ensure the voices of services users, carers and their families are heard and acted upon in a meaningful way.

With the scale and complexity of the task ahead for Southern Health, a clear vision and a planned approach to get us there is of fundamental importance. That is why, over the last 12 months, we have developed a new strategy for the organisation, and worked with staff, service users, carers and families to better articulate our vision and our purpose. We are confident this will ensure we are all clear on our ambition for the future and how we are going to achieve it, together.

The last year has seen real progress, and some areas of outstanding achievement, as you will discover in the pages ahead. Challenges remain but we are even more convinced of this organisation's potential. We owe it to those we serve and those we work alongside to build upon this and maintain the momentum into 2019/20.
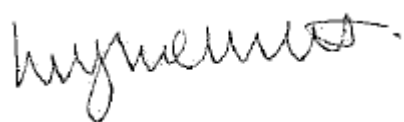
2018/19 is the first full year that we have both been in post and we would like to thank our Non-Executive colleagues and Governors for providing us with constructive challenge and for their considerable experience and counsel along the way.

We thank all our staff for their achievements and commitment this year, they are truly our greatest asset and we are incredibly grateful for what they do.
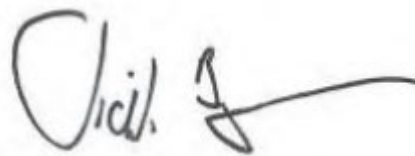
Finally, we thank every patient, service user, family member, colleague and partner who has provided feedback, comment, compliments, criticism and complaint; who has given their time, energy and expertise to help make us a better Southern Health.

We look forward to working with you all in the year ahead.

With best wishes,

Lynne Hunt   Dr Nick Broughton
Chair   Chief Executive

1.2   Performance overview

Who we are (Purpose and activities)
The purpose of this overview is to understand Southern Health, our purpose, key risks and how we have performed during the year. Southern Health NHS Foundation Trust is the main provider of community health, specialist mental health and learning disabilities services for people across Hampshire. This year our staff cared for around 280,000 people and served a population of 1.5 million people.

As a Foundation Trust, we have over 8,440 public members from local communities who elect a Council of Governors which holds our Board to account.

We are funded by NHS England, local commissioners and local authorities receiving around £300million each year.

We delivered 69,106 outpatient appointments and patients received care in our hospital beds for a total of 211,235 days. We provided nearly 1.1 million contacts with patients in the community each year. We cover a large geographical area and operate from around 300 sites including community hospitals, health centres, inpatient units and community based services.

Our services cover:
- treatment and support to adults and older people experiencing mental illness in the community and through our inpatient services
- treatment for adults and young people in secure and specialised settings
- IAPT (Improving Access to Psychological therapies) services
- community learning disability teams working in partnership with local councils to provide care and support for adults with learning disabilities
- specialist learning disability inpatient services
- a diverse range of community health services providing care to both adults and children. This encompasses community nurses, end of life care, safeguarding, diabetes services, speech and language therapy, stroke services, X-ray, pain management, Orthopaedic Choice, physiotherapy and podiatry
- health visiting and school nursing teams working to deliver the Healthy Child Programme across Hampshire.

Research at Southern Health
Our Research and Development team provide clinical research to develop new treatments and knowledge for better health care, building the evidence for new approaches that are safe and effective. We conduct research into many areas of mental and physical health, such as diabetes and psychosis, and support colleagues across the organisation to get involved in research projects. The Trust actively involves patients, service users, carers and staff in research projects. During 2018/19 a total of 1,527 patients and staff participated in research projects. The Memory Assessment and Research Centre (MARC) is an internationally recognised research unit which has made significant contributions to the understanding and treatment of dementia and cognitive impairment - with a specific focus on finding a treatment to slow the progression of memory decline and improve quality of life. We work closely with academic institutions, the National Institute for Health Research, and local and national research networks. More information about research activity can be found in the Quality Report.

A brief history

In 2009 we gained Foundation Trust status under the name of Hampshire Partnership NHS Foundation Trust.

On 1 April 2011 we become Southern Health NHS Foundation Trust following a merger of Hampshire Partnership NHS Foundation Trust and Hampshire Community Healthcare.

In November 2012 we acquired Oxfordshire Learning Disabilities NHS Trust which enabled us to provide learning disability and social care services across Oxfordshire, Buckinghamshire, Wiltshire and Dorset.

In 2016/17 the services that were acquired in 2012 from Oxfordshire Learning Disabilities Trust were transferred to other providers allowing us to focus on services provided within Hampshire.

The Trust was prosecuted by the Health & Safety Executive for two breaches of Section 3(1) of the Health and Safety at Work Act 1974. These failings related to preventable deaths in 2012 and 2013. The Trust pleaded guilty to the charges and received a fine of £2million in March 2018.

In 2017/18, the leadership of the Trust committed to continue providing both mental and physical health services, with an aim of providing more joined up (integrated) care.

In 2018/19, the new Trust Board became fully established. The Transformation and Quality Improvement programme was launched, and the process to restructure the organisation begun.

What drives us

Crucial to us becoming the healthcare provider our patients deserve, we have a clear aim of what we aspire to in our vision and purpose statements (see below), values that underpin everything we do supported by strategic objectives that set out what we need to do.

This year we have been working with our staff, service users, patients, families, carers and partners to develop a new vision and purpose for the organisation. This describes our aspirations as a Trust. They complement the values as a common thread that unites people, articulating why we do what we do, what we are working to achieve, and what people can expect from us at every level of the organisation.

Our vision – World class treatment and care together

Our purpose – Holistic care in partnership that improves lives

To achieve our purpose we need our services to transform the way we provide healthcare for the better. This year we launched our transformation programme and have finalised our organisational strategy for the next five years. This shows how we are going to bring about change within Southern Health and will be published this summer (2019).

Our values

In 2017 we worked closely with our staff and partners to develop a refreshed set of values. These are the core principles that underpin everything we do, from ward to the Board. Our values are:

- Patients and People First
  - Providing compassionate, safe care
  - Listening to each other
  - Doing the right thing
  - Appreciating each other
  - Delivering quality
- Partnership
  - Communicating clearly
  - Supporting each other
  - Working as a team
  - Building relationships
  - Making things happen
- Respect
  - Acting with honesty and integrity
  - Respecting each other
  - Taking responsibility
  - Getting the best from our resources
  - Doing what we say we will do

Our strategic priorities

Our strategic priorities support the delivery of our purpose and define what we will do to deliver our vision. Below are the strategic priorities for 2018/19. During the year we have worked with staff and our partners to refresh these and a new set of priorities will be launched in time for the 2019/20 appraisals with staff, to ensure every member of staff can play their part in helping us achieve our vision.

Quality – Delivering high quality, safe services that inspire the confidence of people who use or rely on them, supported by a Trust-wide transformation programme

People – Attract and retain people to pursue a relentless focus on improving and providing quality services to enable people to reach their full potential.

Transformation – Transform our care models in mental health, secure services and community services to deliver great outcomes for the people we care for.

Money – Focus on eliminating waste, and increasing productivity and effectiveness, to create the financial flexibility and resilience needed to invest in the future of our services.

HOW WE'RE STRUCTURED

Structure of our Board

The Board is made up of our Executive Directors and Non-Executive Directors. They are responsible for our overall performance and our plans for the future. We also have a Council of Governors (staff, public and appointed), who represent the views of Foundation Trust Members. Governors help the Trust make key decisions about our services and hold our Non-Executive Directors to account.

THE CHAIR AND NON-EXECUTIVE DIRECTORS

Chair
Lynne Hunt

Non-Executive Director
Jeni Bremner

Non-Executive Director
David Monk

Non-Executive Director
David Kelham

Non-Executive Director
Dr David Hicks

Non-Executive Director
Rob Goldsmith

THE CHIEF EXECUTIVE AND EXECUTIVE DIRECTORS

Chief Executive
Dr Nick Broughton

Finance Director
Paula Anderson

Director of Nursing and Allied Health Professionals
Paula Hull

Medical Director
Dr Karl Marlowe

Chief Operating Officer
Barry Day

Director of Workforce, Organisational Development & Communications
Paul Draycott*

* Non voting member of the board

The structure of our services

This year we have been looking at how we can ensure we deliver the best joined up services that meet the needs of our local populations. We received feedback from staff that our current structures and processes did not always allow us to deliver the patient centred services we aspire to.

To this end we spent time with staff, patients, families and our partners to look at how we could improve the way we lead and manage the care we provide. We also worked closely with other health and care organisations across Hampshire and the Isle of Wight to look at how services can be better aligned to provide more joined up care. As a result we worked with GP, commissioning, and local authority partners to develop a new Hampshire - wide structure to deliver our health and social care services, called New Models of Care. This shows our intention to work with our colleagues across the local health care system to develop better, more joined up services based on the health and care needs of our populations.

Local services will be delivered by 35 'Primary Care Networks' - based around small groups of GP practices across Hampshire and the Isle of Wight. Southern Health will support the 24 Primary Care Networks in the areas we cover. By working in this way we will improve the health outcomes in these areas and provide more tailored and co-ordinated care.

This builds on pioneering work carried out by teams in the Gosport and Lymington areas during pilot projects over recent years. The efforts of staff at those sites, and the learning we took from that work, has helped us refine our ideas and what we can deliver in these new models of care. For example, the Willow Group in Gosport provides a Long Term Conditions hub, enabling people to see certain specialists in the same place at the same time, removing the need for separate appointments and reducing strain on GP surgeries.

In December 2018, we launched a formal consultation on a new structure for the organisation which will enable us to support this model. We consulted on three options of possible organisational structures. This will see us align our physical and mental health services under the new clusters. This allows our services to develop new ways of working that focus on what our patients need rather than separating health and care by divisional boundaries.

In the first few months of 2019 we undertook a consultation (mentioned above) on a new operational and clinical leaders structure which will help the new shape of the organisation. This moves from our current divisional structure to one made up of a number of locality and speciality specific directorates. These are led by a Clinical Director who continues to work in their own clinical speciality. These posts have now been appointed to and our new structures should be fully operational by May 2019.

We are confident these changes will lead to more integrated and proactive care, with better outcomes for our local populations. We believe that this structure will be more sustainable for the future linked to the primary care networks driven by local population health needs.

Our main risks

We carefully identify, monitor and manage risks which may impact on our ability to continue providing care. We do this through a detailed risk register and our Board Assurance Framework. Our most fundamental risk is that we fail to provide high quality or effective care, resulting in serious harm. In addition, we have identified risks which relate to our ability to recruit and retain staff, deliver truly integrated services, or achieve long term financial sustainability.

Alongside these high-rated strategic risks, we continue to focus on the quality and effectiveness of our services, patient and service user engagement, culture and values, the effectiveness of our governance structures, and our ability to manage organisational change. These areas are the next highest scored risks in the Board Assurance Framework.

More information on the risks and how we manage them can be found in the Annual Governance Statement, pages 95 to 106 and further detail on delivery of our strategic priorities in 2018/19 is set out in the Performance Report on pages, 21 to 31.

Going concern disclosure

After making enquiries, the Directors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the "going concern" basis in preparing the accounts.

OUR YEAR

April 2018
- Our West Hampshire Community Diabetes Service were shortlisted in the 2018 Health Service Journal Value Awards for improving value to their patients through better diabetes care.

May 2018
- We appointed a Hospital Health Coordinator at Alton Community Hospital to support patients with their transition from hospital to home. This is part of collaboration between Southern Health and Age Concern Hampshire after it was recognised that more could be done to support patients as they plan to leave hospital.

June 2018
- NHS Improvement announced it was lifting some of the regulatory undertakings placed on Southern Health in 2016 after seeing clear evidence of progress.
- Our Frailty Support Team from Lymington were featured in a special film made for the NHS 70th Birthday celebration. The film highlights the need for services that target the aging population and the fantastic work we do in the community by helping people to stay at home with the right care.

July 2018
- Our Crisis Lounge, which opened in Autumn 2017 in order to increase the support available for local adults experiencing a mental health crisis, extended its hours to go 24/7.
- We took part in the NHS 70th Birthday celebrations with a giant pass the parcel game looking at why our staff chose to work for Southern Health and the NHS.
- Health visitors from the Trust provided a sanctuary for mum and babies at the New Forest Show with a breast and bottle feeding bus.

August 2018
- We ran a campaign throughout August with our school nursing team to help parents prepare their children for school in September. This included helpful hints and tips about eating, dressing and hygiene.
- Southern Health became an official partner of Southampton Pride celebrating the diversity of the Trust and the local population. We hosted a stall at the event where clinicians were able to offer support to the public.
- We launched the 'Red Bag' scheme to improve the experience of elderly and frail patients being admitted and discharged from hospital. When a patient becomes ill, care home staff ensure they receive a 'red bag' that contains details regarding their health, history and personal belongings. This allows hospital staff to identify the care they need and treat them quickly and effectively, sometimes reducing their stay in hospital by up to 4.4 days.

September 2018
- We launched our End PJ Paralysis campaign which encourages patients to wear their day clothes whilst in hospital, rather than their pyjamas or gowns.
- We held our Annual Members Meeting with a health market place showcasing our services and keynote speakers covering topics such as mental health and frailty.

October 2018
- The CQC published their comprehensive report which found over 76% of our service areas were rated as good or outstanding.
- All of our sites became sugar free with no sugar-sweetened drinks being sold.
- Our Health Visiting service launched ChatHealth 0-5, a text messaging service to support parents, carers and families of under 5's in Hampshire.
- We partnered with our health care partners across Hampshire to provide frailty cars which will enable health professionals to deliver care to elderly patients living with frailty in the New Forest, in the comfort of their own home.
- We launched a new service called the 'Recolo Project' for people who are experiencing obsessive or fixated thoughts and behaviours about others, impacting upon their own lives and the lives of others. The service aims to work with people to make positive behavioural changes – improving their psychological wellbeing, their relationships with other people and ultimately reducing the risks of unlawful stalking behaviour and the impact of this on potential victims.

November 2018
- We received the results of a national survey which annually benchmarks the experiences of people using community mental health services. Overall 77% of patients' rated their experience as either 'good' or 'very good', 6% higher than the national average. 88% agreed Southern Health (compared to the national average of 83%) treated them with dignity and respect.
- We marked the start of exciting work at two new units based in Calmore. A new purpose built residential unit for people with learning disabilities is being created and due to open in 2020. Woodhaven Hospital is being transformed to provide a 14 bed adolescent low secure hospital. This should be open in autumn 2019.
- Fordingbridge Surgery became an accredited Learning Disability Friendly Practice – one of only 42 GP practices across Hampshire to gain the accolade.
- Over 200 colleagues gathered for the first Transformation conference; where they learned about the Trust transformation programme, how quality improvement methodologies can work in practice, what training is available and the stories from projects that had taken place so far.

December 2018

- A new Day Therapy service was launched at Basepoint in Gosport. Patients who experience a crisis in their mental health can be referred into the new service which offers low intensity psychological care.
- We celebrated our staff at our annual staff reward and recognition event – the Star Awards. We received over 630 nominations from our staff, patients, service users, families and members of the public. There were 61 shortlisted nominees selected across nine categories based on the Trust values.
- We held our first Suicide prevention conference. Over 120 people attended the event which focussed on evidence based interventions for those experiencing suicidal distress and those bereaved. The key note speaker for the event was Thomas Joiner, a leading psychologist and expert in suicide prevention. This has helped us develop a special interest group to take forward recommendations for developing our Trust Zero Suicide strategy.

January 2019

- Bluebird House, a secure adolescent mental health unit, was chosen as one of just five trusts across the UK to benefit from an exciting arts project by national charity 'Hospital Rooms'. The project will see £45,000 spent to transform the clinical environment with extraordinary artworks by world-class artists in collaboration with staff and young patients.
- We launched our 'Safe Hands, Safe Care' campaign to raise the importance of handwashing to help prevent and control the spread of many illnesses.

February 2019

- The West Hampshire Community Integrated Respiratory service launched an education programme to support nursing homes manage the care of respiratory patients.
- We linked with Sparsholt College and Help for Heroes to design and create two new gardens for Parklands Hospital, our specialist MoD mental health unit in Basingstoke.

March 2019

- We commissioned a survey of 10-19 year olds from across 100 different Hampshire Schools and colleges as part of a joint project with youth-led social enterprise 'Unloc' (which specialises in linking organisations with young audiences). The results of the survey - which also showed that only 1 in 3 young people (35%) feel comfortable talking about their mental health with others – will help to inform a series of four stand-alone 'summit' events held this spring, each over a full school-day and for up to 50 students from each local area.

1.3   Performance Analysis

Introduction

This year has been a challenging one for the Trust. We have been undergoing significant transformation to look at the way we provide our services in order to provide the best possible care within the tight financial restrictions the NHS is currently operating in.

We are generally performing well against our regulatory and contractual targets for the people who use our services. We are also performing well against our internal targets. We have some areas where focused improvement is required and have plans in place to achieve these.

Below is a summary of our targets for our mental and physical health services:

Mental Health measures

Metric	Target	Performance	Achieving Target (Yes/No)
Gatekeeping	95%	99.7%	Yes
Mental Health & Learning Disabilities inpatient – delayed transfers of care	7.5%	5.7%	Yes
CPA 7 day follow up	95%	95.6%	Yes
Early Intervention in Psychosis two week wait	50%	91.3%	Yes
Improving Access to Psychological Therapies waiting times – six weeks	75%	96.0%	Yes
Improving Access to Psychological Therapies waiting times – 18 weeks	95%	99.9%	Yes
Waiting times – external referral clock stops* (This is where a time measure for treatment is stopped because treatment has started in an external provider)	90%	90.5%	Yes
CPA 12 month reviews	95%	98.1%	Yes
Mental Health service data set identifiers	95%	99.7%	Yes
Mental Health service data set outcomes	50%	75.7%	Yes
Mental Health risk assessments**	95%	74.8%	No

Note: The March 2019 position for Mental Health Risk Assessment was 85.1%. 74.8% is the average over the 12-month period
* Commissioner target
** Trust internal target - We have not met this internal target because of issues with our staff recording and reporting information on RiO. Clinicians are being supported to make sure this improves and they are able to compile the information accurately.

Physical Health measures (April 18 - March 19)

Metric	Target	Performance	Achieving Target (Yes/No)
Referral to Treatment incomplete (percentage of patients waiting no longer than 18 weeks from referral to start of treatment)	92%	93.9%	Yes
Diagnostics	99%	98.7%	No
Minor Injuries Unit access times	95%	99.7%	Yes
Delayed transfers of care**	13%	14.4%	No
End of life – dying in preferred location of care**	80%	88.4%	Yes
Rapid response performance**	80%	97.4%	Yes
Waiting times – external referral clock stops*	90%	83.5%	No
Community information data set compliance	50%	96.7%	Yes

Note: The March 2019 position for diagnostics was 99.8%. 98.7% is the average over the 12 month period. The drop was due to a piece of equipment being out of commission for several weeks.
The March 2019 position for delayed transfers of care was 13.4%. 14.4% is the average over the 12 month period. There was an error in the target given for delayed transfers of care last year. The target for 18/19 was 13%.
* Commissioner target
** Trust internal target

Care in the community

We have worked hard throughout the year with our healthcare partners to reduce the number of people we care for in an inpatient setting who would be better cared for at home or in a different setting. However our teams have seen an increase in their caseloads and also a rise in patient acuity which is putting a strain on teams in this challenged economic environment.

This has led to the number of patients facing delays remaining higher than we would want. This is shown particularly within our community hospitals, where the challenge of organising appropriate care packages in a pressured health and social care system continues to be evident.

Whilst the numbers continue to reduce they are still too high and we are working closely with our partners across the system on a wide range of plans to ensure our patients are cared for in the best possible setting.

The availability of acute inpatient mental health care
The availability of inpatient mental health beds continued to be a national challenge during 2018/19.

We are committed to providing acute inpatient mental health care to the population we serve. Our first priority is to always secure a timely admission to a setting that will meet patients' needs, and we make every effort to ensure this is within the services provided by the Trust. Regrettably, in some cases it is necessary to secure a placement through another provider, either in Hampshire, or further afield, to make sure patients get the urgent care they need. We call these 'out of area placements'. We recognise that these are far from ideal because of the impact on patients and their families, and the additional costs of these placements.

Frustratingly, despite significant and sustained focus from the Board and senior colleagues, we were unable to make planned reductions in these out of area placements during 2018/19, and this remains a key priority for the year ahead.

More information about the use of out of area placements during 2018/19 can be found on page 99.

How we monitor performance
Our strategic priorities are translated into key objectives and measures. These are given clearly defined metrics, thresholds and ratings for each business unit, team and individual. There is regular oversight through reports and performance meetings at each level (individual, team, division and Trust-wide) with a clear approach for escalation.

This year we have also implemented a revised Performance Management and Accountability Framework. This focuses on using information and analysis to identify risks and trends by using performance management dashboards to bring together quality and safety, finance, performance, and workforce indicators. This will provide triangulated information and analysis for our business units, divisions and Board to scrutinise.

This is part of a large term project to improve the content and presentation of Board performance reports. There is now more robust assessment and assurance including detailed reviews of areas of concern, improvement trajectories and benchmarking against other relevant Foundation Trusts.

Divisional performance reviews
Strengthening the divisional performance review process has meant that weekly Business Unit meetings can identify problems and allow prompt corrective action to be taken. At Divisional level, performance exceptions are fully discussed to enable learning to be identified and a peer discussion can take place to mind map solutions.

The reviews allow the Divisional Directors to hold Business Units to account for their operational performance and ensure robust action plans are developed and implemented to rectify areas of poor performance.

Issues are escalated through the Senior Management Committee to the relevant Board Committees and Trust Board. Bi-monthly oversight is undertaken with Executive Directors and Divisions to allow for more detailed discussions. See page 22 for details.

Improvements in data quality

During 2018/19 we committed to make further improvements in data quality through the following initiatives:

- Clinical validation of one Board-level clinical Key Performance Indicator (KPI) per month to ensure reported performance is supported by robust and reliable clinical documentation.
- Data quality kite-marks have been incorporated into our Integrated Performance Report and audited on a monthly basis. This allows us to assess levels of data quality for each Board KPI.
- We have the additional monitoring of patient-level validation lists which are now available daily. These extend to clinical measures such as risk assessments, outcome measures and clinical

In the following pages you will find a summary of our performance over the last 12 months in relation to our strategic priorities: Quality, Transformation, People and Money.

Quality - Delivering high quality, safe services that inspire the confidence of people who use or rely on them, supported by a Trust-wide transformation programme.

- **Full regulatory compliance (minimum of good with CQC)**
- **Within top 20% of comparator Trusts nationwide for engagement of people who use or rely on our services**
- **Meeting all access targets**
- **Patient, family and public engagement plans lead to more engagement and involvement in clinical and care decisions and better understanding of our work.**

As we began this financial year the Trust had recently been prosecuted by the Health and Safety Executive for failings relating to the deaths of two patients in 2012 and 2013. The Trust pleaded guilty to the charges and fully accepted the findings.

These patient deaths and the subsequent investigations and findings have been catalysts for huge change across all our services. However, the job of improving safety and quality is never complete and it remains the highest priority for the Trust.

In recognition of these changes, in June 2018 our regulator, NHS Improvement, announced it was lifting some of the regulatory undertakings placed on Southern Health in 2016. This followed the publication, earlier in 2018, of an independent audit assessing our progress against the recommendations made in the Mazars report. The audit found significant improvements in the way the Trust investigates and reports patients' deaths and involves family members in this process as well as a culture of increased openness and transparency.

Throughout June and July 2018 the Trust underwent a full comprehensive inspection by the Care Quality Commission. This was the first comprehensive report into the Trust since 2014. Whilst the Trust's rating remained as 'requires improvement', overall the CQC found many signs of progress across the organisation with over 76% of service areas now rated as good or outstanding.

All of our community services are now rated good. In addition, three of our services now have outstanding ratings, including: our Perinatal Mental Health Services, Long Stay Mental Health Rehabilitation Wards for Working Age Adults (Hollybank and Forest Lodge), and Wards for People with Learning Disabilities or Autism (Willow Assessment and Treatment Unit and Ashford Ward). The report also reflected the significant strides we have made to improve our relations with families and carers and how staff feel more valued and supported.

There were also areas where we have much more work to do. The services which remain as requiring improvement are typically those where we have some of our greatest staffing challenges. This is especially the case in our Older Peoples Mental Health wards and we took the difficult decision to temporarily close Beaulieu Ward at the Western Community Hospital in November 2018.

As part of the inspection we were served with a warning notice under Section 29A of the Health and Social Care Act 2008. The notice was in relation to two locations; Bluebird House and Leigh House. At the time of the inspection the CQC felt the Trust did not have sufficient staff to ensure the safe care and treatment of the young people at these locations. On an unannounced inspection a few weeks later the CQC found that significant improvements had been made and as such, they lifted the warning notice.

The CQC also identified several other areas for improvement and issued the Trust with seven Requirement Notices. A quality improvement plan has been developed to address these areas. The plan focuses on themes with a work stream approach to understand and address the root causes of issues with quality improvement methodology being used to support the improvements. Progress and completion of actions is monitored through the Quality Improvement Plan Delivery Group, workstream meetings and evidence review panels. Progress is reported to the Senior Management Committee, Quality and Safety Committee and Trust Board on a monthly basis. Progress is externally shared with the commissioners.

Some of the improvements already put in place include:
- how the Trust uses patients and families views about their experience to improve care and services
- improved recruitment and retention processes
- improved end of life training and competencies
- continued programme of works to provide dementia friendly environments
- more access to psychological therapies
- development of specific Mental Capacity Act training programme.

Senior Management Committee
The Senior Management Committee is a committee of the Board and is the executive decision-making committee for the Trust. It is chaired by the Chief Executive.

The main purpose of the Committee is to provide the Board with assurance concerning all aspects of delivery of the Trust's strategy and associated underpinning strategies. It also assures the Board, through consultation with appropriate other committees as necessary, that the structures, systems and processes are in place and functioning to support the committee's work.
The membership of the Committee includes:
- Chief Executive (Chair)
- Medical Director
- Director of Nursing & Allied Health Professionals
- Director of Finance
- Chief Operating Officer
- Director of Workforce & Organisational Development
- Associate Director of Communications & Engagement
- Director of Technology & Chief Information Officer
- Associate Director of Estates Services
- Associate Medical Directors

- A representative from the Deputy Directors of Nursing & Allied Health Professionals
- A medical representative from Community Physical Health
- Associate Director of Quality Governance
- Associate Director for Planning, Performance & Business Development
- Deputy Director of Finance
- Chief Clinical Information Officer
- Head of Psychological Therapies
- Head of Executive Affairs & Projects

Our Chief Executive reports to the Board on the Committee's activities via the Chief Executive's report as required and minutes of the Committee will be made available to Board members once approved.

Patient, family and public engagement
A main focus for the Trust this year has been in engaging our service users, patients and carers. We are committed to working together in partnership with people to ensure the services we provide are of high quality and are delivered in a comfortable, caring, compassionate and safe environment.

We want to work together with service users, patients, families and carers so they have a say in their care and treatment and help us to understand how services can be improved.

It is vital we use the insight gained from our population in a robust and meaningful way. There are already many examples of great practice in this area however it is not something that is consistent across all our areas. We were pleased to welcome Dawn Buck to the Trust in the summer as our first Head of Patient and Public Engagement.

In July 2018 we held a stakeholder workshop to reflect and reflect on our current strategy. This has allowed us to update our plans for the year ahead which has included:
- re-establishing the Families First group
- establishing a Trust-wide Working in Partnership Committee
- co-producing an organisation plan for carers and their families
- producing materials for carers and staff
- establishing a patient and public involvement leads internal network
- working with external partners to agree plans and opportunities for joint working, e.g Healthwatch, Hampshire County Council, CCGs
- developing a peer support framework and recruited three full time user involvement facilitators
- agreeing a plan of engagement work with a young peoples social enterprise looking at experiences of mental health.

Full details of our engagement with service users, patients, families and carers can be found in our Patient Insight report at: https://www.southernhealth.nhs.uk/about/quality-improvement/get-involved/

Case study – Service user engagement within our Learning Disability service

Our learning disability services have a designated Patient Experience coordinator to ensure that we listen to service users and their carer's ideas so we can make our services better.

In learning disabilities we have four localities across Hampshire. Each team/ward has a carer champion that is responsible for heading up and driving all the carer engagement in their teams. The north, south and west localities have carers groups which meet quarterly to address issues in their localities and to involve family carers in service redesign. The east locality carers did not want a carers group as they feel they are too busy and that their free time is very precious to them. So together we agreed they will get a regular carers newsletter which will have up to date information about the team and the wider Trust. This has gone so well in the east locality that the west locality are just publishing their first carers' newsletter and the south are working on theirs.

In September we launched our first Carers Engagement Group (CEG) which is an area meeting for a carer representative and staff representative to come from each locality to share what is happening up so that we can all learn from and support each other.

Each month a summary of all the feedback and subsequent actions is produced on a "You said, we did" poster and communicated back to our service users and carers. The posters are also shared across our division so that the other teams can learn from it.

Working more closely with our service users

Nathan Clifford joined the Trust as an Expert by Experience in August 2018, working with the Transformation Team. Having undergone training to be a Quality Improvement Facilitator, Nathan is leading projects that are changing how we deliver services across the Trust, and supporting others as they learn and develop too. He has also experienced many different services as a patient, including some of Southern Health's, and has worked as a Peer Support Worker. He supports the involvement of service users, patients and their carers in a variety of projects and working groups across the organisation, using his insight to bring a new perspective and ensuring patient voices are heard in a meaningful way.

In January 2019 we were joined by two user involvement facilitators, Beth Ford and Niamh Dalziel. Beth is working with our Mental Health and Learning Disability services and Niamh is working with the Integrated Service Division.

Beth and Niamh are collecting "real time" feedback from our service users. Beth has also been instrumental in working with us in developing the Smoke Free Smoking Cessation Policy and solutions to a number of other issues for our service users, including the development of a more robust Peer Support network.

Case study – Nathan

"Hello, my name is Nathan. I'm a service user. I'm told I have 'schizoaffective' disorder. I've been through trauma. I sometimes experience psychosis. I've been detained. I get paranoid, hear voices.

But now, according to my job title, I can also add 'I'm an Expert by Experience'! This is a role I never expected. I've been a peer support worker, but I'm now working with the Transformation Team - a supportive and inspiring group of people creating real and lasting change through co-production.

Our team brings together people - staff, patients and carers - from our various sites to make really positive changes for patients and staff alike. Our progress so far has been incredible!

My role encompasses three aspects. The first is called Quality Improvement Methodology training. I know, it sounds a bit of a mouthful - but actually it's quite simple. It involves using a set of tools and concepts and applying them to a current project. By doing this, you can spot inefficiencies and then start to change out-dated processes, streamlining what you do.

The idea is to help teams to develop a clear understanding of where they want to get to, by encouraging them to take a step back and look at the bigger picture. By understanding how and why they do things a certain way now, we can help them plan for how they want to work in the future.

The second aspect of my role involves using my own lived experience. I feel that this helps me to ensure patient voices are heard in a meaningful way. It's one of the best parts of my role, supporting others to use their own lived experiences to effect genuine change.

Finally, I am also championing patient and carer engagement, by supporting the involvement of service users and carers right at the start of a project and ensuring they're involved throughout the whole process. In the past, this has only really been done on a more superficial level by Southern Health, arguably a 'tick-box' exercise rather than using people's experiences meaningfully.

But now, I can see a real commitment to making a change, which is exciting. Working for the Trust as an Expert by Experience could be one of the best things I have ever done. I can honestly say that I love my job!"

Transformation - Transform our care models in mental health, secure services and community services to deliver great outcomes for the people we care for.
- **Improvements within mental health services**
- **Secure and specialised mental health services developed in partnership with commissioners**
- **Integrated health and social intermediate care service developed with Hampshire County Council serving all Local Delivery Systems**
- **Process begun to implement organisational form and service change priorities.**

Throughout 2018 the Trust has been going through a period of substantial transformation, beginning with a focus on our approach to quality improvement. This has meant a shift in culture, in giving our employees the autonomy and confidence to make changes where they know that outcomes for patients can be improved, and involving our patients in developing these changes.

Through working with colleagues from Northumberland, Tyne and Wear NHS Foundation Trust we have trained 60 of our staff as Quality Improvement Facilitators. These people have spent a week learning specific methodologies that are designed to transform and redesign our teams, processes and services, making improvements and efficiencies for the benefit of patients and staff alike. From this 60, over 20 projects are now being led and supported in corporate and clinical teams across the Trust, all designed to redesign how we work and improve how we deliver services.

A key focus of the transformation programme has been the involvement of the people who deliver and receive our services. They are the experts in what makes a good healthcare experience, and therefore best placed to come up with the ideas and plans for making the right changes.

A Transformation Programme Board has been set up to oversee and drive forward our plans to improve our services through the use of quality improvement methodologies across the Trust. The board is chaired by Dr Karl Marlowe, and has a broad membership including Staff Side, carers and service users reflecting our commitment to genuine co-production.

We have already seen some fantastic developments including; the removal of 30 minute observations from Kingsley Ward at Melbury Lodge with immediate benefit apparent for the staff and patients, a roadshow visiting all community teams in the Trust to share new plans for how we prevent and manage pressure ulcers, a redesign of the Electro-Convulsive Therapy service, and an updated recruitment process which saves five weeks of time for recruiters and removes the need for the Recruitment Action Panel.

The Trust is working closely with colleagues at Hampshire County Council on Integrated Intermediate Care (IIC). IIC aims to proactively prevent hospital admissions by working closely with patients and supporting them in their homes. It also aims to assist and enable discharge from acute settings ensuring patients achieve the best possible outcomes following a period of ill health.

CASE STUDY on Kingsley Ward Quality Improvement project
During an initial 12 week research period, the team carried out numerous observations on Kingsley Ward, speaking with staff, patients and carers about their experiences. They tracked staff activity over different time periods, to see how far they were travelling during their regular duties, where time was most spent, how often processes and activities were carried out, and for what benefit.

Key themes became clear as a focus for improvement. These were:
- decrease level of boredom
- increase the staff feeling of 'time for patients'

- improve the ward round process
- enhance the feeling of safety
- culture change.

An action plan was created to ensure the themes could be addressed. This included a variety of different tasks, such as; daily art activities, releasing two members of staff per shift to sit and eat their meal with patients, providing hot water bottles, ear plugs and eye masks, better signage, access to blankets and towels, better storage for patient property and increased use of the gym facilities.

Some actions were more long term, such as knocking through a wall in the staff office to install a window, so that patients could see staff members rather than being behind a closed door. These are still ongoing and will continue to improve the ward environment.

The success of this project has been phenomenal, and has hinged on the buy in from staff at all levels from the ward, as well as patients and their carers, and being given the time and power to make the changes. One important change was to stop the 30 minute observations of each patient which occupied one member of staff per shift. This simple change has released significant time and had a huge impact, with staff and patients quickly reporting they had more time for therapeutic contact and felt happier.

Sarah Curtis, who has previously been a service user at Melbury Lodge and participated in the project, wrote about her experience in a blog post, and said, "Nursing staff repeatedly report, in their supervision sessions, that they're finally being allowed to do the job they're trained to do, namely care for patients, and they love it! There's a new energy about the ward and people are buzzing with excitement."

CASE STUDY - Transforming mental health crisis care in Portsmouth and South East Hampshire
Over the last 12 months we have been working with colleagues from Solent NHS Trust, Northumberland, Tyne and Wear NHS Foundation Trust and many local stakeholders to look at how we can improve community mental health services. A series of workshops have taken place which have been attended by many service users and carers. The focus of this work has been on how people access our services, particularly when in crisis.

We are now in the process of bringing the two crisis mental health teams of Southern Health and Solent in Portsmouth and South East Hampshire together to create a single service model that will improve responsiveness and provide a more consistent service to the public.

We have developed a programme of change that will address the main concerns we heard during the 150 hours of workshops and consultation events that have taken place.

Our aim is to improve access and the availability of crisis care, to enable self-referral and reduce the unwarranted variation in service delivery. The aspiration is for this service to be in operation by Summer 2019.

People – Attract and retain people to pursue a relentless focus on improving and providing quality services to enable people to reach their full potential

- **increased workforce stability, evidenced by improved capacity and reduced turnover**
- **overall rating of 'Good' in the CQC well-led domain**
- **evidenced progress towards establishing the Trust in top 20% of comparators for national Staff Survey engagement score**
- **detailed, balanced strategic workforce plan.**

In July 2018, the Board ratified the Trust People and Organisational Development Strategy "Becoming the Best Employer". This strategy document sets out our vision to make our organisation a great place to work, provides clear aims and objectives to make this happen, and describes how we will measure our progress. It incorporates workforce, leadership (at individual, team, organisational and system level) and organisational development. It also solidifies our vision and aspiration to create the best environment for colleagues, allowing them to work hand in hand with the people using our services and their carers. We want to help staff to continuously improve, becoming compassionate, accessible, personalised, safe, inclusive, best evidence based and outcome focussed.

The purpose of this strategy is "To develop and embed the culture (the way we think, behave and act) and let the culture enable us to deliver great services". To deliver this strategy our workforce needs to be liberated; with processes and structures which support them to do what they do best, and what they are developed and educated to do: deliver great quality services.

There are six key work themes in the strategy which describe the work to be carried out to achieve our aim of becoming the best employer. They are:

- attract and retain
- workforce development
- partnership and system working
- learning, education and research
- collective leadership, devolution and engagement
- wellbeing, diversity and inclusion.

In 2018 the Trust focussed on wellbeing, engagement and branding to improve the working lives of our staff. In January 2019 we reformed our Staff Engagement and Inclusion forum. This oversees a number of areas including monitoring our progress against our staff survey action plan, scrutiny of improvements against our equality standards and delivery of inclusion and engagement outcomes.

During the year we have also:

- devised a cultural dashboard to provide teams with a localised engagement score. The tool will go live from March 2019 using data from the 2018 Staff Survey.
- reviewed and overhauled our appraisal process following engagement with staff this has seen us extend our appraisal window from 1 March – 31 July each year.
- launched a Health and Wellbeing (HWB) Champions toolkit. The toolkit embraces the principles of Positive Psychology and offers staff the opportunity to identify 'what we are doing well' and 'what needs to improve'.
- delivered Health and Wellbeing engagement days. These included mindfulness exercises, exercise taster sessions, massage and holistic therapies.
- held a series of Staff Network events which focused on disability, race and sexual orientation (LGBT).
- launched the Workforce Race Equality Network in January 2019.
- became an official partner for Southampton Pride to demonstrate our commitment to a truly diverse and inclusive workforce.

This year we also made progress in the results our National Staff Survey. We managed to increase our response rate by 7% to 43.6%. Trusts of a similar size average 45%. Some of the key results include:

- the amount of staff recommending us as a place to work has improved by almost 10%
- our staff engagement score has improved for the fourth consecutive year now placing us in the top third of our peer group
- of the staff who completed the survey, 46% feel the Trust values their work, an increase of 4.98% from last year
- 78% of staff feel care of patients and service users is our top priority. An increase of 6.16% from last year
- 27% of staff had seen an error or near miss in the last month that could have hurt a patient or service user. This is an increase of 4.99% from last year. We take this very seriously and will have this as a key priority in our staff survey action plan for 2019/20.
- compared to similar Trusts, harassment, bullying or abuse from patients, colleagues and managers were between 1-3% higher at Southern Health.

We know that one of our greatest risks is our staffing numbers. This year we have made great strides in improving our recruitment procedures and looked at how we recruit staff into the organisation. We have a fresh new branding for campaign materials and have used a variety of methods and channels to attract new staff into the Trust. These include:

- increased presence on all our social media channels
- paid-for advertising on social media with targeted audiences
- recruitment open days
- tours of the units and wards
- the use of case studies
- advertising in the BMJ and delivery of a employers portal on the BMJ to attract medical staff.

Throughout the year our overall turnover continued to fall and is now around 15%.

In March 2019 we began a Quality Improvement programme looking at our local induction and support processes. This will look at how we support new joiners to the Trust in the first year to ensure they have everything they need to start their career with us.

Case study: Developing efficient and effective recruitment processes
Our recruitment process was also one of the transformation projects:

"The recruitment process is one that previously could be frustrating and cause delays for the staff recruiting and for potential candidates, which created an ideal opportunity to make significant improvement.

"The team were able to gather data from various sources, to capture people's experiences from every stage of the process and map what is involved at every step, to determine where there were waiting times or repeated actions that could be improved.

"During the Rapid Process Improvement Workshop a number of areas for improvement were identified, with two key changes; removal of the Recruitment Action Panel (RAP) process and removal of repeated processes that equate to a reduction in recruitment of a new staff member taking 13 weeks to only eight weeks."

Further information about the project can be found here: www.southernhealth.nhs.uk/get-involved/transformation-programme/improving-the-recruitment-process/

Money - Focus on eliminating waste, and increasing productivity and effectiveness, to create the financial flexibility and resilience needed to invest in the future of our services.

As well as services being safe and effective they also need to be efficient. It is important that we do all we can to continually improve the efficiency of our services as it means we can use our resources to achieve better outcomes for patients. Our strategic ambition is to finish the year with a surplus which we can use for reinvesting in services, have resilience to manage more challenging years and to financially cope with unexpected events.

2018/19 was anticipated to be a financially challenging year as we had set out a plan to achieve a £3.4 million surplus (on a control total basis). This surplus was only deliverable on the assumption that we were successful in achieving a £0.7 million deficit and allocated £4.1 million of Provider Sustainability Funding (PSF) subject to criteria being met on a quarterly basis. This ambitious plan resulted in a savings requirement of £13.1 million (4.5%) and a need to reduce our use of additional mental health bed capacity. As the year progressed we experienced significant pressures within our mental health services and continued to need to place patients in inpatient placements that were not part of our services. We set up contracts during the year with local providers to ensure that patient experience and continuity of care with local teams was not impacted. From a financial perspective, this led to one of our main overspends against the planned position and the total costs incurred were £12.6 million. As this risk materialised during the year we reforecast the year end position at the end of December 2018 and assumed we would incur a deficit of £8.8 million and therefore miss our financial plan by £12.2million. More information on this risk can be found on page 99.

The final, summarised financial position for 2018/19 was a control total deficit of £7.2 million after receipt of £4.2 million of PSF. This means the Trust actually missed its plan by £10.6 million. The main contributors to the overspends in addition to mental health inpatient pressures were higher staffing costs related to additional costs for temporary staffing to cover vacancies and increased acuity and a property sale that did not complete before the end of the financial year. During the year the Trust delivered savings of £12.5 million from a range of initiatives including service and workforce redesign, procurement and a reduction in recurrent spend on corporate overheads. However, it should also be noted that £4.9 million, or 39%, of these savings were non-recurrent, which increases the financial challenge that the Trust will face during 2019/20. The Trust's approach to savings is to eliminate waste, increase efficiency and at the same time improve quality and safety. All savings are reviewed for the impact on quality, safety and patient experience.

The above paragraphs focus on the Trusts' position against control total which is how we are measured by NHS Improvement. There are some differences between this approach and the way that the accounts should be presented to confirm with accounting standards. The main difference is the inclusion of impairment and revaluation losses in our financial statements. These are technical adjustments which do not result in actual cash being paid out but ensure that our assets and reserves are carried at the right value.

The Trust is reporting income of £315.8m and operating costs of £319.7 million resulting in an operating deficit of £3.9 million compared to £0.2 million surplus in 2017/18. Once non-operating costs (financing costs) have been considered the position is a deficit of £10.1 million. The difference between this and the control total deficit of £7.2 million relates to the accounting of impairment costs and depreciation on donated assets.

The cash balance decreased from £28.3 million to £20.4 million at 31 March 2019. This was principally as a result of the deficit position and capital expenditure being planned for at a level higher than the depreciation charge.

The Trust invested £10.5 million in a range of capital projects. These include the following:
• investment to improve safety such as fixed ligature point reduction investment
• investment in technology to minimise the risk of a cyber attack and improve services
• planned maintenance to ensure safe services with improved patient experience in our buildings
• replacement of medical devices
• transformational projects such as the Secure Services developments on site at Tatchbury Mount for both learning disability patients and Child and Adolescent Mental Health Services.

The Trust initially planned for a higher level of capital spend for the year but this did not fully materialise partly because of unforeseen delays to the Low Secure Learning Disability build and also an intentional slow down on other spend due to the impact of the revenue deficit on the cash balances of the Trust.

We ended the year with an NHS Improvement Use of Resources rating of an overall 3 (out of 4, where 1 is low risk and 4 is high risk), which is a deterioration on last years' rating of two, the main causes being the level of the outturn deficit and the variation to the planned surplus.
Although across the year we continued to breach the agency ceiling set by NHS Improvement we have managed to considerably reduce the percentage of agency costs from 5.6% (£12.7 million) of overall pay costs reported in 2016/17 when ceilings were first set to 4% (£8.9 million) in 2018/19, and we are lower than the national average of 4.4%. Although agency continues to be required due to difficulties in recruiting consultants and qualified nurses, the reduction is a significant achievement given increased demand and operational pressures and has led to improved value for money in this significant area of spend.

Financial outlook
The NHS continues to face considerable financial pressure and this is reflected locally in the Hampshire system. Although the national settlement for the NHS was relatively generous for 2019/20, the Trust expects a further year of significant financial challenge. The impact for the Trust of the underlying cost pressures will continue into the new financial year and this presents a significant savings challenge of £18.7 million. If the Trust can successfully deliver a control total of £6.2 million deficit then there is central support available from PSF and Financial Recovery Funds to improve the position to breakeven based on the Trust achieving quarterly financial targets.

Social, community, anti-bribery and human rights issues
As an equal opportunities employer, the Trust will promote equality and diversity with the protected characteristics of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. Everybody has a right to be treated with dignity and respect and in doing so; the Trust recognises its legal duties under the Equality Act 2010 and Human Rights Act 1998.

We are committed to creating a culture in which equality, diversity and human rights are promoted actively and discrimination on the basis of peoples protected characteristics is not tolerated. We recognise the experiences and needs of every individual are unique and strive to respect and value the diversity of our patients, service users, carers, public and staff. The Trust has a statutory responsibility to have due regard to the Equality Act 2010 and the Human Rights Act 1998. The NHS Constitution also specifies that NHS organisations look after the wellbeing of their patients and workforce. It is essential a culture is established where unlawful discrimination is unacceptable and will not be tolerated.

The Trust Board has committed to:
- tensuring the organisation has equality objectives that meet the requirements of the Public Sector Equality Duty as set out under the provisions of the Equality Act 2010
- receiving and considering regular reports in order to evaluate the effectiveness of the policy
- reviewing and approving the Annual Equality Report.

We have a number of policies in place which cover, social, community and human rights matters, such as Equality, Diversity and Human Rights Policy. Policies are monitored for effectiveness and ensure they are embedded across the organisation.

Anti bribery issues
The Bribery Act 2010 places specific responsibility on organisations to have in place sufficient and adequate procedures to prevent bribery and corruption taking place. The Trust has a dedicated counter fraud resource, an Anti-Fraud, Bribery and Corruption policy, and a strategic approach to counter the risks of Fraud and Bribery. We have adopted a zero tolerance policy to fraud, corruption, bribery, money laundering or any similar act within the NHS.

Environmental matters
As a Foundation Trust, and as a spender of public funds, we have an obligation to work in a way that has a positive effect on the communities we serve and planet we inhabit. Sustainability means spending public money well, the protection and efficient use of natural resources and building healthy, resilient communities. By considering the social, environmental and economic impacts of our Trust services we can improve health both in the immediate and long term even in the context of rising cost and detrimental impacts on our planet's finite natural resources. Demonstrating that we consider social and environmental impacts also ensures that the legal requirements in the Public Services (Social Value) Act (2012) and Climate Change Act (2008) are met.

In 2017, we had an estimated total carbon footprint of 60,387 tonnes of carbon dioxide equivalent emissions (tCO2e), which is a decrease of 20% from our 2013 baseline. We have increased our Sustainable Development Assessment Tool score to 71% and have successfully managed to reduce our energy, travel, procurement and waste carbon footprint from last year. Whilst we have made good progress in reducing our overall environmental impact over the last 12 months we recognise that more needs to be done to support the UK's essential transition to a low carbon economy, and achieve our strategic goal to reduce our carbon emissions to 28% by 2020, using 2013 as the baseline year. For a more detailed update, please see our full Sustainability Report on pages "Sustainability Report 2018/19" on page 110.
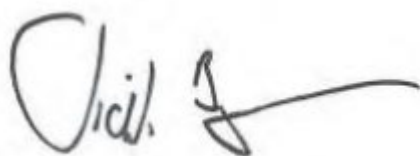
Post year-end events
There were no important events that happened after the end of the financial year which affect the Foundation Trust.

Overseas operations
The Trust is not currently pursuing any business activities outside of the UK.

Signed:

Dr Nick Broughton, Chief Executive
23 May 2019

2. The Accountability Report

2.1 Directors' report

Our Trust Board
As of 31 March 2019 our Board is made up of the Chair, five non-executives and six executives including the Chief Executive.

The Trust Board is responsible for the leadership, management and governance of the organisation and setting the strategic direction. They also have a role in ensuring high standards are maintained. Together they bring a wide range of skills and experience to the Trust. The Board is legally accountable for the services the Trust provides and ensuring it operates to the highest of corporate governance standards.

Board composition
In 2017 we reviewed the composition of the Board to ensure there was the appropriate balance of knowledge, skills and experience. This resulted in a number of key appointments being made to the Board in 2017/18 and 2018/19.

Board Members		
Name/ title	**Committee responsibilities**	**Biography**
Dr Nick Broughton, Chief Executive	Attended 5/6 Board meetings he was eligible to attend during 18/19 *Member of:* • Quality & Safety Committee • Senior Management Committee • Transformation Steering Committee *Attendee of:* • Audit, Risk & Assurance Committee • Nominations & Remuneration Committee	Nick was previously Chief Executive at Somerset Partnership NHS Foundation Trust. Nick is a psychiatrist by background and has worked as a Consultant in Forensic Psychiatry since 2000. He graduated from Cambridge University in 1989 and completed his medical training at St. Thomas' Hospital Medical School. He trained in psychiatry in North West London. During the course of his consultant career he has worked in a wide variety of secure settings including a specialist remand service, an enhanced medium secure service for women, a remand prison and a young offenders' institution. Nick held a number of managerial positions prior to joining the Trust including a Clinical Director for a forensic service and Medical Director of a large specialist mental health Trust. In January 2012 he was appointed Chair of the National Clinical Reference Group for Secure and Forensic Mental Health Services, a position he held until 2014. He was joint Clinical Director and Co-Chair of London's Strategic Clinical Network for Mental Health and a Director of Imperial College Health Partners.
Paula Anderson, Finance Director	Attended 6/6 Board meetings she was eligible to attend during 18/19. *Member of:* • Charitable Funds Committee • Finance & Performance Committee • Senior Management Committee *Attendee of:* • Audit, Risk & Assurance Committee • Quality & Safety Committee	Paula joined the Trust in 2009, and was appointed as Deputy Director of Finance in 2014. Prior to this, Paula's finance experience was within commissioning, including the Finance Director for Mid-Hampshire PCT between 2001-2006. As part of her role at Southern Health NHS Foundation Trust, Paula leads on Finance, Estates, Procurement and Contracting and is the Senior Information Risk Owner (SIRO) for the Trust.

Name/ title	Committee responsibilities	Biography
Paula Hull, Director of Nursing and Allied Health Professionals from 28 July 2018. From 1 April 2018 – 8 July 2018 Paula was Acting Director of Operations (Integrated Services)	Attended 4/5 Board meetings she was eligible to attend during 18/19. *Member of:* • Charitable Funds Committee • Finance & Performance Committee • Mental Health Legislation Sub-Committee • Quality & Safety Committee • Senior Management Committee • Transformation SteeringCommittee *Attendee of:* • Audit, Risk & Assurance Committee	Paula qualified as a registered nurse at Southampton Hospital in 1988. Following a long career in community nursing, she became a practice nurse, working in primary care for over 10 years. After several years as a Matron in Primary Care, she joined Southern Health. She also worked at South Central Strategic Health Authority as a patient safety manager. She attained a Masters in Leadership and Management from the University of Southampton in 2013 and became the Associate Director of Nursing and Allied Health Professionals in the Integrated Services Division in 2014. This included responsibility for all Nurses and Allied Health Professionals and accountability for ensuring patients, service users and families are at the heart of our services.
Paul Draycott, Director of Workforce, Organisational Development and Communications	Attended 5/6 Board meetings he was eligible to attend during 18/19. *Member of:* • Senior Management Committee • Transformation Steering Committee • Workforce & Organisational Development Committee *Attendee of:* • Finance & Performance Committee • Nominations & Remuneration Committee	A former general nurse, Paul has first-hand experience of working and supporting front line NHS services. Paul joined the NHS in 1985. Amongst others he has held previous Board-level posts, including Director of Leadership and Workforce at North Staffordshire Combined Healthcare NHS Trust; Director of Organisational Development and Workforce at both Shropshire County Primary Care Trust and Shropshire Community Healthcare NHS Trust. He was also Director of Human Resources and Organisational Development at South Staffordshire and Shropshire Healthcare NHS Foundation Trust.
Dr Karl Marlowe, Medical Director From 9 April 2018	Attended 5/6 Board meetings he was eligible to attend during 18/19. *Member of:* • Senior Management Committee • Transformation Steering Committee • Workforce & Organisational Development Committee *Attendee of:* • Finance & Performance Committee • Nominations & Remuneration Committee	Karl trained at Liverpool Medical School, Barts and The Royal London, Maudsley Hospital and Guys and St Thomas Hospitals, with postgraduate qualifications from UCL and the Institute of Psychiatry, as well as the Said Business School at Oxford University. He was Clinical Director of Adult Mental Health at East London NHS Foundation Trust. He is also Group Chair of the Social Interest Group (a not-for-profit organisation set up to enrich and extend opportunities for people facing social and health challenges). Karl recently worked as liaison psychiatrist for renal medicine at Royal London Hospital. Karl has lectured at Queen Mary, University of London (medical school) and City University of London (nursing school). Dr Marlowe was born and raised in the Caribbean, and has worked in Bermuda and New Zealand as well as the UK.

Name/ title	Committee responsibilities	Biography
Barry Day, Chief Operating Officer (From 9 July 2018)	Attended 5/5 Board meetings he was eligible to attend during 18/19. **Member of:** • Charitable Funds Committee • Finance & Performance Committee • Mental Health Legislation Sub-Committee • Quality & Safety Committee • Senior Management Committee • Transformation Steering Committee • Workforce & Organisational Development Committee	Barry is an experienced Chief Operating Officer who has worked in both NHS and local authority settings. In his role, Barry is focused on supporting and enabling front line staff to deliver the best possible patient care, ensuring the trust is integrating mental and physical health care most effectively to serve local communities. A former social worker, Barry has operated at senior and executive level within a range of NHS trusts including in Coventry, Leicester, London and Berkshire. Barry has previously served in the RAF and as an outdoor pursuits instructor. He is also a qualified and experienced coach and mentor.
Julie Dawes, Director of Nursing and Allied Health Professionals (1 April 2018 – 27 July 2018)	Attended 1/1 Board meetings she was eligible to attend during 18/19. **Member of:** • Mental Health Legislation Sub-Committee • Quality & Safety Committee	Julie has previously held Director of Nursing positions with Calderdale and Huddersfield NHS Foundation Trust, Portsmouth Hospitals NHS Foundation Trust and Central South Coast Cancer Network. Julie's clinical background focuses on oncology and palliative care nursing with many clinical years spent working on the South Coast.
Sarah Constantine, Interim Medical Director (1 April 2017 – 8 April 2018)	Attended 0/0 Board meetings she was eligible to attend during 18/19.	Sarah trained in Southampton and has worked across the Wessex region. She worked as a consultant psychiatrist in Older People's Mental Health for 10 years before taking on leadership roles. She has been a clinical service director for OPMH and then became clinical director for the Integrated Service Division.
Mark Morgan, Director of Operations Mental Health and Learning Disabilities (1 April 2018 – 18 May 2018)	(Attendee of the Board) Attended 0/0 Board meetings he was eligible to attend during 18/19.	Mark trained as a psychiatric nurse in 1982 at the Maudsley Hospital in London. Following a series of clinical and managerial roles in learning disabilities, he became the Director of Nursing at Nottingham Healthcare between 1998 – 2001. He became a Primary Care trust Chief Executive in Nottinghamshire from 2001 – 2006. Following a series of interim roles (mostly as Director of Operations within acute hospitals) Mark underwent his return to practice course at Surrey University to become a Registered Mental Health Nurse over 2013/14 and joined Southern Health in April 2015 as Interim Director of Operations for Mental Health, Learning Disabilities and Social Care. Mark successfully applied for the substantive role in September 2016.
Debbie Robinson, Acting Director of Operations Mental Health and Learning Disabilities (11 May 2018 – 8 July 2018)	Attended 1/2 Board meetings she was eligible to attend during 18/19. **Member of:** • Senior Management Committee Committee **Attendee of:** • Quality & Safety Committee	Debbie has worked within NHS mental health, learning disabilities and social care services in Hampshire for the last 19 years. Debbie has a wealth of experience of managing these services.

Non- Executive Directors

Name/ title	Committee responsibilities	Biography
Lynne Hunt, Chair	Attended 5/6 Board meetings she was eligible to attend during 18/19. **Member of:** • Nominations & Remuneration Committee • Mental Health Legislation Sub-Committee	Lynne has a track record of almost 40 years public service, working in the NHS within mental health and learning disabilities services. She began her career as a nurse in Dorset, before moving to London and has held a number of clinical and Board level roles. Most recently she was Non-Executive Director and Vice Chair of Dorset Healthcare University NHS Foundation Trust.
Jeni Bremner, Non-Executive Director, Deputy-Chair	Attended 6/6 Board meetings she was eligible to attend during 18/19. **Member of:** • Audit, Risk & Assurance Committee • Finance & Performance Committee • Mental Health Legislation Sub-Committee • Nominations & Remuneration Committee • Quality & Safety Committee • Workforce & Organisational Development Committee	Jeni has worked in public service for over 25 years in the NHS and Local Government. A nurse by background, Jeni is also a health economist and worked as a Policy Analyst at City Health Trust in Newcastle. She then moved to join the Local Government Association (LGA) as a Programme Manager progressing to the LGA Board as a Programme Director. In 2007, she became Chief Executive of an international health charity, the European Health Management Association, focusing on policy and practice to improve health management. Since leaving in 2016, she has provided change management consultancy services and cared for her Step Father who has Alzheimer's. She has held various Trustee roles since the 1990s and is currently a Trustee for a local care home.
David Kelham, Non-Executive Director	Attended 4/6 Board meetings he was eligible to attend during 18/19. **Member of:** • Audit, Risk & Assurance Committee • Charitable Funds Committee • Finance & Performance Committee • Nominations & Remuneration Committee • Workforce & Organisational Development Committee	David is a Fellow of the Institute of Chartered Accountants in England and Wales and held Chief Financial Officer (CFO) roles in major UK based companies for 24 of his 34 year executive career covering 48 different countries. In 2010 he was nominated by one of the leading accounting firms as 'an outstanding international CFO'. David was a member of the Scout Association for 40 years, rising to Explorer Scout Commissioner before retiring. He is also a past member and Chairman in the Round Table organisation, and a member and past Chairman of the Ex-Round Tabler's Association. His mother lived with Alzheimer's for 10 years before her death in 2011.
Robert Goldsmith, Non-Executive Director (From 1 Oct 2018)	Attended 3/3 Board meetings he was eligible to attend during 18/19. **Member of:** • Finance & Performance Committee • Nominations & Remuneration Committee • Quality & Safety Committee • Workforce & Organisational Development Committee	Robert has held a series of senior executive roles in the aviation and other transport-related industries, including a leading airports group with multi-billion pound assets. He brings with him a wealth of experience in strategy, commercial and operational business, and many relevant transferable skills to a healthcare setting. Examples include expertise in dealing with a diverse range of stakeholders and community groups, safety management systems, cultural change, project management and delivery of customer experience improvements. Robert has previous Non-Executive Director experience on the Board for The Islands' Tourism and Business Partnership (Visit Isles of Scilly) and for Hull and Humber Chamber of Commerce, as well as a number of other Executive Board-level roles.

Name/ title	Committee responsibilities	Biography
David Monk, Non-Executive Director, Senior Independant Director	Attended 6/6 Board meetings he was eligible to attend during 18/19. *Member of:* • Charitable Funds Committee • Mental Health Legislation Sub-Committee • Nominations & Remuneration Committee • Quality & Safety Committee	David is a Director and co-founder of Symmetric, an organisation specialising in Systems Thinking and System Dynamics Modelling across the public sector. He continues to be a significant contributor to mental health networks in England and has co-authored a number of papers on Care Pathways and Mental Health Strategy. With 30 years' experience either in or alongside the NHS, David has a track record of partnership working including experience of involving patients and the public in major planning decisions, particularly where this has led to a major reorientation of capacity and demand. His ongoing portfolio includes the continued facilitation of a number of Mental Health CEO and Medical Director networks across different regions in England. David also continues to Chair the Lambeth Living Well Collaborative; a focus on better care through collaboration. He previously led the award winning London EIP Programme and is now an advisor to the South London Partnership, focussing on mental health improvement the the new models of care approach.
David Hicks, Non –Executive Director	Attended 6/6 Board meetings he was eligible to attend during 18/19. *Member of:* • Audit, Risk & Assurance Committee • Finance & Performance Committee • Nominations & Remuneration Committee • Quality & Safety Committee • Transformation Steering Committee	David has over 30 years' experience in clinical leadership posts. Most recently he has been interim Medical Director at Great Ormond Street, where he was the Trust lead for patient and staff safety and clinical quality, responsible for the legal team, medical workforce, education and development. After qualifying as a Consultant, David specialised in sexual health and genitourinary medicine before progressing into divisional management roles. He has held a range of Board Level clinical leadership posts in the course of his career, as well as being Acting Chief Executive at Barnsley Hospital from 2006 to 2007. David held a number of roles with Mid Yorkshire Hospitals NHS Trust, advising on the Trust's clinical reorganisation and Chairing the Quality Committee, leading on safeguarding and End-of-Life Care. In addition to his role at Great Ormond Street, he was also a Clinical and Professional Advisor to the CQC and a Medical Appraiser to NHS England, supporting a number GPs across the South of England. He is also an Honorary Senior Lecturer at the University of Sheffield and an Assistant Professor at the University of St. Matthew's in Miami.

Register of interests
The Chair, Executive Directors and Non-Executive Directors have declared any business interests that they have.

The Trust Chair and all Non-Executive Directors meet the independence criteria laid down in NHS Improvement's Code of Governance (provision A.3.1) and we are satisfied that no direct conflicts of interest exist for any member of the Board. Information is made available to the Council of Governors when considering matters relating to appointments.

These declarations are held on our website at:
- for Board: https://www.southernhealth.nhs.uk/about/trust-board/meetings/
- for Governors: https://www.southernhealth.nhs.uk/about/council-of-governors/meet-our-governors/

Board effectiveness and evaluation
All Board members undergo annual performance appraisals. The Chair undertakes the process for the Non-Executive Directors and the Chief Executive and is in turn appraised by the Senior Independent Director.

This year a new approach to Non-Executive Director appraisals has been co-designed by the Senior Independent Director, working with a number of Governors. This included a redesign of objective setting and appraisal paperwork, objectives for the Chair and Non-Executive Directors and the implementation of a 360 degree feedback process.

Recognising the changes to the Board, there has been ongoing review of how the Board and its committees operate effectively. This has resulted in a change of one of the Board Committees from the Service Performance and Transformation Committee, to the Finance and Performance Committee. More detail of this committee can be found on page 40.

As well as a change to the Board Committee structure, the Board continues to review its development programme and *TTI Development* were commissioned to provide a formal Board development programme for the Trust.

Board meetings
The Board met in public on seven occasions during 2018/19 to conduct its business; the papers and minutes are published on the website: www.southernhealth.nhs.uk. At these meetings it takes strategic decisions and monitors the operational performance of the Trust, holding the Executive Directors to account for the Trust's achievements.

Our Board meetings are held in public. There are occasions where the Board meets in a confidential session due to the confidential nature of business discussed.

As well as formal Board meetings, the Trust holds regular Board focus sessions which members of the public are invited to attend. Four sessions were held during the year and discussions included the Workforce Strategy, the Sustainability Transformation Plan, Achieving best value, Digital Strategy and Quality Improvement.

Board committees

In order to discharge its duties effectively, the Board is required to have a number of statutory committees, which include:
- Audit, Risk and Assurance Committee
- Charitable Funds Committee
- Nomination and Remuneration Committee

The Trust also has the following Board Committees in place to provide further assurance:
- Finance and Performance Committee (previously the Service Performance and Transformation Committee)
- Quality and Safety Committee
- Workforce and organisational Development Committee
- Mental Health Legislation Sub-committee
- Transformation Steering Committee.

The terms of reference define the membership for each committee. In addition to committee members, other staff are invited to attend to provide reports, advice and assurance.

Audit, Risk and Assurance Committee

This committee comprises of our Non-Executive Directors. The committee is responsible for providing the Board of Directors with an independent and objective review of our financial and corporate governance, assurance processes and risk management across the whole of the organisation's clinical and non-clinical activities.

At each of the five meetings, a range of internal audit reports were reviewed, covering clinical audit, business continuity, Payroll feeder systems, data protection, health and safety, rostering, recruitment, serious incident and mortality action plan, appraisals, financial forecasting and cost improvement plans, corporate credit cards and patient travel claims. Progress against actions is monitored and challenged on a regular basis.

RSM is the internal audit provider and reports to the Finance Director. The work of RSM is to review and evaluate risk management, internal control and the governance arrangements the Trust has in place.

PricewaterhouseCoopers is our external audit provider, and is responsible for auditing and giving an opinion on the annual accounts each year, as well as providing a limited assurance opinion on the Quality Report. During 2018/19 PricewaterhouseCoopers has not provided any non-audit services for the Trust. The full fees for the services provided are set out in the financial statements.

Attendance of the members of the Committee is as follows:

Name	Meetings (attended/ eligible to attend)*
David Kelham (Chair)	5/5
Jeni Bremner	3/5
Dr David Hicks	5/5

The Committee received and critically reviewed a number of different reports during the year, which included the Board Assurance Framework and Risk Register, Information Governance, Procurement compliance, Freedom of Information Annual Report, Information, Cyber Security and Technology, Charitable Funds Annual Report & Accounts and Whistleblowing. Throughout the year the committee reviewed and reported on the relevance and robustness of the governance structures and assurance processes in place and has contiually made reccommendations for improvements going forward.

Rob Goldsmith is an attendee and not a formal member of the Committee.

Charitable Funds Committee
The Charitable Funds Committee is responsible for monitoring the income and expenditure of charitable donations and for considering how charitable funds are invested. The Board is the corporate trustee of the charitable funds.

Nominations & Remuneration Committee
The Nominations & Remuneration Committee fulfils the role of the Nominations Committee (for Executive Directors) and of the Remuneration Committee as described in the Trust's Constitution and the NHS Foundation Trust Code of Governance. The Committee approves the appointment of the Chief Executive Officer and Executive Directors, and makes decisions about their remuneration

Quality and Safety Committee
The Quality and Safety Committee has responsibility for ensuring appropriate arrangements are in place for measuring and monitoring quality including patient safety and health and safety, and for assuring the Board that these arrangements are robust and effective.

Finance and Performance Committee (successor to the Service Performance and Transformation Committee)
This Committee has responsibility for providing Trust Board with independent and objective oversight and assurance on the financial and operational performance of the Trust.

Transformation Steering Committee
Established in 2018/19, this Committee has responsibility for leading the implementation of the Trust's transformation programme, ensuring that all programmes collectively meet the strategy needs of the

organisation. This committee is not a required statutory committee.

Workforce and Organisation Development Committee
This committee has responsibility for providing the Finance and Performance Committee with advice and assurance on the achievement of the Trust's Workforce Strategy. It must ensure the objectives of the strategy are and continue to be, aligned with the Trust's longer-term strategic plans. At the Trust Board meeting on 4 December 2018 the Board approved the establishment of this committee as a full committee of the Board and the removal of the reference to it being a sub-committee from its terms of reference.

Mental Health Legislation Sub-Committee
The Mental Health Legislation Sub-Committee provides assurances the Trust is operating and will continue to operate, in accordance with the law and best practice in relation to the rights of mental health services users.

Senior Management Committee
The Senior Management Committee is a committee of the Board and is the executive decision-making committee for the Trust. It is chaired by the Chief Executive.

OUR APPROACH TO QUALITY AND CLINICAL GOVERNANCE

Good quality governance is maintained through the structures, systems and processes the Trust has put in place to ensure it manages the work effectively, scrutinises performance, manages risks and deal with problems in line with NHS Improvement's Well-led framework.

This year, through consultation with the Board, Governors and key stakeholders, we updated our Quality Improvement Strategy. Within this strategy the quality priorities for 2018/19 are listed alongside the quality requirements from our contracts and improvement projects.

The delivery of these priorities are monitored by the Board through the Quality and Safety Committee. This is underpinned by the work of the Patient Engagement and Caring, Clinical Effectiveness and Patient Safety working groups who all have clinical representation.

We have also been working on a new five year strategy, due to be published in June 2019 as part of the next Trust Quality Conference.

For the first time, the new strategy describes formally together the areas of:
- quality improvement methodology
- quality planning
- quality control
- quality assurance.

This will support us to provide assurance that planning our clinical delivery and quality are part of one integrated process.

- Trust priorities
- Quality Account priorities
- Commissioning contracts
- Service specifications
- KPIs

- Quality dashboard
- Quality metrics
- Patient experience feedback
- Outcome measures
- Quality assessment tool

QUALITY PLANNING

QUALITY CONTROL

QI METHODOLOGY

QUALITY ASSURANCE
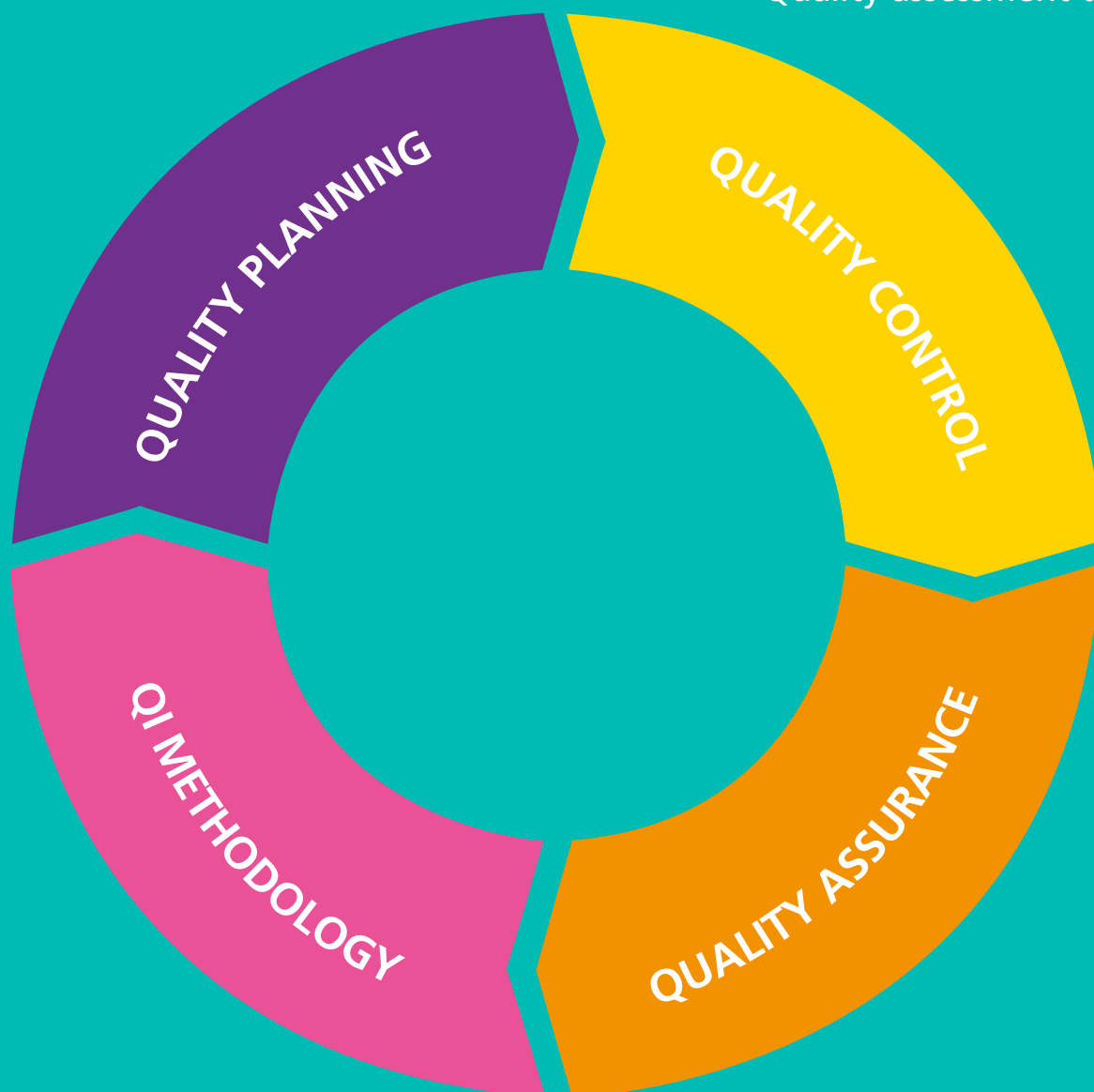
- Quality improvement tools
- Training, coaching
- Transformation programmes
- Small change projects
- Conferences
- Learning & sharing events

- Clinical audit
- Peer review
- NICE guidance
- Accreditation process
- External reviews

MONITORING EFFECTIVENESS AND QUALITY

We use NHS Improvement's Well-led framework to ensure there are good governance procedures in place. The Well-led framework was reviewed as part of the CQC inspection which was undertaken in May – July 2018.

The inspection rated the Trust as 'Requires Improvement' for the Well-Led aspect of the inspection. There were some improvements but they also recommended further areas for development. The inspectors recognised the strong senior leadership of the Board who have come together over the last 18 months, improved staff morale and the work applied to the development of key performance indicators unpinned by a quality reporting system.

All the inspection related improvement action plans are monitored through a workstream management approach and progress is reported to the Quality and Safety Committee. If progress against an action is delayed this is reported on a weekly basis to the Trust Executive Meeting for remedial review, this ensures the Board remain sighted on progress in real-time.

Opposite is a diagram of our workstreams and the areas of work they look into:

QIP Themes and Reporting Structures

Divisional MDMs to review progress with local actions

=

Board

Quality and Safety Committee

Patient Safety Group

Divisional Management Meetings

Patient Experience, Engagement and Caring Group

Medicines Management Committee

Clinical Effectiveness Group

Records Management Group

Patient Experience, Engagement and Caring Group

EOL Committee

Mental Health Legislation Committee

Safeguarding Forum

Workforce and Organisational Development Committee

Patient Safety/Operational
Executive Lead
Barry Day, Chief Operating Officer
Theme Lead
Nicky Adamson-Young, Divisional Director Delivery ISD
Includes:
Environment
Equipment
Training
Waiting times
Supported by
Corporate Services
Nursing/AHPs/Medical leads

Privacy and Dignity
Executive Lead
Paula Hull, Director of Nursing & AHPs
Theme Lead
Emma Wadey, Divisional Director of Nursing & AHPs
Supported by
Corporate Services
Nursing/AHPs/Medical leads

Medicines Management
Executive Lead
Karl Marlow, Medical Director
Theme Lead
Sue Darvell-Kavell, Deputy Director Planning, Performance, Business Development and Contracting
Supported by
Chief Pharmacist
Corporate Services
Nursing/AHPs/Medical leads

Records Management
Executive Lead
Paula Hull, Director of Nursing & AHPs
Theme Lead
John Stagg, Associate Director of Nursing, AHPs & Quality
Liz Taylor, Associate Director of Nursing, AHPs & Quality
Includes:
Care plans
Supported by
Corporate Services
Nursing/AHPs/Medical leads

End of Life
Executive Lead
Paula Hull, Director of Nursing & AHPs
Theme Lead
Julia Lake, Divisional Director of Nursing & AHPs
Supported by
Corporate Services
Nursing/AHPs/Medical leads

Safeguarding
Executive Lead
Paula Hull, Director of Nursing & AHPs
Theme Lead
Caz Maclean, Associate Director of Safeguarding
Includes:
Mental Capacity Act
Supported by
Corporate Services
Nursing/AHPs/Medical leads

Workforce
Executive Lead
Paul Draycott, Director of Workforce & Organisational Development
Theme Lead
Sara Courtney, Deputy DoN & AHPs
Includes:
Access to Psychological Therapies
Safer Staffing
Supervision
Health and Wellbeing
Supported by
Corporate Services
Nursing/AHPs/Medical leads

Patient Experience

Staff Engagement

Escalation to Trust Executive Committee

Measurement

Measurement is a vital part of monitoring effectiveness and is also one of the key elements of developing a safety culture; if we do not measure then we have no way of knowing whether the changes we are making are having an impact.

Measurement is not just about performance metrics. It is about learning. We use a wide variety of information from different sources, both quantitative and qualitative, to gain an understanding of the care we deliver. The Quality Governance Team, the Performance Team and leaders in the clinical divisions work together with staff to develop the use of measures and monitor the progress through our business intelligence reporting system, Tableau. The Integrated Performance Report brings together this data and learning and is presented at Board along with a patient story to show how we are makes changes due to feedback we receive.

Listening to patients, service users, their carers and families allows us to look at the effectiveness and quality of our services. Feedback is gathered from any compliments, concerns or complaints received as well as feedback from our patient experience workgroups. This is used to help shape services.

Complaints

We strive to provide high quality care and treatment to all our service users, however, we recognise that we will not always meet people's expectations. We consider all feedback important and welcome all constructive feedback to help us learn and continuously improve our services.

Listening to people's experiences is a vital tool in gauging how well the Trust is providing services and how we can improve for the future.

It is important we have a clear process for feedback to ensure any concerns and complaints are dealt with efficiently and effectively. The way in which feedback is dealt with must take their preferences into account and ensure they are placed at the centre of all work carried out to investigate their issues and feedback to them. The Trust is committed to listening carefully and responding immediately, whenever possible, to resolve any issues.

We are committed to responding to complaints in a fair, impartial and transparent way and within a reasonable timeframe. The Complaints and Patient Experience Team have been invited to take part in a formal Quality Improvement project sponsored by the Chief Executive which began in March 2019, this involves a variety of people in and outside of the Trust, to ensure we are looking at ways to improve the process and proactively support staff and complainants in the future.

Triangle of care

The 'Triangle of Care' is a working collaboration between the service user, professional and carer that promotes safety, supports recovery and sustains well-being. The Triangle of Care, led nationally by the Carers Trust, brings together many years of research with carers into what they feel will benefit them when involved with mental health services.

We have been working on several actions within 2018/2019 to implement Triangle of Care, including the development of a carer's booklet and a communication plan for staff to complete with carers on RiO, our electronic patient record system.

Triangle of Care is based on six principles that mental health trusts can use to include and support carers. These five principles are:

The Triangle of Care has 6 key principles:
- carers and the essential role they play are identified at first contact or as soon as possible thereafter
- staff are carer aware and trained in carer engagement strategies
- policy and practice protocols re confidentiality and sharing information are in place
- defined post(s) responsible for carers are in place
- a carer introduction to the service and staff is available, with a relevant range of information across the acute care pathway
- a range of carer support services is available along with a self-assessment tool.

More details on our progress in implementing the Triangle of Care can be found on pages 198 of the Quality Report.

Inspection and review tools

We use a number of internal inspection and review tools, along with external inspections and review to help gauge our performance and make improvements:

Internal inspection and review tools	External inspections and reviews
■ Peer reviews	■ CQC inspections
■ Quality assessment tool	■ Mental Health Act inspections
■ Clinical audits	■ Accreditation reviews
■ Use of business intelligence system	■ Commissioner quality visits
■ Regular reporting to the Board through the governance structure	■ PLACE (Patient-Led Assessments of the Care Environment) inspections which all have patient assessors as part of the team.
■ Internal Mental Health Act reviews.	

More information on our performance against key health care targets; how the Trust monitors improvements in the quality of healthcare and progress towards meeting any national and local targets, can be found within the Quality Report. This also contains progress towards targets as agreed with local commissioners and how the Trust has incorporated Care Quality Commission recommendations.

MEMBERSHIP

We encourage our local residents to register as members to have a say in Trust developments and to ensure the Trust is accountable to the local populations. Our membership is divided into public and staff constituencies.

Public constituencies
Our public membership is divided into five constituencies based on local government boundaries. Anyone aged 14 years or over who lives in England, and who does not meet the eligibility for a staff member, can become a member of the Trust.

As of 31 March 2019 there were 8441 public members of the Trust.

Constituencies	public members
Southampton	1888
South East Hampshire	1248
Rest of England	1028
North Hampshire	1773
South West Hampshire	2504

Staff constituencies

The staff constituency is divided up into five classes based on the geographical boundaries:

- Rest of England
- North Hampshire
- Southampton
- South West Hampshire
- South East Hampshire

Staff members must be employed by Southern Health on a permanent contract or have worked at the Trust for at least 12 months.

Our membership strategy

Our Membership Development Strategy sets out our plans to improve engagement with current members as well as to grow membership, particularly in relation to underrepresented groups. We are committed to developing a diverse, representative membership to reflect local communities.

Our main focus for membership this year has been to increase our engagement with members. We have achieved this in a number of ways including the production of a regular e-newsletter, evening events allowing members to meet our services (including diabetes and carers) and an interactive Annual Members Meeting (AMM).

Become a member!

If you are interested in helping to shape your local NHS Services, please join us:

Telephone: 023 8087 4666

Email: ftmembership@southernhealth.nhs.uk

Online: www.southernhealth.nhs.uk

Council of Governors

The Council of Governors (CoG) is an essential link between our membership and Board to help ensure everyone's views are heard. Although the Council is not involved in the operational management of the Trust, it is responsible for holding the Non-Executive Directors to account for the performance of the Trust Board in delivering the Trust's strategic objectives. More about the responsibilities of our CoG can be found at: www.southernhealth.nhs.uk.

Our CoG consists of 22 members:
- 13 public governors who represent our public constituencies
- four staff governors who represent our staff classes
- five appointed Governors who represent local authorities or partners that we work closely with.

Meetings of the Council of Governors

Our CoG meets in public on a quarterly basis where members consider the performance of the Trust, highlighting any issues or concerns they may have in relation to the way in which the Board of Directors is managing performance.

Chief Executive Dr Nick Broughton talking to members of the public in the 'market place' at our Annual Members' Meeting in 2018.

Elected public constituency	Name	Initial term commenced	Term ends/ ended	Term	Council of Governors
Southampton	Andrew Jackman (Lead Governor)	25.07.2011	24.07.2020	3	5/6
	Susie Scorer*	01.04.2009	09.07.2018	3	1/1
	Thomas Whicher*	10.07.2015	09.07.2018	1	0/1
	Paul Lewzey*	02.08.2018	01.08.2021	1	4/4
	Denise Wyatt* Resigned 05/04/19	17.07.2018	16.07.2021	1	3/5
South West	Josephine Metcher	10.07.2015	09.07.2021	2	4/6
	Dave Cubbon	21.11.2017	20.11.2020	1	3/6
	Peter Smith*	05.11.2018	04.11.2021	1	2/2
North Hampshire	David Lee	13.10.2016	12.10.2019	1	5/6
	Venus Madden	13.10.2016	12.10.2019	1	5/6
	Susan Smith*	01.04.2009	20.07.2018	3	2/2
	Lilian Turner*	06.12.2018	05.12.2021	1	2/2
South East	Gary Butler	17.05.2017	16.05.2020	1	1/6
	Arthur Monks*	10.07.2012	20.07.2018	2	2/2
	Malcolm Carpenter	17.05.2017	25.08.2019	1	2/6
	Dale Fletcher*	02.08.2018	25.09.2018	1	1/1
Rest of England	Peter Bell*	15.03.2016	14.03.2019	1	3/6
	Vacancy				

* in post for part of the year

Elected staff class	Name	Initial term commenced	Term ends/ended	Term	Council of Governors
South West	Margaret Martins	08.08.2017	07.08.2020	1	4/6
North Hampshire	Louise Vinell*	22.10.2018	21.10.2021	1	1/4
Southampton	Alia Sidki-Gomez*	15.03.2016	14.03.2019	1	6/6
Southampton	Vacancy				
South East	Vacancy				

Appointed governors	Name	Initial term commenced	Term ends/ended	Term	Council of Governors
Carers Together	Adrian Thorne	01.03.2016	28.02.2022	2	6/6
Hampshire County Council	Cllr Rob Humby	21.11.2017	20.11.2020	1	4/6
Southampton City Council	Cllr Paul Lewzey*	21.08.2013	03.05.2018	2	0/1
	Cllr Lorna Fielker*	06.12.2018	05.12.2021	1	1/2
University of Southampton	Prof David Baldwin	13.04.2017	12.04.2020	1	3/6
Age Concern Hampshire	Judy Walker*	05.07.2018	26.09.2018	1	0/2

* in post for part of the year

Governor working groups

Our CoG has two working groups consisting of members of the CoG and Trust staff. These are the Membership Engagement Group and the Patient Experience and Engagement group. Both groups are chaired by a Governor and have terms of reference agreed by the CoG. This sets out how they will support Governors in fulfilling their statutory duty to represent the interests of Trust members and members of the public.

The role of the Membership Engagement Group is to:
- seek the views of members and governors in the development of work to engage and involve members in our activity
- ensure members' views and views of the public are obtained in order to shape effective engagement activity
- monitor and provide assurance to the CoG that activity is being delivered in line with feedback received and is improving membership recruitment and engagement.

The role of the Patient Experience and Engagement Group is to:
- seek the views of Members and Governors in regard to informing priority work programmes to improve patient experience
- influence the strategic direction for patient and public involvement by ensuring members' views and views of the public are obtained
- receive feedback from the Trust's Patient Experience and Engagement group on progress with workstreams and impact on patients and users
- provide assurance to the CoG that the Trust is appropriately engaging patients and considering their experience in delivery of services.

Our Lead Governor

In 2017, Andrew Jackman was re-appointed as Lead Governor with effect from 18 August 2017 for a term of two years ending on 17 August 2019. In his role as Lead Governor he has attended Trust Board meetings, held discussions with governors in private, and where required, brought these to the attention of the Chair to raise any issues or to seek clarity. He has also attended a number of externally held conferences and is engaged in the National Lead Governors Association.

Governor elections

Elections were held in April 2018, October 2018 and February 2019 where a number of new governors were elected, as set out in the table on pages 50 to 51.

Register of interests

All of our governors are required to declare any interests that are relevant or material. This information is presented at every CoG meeting, as well as being available on our website at: www.southernhealth.nhs.uk.

Contacting a Governor

Anyone wanting to get in contact with our governors can email the Corporate Governance Team on: governors@southernhealth.nhs.uk or visit our website for details on how to contact governors directly.

Board and Governors working together
Our Trust Chair is responsible for the leadership of both the CoG and the Trust Board.
There are regular opportunities for Governors to meet with Non-Executive Directors, Directors and Trust staff through Governor development days, CoG meetings, or on a collective/individual basis with either the Chair or the Senior Independent Director if they wish.

In 2018, we held two confidential meetings between the governors and non-executive directors. An open and honest debate was held on where the Trust was in terms of its journey, whether there were any concerns on areas of delivery and ways of working together to overcome these.

Concerns can also be raised through the Senior Independent Director, any Director of the Trust or through the Company Secretary and Head of Corporate Governance.

Some examples of how our CoG and Board have worked together this year include:
- confidential meetings between the governors and non-executive directors
- executive and non-executive directors attending each CoG meeting
- summary reports from Board Committees presented by the Committee Chair to each CoG meeting
- governors attending the confidential session of Trust Board meetings (in addition to the public sessions)
- CoG receiving the agenda and minutes of the public and confidential Trust Board meetings
- governors being invited to observe and contribute at all Board Committee meetings (with the exception of the Nomination and Remuneration Committee).

In 2018/19 the CoG has:
- reviewed and approved changes to the constitution
- been consulted on the selection of an indicator for auditing for the Trust's Quality Report 2018/19
- been consulted on and contributed to the development of the Trust's Business Plan
- approved and conducted the appointment process for new non-executive directors
- been involved in the redesign of the Trust's website
- been involved in the discussions on the Trust's Communication strategy review.

In 2018/19 the Governors have not exercised their power, under paragraph 10C of Schedule 7 of the NHS Act 2006, to require one or more of the directors to attend a CoG meeting to obtain information about the performance of its functions or the directors' performance of their duties. If any disputes arise between our CoG and Board of Directors, then the disputes resolution process as described in the Trust Constitution would be followed. During 2018/19, this process has not been required.

Appointment committee
The CoG has established an Appointment Committee to recommend the appointment of the Chair and Non-Executive Directors to the CoG, including recommendations on remuneration. The committee membership is made up of governors and a non-executive director (usually the Chair).

The committee is responsible for:
- ensuring there is a formal, rigorous and transparent procedure for the selection of the candidates for office as Chair or non-executive director of the Trust
- ensuring any search for candidates for the role of Chair or non-executive director is conducted against objective criteria with due regard for the benefits of diversity on the Board and the

requirements of the Trust
- preparing and reviewing the description of the role and capabilities required for the non-executive directors, including the Chair
- agreeing the timetable and action plan for appointment
- identifying and nominating candidates for the Chair or non-executive director roles and making recommendations of potential candidates for appointment
- regularly reviewing the structure, size and composition of the Board of Directors
- considering and making recommendations to the CoG as to the remuneration and allowances and other terms and conditions of office of the Chair and other non-executive directors.

Membership of the Appointment Committee changed during 2018/19 and attendance of Governors at the meetings is as follows:

Name	Meetings (attended/ eligible to attend)
Lynne Hunt, Trust Chair	7/8
Jeni Bremner, Deputy Chair	1/1
Alia Gomez, Staff Governor, Southampton	7/8
Andrew Jackman, Public Governor, Southampton	8/8
Venus Madden, Public Governor, North Hampshire	4/8
Paul Lewzey, Pubic Governor, Southampton	6/6
Rob Humby, Appointed Governor	2/6
Josie Metcher, Public Governor, South West Hampshire	3/8
Susie Scorer, Public Governor, Southampton	2/2
Peter Smith, Public Governor South West Hampshire	3/3
Sue Smith, Public Governor, North Hampshire	2/2
Adrian Thorne, Appointed Governor, Carers Together	3/3
Tom Whicher, Public Governor, Southampton	0/2

Non-Executive Director appointments
In early 2018 the CoG approved the processes to re-appoint a non-executive director who had come to the end of their term. They also approved the process to appoint to three Non-Executive Director positions to the Board.

The appointment process was managed internally, with a wide range of candidates across a range of sectors expressing interest. Short-listed candidates were invited to meet key stakeholders including representatives from local authorities, voluntary organisations, service users and staff.

The high calibre of candidates enabled the Appointment Committee to recommend the appointment of two non-executive directors from the 2018/19 process.

In 2018/19, the following recommendations made by the Appointment Committee were approved by the Council of Governors:
- the re-appointment of Jeni Bremner as Non-Executive Director and Deputy Chair
- the appointment of Robert Goldsmith as Non-Executive Director
- the appointment of Michael Bernard as Non-Executive Director (term commenced 14/05/19)
- the appointment of Kate FitzGerald as Non-Executive Director (term commenced 14/05/19)
- the remuneration and terms of office for the non-executive directors.

Our Constitution explains how a Board member may not continue in the role. It also outlines additional provisions for the removal of the Chair and non-executive directors, which requires the approval of three-quarters of the members of the CoG. If any proposal to remove a non-executive director is not approved at a meeting of the CoG, no further proposal can be put forward to remove the non-executive director based upon the same reasons within 12 months of the meeting.

Stakeholder relations
We provide a diverse range of services to a large population over a wide geography. Many individuals, groups and organisations are affected, or can affect our work. Furthermore, there are clear benefits to be gained from involving patients, carers and the public in the design and delivery of local health services.

We are a partner organisation in the Hampshire and Isle of Wight Sustainability and Transformation Partnership (STP), which involves all the local health and care providers and commissioners in the region. The STP organisations work together to identify priorities for improving health and care in a number of key areas. We are particularly involved in the mental health programme of the STP, and play a central role in a number of initiatives. For example, along with STP partners we have launched a new mental health triage service, accessed via NHS 111, which has increased access to mental health expertise and reduced the need for people in mental health crisis to attend acute hospital emergency departments. In Portsmouth and South East Hampshire, we are working with Solent NHS Trust to develop a new mental health crisis service, following extensive engagement with patients, carers and staff. In addition, we are working with acute hospital colleagues to ensure national standards for mental health liaison (specialist mental health support available in acute hospital settings) are being met in Hampshire's acute hospitals.

We have been working closely with South Central Ambulance Services NHS Foundation Trust (SCAS). In addition to the mental health triage service described above – which is based at the SCAS-managed 111 call handling centre – we have developed and launched a Frailty Support Service in the New Forest area. This service provides proactive support to frail, elderly people who are at an increased risk of hospital admission. The joint team visits, assesses and treats patient in their own home, preventing the need for a GP or hospital appointment.

We have continued our partnership with Northumberland, Tyne and Wear (NTW) NHS Foundation Trust, which provides similar services to Southern Health and is rated as Outstanding by the Care Quality Commission. Specifically, we have been working with NTW to develop our Quality Improvement (QI) programme, as NTW has significant experience and expertise in this area. Projects within the Trust include: improving the recruitment process to reduce the time taken from interview to start date of new staff; reducing violence and aggression in acute mental health wards; improving the complaints process to increase the timeliness and quality of responses; and improving access to care at the Willow Group of GP practices.

As a provider of mental health services, we are committed to preventing suicide and self-harm and we are working with a number of other organisations on this important agenda. The Trust has become a member of the Zero Suicide Alliance, a national collaborative of NHS Trusts, business and other organisations all committed to suicide prevention, through the dissemination of training, guidance and support to empower people to contribute towards suicide prevention. We are also working with local partners to deliver the Hampshire Suicide Prevention Strategy which is a multi-agency approach involving health, care, police, and education providers, amongst others.

We have been working closely with Hampshire County Council in the design of an improved and more joined up intermediate care service, which relates to the care provided to people upon discharge from hospital, and working proactively to prevent hospital admission to patients at a higher risk of deteriorating health in the community. These types of services are provided by both health and social care professionals and this partnership seeks to improve the way these teams work together, for example through co-location, a single leadership structure, and single points of access.

We work alongside a number of other NHS Trusts and the charity Response as part of the Thames Valley and Wessex Forensic Network. This partnership works together to ensure that more people requiring secure mental health care are supported closer to their homes, and to improve the transitions between different services.

We provide regular briefings and updates to Overview and Scrutiny Committees (OSCs) for Hampshire, Southampton and Portsmouth. Key areas where we have engaged with OSCs include around the temporary closures of beds due to staffing shortages, and around the results of the comprehensive CQC inspection in October. Our Chief Executive has met with the Chairs of both the Hampshire and Southampton OSC. Whilst there have been no significant service changes requiring formal public consultation, we work to ensure that OSCs are informed and made aware of challenges, changes and developments throughout the year.

In addition to the OSCs, we work to ensure the wide array of other stakeholders are kept informed and, where appropriate, given opportunities to get involved in our business. This includes local MPs, partner organisations, charities and voluntary sector organisations, local authorities, Healthwatches and Leagues of Friends. This communication has taken place through written briefings and face-to-face meetings. Examples include briefings regarding the findings of the Care Quality Commission, meetings with MPs in Westminster, attending health summits and forums hosted by local MPs, and attending or hosting stakeholder meetings.

We have appointed a dedicated Head of Patient and Public Engagement to plan and coordinate public and patient involvement activity taking place across the Trust. This has led to the creation of a Working in Partnership Committee, which is chaired by a carer and attended by representatives from patient and carer groups across the organisation. The committee reports to the Trust Board, and provides a meaningful opportunity for involvement and scrutiny of our activity from patients and carers. Quarterly patient insight reports are produced which outline key involvement activity which has taken place,

alongside any outcomes or action taken as a result of this activity.

It is important to celebrate the diversity of our staff and the communities we serve, and to ensure we are working in an inclusive and accessible way – seeking to hear the seldom heard voices of the different communities in Hampshire who may require our services. People identifying as LGBT+ can experience significant discrimination so it is crucial that we reach this community and better understand their experience. With this in mind we became an official partner of Southampton Pride last summer, and attended the event in the city centre. In addition to offering support to those attending the event, it was a useful opportunity to show that we are an inclusive employer. The event also enabled us to gain valuable insights into the experience of LGBT+ people that can be used to improve our services.

Young people are a key audience with which we have previously struggled to engage. Evidence suggests that this group experience significant mental health and wellbeing challenges which could benefit from earlier intervention and support. Furthermore, young people are the future workforce of the NHS. Recognising this, this year we have worked with a social enterprise called Unloc, which specialises in connecting organisations to younger audiences. Together with Unloc, we have devised a survey which gained over 1,600 responses and provided a useful insight into the challenges faced by young people. The results of this survey were used to develop a series of roadshow events to be carried out across Hampshire. It is hoped that the roadshows will improve young people's resilience and health-seeking behaviour, as well as encourage them to consider a career in the NHS. Furthermore, insights for this work will be used to improve how we communicate and involve young people, for example through targeted campaigns.

The activity and initiatives noted above were funded in a range of ways, including: funding through commissioners or regulators, access to our charitable funds, access to funding available via the STP, and investment from our existing funds.

Disclosures

After review, the Trust can confirm there are no inconsistencies between the annual governance statement, the annual and quarterly board statements required by the Risk Assessment Framework, the corporate governance statement submitted with the annual plan, the quality report, and annual report and reports arising from Care Quality Commission.

Statement as to disclosure to auditors

As far as the Directors are aware, all relevant information has been made available to the auditors. The Directors have also taken necessary steps in their capacity as Directors and are unaware of any relevant information not being disclosed or brought to the attention of the auditors.

Cost allocation and charging

We have complied with the cost allocation and charging requirements set out in Her Majesty's Treasury Information Guidance.

Income from the provision of goods and services

As per Section 43 (2A) of the NHS Act (amended by the Health and Social Care Act 2012), we can confirm that the income from the provision of goods and services for the purpose of the health service in England is greater than income from goods and services for any other purpose. Income from other goods and services has had no adverse impact on the delivery of goods and services for the purposes of the health service in England.

Better Payment Practice Code

We aim to pay our non-NHS trade creditors in accordance with the Prompt Payment Code and government accounting rules. We achieved 94.8% compliance with the public sector Better Payment Practice Code which has a target of 95% of all invoices by value, to be paid within 30 days. More information can be found in the table below.

	Actual 31/03/2019 YTD Number	Actual 31/03/2019 YTD £'000
Non NHS		
Total bills to be paid in the year	37,024	96,944
Total bills to be paid within target	34,526	92,969
% of bills paid within target	93.3%	95.9%
NHS		
Total bills to be paid in the year	1,725	24,976
Total bills to be paid within target	1,575	22,582
% of bills paid within target	91.3%	90.4%
Total		
Total bills to be paid in the year	38,749	121,920
Total bills to be paid within target	36,101	115,551
% of bills paid within target	93.2%	94.8%

A statement on the disclosure of any interest paid under the Late Payment of commercial Debts (Interest) Act 1998 can be found in note 12.2 of the Annual Accounts.

Fees and charges
We have no material fees and charges in the period (in excess of £1million) from any income generation activities.
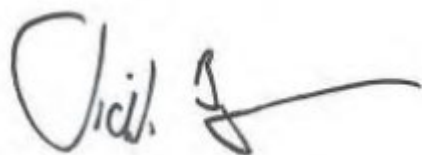
Political and charitable donations
We have not made any political or charitable donations during 2018/19.

Directors' responsibilities for preparing the accounts
The Directors consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understable and provides the information necessary for patients, regulators and stakeholders to assess the Trust's performance, business model and strategy.

The Accountability Report also encompasses sections 2.2, 2.3, 2.4, 2.5 2.6 and 2.7.

Signed:

Dr Nick Broughton
Chief Executive
23 May 2019

2.2 REMUNERATION REPORT

Annual statement from the Chair of the Nominations and Remuneration Committee
I confirm that I was the Chair of the Nominations and Remuneration Committee from 1 April 2018 and present to you the annual report on remuneration for the financial period 2018/19 on behalf of the committee.

The Nominations and Remuneration Committee is established by the Board of Directors and reviews the remuneration, recruitment, appraisal and terms of service for Executive Directors and any other such senior managers.

Major decisions on remuneration in 2018/19
The Nominations and Remuneration Committee aims to ensure Executive Director remuneration is set appropriately, taking into account relevant market conditions.
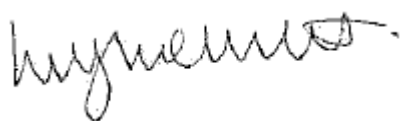
Executive Directors should be appropriately rewarded for their performance against goals and objectives linked directly to the Trust objectives, but not paid more than is needed.

After careful consideration of national guidance and benchmarking, the committee decides what level of increase in remuneration is appropriate. The committee ensures that any increase is fair and reflects benchmarking of executive pay across the NHS.

During the year the Nominations & Remuneration Committee considered the Executive Team structure and approved the following:
- the recruitment process, appointment of, and the remuneration for the Chief Operating Officer and the Director of Nursing & Allied Health Professionals
- the acting up arrangements and remuneration for the Director of Operations (Mental Health & Learning Disabilities) and Director of Integrated Services
- consideration of the business case for appointment of a Deputy Chief Executive
- the remuneration and allocation of Board voting rights for the Director of Workforce, Organisational Development and Communications as a full Executive Director
- the updated Workforce Remuneration Policy
- the local Mutually Agreed Resignation Scheme programme (with approval sought from NHS Improvement, acting with delegated authority from HM Treasury)
- any cases for performance related pay
- any redundancy business cases where the value has exceeded £50k
- any inflationary pay awards for any staff groups on local terms and conditions.

Signed:

Lynne Hunt
Chair
23 May 2019

General Data Protection Regulation

In light of the new General Data Protection Regulation(GDPR) we have contacted (or attempted to contact) all persons named in this report that we intend to publish information about them. We have advised them they are able to object to this publication under Article 21 of the General Data Protection Regulation. We have received two objections to the publication.

Senior managers' remuneration policy

Our workforce remuneration policy sets out the remuneration arrangements for all staff, including executive directors. This includes payments within Agenda for Change and for staff who are on local terms and conditions.

For executive directors their remuneration is determined by the Nominations and Remuneration Committee rather than national terms and conditions of service (TCS). The Nominations and Remuneration Committee has the delegated power to act on behalf of the Board in making decisions upon the remuneration and terms of service for the Chief Executive and other executive directors. These decisions will cover all aspects of salary, including performance-related elements or bonuses (if applicable), the provisions of other benefits, the approval of arrangements for termination of employment and other major contractual terms.

When drafting the Workforce Remuneration Policy, the Trust consulted with the Joint Consulting and Negotiating Committee as well as ensuring it was in line with the Fair and Equal Pay Act and in line with the Foundation Trust duties under the Equality Act 2010 and the Public Sector Equality Duty.

As a guide for the appropriate remuneration level, NHS Improvement issue 'established pay ranges for acute Trusts and NHS Trusts'. The Trust's Nominations and Remuneration Committee use this as a framework for determining Executive Director salaries and consider the section most relevant for the Trust, which is currently "Medium Foundation Trust (£200 - £400million)".

The median salary level for each post is applied unless the committee agree there are specific reasons why remuneration for a particular post should be higher or lower (such a reason could be a broader portfolio of responsibilities for a Director within this Trust compared to a typical Director with that title across most other Trusts). In addition, the Trust may consider other market factors such as remuneration levels within neighbouring Trusts/arms-length bodies which recent history tells us are the key competitors and suppliers of our Very Senior staff. All remuneration decisions will need to take into consideration affordability. It may be noted that remuneration levels could be increased according to the criteria set out in this policy but that this is not affordable for the Trust at the time of the review. Where this is the case a date should be agreed for a further review.

Future policy table
The future policy table below highlights the components of Directors' pay, how we determine the level of pay, how change is enacted and how Directors' performance is managed.

Component	Salary and Fees
How the component supports the strategic objective of the Trust	We recognise the overriding objective of our remuneration policy should be to ensure the Trust employs and retains competent and appropriately remunerated staff at all levels to enable the successful delivery of the Trust's objectives and sustainability of the organisation.
How the component operates	Executive Directors and (under exceptional circumstances) other very senior managers will be paid outside of Agenda for Change terms and conditions.
Maximum that could be paid	No set maximum. In rare circumstances, the basic level of remuneration will be considered insufficient to attract or retain the appropriate candidate for an Executive Director post. In such circumstances, other market factors such as remuneration levels within neighbouring trusts/arms-length bodies would be considered since these organisations are key competitors in this respect. The level of remuneration in these circumstances will be linked to an earn back element which is dependent on the incumbent achieving objectives set by the Chief Executive, or in the case of the Chief Executive, set by the Chair in agreement with the Nominations and Remuneration Committee. There are earn back arrangements in place for Dr Karl Marlowe and Dr Nick Broughton, but they have not been invoked.
Description of framework used to assess performance	Each senior manager is reviewed annually for delivery of individual objectives, along with an assessment of performance against the behavioural framework for Executive Directors as measured through the annual appraisal process.
Amount that may be paid; min level of performance in any payment under this policy; any further levels of performance set in accordance with the policy	Whilst remuneration levels for the majority of Trust staff employed on the Agenda for Change framework are set by the national pay review body, salaries payable to Executive Directors are determined by the following criteria: ■ the median remuneration level for a Director post of that type as described in the annual report produced by NHS Improvement entitled 'NHS Hospital Trust - Boardroom Pay', ■ any broader/lesser portfolio responsibility which may require payment above or below the median level, ■ any other reason relating to the Trust or individual Director post requiring remuneration above or below the median level, and the market value according to a comparison of remuneration levels across the local area. A pay award is considered by the Nomination & Remuneration Committee where individuals can evidence that they have achieved or exceeded performance objectives.

The Council of Governors is responsible for setting the terms and conditions of the Non-executive Directors, including the Chair. More information can be found on page 55.

Directors with remuneration (total) greater than £150k

Remuneration is regularly benchmarked across peer UK NHS organisations. We continue to seek the opinion of the Department of Health via NHS Improvement for any posts with a remuneration exceeding £150k.

Service contract obligations

The Trust does not stipulate any special terms in relation to severance arrangements for directors. In any occasion of termination of a contract, Directors would not be treated differently from any other member of staff.

Policy on payment for loss of office

We do not have a specific policy relating to the setting of notice periods under senior managers' service contracts, instead it follows Agenda for Change notice periods according to length of service. Payment for loss of office for senior managers is described in the Redundancy and Redeployment Policy which complies with both Agenda for Change provisions and legislative requirements.

Where any discretion is applied this will always be in accordance with the individual's contractual terms and approved through a legally-determined Settlement Agreement.

We ensure that we comply with the Workforce Remuneration Policy regarding Nominations & Remuneration Committee approval for severance or loss of office payments above £50k or those which relate to Directors of the Trust.

ANNUAL REPORT ON REMUNERATION

Service contracts

Executive Directors are employed on contracts with a notice period of six months. We do not have any fixed terms for our current directors. Their dates of employment can be found below.

Director job title	Start date
Chief Executive	06/11/17
Chief Operating Officer	25/06/18
Director of Workforce, Organisational Development and Communications	01/01/18
Finance Director	05/09/16
Medical Director	09/04/18
Director of Nursing and Allied Health Professionals	28/07/18

Our Non-Executive Directors are appointed for a term determined by the Council of Governors (usually for a term of 1-3 years).

Nominations and Remuneration Committee

The Nominations and Remuneration Committee met 8 times during 2018/19. It considers the terms and conditions of appointment of all Executive Directors, and the appointment of the Chief Executive and other Executive Directors.

The membership of the committee is detailed below and although Executive Directors may be invited to attend committee meetings, they are not members of the committee (except for the appointment of Executive Directors where the Chief Executive is a member).

Members	Meetings (attended / eligible to attend)
Lynne Hunt (Chair)	6/8
Jeni Bremner	5/8
Dr David Hicks	8/8
David Kelham	6/8
David Monk	7/8
Robert Goldsmith	4/4

Although not members, Directors and Officers attended the Nominations and Remunerations Committee to provide information and advice when required. Therefore the Chief Executive, Company Secretary and Director of Workforce, Organisational Development and Communications attended meetings of the committee during the year to fulfil this requirement. Chief Executive Dr Nick Broughton attended 3/8 meetings as a member.

Disclosures required by Health and Social Care Act

The Trust has a Workforce Remuneration Policy which provides a remuneration framework to ensure the Trust employs and retains competent and appropriately remunerated staff at all levels to enable the successful delivery of the Trust's objectives and sustainability of the organisation. The policy ensures transparency with regard to remuneration arrangements for Trust employees, with

particular clarity where decisions are subject to national or local decision. The Trust Nominations and Remuneration Committee review the Workforce Remuneration Policy and also make decisions regarding any elements which are outside of the policy e.g. "Golden Handshake" payments. Executive pay is monitored by the Nominations and Remuneration Committee and is applied in line with NHSI Guidance.

Directors and Governor Expenses

Non-Executive Directors can reclaim any essential expenses incurred as part of their role; they do not receive any benefits in kind.

	Year	Number in post	Number who claimed	Amount claimed £00
Executive Directors	2017/18	12	12	190
	2018/19	10	10	271
Non-Executive Directors	2017/18	10	9	140
	2018/19	6	6	179
Governors	2017/18	24	12	43
	2018/19	22	12	60
Total	**2017/18**	**46**	**33**	**373**
	2018/19	**38**	**27**	**510**

Senior Manager remuneration and benefits – Information subject to audit

Pension arrangements for the Chief Executive and Executive Directors are in accordance with the NHS Pension Scheme, the Accounting Policies for Pensions and relevant benefits are set out in the following tables:

Salary and pension entitlements of senior managers

Non-executive Directors (NED)

Name and Title	Salary (bands of £5,000)	Expense Payments (taxable) £s (to the nearest £100)	Annual Performance-related Bonuses (bands of £5,000)	Long-term Performance-related Bonuses (bands of £5,000)	Pension Related Benefits (bands of £2,500)	Recharge from other NHS Bodies (bands of £5,000)	Aggregate (bands of £5,000)
Lynne Hunt, Chair	55-60	6,000	0	0	0	0	65-70
Jennifer Bremner	10-15	2,200	0	0	0	0	15-20
David Hicks	10-15	2,000	0	0	0	0	15-20
David Kelham	10-15	3,500	0	0	0	0	15-20
David Monk	10-15	0	0	0	0	0	10-15
Robert Goldsmith	5-10	500	0	0	0	0	5-10
Malcolm Berryman	0	200	0	0	0	0	0-5
Judith Smyth	0	200	0	0	0	0	0-5
Trevor Spires	0	200	0	0	0	0	0-5

Non-executive Directors (NED)

Name and Title	Salary (bands of £5,000)	Expense Payments £s (to the nearest £100)	Annual Performance-related Bonuses (bands of £5,000)	Long-term Performance-related Bonuses (bands of £5,000)	Pension Related Benefits (bands of £2,500)	Recharge from other NHS Bodies (bands of £5,000)	Aggregate (bands of £5,000)
Nick Broughton, Chief Executive (4)	200-205	1,300	0	0	200-202.5	0	405-410
Paula Anderson Finance Director	130-135	1,600	0	0	50-52.5	0	185-190
Sarah Constantine Interim Medical Director (1, 5)	0-5	0	0	0	0	0	0-5
Julie Dawes Director of Nursing & Allied Health Professionals (5)	60-65	500	0	0	0	0	60-65
Paul Draycott Director of Workforce and OD	105-110	1,100	0	0	0	0	105-110
Paula Hull Director of Nursing and Allied Health Professionals (1, 6)	110-115	900	0	0	105-107.5	0	220-225
Karl Marlowe Medical Director	160-165	8,300	0	0	7.5-10	0	180-185
Barry Day Chief Operating Officer	80-85	4,400	0	0	0	0	85-90
Debbie Robinson Director of Operations, Mental Health and LD Services (1)	5-10	100	0	0	75-77.5	0	80-85
Mark Morgan Director of Operations (Mental Health and Learning Disabilities)	20-25	3,800	0	0	0	0	20-25

1. These officers all worked for the Trust in capacities other than as members of the Trust Board during the financial year, associated non-board earnings have not been shown in the table but are declared as follows:
• Sarah Constantine 18/19 £135-140k (17/18 £30-35k)
• Paula Hull 18/19 £0-5k (17/18 £20-25k)
• Debbie Robinson 18/19 £75-80k (17/18 nil).

2. The amounts disclosed within taxable benefits for this officer include tax and national insurance contributions paid by the Trust for home to work travel benefit covered by a PAYE Settlement Agreement (PSA) with the HMRC

3. The amounts disclosed within taxable benefits for these officers relate to 17/18 PAYE Settlement Agreement (PSA) with the HMRC paid in 18/19 as per the filing deadlines

4. Dr Nick Broughton rejoined the NHS Superannuation scheme in 18/19, back dated to his commencement with the Trust 6 November 2017

5. Pension related benefits have resulted in a negative change, in compliance with reporting regulations this is represented with zero value.

All non-voting Board members have been included.

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce. The ratio against the highest paid director is (in the band £200-£205k) results in a ratio of 6.84 (2017/18 the band £165-£170k and a ratio of 5.82).

The highest paid director band has increased in the year as during 2017/18 there was an interim Chief Executive officer in post which was substantively appointed to in November 2017.

In 2018/19 no employees received remuneration in excess of the highest-paid director. The median pay calculation is based on the payments made to staff in post on 31 March 2019.

The reported salary used to estimate the median pay is the gross cost to the Trust, less employer's pension and employer's social security costs. The reported annual salary for each whole time equivalent has been calculated by taking the cumulative cost for each employee to March 2019 from the Trust's electronic staff record.

Payments made throughout the year to staff who were part time have been pro-rated to the equivalent annual whole time salary. Included in the calculation is an estimated average cost for agency & bank staff. All agency and bank staff expenditure is processed through dedicated account codes on the financial system. The total March 2019 expenditure on these codes is used to estimate an average salary. After adjusting agency costs for an average 25% agency fee, the total expenditure has been divided by the average number of agency & bank staff used during the year.

Due to the complexities of the reimbursement of Smoking Cessation Advisors, the salary for this small number of individuals has been excluded from the median calculation. This is also the case with staff whom, due to the in year changes in their personal circumstances, resulted in an annualised salary lower than the national minimum wage and are therefore not considered indicative of a true annualised full time salary.

The highest paid director's remuneration is based on their total remuneration which includes all salaries and allowances (including director's fee), bonus payments and other remuneration.

Southern Health performs a large proportion of its services in house, including facilities management. The Trust has however outsourced the majority of its cleaning and laundry services; this may affect the comparability of the ratio to other NHS organisations who may have followed alternative outsourcing solutions.

The median pay has increased from £28.8k to £29.6k mainly due the average Agenda for Change pay award uplift in 2018/19 of 2.8%.

Total Pension Entitlement

	Real increase in pension at pension age	Real increase in pension lump sum at pension age	Total accrued pension at pension age at 31 March 2019	Lump sum at pension age related to accrued pension at 31 March 2019	Cash Equivalent Transfer Value at 31 March 2019	Cash Equivalent Transfer Value at 1 April 2018	Real Increase in Cash Equivalent Transfer Value
	£2500) £000	£2500) £000	£5000) £000	£5000) £000	£000	£000	£000
Paula Anderson Finance Director	2.5-5	0	30-35	55-60	537	433	91
Nick Broughton Chief Executive	7.5-10	25-27.5	60-65	185-190	1286	931	327
Sarah Constantine Interim Medical Director	0	0	50-55	155-160	1068	944	2
Julie Dawes Director of Nursing & Allied Health Professionals	0	0	65-70	195-200	1547	1499	2
Paula Hull Acting Director of Operations (Integrated Services)	2.5-5	5-7.5	35-40	90-95	730	561	144
Karl Marlowe Medical Director	0-2.5	0-2.5	35-40	115-120	774	665	89
Debbie Robinson Director of Operations, Mental Health and LD Services	0-2.5	0-2.5	15-20	25-30	289	202	15

Senior Manager and Remuneration and Benefits 2017/18

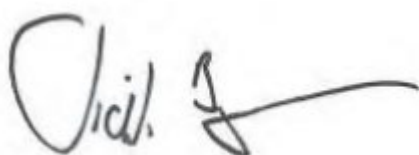| Name	Salary (bands of £5k)	Expense payments (taxable) £s (to the nearest 100)	Annual Performance-related Bonuses (bands of £5k)	Long-term Performance-related Bonuses (bands of £5k)	Pension Related Benefits (bands of £2,500)	Recharge from other NHS Bodies (bands of £5k)	Aggregate (bands of £5k)
Non-Executive Directors							
Lynne Hunt, Chair	40-45	2,800	0	0	0	0	45-50
Jenifer Bremner, Non-Executive Director	10-15	0	0	0	0	0	10-15
Dr David Hicks, Non-Executive Director	5-10	600	0	0	0	0	5-10
David Kelham, Non-Executive Director	10-15	1,000	0	0	0	0	10-15
David Monk, Non-Executive Director	10-15	0	0	0	0	0	10-15
Malcolm Berryman, Non-Executive Director[3]	5-10	500	0	0	0	0	5-10
Alan Yates, Interim Chair[3]	55-60	6,800	0	0	0	0	60-65
Trevor Spires, Non-Executive Director[3]	0-5	500	0	0	0	0	5-10
Judith Smyth, Non-Executive Director[3]	0-5	800	0	0	0	0	0-5
Tracey Faraday-Drake, Non-Executive Director	0	400	0	0	0	0	0-5
Claire Feehily Non-Executive Director[3]	0	1,200	0	0	0	0	0-5
Jonathan Allen, Non-Executive Director	0-5	0	0	0	0	0	0-5
Directors							
Dr Nick Broughton, Chief Executive[6]	80-85	300	0	0	0	0	80-85
Paula Anderson, Finance Director	125-130	1,300	0	0	37.5-40	0	170-175
Dr Sarah Constantine, Interim Medical Director[1]	115-120	800	0	0	202.5-205	0	315-320
Julie Dawes, Director of Nursing & Allied Health Professionals[5]	165-170	1,000	0	0	142.5-145	0	310-315
Paul Draycott, Director of Workforce, Organisation Development and Communications[2]	20-25	900	0	0	0	0-5	25-30
Gethin Hughes, Director of Integrated Services[1]	30-35	300	0	0	60-62.5	0	90-95
Paula Hull, Acting Director of Operations (Integrated Services)[1]	80-85	0	0	0	155-157.5	0	235-240
Mark Morgan, Director of Operations (Mental Health and Learning Disabilities)	135-140	2,100	0	0	0	0	140-145
Dr Lesley Stevens, Medical Director[1]	30-35	0	0	0	110-112.5	0	145-150
Paul Streat, Director of Corporate Governance	125-130	0	0	0	30-32.5	0	160-165
Christopher Ash, Director of Integrated Services (MCP, West)/Strategy Director	45-50	900	0	0	37.5-40	0	85-90
Sara Courtney, Acting Director of Nursing[1]	65-70	100	0	0	42.5-45	0	110-115

Payments for loss of office

The Trust has not made any payment for loss of office in 2018/19 to any individual who was a senior manager in 2018/19, or who was a senior manager in a previous financial year.

Payment to past senior managers

The Trust has not made any payment of money or any other assets, to any individual who was not a senior manager during the financial year, but had previously been a senior manager of the Trust at any time.

Signed

Dr Nick Broughton
Chief Executive
23 May 2019

2.3 Staff report

As at 31 March 2019, the Board of Directors consisted of six Executive Directors - one non-voting (four male and two female) and six Non-Executive Directors (two female and four male).

As at 31 March 2019, excluding the Executive Directors, the Trust had 5902 employees (4908 female and 994 male. This does not include agency staff).

Definition of Senior Managers
For the purpose of this report we define Senior Managers as Chief Executives, Executive Directors (with the exception of those who are eligible to be on the consultant contract by virtue of their qualification and the requirements of the post), and other senior managers with board level responsibility.

Staff costs

	Permanent	Other	2018/19 Total	2017/18 Total
	£000	£000	£000	£000
Salaries and wages	163,364	3,419	166,783	161,010
Social security costs	15,896	-	15,896	15,509
Apprenticeship levy	812	-	812	789
Employer's contributions to NHS pensions	21,422	-	21,422	20,876
Pension cost - other	27	-	27	12
Other post employment benefits	-	-	-	-
Other employment benefits	-	-	-	-
Termination benefits	633	-	633	283
Temporary staff	-	20,117	20,117	19,278
Total gross staff costs	**202,154**	**23,536**	**225,690**	**217,758**
Recoveries in respect of seconded staff	-	-	-	-
Total staff costs	**202,154**	**23,536**	**225,690**	**217,758**
Of which				
Costs capitalised as part of assets	1,090	84	1,174	573

Health and wellbeing of staff and staff engagement

Staff sickness absence data	2018/19	2017/18	2016/17
Total days lost	53185	53900	60950
Average working days lost (per WTE)	10.53	11	11

Average number of employees (WTE basis)

	Permanent	Other	2018/19 Total	2017/18 Total
	Number	Number	Number	Number
Medical and dental	230	24	254	253
Ambulance staff	-	-	-	-
Administration and estates	1,347	18	1,365	1,398
Healthcare assistants and other support staff	1,259	214	1,473	1,353
Nursing, midwifery and health visiting staff	1,611	118	1,729	1,743
Nursing, midwifery and health visiting learners	-	-	-	-
Scientific, therapeutic and technical staff*	521	17	538	620
Healthcare science staff	-	-	-	1
Social care staff	-	-	-	-
Other	-	-	-	-
Total average numbers	**4,968**	**391**	**5,359**	**5,368**
Of which:				
Number of employees (WTE) engaged on capital projects	23	2	25	19

* There has been a change in the re-categorisation of some staff from Scientific, therapeutic and technical staff to Healthcare Assistants and other Support staff which has led to a change in these numbers.

Expenditure on consultancy
During 2018/19 the Trust spent £110,000 on consultancy support, compared to £784,000 in 2017/18.

Exit packages
We are required to publish our use of exit packages during the year, with comparative tables for the previous year. The following table details a number of exit packages used during 2018/19 and the table below gives the comparative for 2017/18.

2018/19

	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
	Number	Number	Number
Exit package cost band (including any special payment element)			
<£10,000	-	28	28
£10,000 - £25,000	-	5	5
£25,001 - 50,000	-	7	7
£50,001 - £100,000	-	1	1
£100,001 - £150,000	1	-	1
£150,001 - £200,000	-	-	-
>£200,000	-	-	-
Total number of exit packages by type	**1**	**41**	**42**
Total cost (£)	£135,000	£498,000	£633,000

2017/18

	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
	Number	Number	Number
Exit package cost band (including any special payment element)			
<£10,000	1	36	37
£10,000 - £25,000	3	5	8
£25,001 - 50,000	1	2	3
£50,001 - £100,000	-	-	-
£100,001 - £150,000	1	-	1
£150,001 - £200,000	-	-	-
>£200,000	-	-	-
Total number of exit packages by type	6	43	49
Total cost (£)	£209,550	£282,815	£492,365

The table below details the other (non-compulsory) departure payments used during the year, with comparison figures for the previous year:

	2018/19		2017/18	
	Payments agreed	Total value of agreements	Payments agreed	Total value of agreements
	Number	£000	Number	£000
Voluntary redundancies including early retirement contractual costs	-	-	-	-
Mutually agreed resignations (MARS) contractual costs	16	383	5	114
Early retirements in the efficiency of the service contractual costs	-	-	-	-
Contractual payments in lieu of notice	25	115	38	169
Exit payments following Employment Tribunals or court orders	-	-	-	-
Non-contractual payments requiring HMT approval	-	-	-	-
Total	41	498	43	283
Of which:				
Non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months' of their annual salary	-	-	-	-

Our policy on off-payroll arrangements

We limit our use of off-payroll arrangements for highly paid staff. Staff engaged off-payroll for a duration of longer than six months during 2018/19 can be found in the following table. There were no Board members or senior members of staff with significant financial responsibility engaged in off-payroll during the year.

Table 1

For all off-payroll engagements as of 31 March 2019, for more than £245 per day and that last for longer than six months:	
No. of existing engagements as of 31 March 2019	3
Of which:	
No. that have existed for less than one year at a time of reporting	1
No. that have existed for between one and two years at time of reporting	1
No. that have existed for between two and three years at time of reporting	1
No. that have existed for between three and four years at time of reporting	0
No. that existed for four or more years at time of reporting	0
Confirmation that all existing off-payroll engagements, outlined above, have at some point been subject to a risk based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where necessary, that assurance has been sought	Yes

Table 2

New off-payroll engagements, or those that reached six months in duration, between 1 April 2018 and 31 March 2019, for more than £245 per day and that last for longer than six months.	
No. of new engagements, or those that reached six months in duration, between 1 April 2018 and 31 March 2019	1
Of which:	
Number assessed as within the scope of IR35	0
Number assessed as not within the scope of IR35	1
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

Table 3

Off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2018 and March 2019	
Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year	0
Number of individuals that have been deemed 'board members and/or senior officials with significant financial responsibility' during the financial year. (This figure includes both off-payroll and on payroll engagements).	16

Our commitment to staff engagement
We believe our staff are our most valuable asset – their passion and dedication makes the Trust what it is. This year we have made great strides to improve our staff engagement programme. Below we have described some of main elements of the programme:

Staff Engagement and Inclusion Forum
Our refreshed Staff Engagement and Inclusion Forum reformed in January 2019. The forum includes overseeing progress against our Staff Survey action plan 2019/20, the successful launch of our culture questionnaire, scrutiny of improvements against our equality standards, support for staff engagement pilot sites and delivery of inclusion and engagement outcomes contained within the People and Organisational Development Strategy.

Cultural dashboards
We have devised a Cultural Dashboard to provide teams with a localised engagement score. This will transform the support we can provide teams by using data on team culture to identify responsive and effective development opportunities. The tool went live from March 2019 using data from the 2018 Staff Survey.

Appraisal development
Our appraisal process will always be an evolving one - it's really important we continue to gather feedback on its effectiveness to ensure the process remains valuable, meaningful and people focused. In 2018, we embarked on the biggest appraisal review to date and collected feedback from 677 staff which has led to a number of changes.

One of the biggest changes is the appraisal window. From 2019, our appraisal window will run from 1 March to 31 July. Our appraisal will still work on a cascade basis, starting with Executives in March 2019.

REVIEW

REFLECT

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Supporting staff health and wellbeing

We believe that our staff must be at their best to provide the best care to our patients and service users. All our staff are encouraged to take part in our extensive health and wellbeing programmes.

This year using feedback from our staff engagement events, a Health and Wellbeing (HWB) Champions toolkit was designed and issued. The toolkit embraces the principles of Positive Psychology and offers staff the opportunity to identify 'what we are doing well' and 'what needs to improve', specifically in regard to:

- feeling positive at work
- methods of staff engagement
- enabling authentic relationships at work
- developing meaning through our vision, values and priorities
- celebrating success and accomplishments.

HWB engagement days were delivered across our Staff Engagement pilot sites in July/August 2018. These included mindfulness exercises, exercise taster sessions, massage and holistic therapies.

We have also undertaken a baseline mapping in regard to NICE Standards on Health and Wellbeing Management and will be using this as an annual benchmark for improvement.

Our Occupational Health Services are provided by People Asset Management (PAM) OH Solutions. PAM OH Solutions are a highly experienced occupational health and wellbeing specialist providing a wide range of occupational health solutions. PAM offers:

- pre-employment health screening
- occupational health advice to support sickness absence management and wellbeing at work
- immunisations and screening
- sharps incidents and needle sticks helpline
- health/workplace assessment (surveillance and screening).

We also offer fast-track services to talking therapies (IAPT), Recovery College courses, critical incident stress management, and fast-track MSK services. In addition, staff can access employee assistance services provided by Workplace Options who offer a range of wellbeing services including short term counselling.

Inclusion

Our equality and diversity agenda is not just about responding to targets set by legislation or reaching performance objectives, it is about how we behave towards each other every day of our lives. Southern Health was an official partner at Southampton Pride this year. The event was hugely well attended and was an opportunity to demonstrate the Trust's commitment to supporting and nurturing a truly diverse and inclusive workforce. In addition to the event, there was significant communication in local media outlets and across social media channels.

The Trust is currently exploring becoming a Stonewall Diversity Champion. The programme provides an excellent framework for creating a workplace that enables LGBT+ staff to reach their full potential.

Launch of Diversity Networks

In the latter part of this year we launched a series of Staff Network events which focused on disability, race and sexual orientation (LGBT+). These events are built on the principles that they are very much the networks of the staff, which are supported by the wider organisation.

We also launched the Workforce Race Equality Network in January 2019. The session was an open and honest discussion with a few strong recurrent themes surfacing. These themes were discussed in depth and actions pulled together at a follow up event in February 2019. Improved career support and increased reporting and tackling of verbal abuse were amongst the concerns requiring address.

Workforce Race Equality Standard (WRES) and draft Workforce Disability Equality Standard (WDES)

We launched the Equality Standard 2014-2018 to transform diversity and inclusion performance for our patients and people. We have made positive improvements across a number of indicators including:

- 99.83% workforce now reporting their Race
- Making significant year on year progress in reducing the 'undefined' rate from 7.9% in 2014 to 0.76% in 2017 and to 0.17% in 2018
- 83.66% of the workforce is White British
- 14.67% of the workforce is BAME (Black, Asian and Minority Ethnic).

Whilst there have been positive improvements in BAME staff experience as contained in the NHS Staff Survey and WRES; there are a number of indicators we must improve including employee relations performance (BAME disciplinary and representation at Band 7 and above).

The Workforce Race Equality Standard (WRES) and draft Workforce Disability Equality Standard (WDES) were presented at the Workforce and Organisational Development Committee. Both papers outlined our performance and high impact actions that have been designed and undertaken, key successes and plans for the future.

During Black History Month, 'An ethnographic review into BAME disciplinaries at Southern Health' was launched and a staff engagement programme was undertaken to identify the experience of BAME staff. This included experience at every point of the employee journey including: recruitment and selection; on-boarding; employee relations and exit interviews.

Staff survey

OUR STAFF SURVEY - WHAT OUR STAFF SAY ABOUT WORKING FOR SOUTHERN HEALTH

Only our staff can tell us how good their working life is. The feedback for the staff survey is vital in helping us understand and change things for the better. For 2018, our staff survey completion target was 60%. We knew we had to promote the benefits of completing the staff survey more widely than previous years. We held foyer campaigns across a number of our sites, recruited over 40 survey champions and held four director-led engagement events to attempt to increase return rates. We also launched a campaign on Twitter asking for staff to post selfies with their completed surveys, with the hashtag #staffsurveyselfie.

Overall Position
There are 16 combined Mental Health/Learning Disabilities and Community organisations in our Trust's benchmarking sector. The graph below summarises the distribution of questions where our Trust scored amongst the top 20%, middle 60% and bottom 20% of these organisations. This is considerably improved with a significant increase in questions scoring in the top 20% and marked decrease in those in the bottom 20%.

Graph to show % scores relative to peer group average for Southern Health 2016-18

	2016	2017	2018
Above average	22%	19%	33%
Average	59%	50%	51%
Below average	19%	31%	16%

Legend: Below average | Average | Above average
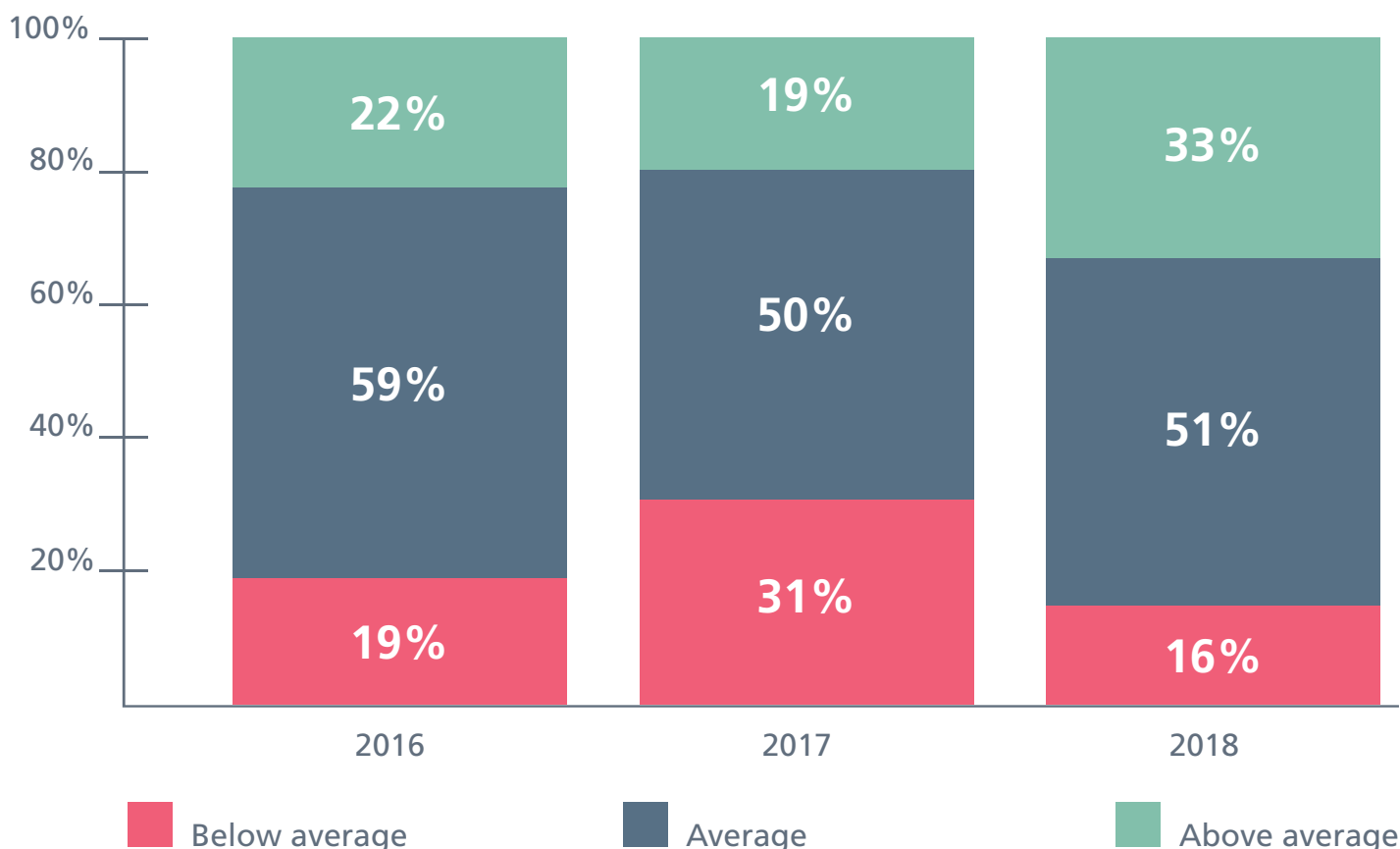
	2018/19		2017/18		2016/17	
	Trust	Benchmarking group	Trust	Benchmarking group	Trust	Benchmarking group
Equality, diversity and inclusion	9.2	9.2	9.3	9.2	9.3	9.2
Health and wellbeing	6.2	6.1	6.1	6.1	6.1	6.1
Immediate managers	7.3	7.2	7.3	7.1	7.1	7.1
Morale	6.2	6.2	Not available			
Quality of appraisals	5.6	5.5	5.4	5.4	5.4	5.4
Quality of care	7.2	7.4	7.2	7.4	7.4	7.5
Safe environment – bullying and harassment	8.1	8.2	8.2	8.3	8.3	8.2
Safe environment – violence	9.5	9.5	9.5	9.5	9.5	9.5
Safety culture	6.8	6.8	6.8	6.7	6.6	6.7
Staff engagement	7.1	7.0	7.0	7.0	6.9	7.0

Overall response rate

Questionnaires were sent to 5,812 members of staff and after excluding ineligible respondents, 5,719 remained. The survey was issued in paper format this year to enable equity of access. 2,493 staff returned questionnaires yielding a response rate of 43.6%. This is an increase of 6.6% on 2016 and 2017.

Graph to show % Staff Survey Response Rate 2016/18

37%

2016

37%

2017

43.6%

2018
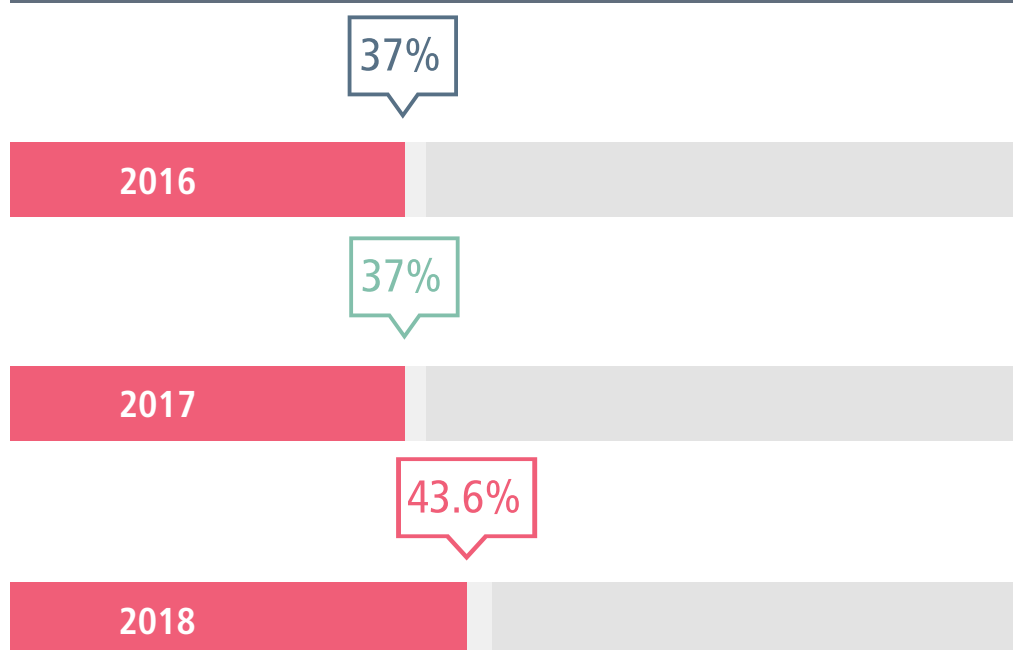
Our staff engagement scores

Staff engagement is measured across three themes:

- Advocacy (recommendation of the Trust as a place to work or receive treatment)
- Motivation (staff motivation at work)
- Involvement (ability to contribute towards improvement at work).

Each theme has shown an improvement compared to 2017 with Advocacy being the most improved at 33%.

Overall staff engagement is measured as an average across the three themes and a scale of 1-10 is used where the higher the score, the more engaged the staff. Southern Health's 2018 score is 7.10, an increase of 1.3 since 2017.

Our Trust now ranks fifth in our comparator group for staff engagement. See overleaf for scores.

Our overall staff engagement score (7.10)

Engagement Index

- Other QH Combined Mental Health / Learning Disability and Community Trusts
- Your Organisation
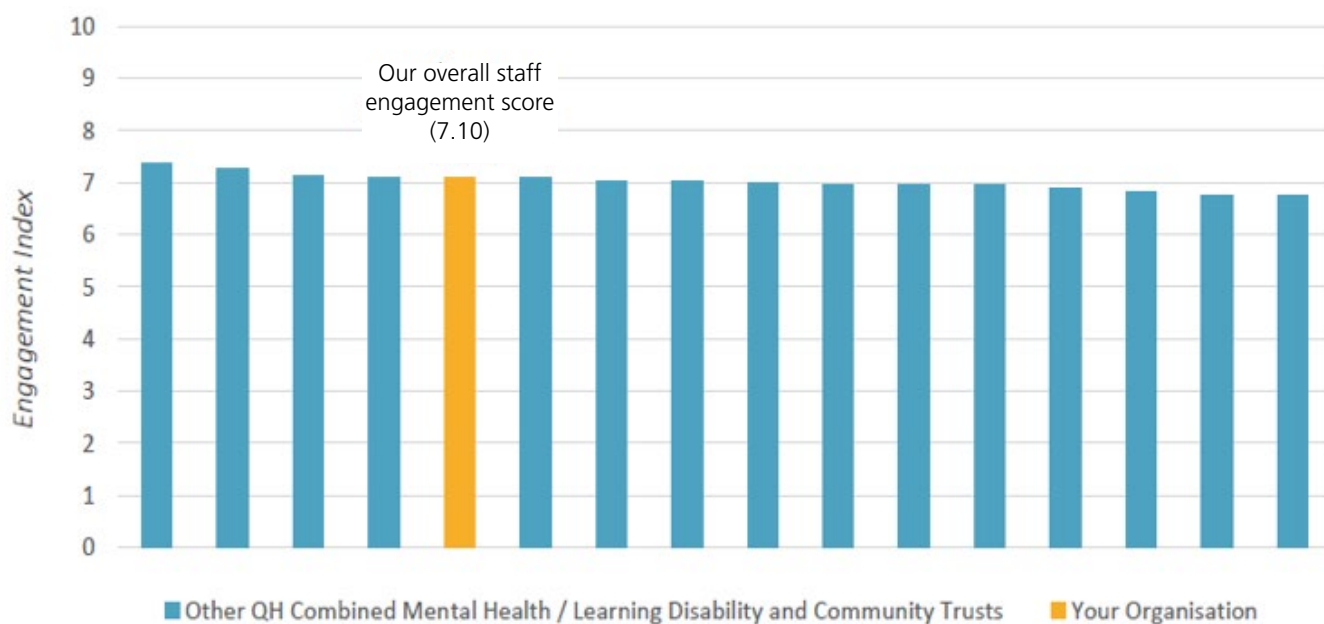
Graph to show improvement in Staff Engagement Score between 2015/18 (scale 1-10)

6.92

2015

6.95

2016

6.97

2017

7.1

2018
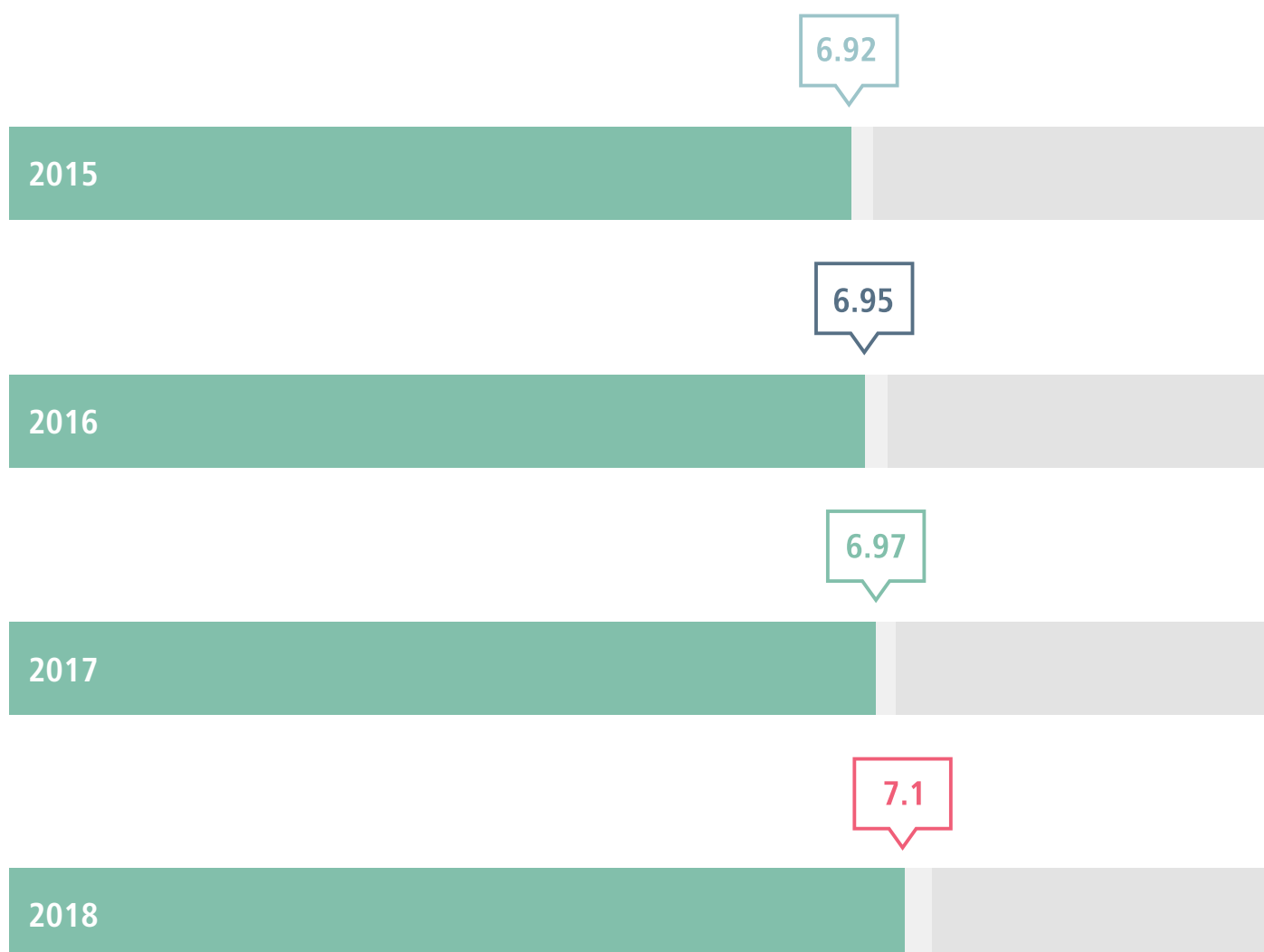
Significant improvements compared to 2017

21% of the questions have shown significant improvements since 2017. Whilst no clear themes are emerging, notable increases are:

- satisfaction with level of pay (+ 7.76%)
- staff recommending the Trust as a place to work (+7.58%)
- staff believing care of patients/service users is the organisation's top priority (+6.16%).

Below is a summary of the significantly better scores.

Question	2018	Difference
I am trusted to do my job	94%	+3.25%
I am able to do my job to a standard I am personally pleased with	78%	+2.79%
I have adequate materials, supplies and equipment to do my work	55%	+3.08%
The team I work in has a set of shared objectives	80%	+2.65%
The team I work in often meets to discuss the team's effectiveness	75%	+3.65%
(How satisfied are you with) the recognition I get for good work	64%	+3.24%
(How satisfied are you with) the amount of responsibility I am given	80%	+3.57
(How satisfied are you with) the extent to which the organisation values my work	46%	+4.98%
(How satisfied are you with) the level of pay	36%	+7.76%
(How satisfied are you with) the opportunities for flexible working patterns	60%	+3.12%
I know who the senior managers are here	86%	+3.34%
Experienced physical violence at work from other colleagues in the last 12 months	1%	-0.87%
Did it (the appraisal, annual review, development review or KSF review) leave you feeling that your work is valued by your organisation?	77%	+3.98%
Were any training, learning or development needs identified?	64%	+3.29%
Care of patients/service users is my organisation's top priority	78%	+6.16%
My organisation acts on concerns raised by patients/service users	79%	+3.95%
I would recommend my organisation as a place to work	59%	+7.58%

Areas for improvement

One of the most important things the Staff Survey does is show us where we need to improve. This year the survey showed we have three areas of significant decline:

- How many additional paid hours do you work per week for this organisation, over and above your contracted hours? – Increase of 2.61% to 22%
- In the last month have you seen any errors or near misses or incidents that could have hurt patients/service users? - Increase of 4.99% to 27%
- Is patient/service user experience feedback collected within your department? – Decrease of 1.47% to 95%

Some other areas which we need to improve include staff feeling valued, demands and pressure on staff, poor feedback, involvement in decisions and coming to work despite not feeling well.

	Bottom 10 scores 2018	2017	2018	Bench mark
1	11g. Have you put yourself under pressure to come to work	93%	93%	93%
2	4g.There are enough staff in this organisation for me to do my job properly	27%	29%	33%
3	9d. Senior managers act on staff feedback	32%	32%	35%
4	10c. On average how many additional UNPAID hours do you work per week for this organisation over and above your contracted hours	66%	65%	59%
5	9c. Senior managers here try to involve staff in important decisions	34%	35%	36%
7	5g. Level of pay	28%	35%	38%
7	4e. I am able to meet all the conflicting demand on my time at work	40%	40%	46%
8	9b. Communication between senior management and staff is effective	39%	40%	43%
9	11d. In the last 3 months have you ever come to work despite not feeling well enough to perform your duties?	54%	55%	56%
10	5f. How satisfied are you with the extent to which the organisation values my work?	41%	46%	47%

Future priorities and targets

We have put together a 15 point action plan in order to address all areas in which Southern Health still needs to improve against our comparison group.

Staff survey 2018 action plan

Each theme of the Staff Survey action plan is managed by a named individual or divisionally led at Director Level.

The Staff Engagement and Inclusion Forum monitors performance of the action plan. Progress/ performance is communicated across the organisation through mainstream Trust communication and engagement channels and locally by Action Plan Leads.

The 15 themes contained within the Action Plan are:
- clinical care
- remuneration

- working life
- physical violence, harassment, bullying or abuse
- patient feedback
- near misses or incidents
- feedback and responsiveness
- training and development
- staff attending work despite not feeling well enough to perform their duties
- flexibility
- staff involvement, improvement & engagement
- value
- health and wellbeing
- discrimination.

Key actions
A number of work-streams are underway including:
- launch of Staff Engagement and Inclusion Forum (SEIF)
- launch of staff Health and Wellbeing Group (HWG)
- Health and Wellbeing Champions development events
- health and wellbeing relaxation workshops
- Tackling Bullying and Harassment event
- Equality and Human Rights event
- People Development programmes including staff engagement; coaching; leadership and management; team development; and launch of the new appraisal process and training for staff.

This list is not exhaustive as a number of actions will be implemented on a monthly basis including Staff Survey 'you said we did' communications.

Our approach to supporting staff with disabilities
The 2017 Staff Survey highlighted that our disabled workforce were our most disillusioned staff group and we have undertaken a number of specific actions to understand and address this including the establishment of a VOX POP Staff Disability Network.

We have a range of policies and procedures in place to support staff who are, or who become disabled. This starts right at the beginning of the recruitment process with our Recruitment and Selection policy ensuring our commitment to promoting equality of opportunity and treatment of any individual. We believe recruitment and selection decisions should be based on the individual's ability to undertake the duties and responsibilities of the job.

We have a guaranteed interview scheme which makes sure any applicant identifying as having a disability will be guaranteed an interview if they meet the minimum criteria on the person specification. We also have guidance in our policies on how to support those staff with a disability, or who become disabled during employment, to maintain employment. This includes following occupational health advice and making reasonable adjustments when necessary.

To ensure there is equal access to our training courses and schemes, the Learning Education and Development (LEaD) department review any signs of discrimination brought to their attention. Through the collection of this data and feedback from staff they produce action plans and alter training to reduce/remove any discrimination issues. The department provide a wide range of options such as e-learning and part and full time access to essential training days wherever possible.

How does the Trust consult with staff?

We have two formal forums through which we inform and consult staff on a regular basis.
Our consultative and negotiating arrangements take the form of a Local Negotiating Committee (LNC) (for medical and dental staff) and Joint Consultative and Negotiating Committee (JCNC) (for all other staff).

The JCNC acts as the main consultative body and provides regular consultation, information exchange and discussion between the Trust and the Trade Unions to maintain and improve management/staff relations. Meetings are held bi-monthly unless an agreement is reached that monthly is appropriate. Since April 2018 the JCNC has convened on six occasions; May 2018, July 2018, September 2018, November 2018, January 2019 and March 2019. Two extraordinary JCNC meetings were also held to focus on significant change processes affecting staff.

The LNC is a sub-committee of the JCNC with agreed powers to reach settlements, which are subsequently reported to the full JCNC. The committee is also the forum through which the Trust will consult with medical staff on relevant matters including service change which may have an impact on medical and dental staff.

How does the Trust inform staff?

We use a range of different methods to ensure our staff are informed of matters relating to them. These include:

- Weekly Bulletin – Trust-wide email newsletter sent to every member of staff
- All staff emails – Covering high profile and urgent topics
- CEO fortnightly blog – Hearing the views of our Chief Executive on current topics
- Director of Nursing and AHP blog – this is a monthly blog sent to nursing and AHP staff on professional matters.
- Intranet news – updated daily with the latest news
- Senior manager information cascade.

Over the last year we have also grown the use of our social media platforms with increasing numbers of staff following the Trust on our different channels including Facebook, Instagram, Twitter and You Tube. We held several Facebook Live sessions with our Chief Executive and various senior managers. Each session focuses on a topic such as finance or staff survey results. Staff have the opportunity to ask questions to the panel in the moment, or before the session so they can be asked anonymously.

Health and Safety

Following the two prosecutions and Care Quality Commission inspection, the Trust has seen positive improvement in ownership and accountability from leaders in regard to Health, Safety and Wellbeing of staff and patients.

Health and safety performance and our safety culture has continued to improve over the last year, with increased embedding in divisions and collaboration with key stakeholders focusing on improving the health, safety and wellbeing of staff and patients.

There is strong evidence of engagement, good practice being shared and an overall safety culture evolving, demonstrated through increased reporting, compliance and reduced harm related incidents.

Whilst there are many factors which influence the culture and performance of health and safety, this improvement can also be triangulated with the recent 2018 staff survey.

The Trust's Health and Safety culture continues to mature and embed throughout the Trust, with the Network of Health and Safety Guardians, Ambassadors and Associates being instilled at all levels, featuring over 200 individual staff members who take a key role in health, safety and wellbeing of colleagues and patients. To aid improvement, Health and Safety Team members have focused on partnerships with Trust services. As business partners they have been able to increase an awareness with individual service management teams providing focused direction and advice tailored to specific needs both operationally and strategically. The safety of service users, staff and others continues to be a Trust priority and promotion of a positive safety culture will continue to be a key focus over the next period.

Counter Fraud

Our Counter Fraud Services are provided by a company called TIAA who we work closely with to ensure there are appropriate measures in place to counter fraud, bribery and corruption in accordance with the NHS Counter Fraud Authority's Standards for Providers.

TIAA's role is to ensure counter fraud measures are embedded at all levels across the organisation, to raise awareness amongst staff of fraud risks and reporting procedures through training sessions and publications, to undertake preventative work and ensure opportunities for fraud are minimised by undertaking proactive reviews, and to investigate referrals (ensuring an appropriate sanction is applied).

All work undertaken by TIAA is overseen by our Director of Finance and the Audit, Risk and Assurance Committee. We have an up-to-date Anti-Fraud, Bribery and Corruption Policy.

Trade Union activity time

Relevant union officials

Number of employees who were relevant union officials during this period	Full time equivalent employee number
7	4.79

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	0
1-50%	6
51-99%	0
100%	1

Percentage of pay bill spent on facility time

Total cost of facility time	£12,713
Total pay bill	£225,690,000
Percentage of the total pay bill spent on facility time	0.006%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time	30.8%

Facility Time is the provision of paid or unpaid time off from an employee's normal role to undertake duties and activities as a trade union representative. There is a statutory entitlement to reasonable paid time off for undertaking union duties; however, there is no such entitlement to paid time off for undertaking activities.

TU duties include:
- negotiations in respect of pay/terms & conditions of employment
- negotiation and development of HR practices/policies
- undertaking job grading/evaluation
- attending to matters of discipline & grievance etc
- promoting effective communication between union representatives and members in the workplace.

TU activities include:
- attending workplace meetings to discuss and vote on the outcome of negotiations with the employer
- meeting with full time officers
- attending branch, area or regional meetings of the union
- attending meetings of official policy making bodies such as the executive committee or annual conference.

2.4 Compliance with the Code of Governance

Southern Health 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.

The Code of Governance contains a number of statutory requirements, with which the Trust is compliant and do not require disclosure statements in the Annual Report.

Additionally, there are a number of other provisions that require the Trust to give a supporting explanation as to whether the Trust is compliant or not: in line with the guidance in the code, where this information is already contained within the Annual Report, a reference to its location is contained below:

Provision	Requirement	Reference in Annual report/ response
A.1.1	This statement should also describe how any disagreements between the council of governors and the board of directors will be resolved. The annual report should include this schedule of matters or a summary statement of how the board of directors and the council of governors operate, including a summary of the types of decisions to be taken by each of the boards and which are delegated to the executive management of the board of directors.	This information is set out on page 53 of the Annual Report.
A.1.2	The annual report should identify the chairperson, the deputy chairperson (where there is one), the chief executive, the senior independent director (see A.4.1) and the chairperson and members of the nominations, audit and remuneration committees. It should also set out the number of meetings of the board and those committees and individual attendance by directors.	This information is set out on page 33 of the Annual Report. Information about the Nominations and Remuneration Committee can be found on page 64 of the Annual Report. Information about the Audit, Risk and Assurance Committee can be found on page 39 of the Annual 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.	This information is set out on pages 50-51 of the Annual 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.	This information is set out on page 38 of the Annual 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 of the NHS Foundation Trust.	This information is set out on pages 33-37 of the Annual 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.	Nomination and Remuneration Committee - This information is set out on page 64 of the Annual Report. Appointment Committee - this information is set out on pages 53-54 of the Annual 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.	The Chair has no other significant commitments to disclose.
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.	This information is set out on page 52 of the Annual Report.

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.	This information is set out on page 38 of the Annual 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.	N/A
C.1.1	The directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS Foundation Trust's performance, business model and strategy. There should be a statement by the external auditor about their reporting responsibilities. Directors should also explain their approach to quality governance in the Annual Governance Statement (within the annual report).	This information is set out on page 59 of the Annual Report. The statement by the external auditor can be found on page 39 of the Annual Report. The Directors approach to quality governance can be found on page 41.
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.	This information is set out on pages 95 and 104 of the Annual Report.
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.	This information is set out on page 39 of the Annual Report.

C.3.5	If the council of governors does not accept the audit committee's recommendation on the appointment, reappointment or removal of an external auditor, the board of directors should include in the annual report a statement from the audit committee explaining the recommendation and should set out reasons why the council of governors has taken a different position.	N/A
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.	This information is set out on page 38 of the Annual Report.
D.1.3	Where an NHS Foundation Trust releases an executive director, for example to serve as a non-executive director elsewhere, the remuneration disclosures of the annual report should include a statement of whether or not the director will retain such earnings.	N/A

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.	This information is set out on page 52 of the Annual Report.
E.1.5	The board of directors should state in the annual report the steps they have taken to ensure that the members of the board, and in particular the non-executive directors, develop an understanding of the views of governors and members about the NHS Foundation Trust, for example through attendance at meetings of the council of governors, direct face-to-face contact, surveys of members' opinions and consultations.	This information is set out on pages 52-53 of the Annual Report.
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.	This information is set out on pages 47-48 of the Annual Report.

2.5 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.

Segmentation

Southern Health NHS Foundation Trust has been placed in segment '3' which is defined as 'Providers receiving mandated support for significant concerns: there is actual or suspected breach of licence, and a Regional Support Group has agreed to seek formal undertakings from the provider or the Provider Regulation Committee has agreed to impose regulatory requirements.'

As outlined in the Annual Governance Statement, the Foundation Trust is subject to enforcement action from NHS Improvement (Monitor). More information on the enforcement action, the breaches and the action taken by the Trust can be found in the Annual Governance Statement.

This segmentation information is the Foundation Trust's position as at March 2019. 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	Q2	Q1
Financial sustainability	Capital service capacity	4	2	4	4	2	2	2	2
	Liquidity	2	1	1	1	1	1	1	1
Financial efficiency	I&E margin	4	3	4	4	2	2	2	3
Financial controls	Distance from financial plan	4	1	1	1	2	2	1	1
	Agency spend	3	3	3	2	2	2	2	2
Overall scoring		3	2	3	3	2	2	2	2

2.6 Statement of the Chief Executive's responsibilities as the accounting officer of Southern Health 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 Southern Health 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 Southern Health NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.
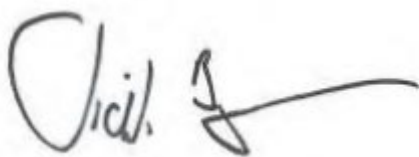
In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Department of Health and Social Care Group Accounting Manual and in particular to:
- observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual (and the Department of Health and Social Care Group Accounting Manual) have been followed, and disclose and explain any material departures in the financial statements
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance
- confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS Foundation Trust's performance, business model and strategy
- 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:

Dr Nick Broughton
Chief Executive Date: 23 May 2019

2.7 Annual Governance Statement

Scope of responsibility

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

The purpose of the system of internal control

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

Capacity to handle risk

The Foundation Trust has in place a Board approved Risk Management Strategy and Policy that has been reviewed in year. This sets out the responsibilities of the Board in relation to the effective management of risk and compliance with relevant legislation.

As Chief Executive I have responsibility for maintaining a sound system of internal control and assurance that supports the achievement of the organisation's objectives and for risk management across the Foundation Trust.

I discharge these duties through the executive and management team, with clear designation of accountability to individuals to support me in this role. Responsibility for specific areas of risk is delegated to Executive Directors in line with functional roles, as well as formal designation of executive leads for specific roles. Within the clinical and corporate services, senior managers are responsible for ensuring they, and their staff, fulfil their responsibility for risk management by operating in accordance with Trust systems, policies and procedures.

The Senior Management Committee ensures effective risk management by maintaining a dynamic Board Assurance Framework and Risk Register through which the Board can monitor the arrangements in place to achieve a satisfactory level of internal control, safety and quality. The Committee is charged with promoting local level responsibility and accountability, and challenging risk assessment and risk assurance arrangements in place in areas of Trust activity where robust controls are not evident, in order to raise standards and ensure continuous improvement. The Committee meets monthly and reviews all risks that are exceeding the Trust's stated risk tolerance threshold.

The Audit, Risk and Assurance Committee is responsible for scrutinising the internal controls of the organisation including through regular review of the Board Assurance Framework, in order that the Board may place reliance on it. As set out in the Annual Report, membership of this Committee is

limited to independent Non-Executive Directors, with Executive Directors and officers of Southern Health in attendance as required. Other Board Committees have responsibility for scrutinising and monitoring relevant risks, relevant sections of the Board Assurance Framework, and internal controls.

Risk management training is mandatory for all staff as part of the Governance e-learning course. The Risk Management Strategy requires all staff to take responsibility for identifying and managing risk, regardless of their role. Targeted training is delivered to line managers, bands 6 and above, as part of the introduction to line management course. Appropriate training is also given to individuals with specific responsibilities for risk management. Copies of the Risk Management Strategy and Policy are available on the intranet and website. The content of training has been reviewed to reflect considered good practice.

The risk and control framework
The Foundation Trust's risk management framework is set out in a number of key policy documents, including the Risk Management Strategy and Policy, the Board Assurance Framework Standard Operating Procedure and the Risk Appetite Statement. These documents provide a structured process for the identification, communication, assessment, escalation and management of risks. The Board Risk Appetite Statement defines boundaries and risk tolerance thresholds to support the delivery of our objectives, clearly defining the amount and type of risk that the Foundation Trust is prepared to seek, accept or tolerate. Processes are responsive to changing circumstances and emerging issues of significance.

The Foundation Trust empowers and encourages all staff to identify, report, and manage operational risks; supported by an electronic risk management system. Staff are guided in articulating risk information through policy documentation and training. Staff are required to describe a risk in terms of cause and effect, and identify appropriate controls and assurances. Where control or assurance gaps exist staff are required to identify actions to address these gaps and to assign appropriate timescales and ownership to individual actions. Finally, staff are required to attribute an inherent, current, and target risk score to allow the Trust to prioritise risks based on impact and severity.

The discipline of risk management is embedded throughout the organisation, is a focus of Trust internal audit, and forms a core element of divisional performance and quality meetings, Trust-wide quality groups, board sub-committees, and the Public Board. Public engagement is sought through service user representation at Trust-wide quality groups, and discussion at the Public Board. Further, risk is reported to the Contract Review meetings held with our commissioners. Key strategy and policy documentation for risk is signed off by the Public Board. Risk identification and management forms part of the divisional objective setting exercises, and is considered when drafting new strategy and policy documentation.

The Board has articulated scoring criteria based on the National Patient Safety Agency risk matrix, which is provided to help staff assess and prioritise risk. Risks are assigned three scores; inherent, (i.e. in the absence of an effective control framework), current (i.e. with controls in place) and target. A timeframe to meet the target score is required to encourage the pro-active management and eventual closure of identified risks. These scoring criteria were formally challenged and ratified by the Board through a series of facilitated workshops, resulting in an expressed Trust risk appetite.

The Board owns and manages a number of strategic risks, articulated in the Foundation Trust's Board Assurance Framework. In 2018/19 the Board Assurance Framework has been reviewed in full, individual strategic risks have designated Executive Directors as owners, and control and assurance information is monitored by the relevant Board committee.

The Board Assurance Framework has been comprehensively reviewed for 2018/19 following the setting of strategic objectives. This has resulted in a number of new strategic risks being identified, with associated control frameworks, assurances, and action plans.

Increased focus has been placed on trajectories for risk scoring, such that strategic risks have interim targets and final targets, with action plans to support the achievement of these reduced scores. The Board is scheduled to receive updates on the Board Assurance Framework in full bi-monthly, along with review of individual strategic risks at committee level.

The principal risks, as described on the Board Assurance Framework at the end of the year are set out below.

Ref	Risk
SR1	There is a risk that we fail to provide high quality or effective care, resulting in serious harm.
SR2	There is a risk that we fail to continually improve the services provided by the Trust to deliver better outcomes.
SR3	There is a risk that we fail to provide patients with a positive experience of our services due to a lack of meaningful engagement.
SR4	There is a risk that we fail to maintain and develop confidence in SHFT as a care provider.
SR5	There is a risk that we do not maintain & develop Specialised Services in a way that benefits patients.
SR6	There is a risk that we cannot retain and attract sufficient and skilled staff.
SR7	There is a risk that we fail to develop and maintain our culture in line with Trust values, and to support the delivery of outstanding services.
SR8	There is a risk that we fail to deliver medium & long-term financial sustainability.
SR9	There is a risk that we have ineffective governance which prevents effective decision making.
SR10	There is a risk that we fail to deliver truly integrated services.
SR11	There is a risk that the quality of clinical care is affected as a result of poorly managed organisational change.

Key actions to mitigate these strategic risks over 2019/20 include:
- the further embedding of the Quality Improvement methodology, delivering a systematic approach to transforming our services, developed through our partnership with Northumberland, Tyne and Wear NHS Foundation Trust
- roll-out of the triangle of care to improve patient and family involvement in services and mitigate out-of-area bed use
- reshaping the organisation towards a number of locality and speciality specific directorates to deliver more integrated care
- strengthening commissioner specifications and ensure holistic approach to money, staff, outcomes, activity, and capacity pressure.

Details of the control frameworks for each strategic risk, assurances against controls, and actions to address gaps are detailed in each report made to the Public Board, available via the Trust's internet page.

The Trust's strategic risks are linked directly to strategic priorities. These are translated into key objectives and measures, and given clearly defined metrics, thresholds and ratings for each business unit, team and individual. There is regular oversight through reports and performance meetings at each level (individual, team, business unit and Trust-wide) with a clear approach for escalation.

The Trust has become increasingly dependent on the use of IT services to provide safe care to its patients and to support the wider business functions. These IT services – which include infrastructure, systems, applications or data – are critical in providing clinical care and for the day to day operational and support activities of the organisation. The loss of confidentiality, integrity or availability of these services would have a significant impact on the Trust and would reduce its ability to provide effective services.

The Trust therefore has a duty to protect all IT systems and infrastructure against the ever increasing threat of cyber-attack. Prevention and preparedness is critical to safeguard the operation of all Trust activities. The Trust has a good foundation of controls – including people, process and technology – and these are based on a number of frameworks, these include the NHS Digital's Data Security and Protection Toolkit (mandated to all NHS organisations), the National Cyber Security Centre's '10 steps to Cyber Security', Cyber Essentials Plus and the international standards ISO27001 and ISO9001. The Trust is currently compliant to the DSTP with the most recent published submission to NHS Digital in March 2019. The Trust also holds ISO27001 and ISO9001 for the IT operation service's and is presently working towards Cyber Essentials Plus by July 2019.

The Trust is also currently involved in a number of initiatives being offered by NHS Digital as part of the newly formed Cyber Security Support Model (CSSM) which was conceived following the widespread cyber-attack that impacted many other NHS organisations in 2017. This is designed to enable health and care organisations to identify, fix, embed and review cyber security to enhance their security posture. The engagements has resulted in significant investment to the Trust in external consultants (the most recent being 60 days over the next 12 months) and has also result in direct funding of £600k to enhance our security infrastructure.

NHS Digital have recently confirmed that they assess the Trust as low risk, high capability on their Cyber security ratings. The Trust continuously works to develop capability and whilst we have not been subject to a successful cyber-attack we are not complacent.

Understanding risk across the organisation

We have developed the risk management systems further to ensure that all identified risks are appropriately escalated to relevant decision-making groups, and that the Board and subcommittees are aware of risks exceeding the expressed Trust risk appetite. Staff are able to access robust and appropriate information which supports their understanding of risk management processes.

Involving people outside the Foundation Trust

A Strategy for Experience, Involvement and Partnership was developed and launched in 2017 with the involvement of patients, families, and the public. This sets out our commitment to work with people who use our services for involvement in their own care and treatment to ensuring that they are routinely offered opportunities to participate meaningfully in the planning, delivery and monitoring of services. The strategy has been updated after engagement with a variety of stakeholder, service users and carers. We have also established two key groups in the past year:

- the Working in Partnership Committee – this monitors and reviews the programme of engagement for the Trust which includes the actions and recommendation following the CQC inspection
- the Carers, Families and Friends Group – which co-produced a carers programme of work which is aligned to the Joint Hampshire Strategy for Carers.

Stakeholder relationships are mapped and managed at strategic, Trust-wide, and local levels, aiming to develop open and transparent relationships where strengths and risks in services are shared and improved by working collaboratively. This includes early engagement and involvement where changes to and development of services are being considered.

The Care Quality Commission

The Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission (CQC). The CQC undertook a comprehensive inspection of the Mental Health, Learning Disability and Community Health services of the Foundation Trust between May and July 2018; where the rating given was "Requires Improvement". A new root cause analysis approach has been introduced to understand the causes underlying the areas for improvement identified. Actions have been grouped into seven themes which are being overseen by workstreams.   Any delays or risks of slippage are escalated to the Trust Executive Committee on a weekly basis.

A new assurance and validation process has been put in place to review completed actions. Each month, action leads are asked to present documentary evidence of completion for all actions due that month to the relevant workstream meeting. If the workstream deem the evidence to be satisfactory it is submitted to the Project Management Office who mark the action as 'Completed, un-validated'. Final validation of completed actions is carried out by the Director of Nursing and Allied Health Professionals on behalf of the Executive Team. Once assurance has been gained the action will be signed off and updated to 'Completed, validated'. Actions may be reviewed again at subsequent visits or via audits to gain assurance of continued compliance and embedding. Progress against the action plan is reported to CQC during the Foundation Trust's quarterly provider engagement meeting.

Use of Out of Area beds

As described on page 20 we always put patients' needs first and in some cases this has necessitated access to inpatient mental health services beyond those provided by the Trust. The reduction of these out of area placements has been a priority for the trust during 2018/19. An out of area placement for acute mental health inpatient care happens when a person with assessed acute mental health needs

who requires adult in-patient care, is admitted to a unit that does not form part of the usual local network of services. The use of these placements, including general acute and psychiatric intensive care units (PICUs) has fluctuated over the year ranging between 30 and 70 at the absolute peak, and we have been unable to achieve our planned reductions. Our objective is to completely eliminate the use of these placements.

This reliance on out of area placements has had an impact on our financial balance, and more importantly the experience for patients and their families, as well as the quality management and assurance through private providers. Over the year there continued to be a number of influencing factors including:

- further increase in demand for acute care (from 60,421 nights of care in 2017/18 to 69,003 nights in 2018/19)
- higher level of need of patients admitted (57.3% of people admitted in 2018/19 were detained under the Mental Health Act, compared to 45.5% in 2016/17)
- a relatively low number of beds for the population we serve (we have 14 beds per 100,000 population; the national average is 19 beds per 100,000)
- reduced capacity within community teams to actively prevent admission and proactively discharge
- although improving, the cultural impact on positive risk taking, environmental and quality restrictions and the recruitment and retention challenges

A number of initiatives have been put in place to reduce the need for out of area placements, these include:

- a system-wide approach to improving access, discharge, prevention and community support services
- joint initiatives to provide real options to alternatives to hospital admission and a focus on local area ownership and delivery
- regular meetings in all areas with Southern Health, local authorities and commissioners to identify and accelerate issues which are delaying discharges from hospital
- Engaging with different housing providers to investigate housing options.

This continues to be high on the Board's agenda with an Executive Director sponsoring and overseeing a specific area of improvement. We also work with local providers to access an additional 16 beds within Hampshire to help more people receive care closer to home.

Workforce
In July 2018 the Trust Board ratified a People Strategy which outlines our ambition to 'Become the best employer'. This includes ensuring the Trust has relevant and up to date short, medium and long term workforce strategies and staffing systems. The strategy has been developed to support improved quality and safety of services for our communities, enabling the delivery of our Clinical Services Strategy and setting out the Trust Board's commitment to our people in making our organisation a great place to work. The national workforce strategy consultation document was launched in December 2017 identifying the challenges for the NHS for the next 10 years. It identifies six principles for us to meet locally as part of this strategy:

- securing the supply of staff that are needed to deliver high quality care
- training, educating and investing in the workforce to give new and current staff the professional flexibility and adaptability to meet the needs of patients

- providing career pathways for all staff rather than just 'jobs'
- ensuring that people from all backgrounds have the opportunity to contribute to, and benefit from, healthcare
- ensuring that the NHS in its entirety is a modern, model employer with flexible working patterns, career structures, and reward mechanisms
- ensuring that in the future service, financial and workforce planning are intertwined.

Getting the right people, at the right time, with the right skills is key to any successful enterprise and we are no different. There are supply challenges across the NHS at present and these need to be addressed directly or innovative solutions found which may include the use of digital solutions. Therefore a process of succession planning and enabling our people to fulfil their potential has to be implemented systematically across the Trust as does a competency framework to enable clear focus on development, education and recruitment.

We use a safer staffing tool to monitor staffing levels across inpatient units and an electronic rostering system is in place across the wider Trust which provides a range of workforce data including the number and band of staff on a certain shift within the community or on the wards.

The foundation trust has published an up-to-date register of interests for decision-making staff within the past twelve months, as required by the 'Managing Conflicts of Interest in the NHS* guidance. As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments into the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

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

The foundation trust has undertaken risk assessments and has a sustainable development management plan in place which takes account of UK Climate Projections 2018 (UKCP18). The trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting.

Preparing to Exit the European Union
We have prepared for a range of situations that could occur if the United Kingdom (UK) exits from the European Union (EU). This work has been led by our Accountable Emergency Officer/Senior Responsible Officer and Business Continuity and Emergency Preparedness Officer. Oversight has been provided through our Emergency Preparedness, Resilience and Response Working Group.

Supply of medicines and vaccines
The Government has developed a UK-wide contingency plan to ensure the continued supply of medicines and vaccines. Our staff have been provided with supporting information and informed:
- not to take any steps to stockpile additional medicines, beyond their usual stock levels
- there is no need to write longer NHS prescriptions
- to advise people they support that the Government has plans in place to ensure the continued supply of medicines from the moment we leave the EU and that they should not store additional medicines at home or source medicines from elsewhere independently.

* https://www.england.nhs.uk/publication/managing-conflicts-of-interest-in-the-nhs-guidance-for-staff-and-organisations/

Supply of medical devices and clinical consumables
The Government has been developing contingency plans to ensure the continued supply of medical devices and clinical consumables that come directly from the EU to organisations that supply the NHS. Our Procurement Team have been kept updated on a weekly basis by the national team. Our staff have been asked not to stockpile additional medical devices and clinical consumables beyond business as usual stock levels.

Supply of non-clinical consumables, goods and services
The Government have identified national suppliers for non-clinical consumables, goods and services that are being managed at a national level. We have reviewed all third party contracts that are not covered by the national team. Where required, plans have been put in place to ensure, as best as we can, a continuity of supply.

Workforce
Through the EU Settlement Scheme, EU citizens are able to register for settled status in the UK if they have been here for five years, or pre-settled status if they have been here for less than five years. This will ensure the rights of EU citizens are protected in the UK after EU Exit, and guarantee their status and right to work. We have written to all affected staff have been written to about the EU Settlement Scheme and offered support through the our Human Resources Team.

Research and clinical trials
We are not involved in any EU grants for research and innovation. All commercial sponsors have confirmed they have made arrangements to cope with a reasonable worst case scenario.

Processing of personal information and data sharing
We continue to review any potential reliance on personal information being processed and transferred to the organisation from outside of the UK. To date, none of our data flow of personal information has been identified as being affected.

Testing and exercising plans
In February 2019 our Procurement Team completed an exercise to test the Trust's response to a 'no deal' EU Exit with disruption to supply chain. This identified a number of actions which have been addressed. Both our Accountable Emergency Officer/Senior Responsible Officer and Business Continuity and Emergency Preparedness Officer have participated in system wide exercises.

Communication and Escalation
We have shared a series of messages to staff through various forums and communication channels to assist them in preparing for EU Exit. This has included All Staff Bulletins, the development of intranet pages, teleconferences and working groups. Staff have also been informed of who to raise EU Exit related issues or concerns to. During March and April 2019 the Trust provided both daily and weekly

Review of economy, efficiency and effectiveness of the use of resources
There are a number of key processes in place to ensure resources are used economically, efficiently and effectively. The Trust Board approves a business plan on an annual basis and detailed budgets are developed each year by division. The relevant Board committees are presented with the financial plan and budgets for both revenue and capital before final approval from the Trust Board.

The Foundation Trust invested £10.5million in a range of capital projects. These include the secure services development (A new learning disabilities residential unit and low-secure adolescent unit)

which is due for completion in 2019/20, reducing ligature risks, improving health and safety, planned maintenance, new medical devices and investment in information technology. The capital spend is lower than planned because of slippage on the secure services development from unforeseen ground clearance issues and other projects were intentionally slowed down due to the impact of the continued revenue cost pressures on the cash balances of the Trust. This will also impact on the level of capital investment planned for 2019/20.

During the year the Trust delivered savings of £12.5million (4.2% of the cost base) through a number of initiatives including service and workforce redesign, procurement and reduction of corporate overheads. However, it should also be noted that £4.9million, or 39%, of these savings were non-recurrent, which increases the financial challenge that the Trust will face during 2019/20.

How we monitor performance
Our strategic priorities are translated into key objectives and measures. These are given clearly defined metrics, thresholds and ratings for each business unit, team and individual. There is regular oversight through reports and performance meetings at each level (individual, team, business unit and Trust-wide) with a clear approach for escalation.

This year we have also implemented a revised Performance Management and Accountability Framework. This focuses on using information and analysis to identify risks and trends, by using performance management dashboards to bring together quality and safety, finance, performance, and workforce indicators. This provides triangulated information and analysis for our business units, divisions and Board to scrutinise.

A data quality programme has been implemented to regularly audit key Trust and regulatory indicators. This tests reliability, validity, completeness, accuracy, standardisation and overall data confidence awarding a data kite mark score which triggers improvement plans, and sets the levels of future oversight and re-auditing as required. This has also led to the improvement of the content and presentation of Board performance reports. There is now more robust assessment and assurance including detailed reviews of areas of concern, improvement trajectories and benchmarking against other relevant Foundation Trusts.

Divisional Performance reviews
Strengthening the divisional performance review process has meant that weekly Business Unit meetings can identify problems and allow prompt corrective action to be taken. At Divisional level performance exceptions are fully discussed to enable learning to be identified and a peer discussion can take place to identify and explore solutions. The reviews allow the Divisional Directors to hold Business Units to account for their operational performance and ensure robust action plans are developed and implemented to rectify areas of poor performance.

Issues are escalated through the Senior Management Committee to the relevant Board Committees and Trust Board. Bi-monthly oversight is undertaken with Executive Directors and Divisions to allow for more detailed discussions.

Internal audit
We have a range of corporate governance and financial policies, including the Constitution and Standing Orders, Standing Financial Instructions, Scheme of Delegations and Board reserved Powers. There are also additional underpinning policies including those which describe our approach to effective procurement of good and services.

We use internal auditors to ensure compliance with these policies. Internal audit reports are shared with the Audit, Risk and Assurance Committee and any appropriate Board committee.

Information governance
We have an established Information Governance Management Framework, which continually works to identify and reduce risks to information and increase data security. The Foundation Trust has a nominated Caldicott Guardian (Medical Director), and a Senior Information Risk Owner (Finance Director). The Foundation Trust's Information Governance Group, which is chaired by the Director of Information & Technology, is responsible for ensuring compliance with the Data Security and Protection Toolkit, which includes identifying and managing information risks and confidentiality breaches.

There were three potential Level 2 confidentiality breaches in the financial year 2018/19, which were self-reported to the Information Commissioner's Office. The first occurred in August 2018, the second in September 2018, but following investigation both were re-assessed, downgraded and closed. The third occurred in March 2019, which is currently still under investigation.

Additionally, there have been four concerns raised with the Information Commissioner's Office relating to the Foundation Trust by service users. Three related to the sharing of information with third parties without the data subject's consent, and one relating to an incorrectly addressed parcel of personal information. All four cases were investigated and responded to, and in all four cases the Information Commissioner's Office confirmed their decision to close the case with no regulatory action but recommendations were made, and incorporated into action plans to mitigate the risk of re-occurrence.

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

The Quality Report 2018/19 has been developed in line with this guidance. The Director of Nursing & Allied Health Professionals is the Executive Director lead for the Quality Report. Performance against key quality metrics is reported via the Foundation Trust's Integrated Performance Report, which is presented monthly to the Trust Board. A progress report on performance against the Quality Priorities was provided to the Quality & Safety Committee on a quarterly basis.

The content of the 2018/19 Quality Report builds on the 2017/18 and 2016/17 report and sets out the Foundation Trust's priorities for improvement for 2019/20, and reports on performance against the quality indicators for 2018/19. This year the report contains, for the first time, sections on NHS Doctors in training and the Learning Disability improvement standards.

In order to improve how we deliver services and fit with the NHS New Models of Care, we have begun a large scale transformation of how we work as an organisation. Fundamental to this has been the engagement of service users, carers, families and staff; as active participants in the design, delivery and monitoring of our services and this is reflected in our quality improvement programme initiated in 2018. All of this is detailed within the report.

The Quality Report has been reviewed through both internal processes and external audit. The unqualified Independent Auditors' Limited Assurance Report to the Council of Governors on the Quality Report can be found in Annex 3 of this report. Comments have been invited from local stakeholders including commissioners, local Healthwatch organisations, overview and scrutiny committees and members of the Council of Governors; these are included in the Quality Report and form part of the process to provide assurance that the report is an accurate reflection of the quality of services provided by the Foundation Trust during the year.

A wide range of sources of information was used when writing the Quality Report to provide a balanced view of our performance. The information in the Report includes performance data collated through Tableau (our business intelligence tool) which is validated by our clinical services, supported by our Information Team. Progress with the quality indicators was validated through quarterly meetings which reviewed performance and confirmed whether objectives within the indicators were achieved. A summary of performance for each quality indicator was also presented to Quality and Safety Committee on a quarterly basis.

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

The following processes have informed my review of the effectiveness of our internal controls, as set out in this document.

The Board has reviewed the Board Assurance Framework and other performance and compliance reports. Assurance has been provided to the Board by the Audit, Risk & Assurance Committee and other Board Committees, with items formally escalated to the Board as required. The effectiveness of the system of internal control has been reviewed by the Audit, Risk & Assurance Committee, which has received the Board Assurance Framework as well as other reports, including those from Internal Audit, External Audit and Counter Fraud. The committee receives all internal audit reports on both financial and non-financial areas and has monitored the implementation of all recommendations via use of a tracker system.

We have had a Clinical Audit Programme in place for 2018/19; performance against this plan is reported to the Quality & Safety Committee via the Clinical Effectiveness Group. The Clinical Audit Programme has been on track throughout the year and all audits have been delivered as per the programme. Over the past few years clinical audit has predominantly been seen as a tool for assurance within the Trust, rather than a tool for improvement. In order to change this a rapid process improvement workshop (RPIW) took place in April 2019 with staff and commissioners, and an improvement plan has been developed. This includes changes to the remit of the Clinical Effectiveness Group and working more closely with the Trust's Transformation team to promote clinical audit as a tool for improvement.

The Foundation Trust commissions a risk-based programme of assurance reviews from RSM, our internal auditors. Our Internal Audit Plan for 2018/19 was approved by the Audit, Assurance & Risk Committee, and 14 audits were completed during the year. Based on the work undertaken in 2018/19 we received the following Head of Internal Audit Opinion:

"The organisation has an adequate and effective framework for risk management, governance and internal control. However our work has identified further enhancements to the framework of risk management, governance and internal control to ensure it remains adequate and effective."

In particular there were five reports issued where the Foundation Trust's internal auditors were only able to provide partial assurance over the design and application of the controls in place to manage the identified risks:

- records management
- rostering
- recruitment – efficiency of process
- payroll
- data quality and performance reporting.

There are also a number of matters that require disclosure and serve to highlight where the Foundation Trust's system of internal control needs to be further strengthened. Action has been taken to address these issues in-year, as set out below:

2018/19 Control Total
The Foundation Trust's final, summarised financial positon for 2018/19 was a control total deficit of £7.2million after receipt of £4.2million of PSF. This means the Trust were off plan by £10.6million. Further detail on the Foundation Trust's financial performance is covered on pages 30-31 of the Annual Report.

Performance targets
We have met all but one of the nationally mandated targets for the year, this was in Diagnostics where we achieved 98.7% against a target of 99%. This was due to a piece of diagnostic equipment being out of commission for several weeks. The metric has been met for the last seven months.

We have continued to work to improve performance against Commissioner targets, with further improvement required against referral to treatment times for community therapies.

Data quality compliance is frequently reviewed, and the previously developed kite mark system for core standards continues to provide oversight and assurance.

Well-led framework
Good quality governance is maintained through the structures, systems and processes the Trust has put in place to ensure it manages the work effectively, scrutinises performance, manages risks and deals with problems in line with NHS improvement's well-led framework. More information can be found on pages 41-46.
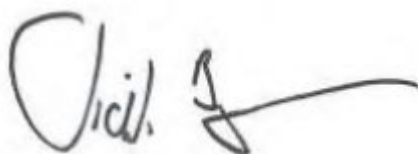
Conclusion

As part of my review of effectiveness I must declare whether the Foundation Trust has any significant internal control issues and set out the actions to be taken to address these.

On the basis of the above, I have concluded that some significant internal control issues were identified in 2018/19; including the failure to meet the control total and ongoing use of out of area placements. As such, it is acknowledged that within 2018/19 not all governance processes were fully effective and as a consequence we cannot declare that all functions have been exercised economically, efficiently and effectively.

Notwithstanding this, my review confirms that the Foundation Trust has made significant progress to address weaknesses in the system of internal control and deliver agreed undertakings.

Signed

Dr Nick Broughton
Chief Executive Date: 23 May 2019

Southern Health NHS Foundation Trust Modern Slavery Act statement 2018

Introduction

At Southern Health we are committed to ensuring that no modern slavery or human trafficking takes place in any part of our business or our supply chain. This statement sets out the steps we have taken to understand all the potential modern slavery and human trafficking risks throughout our organisation and business and how we intend to implement effective systems and controls during the year ending March 2019.

Organisational structure

Southern Health has nearly 6000 staff providing community health, mental health and learning disability services for people across most of Hampshire. Our wide range of services provide support and treatment for both adults and children and we deliver this care in specialised settings, community hospitals, health centres, GP surgeries and in our patients' homes. We work closely with a number of partners, including commissioners, local councils, NHS England and schools to deliver care to our communities.

Our policies

We have zero tolerance for slavery and human trafficking and are fully aware of our responsibilities towards our service users, employees and local communities. We expect all the companies we do business with to share the same ethical values. We have a number of policies which support us in conducting business in an ethical manner, including:

- Recruitment and Selection Policy
- Equality, Diversity and Human Rights Policy
- Safeguarding Adults and Children Policies
- Freedom to Speak Up: Raising Concerns (Whistleblowing) Policy
- Procurement Policy
- Grievance Policy.

All new policies are reviewed within 12 – 18 months of issue to ensure they are working effectively and reviewed again every four years or earlier if relevant laws change or new evidence or guidance becomes available. We also have an impartial Freedom to Speak Up Guardian who supports staff to raise any concerns.

Due diligence

To identify and mitigate the risks of modern slavery and human trafficking in our own business and our supply chain we:

- undertake appropriate pre-employment checks on directly employed staff including conducting eligibility to work in the UK.
- ensure all staff are protected from poor treatment and/or exploitation by complying with all respective laws and regulations. These include provision of fair pay rates, fair terms and conditions of employment and access to training and development opportunities.
- use agency staff from agencies on approved frameworks so that we are assured that pre-employment clearance has been obtained to safeguard against human trafficking or individuals being forced to work against their will. If there is not an available worker from a framework agency, this is escalated to senior managers and local pre-employment checks, including the right to work in the UK, are sought.

Our supply chain includes procurement of agency staff, medical services, medical and other

consumables, facilities maintenance, utilities and waste management to a total of approximately £129million per year of which around £27million is spend with other NHS bodies. We purchase most products through NHS Supply Chain, whose 'Supplier Code of Conduct' includes a provision around forced labour. Where we deal with other NHS providers, their compliance with the Act is assumed.

For our existing service contracts:
- we have written to all our commercial suppliers of service contracts to gain assurance that they are compliant with the Modern Slavery Act 2015. Their responses are monitored and if we do not receive adequate assurance we will assess further through ongoing contract reviews. If concerns are raised, these will be escalated to the appropriate authorities
- for high risk (low margin, unskilled labour) service contracts ongoing assurance is sought at contract review meetings.

For new service contracts:
- we include specific clauses in all Terms and Conditions that reflect our obligations under the Modern Slavery Act 2015
- we ensure that our suppliers are carefully selected through our robust supplier selection criteria/ processes in accordance with Official Journal of the European Union guidance and the Trust's policy and procedure.
- we require that the main contractor provides details of its sub-contractor(s) to enable the Trust to check their credentials
- where a tender price is significantly lower than other bids, or gives other grounds for doubting the credibility of the bid, a written explanation of the offer is sought. If the evidence provided does not satisfactorily account for the bid price or the offering, the bid will be rejected.

Effective action taken to address modern slavery

We have adapted our contract database to ensure we know which suppliers have given us assurance that they are compliant with the Modern Slavery Act 2015. We have a team of practitioners who have received additional training regarding modern slavery who are ready to respond to the health needs of victims of modern slavery as required.

Training

Information about modern slavery and human trafficking, including how to identify and respond to concerns and how to report suspected cases of modern slavery is included in our Safeguarding Children and Adults training which all staff have to complete when starting work with the Trust and update every three years. Over 96% of staff are currently compliant with this requirement. The learning outcomes for the training match the requirements suggested by the Intercollegiate Documents for safeguarding children and adults. We have also provided additional, targeted training for members of staff who are likely to identify modern slavery concerns in the course of their work. We provide bespoke training to teams who identify a need for further information and support.

We marked Antislavery Day on 18 October 2017 by sending out information across the whole Trust about modern slavery in the UK and highlighting the Modern Slavery Helpline. Advice and support regarding modern slavery concerns is available to all staff from safeguarding policies and procedures and our safeguarding adults support and advice line, which is run by members of our Trust Safeguarding Team. We have a page dedicated to information about modern slavery on our staff website, which reminds staff how they might recognise a victim of modern slavery and what they should do to help.

This statement was discussed at our Safeguarding Forum on 27 April 2018 and agreed by the Quality and Safety Committee on 8 May 2018.

Sustainability Report 2018/19

Introduction

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

In order to fulfil our responsibilities for the role we play, the Trust has the following sustainability mission statement located in our sustainable development management plan (SDMP):

'Deliver a sustainable health and care service that works within the available environmental and social resources, protecting and improving health now and for future generations'.

As a part of the NHS, public health and social care system, it is our duty to contribute towards the level of ambition set in 2014 of reducing the carbon footprint of the NHS, public health and social care system by 34% (from a 1990 baseline) equivalent to a 28% reduction from a 2013 baseline by 2020.

Policies

In order to embed sustainability within our business it is important to explain where in our process and procedures sustainability features.

Area	Is sustainability considered?
Travel	Yes
Business Cases	No
Procurement	Yes
Suppliers' impact	Yes

One of the ways in which an organisation can embed sustainability is through the use of an SDMP. Our Trust evaluates the environmental and socio-economic opportunities and impacts during our procurement process, through our Sustainable Procurement Policy and Procedure.

One of the ways in which we measure our impact as an organisation on corporate social responsibility is through the use of the Sustainable Development Assessment Tool (SDAT). As an organisation that acknowledges its responsibility towards creating a sustainable future, we have already met our SDAT target of 70% and are committed to exceeding this target by our 2020 deadline.

Adaptation

Climate change brings new challenges to our business both in direct effects to the healthcare estates, but also to patient health. Examples of recent years include the effects of heat waves, extreme temperatures and prolonged periods of cold, floods, droughts etc. The Board approved plans address the potential need to adapt the delivery the organisation's activities and infrastructure to climate change and adverse weather events.

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

Green space and biodiversity

This year we launched our Nature Gardens initiative to unlock the opportunity and benefits of natural capital within a healthcare environment in supporting the health and wellbeing of patients, staff and the community whilst to protect biodiversity.

Working in partnership with local authorities, colleges, charities and the third sector, including New Forest National Park Authority, Minstead Trust, Groundworks to name a few, we continue to evaluate and improve our natural estate.

Partnerships

The NHS policy framework already sets the scene for commissioners and providers to operate in a sustainable manner. Crucially for us as a provider, evidence of this commitment will need to be provided in part through contracting mechanisms. For commissioned services here is the sustainability comparator for our CCGs:

Organisation Name	SDMP	GCC	SD Reporting score
NHS Fareham and Gosport CCG	No	No	Good
NHS North East Hampshire and Farnham CCG	No	No	Good
NHS North Hampshire CCG	No	No	Excellent
NHS Portsmouth CCG	Yes	No	Good
NHS South Eastern Hampshire CCG	No	No	Minimum
NHS Southampton CCG	No	No	Good
NHS West Hampshire CCG	No	No	Minimum

As an active member of the Public Sector Sustainability Group, the Trust continues to work in partnership with other organisations in Hampshire, including local government, universities, Ministry of Defence, armed services and other NHS organisations to improve sustainability.

Organisation

Since the 2007 baseline year, the NHS has undergone a significant restructuring process and one which is still on-going. Therefore in order to provide some organisational context, the following table may help explain how both the organisation and its performance on sustainability has changed over time.

Context info	2013	2014	2015	2016	2017	2018
Floor Space (m²)	151,000	135,571	109,940	98,532	102,209	108,633

In 2014 the Sustainable Development Strategy outlined an ambition to reduce the carbon footprint of the NHS as a system by 28% (from a 2013 baseline) by 2020. We have supported this ambition as described below.

Energy

Southern Health has spent £1,611,510 on energy in 2018, which is a 4% increase on energy spend from last year.

Carbon Emissions - Energy Use
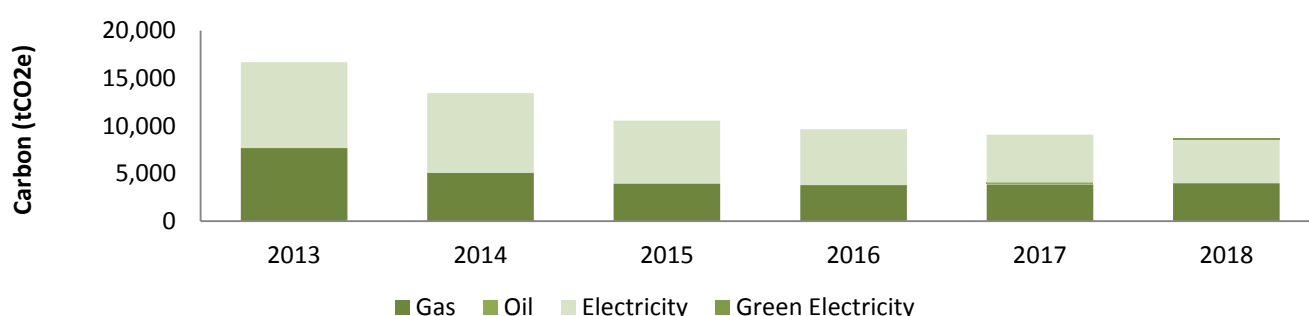
Resource	Mode	2013	2014	2015	2016	2017	2018
Gas	kWh	36,138,815	24,141,146	18,902,558	18,091,956	18,146,945	18,855,970
	tCO$_2$e	7,666	5,065	3,956	3,781	3,786	3,998
Oil	kWh	0	0	0	0	658,789	0
	tCO$_2$e	0	0	0	0	215	0
Electricity	kWh	16,136,618	13,550,424	11,510,476	11,374,404	11,230,399	10,220,993
	tCO$_2$e	9,035	8,392	6,618	5,878	5,006	4,556
Green Electricity	kWh	0	0	0	0	0	409,000
	tCO$_2$e	0	0	0	0	0	182
Total Energy CO$_2$e		16,702	13,457	10,574	9,659	9,068	8,736
Total Energy Spend		£2,143,334	£2,145,717	£1,647,769	£1,503,189	£1,548,064	£1,611,510

Performance

Our Trust consumed 29,485,963 kWh of energy in 2018, which is a 2% decrease on energy use from last year and a 44% decrease on energy use from our 2013 baseline. Our energy consumption created 8,736 tonnes of carbon dioxide emissions equivalent (tCO2e), which is a 4% decrease from last year and a 48% decrease from our 2013 baseline.

Commentary

As part our sustainable energy improvements, our Estates Maintenance team continues to implement energy efficiency measures, such as improved boilers, heating controls and increased insulation, and our Legal Property team continue to rationalise our estate

Travel

Southern Health has spent £4,514,888 on business travel in 2018, which is a 4% decrease on business travel spend from last year.

Carbon Emissions - Travel

- Patient and visitor own travel
- Staff commute
- Business travel and fleet
- Active & public transport
- Owned Electric and PHEV mileage
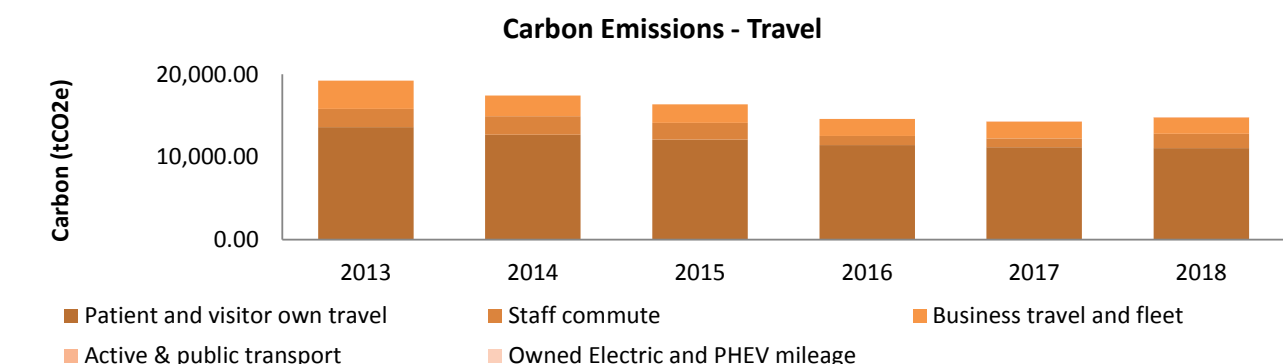
Category	Mode	2013	2014	2015	2016	2017	2018
Patient and visitor own travel	km	59,327,784	55,629,952	233,782	50,924,669	50,498,179	50,099,363
	tCO$_2$e	13,620.47	12,700.87	12,102.28	11,443.28	11,443.28	11,340.38
Staff commute	km	9,653,048	9,796,774	9,080,993	4,995,095	4,802,117	7,802,635
	tCO$_2$e	2,216.15	2,236.70	2,040.59	1,122.45	1,122.45	1,078.41
Business travel and fleet	km	14,756,766	10,921,258	9,955,512	9,071,499	9,097,890	8,884,776
	tCO$_2$e	3,387.86	2,493.43	2,237.10	2,038.46	2,038.46	2,043.11
Active & public transport	km	0	0	0	0	60,012	64,532
	tCO2e	0.00	0.00	0.00	0.00	0.00	3.43
Electric and PHEV	km	0	0	0	0	25,057	17,374
	tCO2e	0.00	0.00	0.00	0.00	0.00	1.77
Total Business Travel tCO$_2$e		3,388	2,494	2,237	2,037	2,019	1,972
Total Business Travel Spend		£ -	£ -	£6,034,526	£5,648,637	£4,697,854	£4,514,888

Performance

Our Trust travelled 8,966,682km on business in 2018, which is a 2% decrease on business travel from last year and a 39% decrease on business travel from our 2013 baseline. Our business travel created 1,972 tonnes of carbon dioxide emissions equivalent (tCO2e), which is a 2% decrease from last year and a 42% decrease from our 2013 baseline.

Commentary

We can improve local air quality and improve the health of our community by promoting active travel – to our staff and to the patients and public that use our services. Every action counts and we are a lean organisation trying to realise efficiencies across the board for cost and carbon (CO2e) reductions. We support a culture for active travel to improve staff wellbeing and reduce sickness. Air pollution, accidents and noise all cause health problems for our local population, patients, staff and visitors and are caused by cars, as well as other forms of transport.

Our Sustainable Travel Policy mandates CO2e emission levels for our fleet vehicles and encourages staff to adopt a sustainable travel hierarchy; firstly, avoid travel wherever possible by using on-line meetings and where travel cannot be avoided, then reduce emissions associated with the travel by choosing low emission transport. To help facilitate this, the Trust continues to invest in additional electric vehicles. We now have four electric vans and two electric pool cars.

We have also embarked on a social change initiative to reduce local air pollution with volunteers from our staff. Although this initiative has only been running for three months our volunteers have saved 3260 kilograms of carbon dioxide emissions (kgCO2e) from their team travel and 1147 kilograms of carbon dioxide emissions (kgCO2e) from their commute.

Procurement

The Trust spent £78,717,949 on non-pay expenditure in 2018, which is an 11% decrease on non-pay spend from last year.

2018 Carbon Emissions - Procurement

Carbon Emissions (TCO2e)
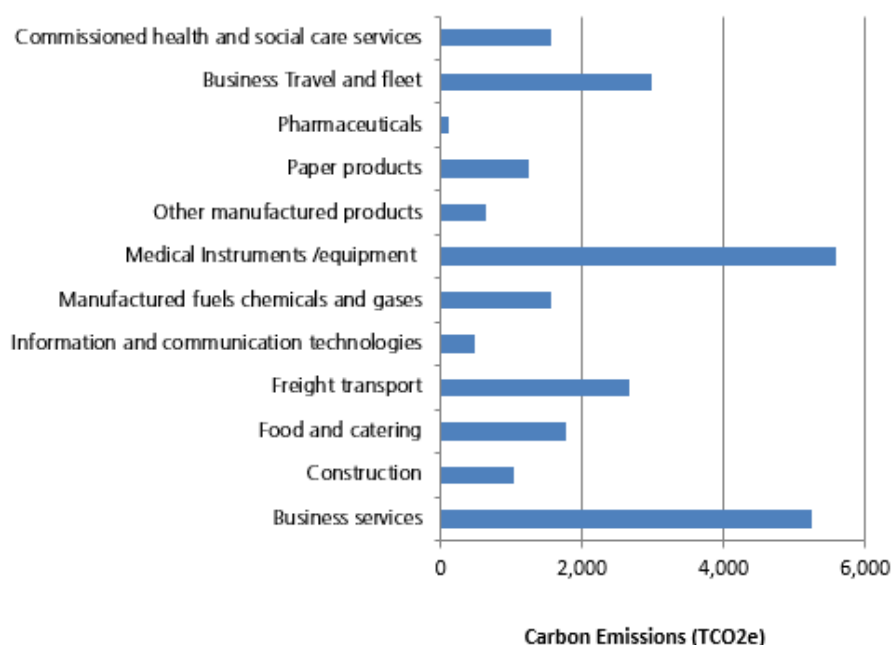
Performance
The Trust non-pay procurement created 31,904 tonnes of carbon dioxide emissions equivalent (tCO2e) in 2018, which is a 12% decrease from last year and a 23% decrease from our 2013 baseline.

Commentary
Our Sustainable Procurement Policy and Procedure ensures our procurement activities consider and wherever possible, minimise both the environmental and ethical impacts of the goods and services we purchase.

These sustainable procurement improvements have not only reduced the carbon footprint of our goods and services but also eased congestion and improved air quality within our region. We are currently working to remove single use plastics from our catering and hospitality services.

Waste

The Trust spent £319,275 on waste in 2018, which is an 8% increase on waste spend from last year

Waste Breakdown
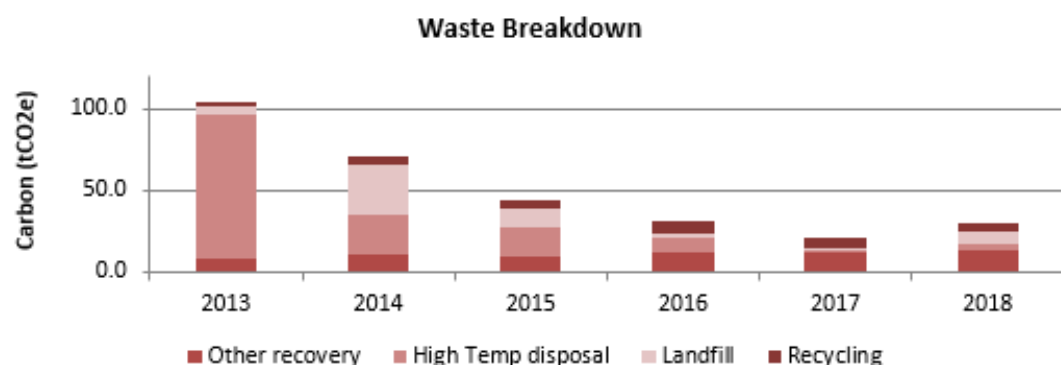
Waste		2013	2014	2015	2016	2017	2018
Recycling	tonnes	157	282	278	342	262	284
	tCO₂e	3	6	6	7	6	6
Other recovery	tonnes	362	508	458	567	556	584
	tCO₂e	8	11	9	12	12	13
High Temp disposal	tonnes	403	111	84	38	2	19
	tCO₂e	89	24	18	8	0.34	4
Landfill	tonnes	19	124	45	10	6	21
	tCO₂e	5	30	11	3	2	7
Total Waste (tonnes)		941	1025	865	958	826	907
% Recycled or Re-used		17%	28%	32%	36%	32%	31%
Total Waste tCO₂e		104	71	44	31	20	30
Total Waste Spend		£ 229,965	£ 331,789	£ 350,214	£ 234,517	£ 296,407	£319,275

Performance

The Trust produced 906 tonnes of waste in 2018, which is a 10% increase from last year and a 4% decrease from our 2013 baseline. Our waste created 30 tonnes of carbon dioxide emissions equivalent (tCO2e), which is a 49% increase from last year and a 71% decrease from our 2013 baseline. 31% of our waste was recycled in 2018

Commentary

As part of our sustainable waste improvements, we are continuing to work with our Managed Waste Supplier to increase our recycle rates and decrease our landfill and high temperature disposal, and with our staff to adopt the waste hierarchy; firstly, avoid creating waste wherever possible by reusing and relocating equipment, furniture and other assets within the Trust and, if they are no longer required by the Trust, then selling or gifting the items to charities and other organisations or individuals.

Finite resource use - water

The Trust spent £255,197 on water and sewage in 2018, which is a 0.5% decrease on water and sewage spend from last year.

Carbon Emissions - Water
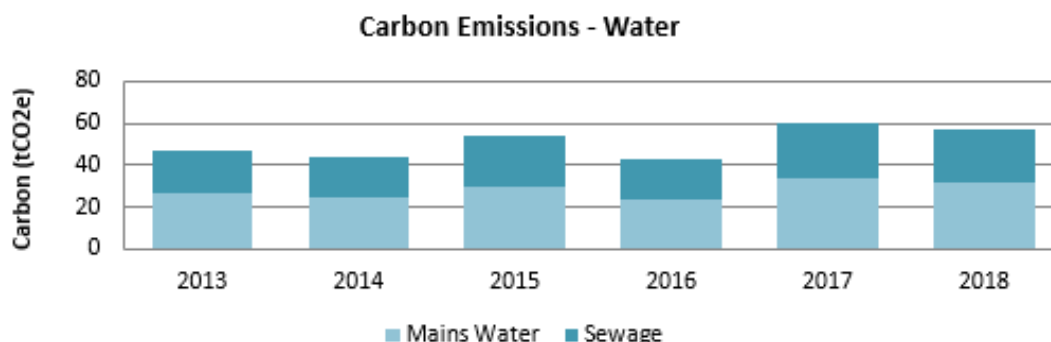
Water		2013	2014	2015	2016	2017	2018
Mains Water	m³	76,164	71,275	87,292	69,494	75,243	91,450
	tCO₂e	26	25	30	24	26	31
Waste Water & Sewage	m³	60,931	57,020	69,834	55,595	60,194	73,232
	tCO₂e	21	20	24	19	21	25
Water & Sewage Spend		£ 302,942	£ 323,412	£ 325,612	£ 249,284	£ 256,350	£ 255,197

Performance

The Trust used 91,450 cubic meters of water and created 73,232 cubic meters of waste water and sewage in 2018, which is a 6% decrease from last year and a 20% increase from our 2013 baseline. Our water use and sewage created 56 tonnes of carbon dioxide emissions equivalent (tCO2e), which is a 6% decrease from last year and a 20% increase from our 2013 baseline.

Commentary

As part our sustainable water improvements, our Estates Maintenance team continues to implement water efficiency measures, such as prevention and reduction of leaks, prompt maintenance of dripping taps, and installing water saving devices, such as hippo bags and auto plungers.

Model Carbon Footprint

Category	% CO2e
Energy	16%
Travel	27%
Procurement	57%
Waste	0%
Water	0%

Proportions of 2018 Carbon Footprint

Our 2018 activities resulted in an estimated total carbon footprint of 55,546 tonnes of carbon dioxide equivalent emissions (tCO2e), which is a 26% reduction from our 2013 baseline.
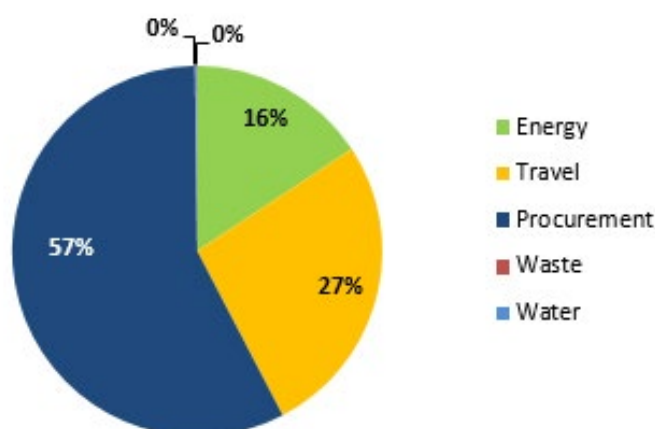
Organisation Carbon Footprint by source
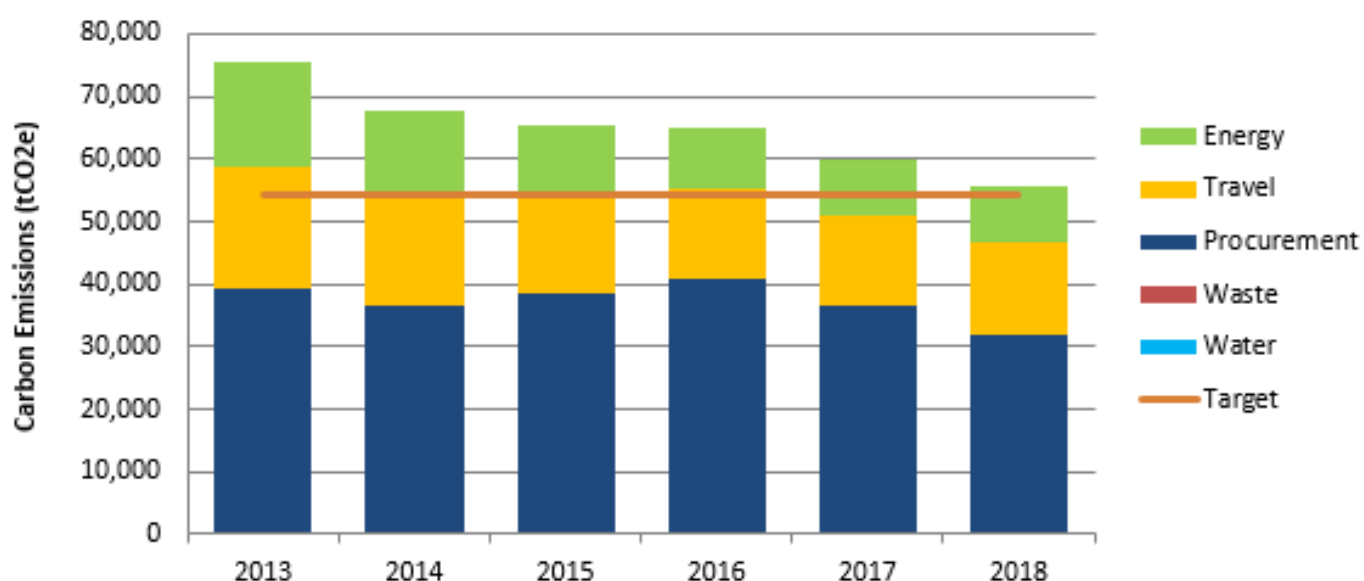
Summary

In 2018, the Trust had an estimated total carbon footprint of 55,546 tonnes of carbon dioxide equivalent emissions (tCO2e), which is a decrease of 26% from our 2013 baseline. We have maintained our SDAT score of 71% and have successfully managed to reduce our energy, travel, procurement and water carbon footprint from last year.

Whilst we have made good progress in reducing our overall environmental impact over the last 12 months we recognise that more needs to be done in order to support the UK's essential transition to a low carbon economy and achieve our strategic goal to reduce our carbon emissions 28% by 2020, using 2013 as the baseline year.

Quality Report

2018/19

Southern Health NHS Foundation Trust

Contents

Introduction

Welcome to the Quality Report for the year 2018/19. In this document we will start with an introduction to Southern Health; an overview of who we are and what we do, our vision and values, and our priorities for the year ahead.

In part one you will read a statement from our Chief Executive Dr Nick Broughton, in which he discusses our achievements and challenges from the past twelve months, and how we are developing to ensure we can continue to improve quality of care and positive outcomes for our patients. We will also show you our plans for the coming year, discuss how we define and measure quality, and how the quality priorities talked about in this report fit alongside our other areas of work.

In part two we will set out our quality priorities for the year 2019/20 and tell you how we plan to meet these. We will then review the past year; by reporting on a number of our key indicators and our previous quality priorities, in part 3, detailing the work we have done to achieve these in the last year.

Our aim is that this report provides an open account of how we work to provide quality care for our patients, their families and carers. We are going through a period of substantial change; as a Trust, within our local health system and as a part of the NHS as a whole, and we are very clear that our central focus is and must always be our patients, and how we work with them to achieve the best possible outcomes for their health and wellbeing. We know we don't always get it right, and we are still working to become the outstanding organisation we want to be. The only way we can do that is with the support of staff, patients, service users and families so if you have any questions or feedback about what you read here or if you think we could be doing things differently, we want to hear it. You can contact us using any of the methods listed in the back of this report.

Who we are
Southern Health NHS Foundation Trust is one of the largest providers of mental health, specialist mental health, community physical health and learning disability services in the country with an annual income in excess of £315million. We provide these services across Hampshire to a population of 1.5 million people, as well as highly specialised services supporting the regional and national population, and we do this with a skilled workforce of around 6,000 people.

The way the NHS is funded is a complex system, and the money we receive each year comes from many different sources, including NHS England, local commissioners and local authorities. We work very closely with all these organisations to ensure we use the funding effectively and that we deliver the care that is best for our local communities.

We operate from around 300 sites including community hospitals, health centres, inpatient units and community based services.

Our services cover:
- treatment and support to adults and older people experiencing mental illness in the community and through our inpatient services
- mental health treatment for adults and young people in secure and specialised settings.
- IAPT (Improving Access to Psychological Therapies) service
- healthcare and support for adults with learning disabilities, delivered by community teams working in partnership with local councils
- specialist learning disability inpatient services
- a diverse range of community health services, including community nurses, end of life care, diabetes services, speech and language therapy, stroke services, X-ray, pain management, orthopaedic choice, physiotherapy and podiatry
- health visiting and school nursing teams working to deliver the Healthy Child Programme across Hampshire.

During 2018/19 we have been working closely with partner organisations in Hampshire and the Isle of Wight to look at how health and social care services can be better aligned to provide person centered care. As result we have developed a new structure to services called: New Models of Care.
This is in line with the national NHS agenda described in the Long Term Plan and the Five Year Forward View, both of which highlight the need for care to be delivered closer to home, within a natural community that focuses on a person's physical and mental health needs. The aim of the new structure is to make us a better organisation to work for, with stronger leadership, clearer direction and improved morale.

As a key provider of community physical and mental health services it is essential that we are a leading partner in these changes and make sure we align our services to this new structure across Hampshire to better meet people's needs. In January 2019 we launched a change programme that introduced five new directorates which will align our services and help us focus on delivering holistic, joined-up care to our local populations.

Our Board is made up of Executive Directors and Non-Executive Directors. They are responsible for our overall performance and our plans for the future. We also have a Council of Governors who are the 'voice' of local people, representing people in their constituency areas, helping us make key decisions and holding the Trust to account. As a Foundation Trust, we also have over 8,000 members drawn from local communities who elect our Council of Governors and are invited to take part in events and influence Trust developments.

Our vision and values
In order to become the outstanding health care provider our patients deserve, we must have a clear aim of what we aspire to, values that underpin everything we do and clear strategic objectives that set out how we will achieve our goals.

In 2017 we worked closely with our staff and partners to develop a refreshed set of values. These remain the core principles that underpin everything we do, from ward to the Board. Our values are:

Patients and People First - providing compassionate, safe care, listening to each other, doing the right thing, appreciating each other, delivering quality

Partnership - communicating clearly, supporting each other, working as a team, building relationships, making things happen

Respect - acting with honesty and integrity, respecting each other, taking responsibility, getting the best from our resources, doing what we say we will do

This year we have been working with our staff, service users, patients, families, carers and partners to develop a new vision and purpose for the organisation. These describe our aspirations as a Trust. They complement the values as a common thread that unite people, articulating why we do what we do, what we are working to achieve, and what people can expect from us at every level of the organisation.

Our vision – World class treatment and care together
Our purpose – Holistic care in partnership that improves lives

To achieve our purpose and ensure our service delivery supports the New Models of Care structure in Hampshire, we need our services to transform the way we provide healthcare for the better. In order to achieve this, we have launched a quality improvement programme and have finalised our organisational strategy for the next five years. This shows how we are going to bring about change and should be published in summer 2019.

Our organisational strategy is led by a set of four strategic priorities that support the delivery of our purpose and define how we achieve our goals. For each of these we have articulated what success looks like, and how we will make this happen with tangible actions. The quality priorities that are detailed in this Quality Report all fit within these four areas and can clearly be linked our direction for the organisation.

Our four strategic priorities for this year are:

Quality – deliver high quality, safe services that inspire the confidence of people who use or rely on them, supported by a Trust-wide transformation programme.
People – attract and retain people to pursue a relentless focus on improving and providing quality services to enable people to reach their full potential.
Transformation – transform our care models in mental health, secure services and community services to deliver great outcome for the people we care for.
Money – focus on eliminating waste, and increasing productivity and effectiveness, to create the financial flexibility and resilience needed to invest in the future of our services.

Part 1: Statement on quality

Dr Nick Broughton, Chief Executive of Southern Health NHS Foundation Trust

This year has been one of tremendous progress, learning and reflection, and one in which quality has been a focus at every level of the organisation. We started the year by completing our Trust Board with the addition of a new Medical Director, Chief Operating Officer and Director of Nursing, and we also welcomed three new Non-Executive Directors: Robert Goldsmith who joined in October 2018, and Michael Bernard and Kate FitzGerald who joined in May 2019.

As part of our coming together as a Board we had to be honest about the scale and breadth of change required in the organisation over the coming years. We spent time reflecting on a number of issues we face as a Trust, considering the scale of the financial challenge for us and the whole of the NHS, and recognising our considerable strengths and achievements.

In the past year we have been extremely proud to see developments in services that have made a tangible difference to our patients and service users and we would like to take this opportunity to thank our staff for their achievements and commitment this year. Some of our highlights include:

- In June we announced that the Crisis Lounge in Southampton had extended its opening hours to be available 24 hours a day, seven days a week for people experiencing mental health crisis in the city.
- In August we sponsored and marched in the Southampton Pride event to demonstrate our organisation's commitment to equality and diversity.
- In September we held our most popular Annual Members' Meeting to date, and proudly featured a collection of talks, performances and displays from staff, service users and carers
- In October we were able to start treating older people in the New Forest in their homes thanks to the launch of partnership project Frailty Cars, and we also launched Chat Health, a text message support service for parents and carers of children under five.
- In December we celebrated some truly wonderful staff through our annual Star Awards ceremony.
- In January Bluebird House was selected for a £45,000 grant to transform its clinical environment with extraordinary artworks by world-class artists, in collaboration with the unit's staff and young patients.
- In March we worked with partners to launch a team working in the 111 call centre to provide 24 hour mental health support for callers in Hampshire and the Isle of Wight.
- Throughout the year we have helped grow the number of GP surgeries across Hampshire achieving Learning Disability Friendly status with training and advice
- We have seen many teams win national awards, including the tissue viability team, research and development team and the falls team.

It has not all been celebration however. Some of the challenges of the past year have included our response to past failings or serious incidents. This includes prosecution by the Health and Safety Executive in March 2018, the findings of our staff survey, feedback from our patients, carers and families, findings from inspection reports and national reports, and how we compared to some of the

best NHS Trust's in the country.

These have highlighted that we still have significant improvements to make in a number of key areas, such as improving quality, safety and consistency of care, how we involve people in their care, joining up care across our own or partnering services, supporting our workforce better, and transforming care pathways to better fit patient's needs.

These are the areas that we have been working on over the last 12 months with our 6,000 staff. We often spend time with our staff and we know they are compassionate, skilled and dedicated people who have chosen to work in the NHS because they want to make a difference. They give us a strong foundation to build upon.

It's also important to note the many areas in which we have already seen our services begin to develop.

This work has been recognised through a number of key milestones this year:
- In June 2018 NHS Improvement lifted some of the regulatory undertakings placed on Southern Health following the Mazars report published in 2015. Independant scrutiny found significant improvements in the way the Trust now investigates and reports patient deaths and involves family members in this process as well a culture of increased openness and transparency.
- Our re-inspection by the Care Quality Commission in the Summer showed evidence of widespread improvements across the organisation. Whilst the Trust's rating remained as 'requires improvement', over 76% of service areas are now rated as good or outstanding.
- In the Autumn, we received the results of a national survey which annually benchmarks the experiences of people using community mental health services. Overall our patients' experience rating was 73%, 5% higher than the national average, of those surveyed, 88% considered Southern Health (compared to the national average of 83%) treated them with dignity and respect.
- In November our regulator, NHS Improvement confirmed that Southern Health had been removed from the category of NHS Trusts requiring specific additional oversight, after being encouraged by the results of our CQC inspection.
- In March 2019, the results of our national staff survey showed significant improvement in a number of areas. More staff completed the survey than ever before, and our staff told us they now feel more engaged, with our score now in the top third of NHS Trusts.

We know we still have more to do and there will be further challenges ahead, but we firmly believe we are well on the way to creating a culture and organisation that our patients and their families deserve.

Creating the right culture requires strong, stable and effective leadership and earlier this year we started the process of restructuring the organisation. This moves from our current divisional structure to one made up of a number of locality and speciality specific directorates. Each of these are led by a Clinical Director who continues to work in their own clinical speciality. As we write this report we are putting in place the management teams to support each directorate and hope to have these in place later on in the spring.

One of the most exciting things to see this year was the progress we have made in relation to quality improvement. We are implementing a systematic approach to transforming our services, and to date we have a small group of specialist coaches leading the work and supporting their colleagues to

learn and run projects all over the Trust. Over 60 members of staff have undergone intensive quality improvement training and are now implementing over 20 projects intended to redesign how we work and improve how we deliver services.
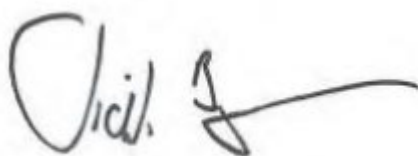
A key part of transforming our services is to better involve our patients and carers. We made a key appointment with our first Head of Patient and Public Involvement in the summer, and this has helped us drive through a number of improvements such as the establishment of our Working in Partnership committee, which helps us gather feedback from patients, service users, carers, voluntary sector and community groups.

We have also been pleased to welcome three experts by experience; people who have used, and indeed are using services and can use their insights to bring a new perspective. They are developing how we involve patients, carers, families and staff in Trust projects, and all three have made great strides in ensuring patient voices are heard in a meaningful way.

The next 12 months are certain to be busy, and I've no doubt that alongside our continued progress there will be new challenges for us to face. But I am clear however, that Southern Health has what it takes and is heading in the right direction to become an organisation that consistently delivers truly outstanding care to our patients and service users.

The content of this report has been reviewed by the Board of Southern Health NHS Foundation Trust. On behalf of the Board and to the best of my knowledge, I confirm that the information contained in it is accurate.

Signature:

Dr Nick Broughton
Chief Executive
23 May 2019

NHS

Southern Health
NHS Foundation Trust

Our five-year strategy

Vision
Our ambition

World class treatment and care, together

Purpose
Why we exist

Holistic care in partnership that improves lives

Strategic priorities
What we will do to deliver our vision

Improve health and wellbeing through outstanding services

Become the best employer

Transform services through integration and sustainable partnerships

Improve value

What will success look like?
By 2024 we will have achieved:

- An outstanding CQC rating that creates confidence in our services
- A culture of continuous quality improvement
- Top 10% rating nationally for patient safety, experience and outcomes
- Measurable reduction in suicide of people who rely on our services

- A vacancy rate of 5%
- Reduced violence and harm towards staff by 50%
- A workforce that is representative of our local community at all levels
- Top scores in the NHS staff survey
- Leadership for mental health across the Hampshire and Isle of Wight system
- Capacity and capability to deliver priorities

- Innovative care for children and young people
- Whole person, evidence-based care for the populations we serve
- Improved access for people in crisis

- No patients receiving care out of area
- Efficient and effective use of resources and improved outcomes as a result
- Reduced variation in practice and waste

Key actions we will take in 19/20
In year one we will have delivered:

- Our CQC, regulatory requirements and quality priorities
- A zero suicide approach and full implementation of the Triangle of Care
- Elimination of mixed sex accommodation
- Six quality improvement (QI) coaches, 60 trained facilitators, 600 staff actively involved, 6000 staff engaged, 12 QI projects delivered
- Greater positive participation of people in their care

- New Trust structure to support collective, devolved leadership and system working
- Competency based workforce plans with new roles and models of care that reduce vacancy levels
- Workforce plans that deliver both care and change
- Increased employment of people with lived experience

- Redesign of secure and children's services
- Improved crisis care, single point of access and national standards in mental health care
- Improved community services across Hampshire
- A plan for needs-led, integrated physical and mental health services
- A plan for services based around primary care
- Integrated intermediate care for frailty and long term conditions

- Reduced use of beds through improved community services, rehabilitation and accommodation
- New pathways for dementia, psychosis and perinatal services
- Our financial targets including cost improvements
- Effective use of our estate and digital solutions

OUR VALUES

Patients & people first

Partnership

Respect

SOUTHERN HEALTH NHS FOUNDATION TRUST QUALITY REPORT AND ACCOUNTS 2018/19

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

For 2018/19, NHS Improvement specified that foundation trusts must have at least three indicators, which we refer to as quality priorities, in the following categories:
- improving patient safety
- improving clinical effectiveness
- improving patient experience.

These quality priorities have been selected on the basis of feedback from our patients, stakeholders and staff and are approved by the Trust Board. They have been selected as part of the wider development of the Quality Improvement Strategy and will help enable us to deliver the Trust strategy as well as meeting the requirements of the NHS Long Term Plan.

The delivery of these priorities is monitored by the Board through the Quality and Safety Committee. This is underpinned by our working groups for Patient Engagement, Caring, Clinical Effectiveness and Patient Safety, which all have clinical representation.

We have also been working on a new five year Quality Improvement strategy. For the first time, the new strategy brings together the areas of:
- quality improvement methodology
- quality planning
- quality control
- quality assurance.

All of this work contributes to how we will continue to improve and develop our services to achieve our long term goals. In order to see what these goals are, and how we will use the next 12 months to progress towards them, the following image sets out our objectives. These are combined from the quality priorities detailed in this report, actions raised as part of our CQC inspection, our Trust strategic priorities and those identified as part of local and national schemes and external reviews.

- Trust priorities
- Quality Account priorities
- Commissioning contracts
- Service specifications
- KPIs

- Quality dashboard
- Quality metrics
- Patient experience feedback
- Outcome measures
- Quality assessment tool

QUALITY PLANNING

QUALITY CONTROL

QI METHODOLOGY

QUALITY ASSURANCE
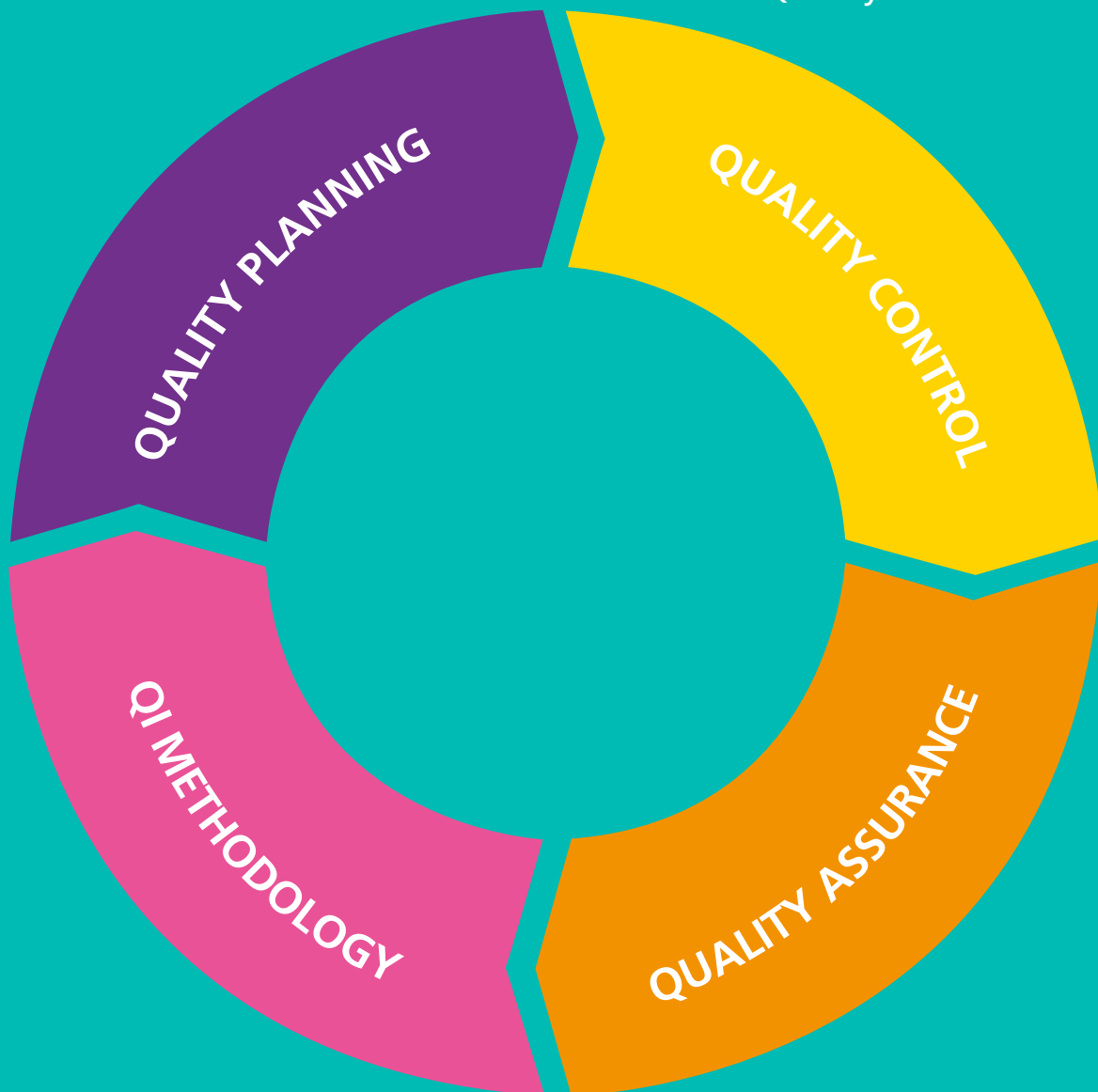
- QI tools
- Training, coaching
- Transformation programmes
- Small change projects
- Conferences
- Learning & sharing events

- Clinical audit
- Peer review
- NICE guidance
- Accreditation process
- External reviews

Section 2a. What is a Quality Report?

Quality is at the heart of everything we do at Southern Health and this is reflected in our Trust values, our plan and supporting strategies. For us quality is evident in knowing we have delivered the best care at the right time and in the right way for each person, treating them as individuals, resulting in the positive outcomes for our patients.

We want to be able to reduce unnecessary processes, reduce waiting times, improve people's experiences of the Trust, and empower people to make improvements where they work or receive care. All of these things are indicators of quality for us, and alongside data collection and measuring outcomes we can see if we are achieving our objectives and giving people the best possible service as a healthcare provider and as an employer.

In order to improve how we deliver services and fit in with the wider system changes around the New Models of Care, we have had to begin a large scale transformation of how we work as an organisation. Fundamental to this has been the engagement of service users, carers, families and staff; as active participants in the design, delivery and monitoring of our services and this is reflected in our quality improvement programme.

Beginning this work has meant a shift in culture, in giving our employees the autonomy and confidence to make changes where they know that outcomes for patients can be improved, and involving our patients in developing these changes. Our staff, patients, service users, their carers and families are the experts in what makes a good healthcare experience, and therefore best placed to come up with the ideas and plans for making the right changes within our legal framework.

A main focus for the Trust this year has been in better engaging our service users, patients and carers. We are committed to working together in partnership with people to ensure the services we provide are of high quality and are delivered in a comfortable, caring, compassionate and safe environment.

It is vital we use the insight gained from our local communities in a robust and meaningful way. There are already many examples of great practice in this area however it is not something that is consistent across all our areas, and we are improving this through establishing our first Head of Patient and Public Engagement role in 2018, providing a renewed focus on how we work and engage with patients, carers and families.

In July 2018 we held a stakeholder workshop to reflect and revisit on our current strategy. This has allowed us to update our plans for the year ahead, which has included:
- re-establishing the Families First group
- establishing a Trust-wide Working in Partnership Committee
- co-producing an organisation plan for carers and their families
- producing materials for carers and staff
- establishing a patient and public involvement leads internal network
- working with external partners to agree plans and opportunities for joint working, e.g. Healthwatch, Hampshire County Council, CCGs
- developing a peer support framework
- agreeing a plan of engagement work with a young people's social enterprise looking at experiences of mental health.

We are also really proud to have begun a new approach to working more closely with our service users, and this year we have made three new appointments. The first joined the Trust as an Expert

by Experience in August 2018, working with the Transformation Team. Having undergone training to be a Quality Improvement Facilitator, he is leading projects that are changing how we deliver services across the Trust, and supporting others as they learn and develop too. He has also experienced many different services as a patient, including some of Southern Health's, and has worked as a Peer Support Worker. He supports the involvement of service users, patients and their carers in a variety of projects and working groups across the organisation, using his insight to bring a new perspective and ensuring patient voices are heard in a meaningful way.

In January 2019 we were joined by two user involvement facilitators. One is working with our Mental Health and Learning Disability services and the second is working with the Integrated Service Division. Both are collecting 'real time' feedback from our service users and using this to drive changes. They have also been instrumental in working with us in developing the Smoking Cessation Policy and solutions to a number of other issues for our service users, including the development of a more robust Peer Support network.

How do we measure quality?
Our strategic priorities are translated into key objectives and measures. These are given clearly defined metrics, thresholds and ratings for each business unit, team and individual. There is regular oversight through reports and performance meetings at each level (individual, team, business unit and Trust-wide) with a clear approach for escalation.

This year we have also commenced implemention of a revised Performance Management and Accountability Framework. This focuses on using information and analysis to identify risks and trends by using performance management dashboards to bring together quality and safety, finance, performance, and workforce indicators. This will provide triangulated information and analysis for our business units, divisions and Board to scrutinise. Measurement is not just about performance metrics, it is also about learning. We use a wide variety of information from different sources, both quantitative and qualitative, to gain a better understanding of the care we deliver and to share improvements and challenges across the organisation.

Listening to feedback from our staff, patients, service users, their carers and families, Governors and members allows us to look at the effectiveness and quality of our services. We use the Friends and Family Test, the Staff Survey, any compliments, concerns or complaints received as well as discussions from our patient experience working groups and events, site visits, and Patient Led Assessments of the Care Environment (PLACE) inspections. All of this is used to help measure the quality of care we deliver and shape services.

Improvements in data quality
During 2018/19 we committed to make further improvements in data quality through the following initiatives:
- Clinical validation of one Board-level clinical Key Performance Indicator (KPI) per month to ensure reported performance is supported by robust and reliable clinical documentation.
- Data quality kite-marks have been incorporated into our Integrated Performance Report and audited on a monthly basis. This allows us to assess levels of data quality for each Board KPI.
- We have the additional monitoring of patient-level validation lists which are now available daily. These extend to clinical measures such as risk assessments, outcome measures and clinical assessment forms.

This has also led to the content and presentation of Board performance reports to be improved. There is now more robust assessment and assurance including detailed reviews of areas of concern, improvement trajectories and benchmarking against other relevant Foundation Trusts.

Evidence of our progress so far

So far we have discussed developments in how we plan and measure improvements in service delivery and quality, and a change in our approach to how we meet patient needs and involve them in their own care planning for better outcomes. It is also important for us to acknowledge our history as an NHS Trust, and progress in some specific areas. As we begun this financial year we had recently been prosecuted by the Health and Safety Executive for failings relating to the deaths of two patients in 2012 and 2013. We pleaded guilty to the charges and fully accepted the findings.

These patient deaths and the subsequent investigations and findings have been catalysts for huge change across all of our services. However, the job of improving safety and quality is never complete and it remains our highest priority.

An external audit in 2018 assessed our progress against the recommendations made in the 2016 Mazars report. This resulted in our regulator, NHS Improvement, lifting some of the regulatory undertakings against the Trust. The audit found significant improvements in the way we investigate and report patient deaths and involve family members in this process, as well as in creating a culture of increased openness and transparency.

Throughout June and July 2018 we underwent a full comprehensive inspection by the Care Quality Commission. This was the first comprehensive report into the Trust since 2014. Whilst our rating remained as 'requires improvement', overall the CQC found many signs of progress across the organisation with over 76% of service areas now rated as good or outstanding.

All of our community services are now rated good. In addition, three of our services now have outstanding ratings; Perinatal Mental Health Services, Long Stay Mental Health Rehabilitation Wards for Working Age Adults (Hollybank and Forest Lodge), and Wards for People with Learning Disabilities (Willow Assessment and Treatment Unit and Ashford Ward). The report also reflected the significant strides we have made to improve how we engage with families and carers and that staff feel more valued and supported.

There were also areas where we have more work to do. The services which remain as requiring improvement are typically those where we have some of our greatest staffing challenges. This is especially the case in our Older Peoples Mental Health wards and we took the difficult decision to temporarily close Beaulieu Ward at the Western Community Hospital in November 2018 for a period of six months.

As part of the inspection we were served with a warning notice under Section 29A of the Health and Social Care Act 2008. The notice was in relation to two locations; Bluebird House and Leigh House. At the time of the inspection the CQC felt that we did not have sufficient staff to ensure the safe care and treatment of the young people at these locations. On an unannounced inspection a few weeks later the CQC found that significant improvements had been made and as such, they lifted the warning notice.

The CQC also identified several other areas for improvement and issued us with seven Requirement Notices. A quality improvement plan was developed to address these areas. The plan focuses on themes with a work stream approach to understand and address root causes with quality improvement methodology being used to support the improvements. Improvement actions are monitored through the weekly Quality Improvement Plan Delivery Group and progress is reported to the Quality and Safety Committee and Trust Board on a monthly basis. Progress is externally shared with the Quality Oversight Committee attended by all commissioners and NHS Improvement.

Some of the improvements already put in place include:
- greater involvement of patients and families in investigations
- how we use patients' and families' views about their experience to improve care and services
- increased use of Store & Forward (using and gathering patient information offline to overcome any connectivity problems) within community teams
- improved recruitment and retention processes
- extensive programme of estate improvements and ligature reduction works
- roll out of Supporting Safer Services (sSs) training
- new My Crisis and Safety Plans developed with user and carer involvement
- increased use of Store & Forward (using and gathering patient information offline to overcome any connectivity problems) within community teams
- risk assessment training e-learning package launched
- improved working with local GPs to improve learning disability patients access to regular health checks
- improved end of life training and competencies
- opening of the Crisis Lounge at Antelope House to provide a 24/7 service.

What is a Quality Report?
The quality of services is measured by looking at patient safety, the effectiveness of treatments that patients receive, the outcomes achieved as a result of treatment and patient feedback about the care provided. Patients want to know they are receiving the very best quality of care, and producing a Quality Report helps us to improve public accountability in the care we provide.

NHS healthcare providers are required to publish a quality account each year by the Health Act 2009, and in the terms set out in the National Health Service (Quality Accounts) Regulations 2010. NHS Improvement also requires all NHS foundation trusts to produce Quality Reports as part of their annual reports. The Quality Report incorporates all the requirements of the quality accounts regulations as well as additional reporting requirements.

The Quality Report is also an opportunity for us to honestly address the current state of our services; to show where we are making improvements, and in other areas where there is still more work for us to do. The collection of data, reflection on the past year and planning for the year ahead allows us to take stock of what we have achieved, the changes we have successfully embedded, and where further improvements might be needed. It provides assurance for us, our patients and service users, their carers and families, and for our stakeholders.

By 2024 we will have achieved:

- An outstanding CQC rating
- A culture of continuous quality improvement
- All of our Quality priorities delivered

- Top decile rating nationally for patient safety, experience and outcomes
- Measurable reduction in suicide of people who rely on our services

During 2019/20 we will deliver

Safe

Trust wide
- Compliance with safer staffing requirements (CQC)
- Improved trust wide learning events (QA, CQC)
- Improved provision of equipment for community users (CQC)
- Full implementation of the Triangle of Care (SP)

MH / LD / OPMH services
- Roll out NEWS2 & PEWS2 for improved recognition and management of the deteriorating patient to MH/LD/OPMH (QA, EXT)
- A zero tolerance approach to suicide (SP)

Effective

Trust wide
- Catheter care – prevention of urethral erosion (QA)
- Improved staff supervision processes (CQC)
- The new operational organisational structure (SP)

MH / LD / OPMH services
- Care pathways which are evidence based & follow NICE guidance (SP, QA)
- New pathways for dementia, psychosis & perinatal services (SP)

Person Centred

Trust wide
- Complaints process improvement plan (CQC)
- Improved recording of DNACPR decisions (CQC)

MH / OPMH services
- Improved quality of risk assessment, care plans and crisis plans ensuring they are personalised (QA, CQC)
- Elimination of mixed sex accommodation (SP)

LD services
- Implementation of the communication standards toolkit (QA)

ISDs
- Implementation of Making Every Contact Count (MECC) (QA)

Timely

MH / LD / OPMH services
- Complete redesign of access to SE Hants MH services (SP)

Specialised Services
- Expanded secure services for young people (SP)
- Improved adult secure services pathway (SP)

ISDs
- Integrated intermediate care pathways for frailty and long term conditions (SP)

Efficient

Trust wide
- New leadership development, revised workforce planning, improved recruitment & retention processes (SP, QA, CQC)
- Well-led framework improvement plan (CQC, EXT)
- The QI Strategy (EXT, CQC, SP)
- 6 QI coaches trained and leading the QI programme (SP)
- 60 trained QI facilitators (SP)
- Completed 12 transformation projects & 28 small scale projects (SP)
- At least 600 practitioners (SP)
- 6000 staff engaged in QI

Equitable

Trust wide
- Collaborate with local communities to reduce suicide (QA)
- Plan for care models based around primary care (SP)
- A plan for an ageless, integrated physical & mental health (SP)
- Efficient & effective use of resources to improve quality of care - financial stability (SP)

MH / LD / OPMH services
- Improve access to psychological therapies (QA, CQC)

Section 2b. Priorities for improvement in 2019 and 2020

How we decided our quality priorities for the next 12 months
In order to agree the areas to focus on for our quality priorities in 2019/20, we sought the views of our patients, carers, staff, governors and stakeholders in a number of ways over a four month consultation period.

Suggested quality priorities were put forward based upon our progress against the 2018/19 quality priorities, our knowledge of incident reporting and complaints, national and local initiatives, and feedback from staff and patients.

Our consultation included a presentation about quality improvement and quality priorities. This was also communicated to our staff via our electronic Weekly Bulletin. Postcards asking for suggestions for inclusion were circulated at numerous events including:
- quality and safety meetings through all divisions
- Council of Governors meetings
- the 'Families First' group
- through poster presentation and suggestion boxes in 20 of the reception areas of Trust buildings across Hampshire.

After careful consideration of the main themes emerging from this feedback, our Governors, the Quality and Safety Committee, the Executive Team and Trust Board reviewed the suggestions and agreed the priorities for 2019/20.

We will be following the guidance from NHS Improvement given last year and setting three quality priorities, with sub priorities in each of these areas, as set out below:

We decided to continue the practice of linking our quality priorities to the three recognised domains of:
- improving patient safety
- improving clinical effectiveness
- improving patient experience.

Improving patient safety	• **Staffing** • **NEWS2 and PEWS in mental health inpatient services** • **Learning events** • **Improving Access to Psychological Therapies (IAPT) rollover**
Improving clinical effectiveness	• **Catheter care for physical health patients** • **Care pathways in adult mental health services** • **Wound management in physical health services** • **Working with local communities to reduce suicide**
Improving patient experience	• **Personalised care planning in mental health services** • **Making Every Contact Count within physical health services** • **Communications standards within Learning Disabilities services**

Progress in our quality priority work will be reported quarterly to the Quality and Safety Committee that reports to the Trust Board.

■ Priority 1: Improving patient safety

Priority 1.1 Staffing, Trust-wide

There is now considerable evidence from both the NHS and further afield that creating a culture (the way we think, behave and act) where people feel supported and enabled to thrive is the most effective way to achieve the best outcomes for the people using our services.

Safe staffing is a priority for every NHS Trust, with the recruitment and retention of quality staff a key factor. We recognise that the recruitment of doctors and nurses is challenging across the whole of the NHS, and we feel these same pressures. We have developed a five year people and organisational development strategy to address these challenges. This includes supporting current staff to develop, providing defined career pathways, succession planning and the Board's commitment to our people in making our organisation a great place to work.

Aim

Attract and retain people to pursue a relentless focus on improving and providing quality services to enable people to reach their full potential (patients and staff).

How will we do this:

Effective leaders who can adapt to deal positively with different situations in order to motivate and energise their teams, are fundamental to instilling an organisational culture where staff are engaged to deliver services of the highest possible standards. We will set up a collaborative leadership programme to ensure our staff work in an environment where they can develop and fulfil their aspirations and develop a culture of compassionate leadership. The programme will be rolled out across the Trust and be accessible to all staff regardless of role or banding. We will review and evaluate our education/learning impact across the Trust and look to extend partnerships in order to increase opportunities for training.

Through our ongoing quality improvement project we will continue to work on achieving a sustained reduction in the lead time for recruitment to reduce delays felt by recruiting staff and potential candidates, to improve the experiences of all parties.

How will we measure this:

We will review the staffing levels through the Retention and Recruitment group. They will be looking at trends and themes of why people may be leaving the Trust, information obtained from exit interviews and feedback from managers. The "acuity and dependency" tool will continue to be used to ascertain required staffing levels; this will remain a collaborative process in order to ensure that we have sufficient staff to provide safe and therapeutic care to our patients.

We will also monitor the numbers of staff taking part in the collaborative leadership programme and review their feedback to measure its effectiveness.

The annual NHS staff survey for the Trust has been amended for the coming year with two additional questions which will allow for a staff culture measurement. This will be monitored for the impact of future staff health and wellbeing activities.

Priority 1.2 NEWS2 and PEWS for mental health division

NEWS2 and PEWS (National Early Warning Score and Paediatric Early Warning Score) are tools developed by the Royal College of Physicians. They involve monitoring a range of physical measures such as blood pressure or temperature to identify when a patient's condition is deteriorating.

The NEWS2 tool has been used in our physical health services for the last year, however it is not currently used in mental health or learning disability services. We know that people with a mental illness or learning disability may suffer from more physical health problems, resulting in more illness and mortality than the general population. As such, monitoring physical health is essential in order to address any signs of deterioration early and offer appropriate interventions. The existing widely used tool is called 'Track and Trigger'.

Aim:

To create consistency and better communications across all divisions, the mental health and learning disability divisions will begin use of the nationally recommended NEWS2 and PEWS model.

In situations where a patient requires transfer to an acute service these tools will be more familiar and help for quick treatment and support to be put in place. It also benefits the Trust by having a set of consistent tools and enables easier movement of staff between wards and services. The initial focus for this year is on the roll out of the tools to inpatient units, with community services to follow in 2020.

How will we do this:

We will carry out a phased roll out of training across Mental Health and Learning Disabilities teams. Trained NEWS2 and PEWS champions will be identified in each inpatient unit to assist their colleagues with specialist knowledge in how to complete the forms and the impact of the tool.

We recognise that sometimes it is not appropriate to complete tactile observations on some of our patient groups, such as those who are acutely unwell or who find physical contact distressing; therefore we are also launching a non-contact observations framework that will allow staff to identify when deterioration may be occurring from a series of visual prompts.

How will we measure this:

Staff training on the tool will be monitored, and we expect to see active use in the latter half of 2019 on inpatient wards. Following the roll out we will also audit the tool to establish if any amendments or further support is required for use within the mental health or learning disability divisions, and this will include embedding lessons learnt between wards. Feedback from the champions on each ward will also help establish if staff are confident in using the tool and where best practice or areas for development can be shared with others. If gaps are identified then assistance will be given by the champions with support from the Trust Resuscitation team.

Priority 1.3 Trust wide learning events

We want to be a world class health organisation, and ensure the outcomes we help to deliver for our patients are always of the highest standard. In order to do this we need to achieve continual improvement in patient safety and experience, using feedback from our staff, patients, their carers and families.

Aim:

Wherever there is an opportunity to learn from incidents, new practices, or changes in process, we will ensure these updates are shared across the Trust in a variety of ways. Learning events are an effective way to share information, and we will hold 12 of these throughout the year in different forms. These events will provide the space to openly discuss different issues, explore new ways of working and hear from colleagues, patients or their carers to provide new perspectives and create an open dialogue around how we learn and make improvements in our services. It is important to note that our learning events will be open to all stakeholders, including staff, patient representatives, external services and the third sector where applicable. Events will also cover the wide geographical area of the Trust to provide access for people wherever they live or work.

How will we do this:

Events will happen throughout the year, and will either be held as regular learning events within divisions, or to highlight specific areas of work. The regular events will have themes based on incidents that might have happened, feedback or complaints from patients or carers, or trends in data. Some of the more focused events will cover suicide awareness and prevention, projects taking place within the Transformation programme, and Patient Experience. Teams can also suggest topics, and generate discussions with colleagues that ask 'could it happen here?'

The events will be publicised in a variety of ways, including on the staff intranet, the Trust website, corporate social media channels and also highlighted in the weekly bulletin, with some of the events targeted at speciality services. This will not exclude those who want to learn more about the service and apply knowledge in other areas.

Due to the geographical area that the Trust provides services to, and the busy nature of many of our teams and units, we understand that it may be difficult for staff to make the events that are relevant or of interest to them, so we will also use webinars and videos in order to ensure the learning information is accessible after the event.

How will we measure this:

The number of learning events will be monitored, as well as the number of attendees, how many people engage with videos or webinars, and the feedback received afterwards. With the expansion of these learning events we are optimistic this will improve the culture of the organisation and provide more opportunities for people to learn and develop. We do not expect that the events will result in the reduction of patient safety incident reporting, and may even create an increase because we foster a positive culture in relation to reporting incidents. We expect to improve patient safety by this programme of looking at potential gaps in our care and how we share learning with all our colleagues and stakeholders.

Priority 1.4 Improving Access to Psychological Therapies (IAPT)

This priority is being carried over from the previous year's quality priorities and relates to improving access to psychological therapies for patients in adult mental health wards. Although we have made some progress in the last year, we have not achieved all the areas we identified, and we feel it's important to continue making all the improvements we set out in 2018.

This priority will have some cross over with the staffing priority (quality priority 1.1 on page 137) because it requires the recruitment of more psychologists to deliver therapeutic interventions to our patients. It is identified the use of psychological therapies can have a significant effect on the management of anxiety and depressive disorders. This is supported by the Five Year Forward View, which includes the need for timely access to psychological therapies within mental health services.

Aim

Improve timely and consistent access to psychological therapies for our adult and older persons mental health service users.

How will we do this:

We will have a two pronged approach to this quality priority. First to improve the retention and recruitment of psychologists, and second to conduct a review of existing waiting times to identify improvements across the Trust.

Recruitment to psychology posts is challenging due to the current employment market. We will review the current career pathway for psychologists to ensure we nurture and retain talented staff.

We have reviewed the current process for the recording of waiting times, and there are different processes used across our mental health services. We will carry out further investigation to identify the reasons for this and what changes are needed to create consistency and parity across the services, to ensure that no patients wait longer than they need to.

How will we measure this:

We will review and monitor feedback from psychologists and the numbers of people joining or leaving these posts in order to measure an improvement in the availability of specialist support for patients.

The waiting times to receive psychological therapies will be monitored to ensure equity across services and so that we can see where improvements are being made, or where some teams may need more attention. This will help in achieving the same experience for all patients who need support from this service.

We have also identified that sometimes having to wait to receive psychological therapy is a factor in relation to serious incidents, therefore we will be monitoring these incidents where they do occur in order to reduce or eradicate the waiting time as a factor, unless the wait is clinically appropriate.

■ Priority 2: Improving clinical effectiveness

Priority 2.1 Catheter care for physical health patients

Patients in hospitals or at home may require the use of a catheter to support them with a range of health conditions. During 2018/19 we identified an increase in reported incidents of urethral erosion due to the use of a catheter as a medical device; however analysis of these incidents has shown no

themes or common factors. There is also no national guidance or research into this issue, and yet we know it is the cause of considerable pain for patients, often with lasting physical and psychological effects.

Without early identification and treatment, in the worst cases it can require reconstructive surgery or urinary diversion. We are clear that incidents of urethral erosion due to the use of a catheter are entirely preventable, and we will focus on reducing these incidents across the Trust.

Aim:
Our aim is to increase awareness and understanding of urethral erosion issues, to share this knowledge and develop preventative measures.

How will we do this:
Working with the University of Southampton Health Sciences department to develop a collaborative research project in order to further our knowledge and understanding of urethral erosion, how we can prevent incidents and better identify risks and early warning signs. Recruitment of a PhD student is expected over the summer months ready to begin in the new academic year.

This project will give us a detailed analysis of incidents. The outcomes will be shared with staff across the Trust, and used to develop clearer education materials and care advice for staff, patients and carers. The evidence from this project will also be used to develop an accurate grading of harm.

Due to the lack of existing research, we believe this project will be pioneering in the NHS, and will be shared to support colleagues working at various levels of the health and social care system. The outcomes will be used to develop clearer education materials and care advice for staff, patients and carers.

All occurrences of urethral erosion are reported as incidents on Ulysses to allow for accurate monitoring, continued analysis, and identification of best practise and to further support development of a grading scheme.

In addition, we have begun work to update catheter guidelines for staff use, and to update the formulary used to advise on the best products for quality. We will also work with some of our stakeholders to produce education materials and a training package to ensure staff, patients, families and carers can access information that will give them the knowledge to prevent or ensure early detection of urethral erosion and reduce possible patient harm.

How will we measure this:
A patient / carer questionnaire will be developed to assess the knowledge and confidence of patients and carers in their ability to identify and prevent catheter harm for patients with long term catheter use.

It is expected that alongside more education and understanding of the symptoms and issues, the number of patient safety incidents reported as a result of catheter use will increase in 2019/20, and the level of harm reported will decrease.

The level of awareness amongst staff will be measured through numbers of staff who attend or watch training sessions, and the number of people who visit specific web pages on catheter care.

Priority 2.2 Care Pathways in adult mental health division

As a Trust we are moving how we manage and treat the health problems people experience from traditional patient 'clusters' (where people with similar symptoms or experiences are given similar treatment) to clinical care pathways, that will provide individualised patient care and improve outcomes. A care pathway provides a 'map' of the care a person will receive, and each one is unique to the individual, and importantly can be used by any professional, reducing the need for repeated assessments or appointments across different services. We recognise that a patient's physical symptoms or social situation can have an effect on their mental health, and as such the care given should be holistic and recovery focused.

Aim

We will build on existing care pathways to ensure they are used consistently, are effective and measurable. This priority has been identified by mental health services as requiring significant work, which has also been supported by our local commissioning colleagues.

How will we do this:

The pathways we are using within mental health services are evidence based and NICE approved. Currently the pathways are in place but have not been evaluated to identify the impact on patient outcomes in a measurable way, so carrying out these evaluations will be a key factor of our analysis over the next year. This work will be overseen by the Care Pathways Group.

Ensuring the care pathways are effective will require good relationships with colleagues across the Trust and partners in other agencies. Many people who seek support from our mental health services suffer due to issues such as housing, relationships, finances or poor nutrition. It is our responsibility to consider every aspect of a person's life, recognise where they may need extra help or support and know where they can get that from.

In order to monitor the impact of the care pathways on patients we will record a baseline measurement of both DIALOG[1] and HoNOS[2] and then compare these with the same measurements taken in relation to every episode of care, to see if the person is experiencing a positive or negative outcome, and why this is. We will also publish our pathways so that staff, patients, carers and family members are aware of what the pathways are, and can familiarise themselves to understand what comes next in a person's treatment, or ask questions of clinicians and support workers if they need to.

How will we measure this:

We will compare the data for episodes of care from the beginning to the end outcome. We will also work collaboratively with our commissioning group colleagues, who will be carrying out quality visits to hear about people's experiences and feedback on the impact of the care pathway.

[1] A patient reported outcome, conducted by a questionnaire with the patient
[2] Health of the National Outcomes Scales

Priority 2.3 Wound management within the Integrated Services Division

This priority will build on the wound management work from 2018/19 to reduce patient discomfort from chronic wounds. Wound care is the third largest cost to the NHS after diabetes and cancer care, and was valued at £5.3billion in 2016. We know that living with a chronic wound has a serious impact on patients' quality of life, including physical and psychological stresses, and limitations to their lifestyle.

Aim

To support staff to complete appropriate patient risk assessments and care plans in order to improve early recognition of the risk of pressure ulcers and wounds to improve clinical outcomes for patients.

How will we do this:

The highest number of incidents reported in our physical health services in 2018/19 was related to pressure ulcers. This year we carried out a quality improvement project with the aim of reducing both the number of pressure ulcers developing under our care and the levels of harm. The outcomes of this project will continue to be implemented, including the roll out of improved mandatory training and guidance for all relevant staff. In order to provide effective wound care we will support teams to complete patient records at the point of care, carry out timely risk assessments and care plans in partnership with the patient and we will use clinical supervision to identify and embed learning.

The completion of a full wound assessment at the earliest opportunity facilitates timely healing and minimises patient discomfort. By ensuring our teams are better equipped and supported, through training and updated guidance materials to use while working on a ward or in the community, we expect for less incidents and patient harm to be reported.

How will we measure this:

The number of staff who attend training and receive the guidance materials will be monitored. We will review incidents of pressure ulcers and chronic wounds to assess if there is a reduction in the level of harm. We will monitor full wound assessments to ensure that the assessments are holistic in nature and collaborative, with input from the patient, carers and family members (if the patient wishes them to be involved).

Priority 2.4 Collaborating with local communities to reduce suicide

When a person takes their own life it is a tragic event that can have a dramatic impact on all of those involved; family, friends, colleagues and any healthcare professionals involved in their care. In recent years Mersey Care NHS Foundation Trust have led the way in aspiring to eliminate suicide, and we agree with their principle that suicide should not be viewed as "inevitable or unavoidable for anyone within our care".

The Five Year Forward View for Mental Health, published in 2014, called for the Department of Health, Public Health England and NHS England to support all local areas to have multi-agency suicide prevention plans in place as part of major drive to reduce suicides in England.

Aim

As a Trust we are signed up to the Zero Suicide Alliance, with an aim to reach a point where no one in our services takes their own life. In order to begin meeting this target we aim to reduce the rate of suicide of our service users by 4% in this financial year based on April 2016-March 2017 data. We will then reduce the rate by a total of 10% by 2021.

How will we do this:

We will be creating a small working group in order create a Zero Suicide Strategy, to explain the steps we will take to achieve our aim. We will improve by learning from each tragic death in a multi-service manner, which means we will share the outcomes of investigations with staff across the organisation to help build awareness, understanding, and embed a culture that will support our aim of recording zero suicides. A vital part of this work will to be through our Family Liaison Officer, to continue using views of families and friends as part of how we learn from incidents and improve our services.

How will we measure this:

We will continue to ensure all suicides or suspected suicides are reviewed. In order for suicides to be prevented we understand that it is essential to have robust and available crisis provision to support patients and as such we will be reviewing our current models in order to provide an optimum crisis service. Further detail can be found on page 185.

■ Priority 3: Improving patient experience

Priority 3.1 Personalised care planning within mental health division
We recognise that truly personalised care planning, which is written collaboratively with a patient (and carers where appropriate) and explores their hopes, goals and wishes, is an essential tool, balancing a person's medical needs with their recovery goals.

Aim
We have made improvements to care plans with some personalised elements, but this piece of work aims to make greater strides towards truly personalised, co-produced plans across all four of our Adult Mental Health inpatient units. Once achieved, the personalised care plans will be rolled out to other mental health teams.

How will we do this:
Patients and clinical staff will spend therapeutic time completing their care plans together. This allows for focus on recovery objectives and on the aspirations of the patient and their family/friends/carers, taking a more holistic approach to the patient's care.

Improvements are required to provide assurance that every patient has had their individual level of risk assessed at every stage of their journey and/or on changes to their clinical condition. A dedicated project lead will manage the process to ensure a level of momentum is maintained and that there is some accountability, and will support staff within our inpatient units to build upon skills they have already developed through peer to peer working. The lead will also oversee working groups established in each unit to ensure the new process is working well.

How will we measure this:
The project lead and working groups will review care plans to monitor their quality and effectiveness and identify areas for focus or support. Through feedback and patient data we can track the outcomes for patients, and how the care planning process has affected their experiences.

Priority 3.2 Making every contact count (MECC) within the Integrated Services Division
Making Every Contact Count (MECC) is a national approach to behaviour change, and for Southern Health it's about enabling our staff to recognise the opportunity they have through their day to day interactions with people to improve awareness of their own health and wellbeing and support prevention of ill health within our communities.

Aim
Embedding the MECC approach within our services has been identified by the physical health division and local commissioners as a key area of focus in the coming year. This approach empowers patients to best manage their long term health condition(s) and personal wellbeing by adopting healthier lifestyle choices and recognising treatment options available.

How will we do this:
We will use a train-the-trainer approach to roll out information to all staff. Hence we will start with training a mix of ward and community based staff to provide brief interventions to raise awareness, motivate and to signpost people (if appropriate) to other services. This will then be cascaded through local staff meetings and one on one support sessions. It is expected that this quality priority benefit will be seen over a two year period as staff complete training, provide guidance and for patients to follow intervention advice.

How will we measure this:
We will report on the number of staff that have received training and measure through a trajectory set out over the year. A baseline will be established regarding the number and type of visits to patients and will expect to see a reduction in patient visits in the second year of the programme. We will also review qualitative evidence through in depth case studies of both staff and patient experiences.

Priority 3.3 Communication standards - learning disabilities
People with learning disabilities may have communication difficulties, being unable to express themselves fully or understand what others are trying to say. As communication difficulties increase, behaviours that are considered challenging typically increase in frequency, intensity or duration, and this can be very distressing for both the individuals themselves and their carers or family and friends. The majority of our patients with a learning disability live in local authority care or private provider housing. The support staff who work in these units have expressed concerns in relation to how they communicate with the residents, and the need for greater support. Our Learning Disabilities teams have identified that we need to work with our non-NHS colleagues to ensure they have sufficient communication skills, so they can better support the people they work with.

A set of five good communications standards has been developed by the Royal College of Speech and Language Therapists, which are 'reasonable adjustments to communication that individuals with learning disability and/or autism should expect in specialist hospital and residential settings'. These are listed below:

Standard 1: There is a detailed description of how best to communicate with individuals.
Standard 2: Services demonstrate how they support individuals with communication needs to be involved with decisions about their care and their services.
Standard 3: Staff value and use competently the best approaches to communication with each individual they support.
Standard 4: Services create opportunities, relationships and environments that make individuals want to communicate.
Standard 5: Individuals are supported to understand and express their needs in relation to their health and wellbeing.

Aim
To improve the communication support for non-NHS staff working with people living with a learning disability. During discussions with colleagues and commissioners it was agreed that standards one and three would be the priority for 2019/20 because they are more focused on supporting the care providers to communicate effectively.

How will we do this:
We will provide training to our colleagues in how to adopt the communication standards. We will supplement this by identifying communications champions in each service to support the teams. We will also identify patients who require additional communications support through communication assessment and treatment evaluations, to ensure non-NHS colleagues are able to monitor their relationships and interactions to avoid any communications challenges and increase support where necessary.

How will we measure this:
We will monitor the numbers of staff who take part in the training offered, and we will evaluate the training sessions to assess the feedback. The communication champions working in non-NHS services will receive additional training too. We will measure the impact to patient's outcomes through the use of the goals based outcomes (GBO) measure which is a qualitative tool. This looks at the quality of life, reduction in challenging behaviour and health outcomes. We will also use therapy outcome measures (TOMS), which are a statistical measure.

Section 2c. Statements of assurance from the Board

The quality account regulations[3] set nationally mandated statements which provide information to the public which is common across all Quality Reports. They help demonstrate that we are actively measuring and monitoring the quality and performance of our services, are involved in national initiatives aimed at improving quality, and are performing to quality standards.

1 Review of services

During 2018/19 the Southern Health NHS Foundation Trust provided and/or subcontracted 84 relevant health services.

The Southern Health NHS Foundation Trust has reviewed all the data available to them on the quality of care in 84 of these relevant health services.

The income generated by the relevant health services reviewed in 2018/19 represents 90% of the total income generated from the provision of relevant health services by the Southern Health NHS Foundation Trust for 2018/19.

2 Clinical audits and national confidential enquiries

During 2018/19 14 national clinical audits and one national confidential enquiries covered relevant health services that Southern Health NHS Foundation Trust provides.

During that period Southern Health NHS Foundation Trust participated in 86% national clinical audits and 100% national confidential enquires 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 Southern Health 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.

[3]SI 2010/279; as amended by the NHS (Quality Accounts) Amendment Regulations 2011 (SI 2011/269, the NHS (Quality Accounts) Amendment Regulations 2012 (SI 2012/3081) and the NHS (Quality Accounts) Amendment Regulations 2017 (SI 2017/744).

National Clinical Audit	Eligible	Participate	% of required cases submitted
Prescribing Observatory for Mental Health (POMH-UK) Rapid tranquilisation	Y	Y	28 cases
Prescribing Observatory for Mental Health (POMH-UK)Prescribing clozapine	Y	Y	172 cases
Prescribing Observatory for Mental Health (POMH-UK)Assessment of the side effects of depot antipsychotics	Y	Y	Report due April 2019
Prescribing Observatory for Mental Health (POMH-UK) lithium	Y	Y	Report due July 2019
National Audit of Anxiety and Depression	Y	Y	100%
National Asthma and Chronic Obstructive Pulmonary Disease (COPD) Audit Chronic Obstructive Pulmonary Disease Secondary Care	Y	Y	Report due July 2019
National Asthma and Chronic Obstructive Pulmonary Disease (COPD) Audit Pulmonary rehabilitation	Y	Y	Due to submit in October 2019
National Asthma and Chronic Obstructive Pulmonary Disease (COPD) Audit Adult Asthma Secondary Care, Organisation audit	Y	Y	100%
National Clinical Audit of Psychosis	Y	Y	100%
Sentinel Stroke National Audit programme (SSNAP)	Y	Y	100%
Society for Acute Medicine's Benchmarking Audit (SAMBA)	Y	N (Insufficient cases)	
National Audit of Care at the End of Life (NACEL)	Y	Y	100%
National Audit of inpatient falls	Y	Y	100%
National Audit of Intermediate care	Y	N (declined)	
National Confidential Inquiry into Suicide and Safety in Mental Health (NCISH)	Y	Y	95%

The reports of 10 national clinical audits were reviewed by the provider in 2018/19 and Southern Health NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:

Examples of recent audits:

- POMH audit on prescribing for bipolar disorder (use of sodium valproate):
- ensure all women aged 50 or under who are prescribed sodium valproate have a discussion documented in their clinical notes regarding the need for them to use adequate contraception, due to the risks sodium valproate would pose to an unborn child
- teams will ensure that baseline weight or body mass index (BMI), liver function test (LFT) and full blood counts (FBC) are documented prior to initiation of sodium valproate. On-going monitoring of weight or BMI, plasma glucose and plasma lipids will also be documented
- teams will ensure that patients prescribed sodium valproate receive written information about its use specifically for treating bipolar disorder
- teams will ensure documented reviews of patients' tolerability of sodium valproate (side effect monitoring).

Older Persons Mental Health (OPMH) Rapid tranquilisation:

- Ttams to follow the Trust's rapid tranquilisation guideline and associated rapid tranquilisation monitoring checklist.

National audit of care at the end of life:

- committee is developing a feedback form to capture information from those who have been bereaved on their experience
- communication training will be introduced to staff delivering end of life care
- the Trust end of life strategy is being refreshed
- bereavement literature across the Trust is being reviewed.

The reports of 73 local clinical audits were reviewed by the provider in 2018/19 and Southern Health NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:

Audit title	Actions
Children's records	■ Targeted support to individual practitioners where record keeping concerns have been identified ■ Changes in Family and Child Assessment Form to rename text boxes to make analysis and voice of the child clearer for practitioners to complete. ■ Communication and updates cascaded to teams. ■ Cascade list of approved abbreviations through clinical team leads and practice teachers ■ Record keeping aide memoire "Record keeping top tips" distributed to be shared amongst all practitioners to support the training
Covert medication	■ Teams need to ensure there is a clear rationale for the use of covert medication on the forms as well as in the notes.

Community mental health teams (CMHT) referrals	▪ CMHT will confirm distribution of information cards with referral criteria and actively engage with primary care when the opportunities arise to further enhance referral detail. ▪ Follow up audit showed improved GP referral information received. Referrals contained details of previous treatment and duration, up from 65% to 79%
Unified Do Not Attempt Cardio Pulmonary Resuscitation Policy (uDNACPR)	▪ Clearly date, time and sign the patient's notes ▪ Document evidence of a discussion in the patient notes ▪ Document in the patient notes a reason why an uDNACPR discussion was not held with the patient or family.
Methicillin-resistant Staphylococcus aureus (MRSA) Trust wide	▪ Ensure staff have pathology system access codes and are familiar with local system of checking, actioning and documenting MRSA screen results within 72 hours
Disengagement children and families	▪ Practitioners to use the family and child assessment form with the information they have received and any significant history to demonstrate analysis to inform their plan ▪ Consider if disengagement for the antenatal contact should be addressed separately within the Child and Family Was Not Brought and Disengagement Guideline ▪ All staff in school nurse teams to be reminded to follow the processes in the policy, should a parent/carer not return the school entry health review questionnaire ▪ There is no current agreed process to write to parents and to inform the GP if the parent declines the school entry health review. This needs to be reviewed by the service to see if this is a process that should be followed in future ▪ Follow up processes to be strengthened around children/young people where there are known vulnerabilities
Identification and management of mental health problems for learning disabilities service users	▪ 33% of patients did not have their annual health check status recorded. These are potentially missed opportunities for health promotion. ▪ Consultant psychiatrists have been reminded to record the annual health check status of patients they review. ▪ Communication screens should be completed for all patients and are currently completed at first assessment.

3 Clinical research

There are a number of benefits of clinical research, and each of these aligns to the Trust values:

- Reduced mortality: we are able to support the Trust in putting patients and people at the heart of everything we do. Clinical research enables staff to deliver safe services, provide compassionate safe care, listen to each other, to do the right thing, appreciate each other and deliver quality.
- Improved outcomes and experience: working in partnership with our colleagues, communicating clearly, supporting each other, working as a team, building relationships and making things happen.
- Cost effectiveness of treatments: we can ensure we are getting the best value for money through testing treatments, and acting with respect for each other and our patients, acting with honesty and integrity, taking responsibility, getting the best with our resources, and doing what we say we will do.
- Staff engagement: research enhances staff skills set and the Trust's reputation.

The number of patients receiving relevant health services provided or sub-contracted by Southern Health NHS Foundation Trust in 2018/19 that were recruited during that period to participate in research approved by a research ethics committee - 602.

Overall we have recruited a total of 1527 (patients and staff participants) into our National Institute for Health Research (NIHR) Portfolio studies in the 2018/19 financial year.

Examples of some of the studies we have initiated in 2018/19 include:

Digital medicine study	A multicentre, 8-week, single-arm, open-label, pragmatic trial to explore acceptance and performance of using a digital medicine system with healthcare professionals and adult subjects with schizophrenia, schizoaffective disorder, or first episode psychosis on an oral atypical antipsychotic.
Lose weight (Saxenda trial)	Liraglutide and the management of obesity and overweight people with schizophrenia: a pilot study.
EMHeP (Efficiency, cost and quality of mental health provision)	A questionnaire study looking at how patients and mental health service professionals value service quality and outcomes of mental healthcare. Link to questionnaire: www.sheffield.ac.uk/scharr/sections/heds/mvh/emhepsus
DFEND	A randomised, double-blind, placebo-controlled, parallel-group trial of Vitamin D in people presenting with their first episode of psychosis neuroprotection design.
COPe-support	E-support for families and friends of individuals affected by psychosis (EFFIP) project developed an online resource, called COPe-support (Carers or People with Psychosis e-support resource). Online COPe-support provides peer support, information on psychosis and ways for carers to look after themselves.

4 Commissioning for Quality and Innovation Framework (CQUIN)

The Commissioning for Quality and Innovation (CQUIN) framework supports improvements in the quality of services and the creation of new, improved patterns of care across the NHS. A proportion of Southern Health NHS Foundation Trust income in 2018/19 was conditional upon achieving quality improvement and innovation goals agreed between Southern Health 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 the following 12 months are available electronically at
www.england.nhs.uk/nhs-standardcontract/cquin/cquin.

In 2018/19 income totalling £5,783,000 was made conditional upon the Trust achieving quality improvement and innovation goals. In the previous year (2017/18) income of £5,714,000 was possible, upon the condition that we achieved quality improvement and innovation goals, of which a payment of £5,579,000 was received.

Our CQUIN schemes for 2017/18 and 2018/19 follow the national guidance available at
www.england.nhs.uk/nhs-standard-contract/cquin/cquin-17-19/

In addition to the CCG national CQUINs, local CCGs and NHS England CQUINs schemes are also available to the Trust. The local CQUIN was for our mental health division to offer service users a 'personalised care and support planning' review. This could then be used by individuals for a Personal Healthcare Budget (PHB). Note the latter part of this process is managed outside of the Trust and is still being developed.

NHS England offers a Specialised Services CQUIN for reducing the length of stay in specialised mental health services (medium and low secure units) and a scheme to increase immunisation of children aged 12-15 in diverse groups, such as children receiving education at home.

5 Care Quality Commission Registration and Actions

Southern Health NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is 22 locations registered with CQC under the Health and Social Care Act (2008). Southern Health NHS Foundation Trust has the following conditions on registration: no conditions.
The Care Quality Commission has taken enforcement action against Southern Health NHS Foundation Trust during 2018/19.

On 29 June 2018 the Care Quality Commission served us with a warning notice under Section 29A of the Health and Social Care Act 2008. The notice was in relation to two registered locations, Bluebird House and Leigh House. The reasons for the Commission's view were that at the time of the inspection (19 to 21 June 2018) we did not have sufficient staff to ensure the safe care and treatment of the young people at these locations. The Commission undertook an unannounced inspection on 18 July 2018 to check whether we had taken the necessary actions. The Commission found that significant improvements had been made and as such, they lifted the warning notice.

Southern Health NHS Foundation Trust has not participated in any special reviews or investigations by the Care Quality Commission during the reporting period.

6 Quality of data

Southern Health NHS Foundation Trust submitted records during 2018/19 (Q1 and Q3) 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:
  99.9% for admitted patient care
  100% for outpatient care
  97.8% for accident and emergency care.
- which included the patient's valid General Medical Practice Code was:
  100% for admitted patient care
  99.9% for outpatient care
  96.0% for accident and emergency care.

Southern Health NHS Foundation Trust Information Governance Assessment Report overall score for 2018/19 was 100% and was graded green "satisfactory". This is based on the completion of the NHS Digital Data Security and Protection Toolkit (DSPT) self-assessment tool where all mandatory assertions were confirmed.

Southern Health NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during 2018/19 by the Audit Commission.

Southern Health NHS Foundation Trust will be taking the following actions to improve data quality:
- Investing significant resource in supporting improvements in corporate and clinical data quality, including:
  - Patient level validation lists, available daily, for extended clinical measures such as risk assessments, outcome measures and clinical assessment forms.
  - Daily availability of governance related data quality validation lists, including mortality reviews, Duty of Candour and action plans resulting from incidents.
  - The availability of staff level workforce and financial validation to ensure an employee's Electronic Staff Record accurately reflects the allocation within the our financial ledger.
- The above functionality is being extensively used by clinicians and has resulted in sustained improvements to data quality across a range of our performance measures.
- During 2019/20 we will be committing to further improvements in data quality through the following initiatives:
  - Continued clinical validation of one Board level clinical Key Performance Indicator (KPI) per month to ensure reported performance is supported by robust and reliable clinical documentation.
  - Data quality kite-marks to be included in our Integrated Performance Report on a monthly basis to assess levels of data quality for each Board KPI.
  - Further development of personalised, employee level performance dashboards within Tableau (our business intelligence tool) that will be shared directly with each staff member once a month and will form part of an employee's formal supervision.
  - Reviewing and refining reports to ensure colleagues can focus on the measures that are most pertinent.

7 Learning from deaths

Southern Health provides both physical and mental health services. The majority of deaths which occur in our physical health inpatient and community services are naturally occurring deaths at the end of life. There is the opportunity for patient and family involvement in planning care and how this is delivered when a person has entered their end of life phase, making their passing as comfortable as possible. We have an End of Life Committee which reviews the care that is provided and provides assurance to the Quality and Safety Committee that best practice guidance is followed.

The process of reviewing deaths is to ensure we continuously learn and improve, both from when things go wrong or when they go well. While many deaths do not require detailed investigation, we have a duty to our patients and their carers and families to make sure any decision not to investigate a death is properly considered and recorded. The Trust follows the National Guidance of the National Quality Board; on Learning from Deaths (March 2017).
www.england.nhs.uk/wp-content/uploads/2017/03/nqb-national-guidance-learning-from-deaths.pdf
and Engaging with Bereaved Families and Carers:
www.england.nhs.uk/wp-content/uploads/2018/08/learning-from-deaths-working-with-families-v2.pdf

The processes for reporting and investigating deaths enable us to ensure we take every opportunity to learn from patient deaths. This learning is shared across the Trust through learning events and publications such as 'Hotspots', 'Learning Matters' and thematic reviews.

Our criteria for the reporting of deaths

Due to the variation of services which we provides, criteria has been written to support staff in deciding which deaths are reported onto the risk management system, which is called Ulysses. These are listed below.

For all services
- All deaths of patients where any concern is raised about the care provided by the Trust to staff prior to a patient's death, by family or others. This must always be reported regardless of how long the patient may have been discharged.
- Patients / service users who die whilst detained under a Section of the Mental Health Act.

Adult mental health and specialised services
- All deaths of patients with an open/active referral including palliative care patients.
- All suicides or suspected suicides that occur within 12 months of last contact (regardless of whether on open referral or discharged).
- Patients who die following transfer to an acute/general hospital from a Trust inpatient unit (including those who are under a Section of the Mental Health Act).

Learning disabilities
- All deaths of patients within 12 months of last contact (regardless of whether an open referral or discharged) and including palliative care patients. LEDER

Older person's mental health, physical health, and children's (inpatient)
- All deaths of in-patients.
- Palliative care patients.
- Patients who die following transfer to an acute/general hospital from a Trust inpatient unit (including those who are under a Section of the Mental Health Act).
- Child deaths may also be subject to a rapid response process through safeguarding.

Older person's mental health, physical health, and children's (community)

- The patient had been discharged home from a Southern Health inpatient unit in the preceeding 30 days.
- The patient was known to have an open referral to adult or children's safeguarding.
- Where the death has been reported to the Coroner or concerns have been raised by any individual or organisation as to the circumstances surrounding the death.
- If any acts, omissions or concerns in care provided by Southern Health services have been identified.
- All suicides or suspected suicides that occur within 12 months of last contact (regardless of whether on open referral or discharged).

Older person's mental health liaison services

- All deaths by suicide or related to self-harm should be reported.
- Patients who die following transfer to an acute/general hospital from the Trust service whilst under an active Mental Health Act Section.

Psychological medicine – liaison services

- The patient was known to have an open referral to adult or children's safeguarding.
- Where the death has been reported to the Coroner, or concerns have been raised by any individual or organisation as to the circumstances surrounding the death.
- If any acts, omissions or concerns in care provided by Trust services have been identified.
- All suicides or suspected suicides that occur within 12 months of last contact (regardless of whether on open referral or discharged).

Hampshire and Isle of Wight Multi-Agency Pathways (MAPS) - Pathway and Pathfinder Pathway

- The service users within this service are managed by the National Probation Service, some of whom may be registered with a GP. The primary focus of this service is to support the professional (Offender Manager's) in working with the service user group (personality disordered offenders posing a high risk of harm to others and a high risk of reoffending) and therefore Southern Health care is only time limited to joint work sessions with the Offender Manager and service user.
  All outcomes are reported on the National Probation Service electronic recording system 'Delius'.
- **Pathfinder** – As above although RiO records are kept and a caseload exists. The care coordination (for health referrals) or risk management (for criminal justice referrals) remains the responsibility of another party.

  Only report if:
  - any acts, omissions or concerns in care provided by Trust services have been identified
  - concerns have been raised by any family member
  - the service user was under Trust care coordination / mental health services within the previous 12 months
  - the service will be involved in any investigation undertaken by the National Probation Service, the GP or mental health service provider (Solent NHS Trust and Isle of Wight NHS Trust) as requested.

General Practice (operated by the Trust)

Established processes for reporting and reviewing deaths to NHS England and commissioners are in place. This process includes establishing whether there are any concerns that may need further investigation, where this is the case, this procedure would be instigated.

In addition, Trust procedure will be instigated where:
- any death requiring reporting to the Coroner (includes suicides, industrial deaths, road traffic accidents and other unexplained deaths)
- any complaints or concerns raised to the GP in relation to a death.

Our process for reviewing deaths
Relevant deaths are recorded using a simple electronic form on our incident recording system; making the process of reporting and investigating deaths more streamlined. This process is overseen by the Serious Incident and Mortality Forum.

Every case is initially reviewed within 48 hours through a panel approach with a membership of senior clinicians. This panel is responsible for making the decision whether a case either proceeds to full investigation or with deaths that do not require an investigation, records the information to demonstrate to the family why that decision was made. This process makes it easier for staff to pick up on themes and trends that might otherwise go unnoticed. The information that we hold about our patients and the circumstances of their death can help inform regional and national initiatives such as suicide prevention strategies. Once a decision to investigate has been made this is coordinated by the investigation team.

Investigating Team
We have a team of investigating officers trained in Root Cause Analysis (RCA) methodology who investigate our most significant incidents and those deaths reported as serious incidents. Their role is to conduct a quality investigation to enable us to learn and improve. Families and loved ones are encouraged to participate in the investigation process, assisting in defining the Terms of Reference for the investigation and commenting of draft findings. Support to families and carers is offered by our Family Liaison Officer who is completely independent of the investigation process.

How do we share our findings?
The process is documented in our policy and procedure for Reporting and Investigating Deaths which is publically available on our website. Our Learning from Deaths report which includes our data is produced for the Trust Board on a quarterly basis and is also publically available on our website.

It is important that staff at all levels of the organisation learn from the investigations and we use a variety of different methods for this which includes:
- patient stories at Quality and Safety meetings
- patient stories at Mortality meetings
- incident review at team meetings
- hotspots and Learning Counts publications
- 'Could it happen here?' presentations
- Learning Network meetings in each of the four adult mental health localities
- immediate learning alerts are automatically issued through an electronic system
- Learning from Incidents meetings
- individual clinical supervision
- reflections within the multi-disciplinary team conversations
- clinical training.

For the cases where the investigation has found there were serious failings within the care we delivered the improvement action plan is presented to an Evidence of Improvement Panels. This is chaired by a member of the executive team and attended by other stakeholders such as commissioners. The duty of the panel is to review the change and improvement evidence provided by the operational team as a method which prevents reoccurrence.

Information collection

Following the publication of the Mazars report in December 2015 and as part of the improvement action plan, we have invested in the development of our Safeguard Ulysses Risk Management System to become our operational database for mortality reviews and incident investigations.

During 2018/19 678 of Southern Health NHS Foundation Trust patients died. This comprised the following number of deaths which occurred in each quarter of that reporting period:

Quarter	Number of deaths	Number of case reviews or investigations
Before 2016/17 (reporting started Dec 2015)	1057*	1057 initial case reviews which resulted in; ■ 107 'Red Rated' or Serious Incident Investigations**
Total 2016/17	730	730 initial case reviews which resulted in; ■ 44 'Red Rated' internal investigations ■ 72 Serious Incident Investigations
Total 2017/18	742	742 initial case reviews which resulted in; ■ 28 'Red Rated' internal investigations ■ 54 Serious Incident Investigations
Q1 2018/19	181	181 initial case reviews which resulted in; ■ 7 'Red Rated' internal investigations ■ 17 Serious Incident Investigations
Q2 2018/19	165***	165 initial case reviews which resulted in; ■ 3 'Red Rated' internal investigations ■ 14 Serious Incident Investigations
Q3 2018/19	168	168 initial case reviews which resulted in; ■ 9 'Red Rated' internal investigations ■ 12 Serious Incident Investigations
Q4 2018/19	164	164 initial case reviews which resulted in; ■ 6 'Red Rated' internal investigations ■ 9 Serious Incident Investigations ■ 0 reviews outstanding as of 31.03.19
Total 2018/19	678	678 initial case reviews which resulted in; ■ 25 'Red Rated' internal investigations ■ 52 Serious Incident Investigations ■ 0 reviews outstanding as of 31.03.19

*Electronically recorded on the Safeguard Ulysses Risk Management System database since December 2015

**Electronically recorded on the Safeguard Ulysses Risk Management System database since January 2016

***Figure adjusted from quarterly Board report – death reported late

Definitions - Red Rated incidents are those which require a full root cause analysis investigation as per a Serious Incident although do not meet the criteria for external reporting to the CCG as a Serious Incident under the NHS England 2015: Serious Incident Framework.

By 31 March 2019, 678 case record reviews and 77 investigations have been carried out in relation to 678 of the deaths included above.

In 77 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:

Quarter	Number of case reviews completed	Number of investigations commissioned
Q1 2018/19	181	■ 17 Serious Incident Investigations ■ 7 'Red Rated' internal investigations Total 24
Q2 2018/19	164	■ 14 Serious Incident Investigations* ■ 3 'Red Rated' internal investigations Total 17
Q3 2018/19	168	■ 12 Serious Incident Investigations* ■ 9 'Red Rated' internal investigations Total 21
Q4 2018/19	164	■ 9 Serious Incident Investigations* ■ 6 'Red Rated' internal investigations Total 15
*Q2 – Two serious incidents downgraded following investigation by the CCG.		

Three, representing 1.9%, 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:

• nil for the first quarter
• two representing 1.2% for the second quarter
• one representing 0.59% for the third quarter
• nil for the fourth quarter. (Note for fourth quarter, eight investigations remain in progress therefore final impact grading not yet applied).

Quarter	Deaths related to problems in care provided	Percentage of deaths related to problems in care provided
Before 2016/17	36	3.4%
2016/17	20	2.7%
2017/18	11	1.4%
Q1 2018/19	0	0%
Q2 2018/19	2	1.2%
Q3 2018/19	1	0.59%
Q4 2018/19	0**	0%**
Total 2018/19	3**	0.44%**

*Electronically recorded on the Safeguard Ulysses Risk Management System database and adjusted year end position after all investigation were closed in Q2 2018/19.

**Eight investigations remain in progress therefore final impact grading not yet applied, number will be adjusted in Q2 2019/20.

These numbers have been estimated using the Structured Judgement Tool or Initial Management Assessment followed by a comprehensive Root Cause Analysis investigation and application of the Actual Impact Grading tool. For the case review of deaths of those service users with a known learning disability, the Learning Disabilities Mortality Review (LeDeR) Programme, methodology has been used as part of the Hampshire-wide project.

For the purpose of this report, deaths attributed to problems in the care provided are those with a final impact grading as 'Catastrophic Harm'.

Actual Impact Grading	
Actual Impact	**Definition**
No Harm	• No care or service delivery problems identified. Trust could not have prevented the death. • No root cause (material factors) or contributory factors relating to SHFT care were established.
Low Harm	• Some care or service delivery problems identified, but only impact on quality of service, not on patient outcome. Trust could not have prevented the death. • No root cause (material factors), some minor contributory factors relating to SHFT care were established.
Moderate Harm	• Contributory factors identified may have had a minor impact on the actual outcome for the person. Trust could not have prevented the death. • No root cause relating to SHFT care was established.
Major Harm	• Contributory factors identified that may have an impact on the outcome for the patient. Not clear, although possible we could have prevented the death. • Potential for a contributory factor to be possible root cause relating to SHFT care provided.
Catastrophic Harm	• Material care or service delivery gaps established. • Preventable death. • Root cause directly linked to SHFT care provided.

Learning from the case record reviews has highlighted several areas for improvement:
- communication between different healthcare providers who do not share electronic records
- transfer of care between different teams within Southern Health focusing on timely communication to ensure patients are not 'lost' or 'delayed' in the referral processes at a potentially vulnerable time
- documentation of the assessment of risk and creation of a 'my safety, my crisis' plan with the patient, families and carers for those assessed as medium risk and above
- communication and involvement of care of families and carers especially in circumstances where a patient has not given consent to share information.

Patients who have a severe mental illness are at risk of having an alcohol or drug / substance dependency also, this is referred to as dual diagnosis. Although patients cannot be forced into dealing with their dependency issues, mental health services have a responsibility to encourage and help with access to these services. These services are very often provided by a different Trust or Healthcare Company than mental health services and communication has been recognised as an issue within investigation findings. All four mental health localities now have operational forums in place with the providers of the drug and alcohol services to discuss patients and the provide assurance that referral processes between the service are as robust as they can be. In some areas this involves alcohol and substance misuse workers attending our mental health hospitals to see patients, and community mental health nurse running mental health clinics in the alcohol and substance misuse services.

During the past year, the training on risk assessment for staff has been relaunched as a mandatory requirement for all qualified staff groups to undertake. The electronic patient record which captures the risk assessment detail has been redeveloped, but a further piece of work to reduce the sheer quantity of documents that our staff need to complete when a patient is admitted to services is underway by the Record Keeping Group. This should streamline processes and release time spent on paperwork back to clinical care.

Following the relaunch of the Triangle of Care as a Quality Priority for 2018/19 to improve the involvement of carers and families, a new communication plan has been created as part of the electronic patient record for staff to complete with relatives or carers. This is extremely important as our improvement work to date has told us that the engagement of families and carers is of prime importance at the earliest opportunity. Families and carers can be a vital part of a person's recovery; they may notify services if they feel that their loved one has a worsening condition, assist in keeping the person safe, and should be partners in care. The impact of this will be monitored throughout 2019/20.

Nine case record reviews and 12 investigations completed after 31 March 2018 which related to deaths which took place before the start of the reporting period. One, representing 0.59%, 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 impact grade of catastrophic applied to the investigation at the panel held at the conclusion of the investigation. Three, representing 0.48%, 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.

Section 2d. Reporting against core indicators

Since 2012/13 NHS Foundation Trusts have been required to report performance against a core set of indicators using data made available to them by NHS Digital. (Where the tables overleaf show the Trust comparison information for 2018/19 as "not available" as the data is expected to be released in May 2019, this is too late for inclusion in this report).

Southern Health NHS Foundation Trust is reported and compared as a Mental Health/Learning Disabilities Trust.

PricewaterhouseCoopers (PwC) have considered two mandated indicators Ⓐ against NHS Improvement's requirement. Their opinion is detailed in Annex 3 and complete definitions of these indicators are included within Annex 4.
- Early Intervention in Psychosis (EIP): people experiencing a first episode of psychosis treated with a NICE approved care package within two weeks of referral.Ⓐ
- Inappropriate out-of-area placements for adult mental health services.Ⓐ

2.1 Early Invention in Psychosis (EIP) Ⓐ

The Southern Health NHS Foundation Trust considers that this data is as described for the following reason: this is taken from the national dataset using the data provided.

The reported indicator for people experiencing a first episode of psychosis and treated with a NICE approved care package within two weeks of referral is calculated on all patients who are referred and accepted onto the caseload, as per the guidance given by NHS Improvement. The indicator looks at patients accessing or waiting for treatment at the two weeks from referral point. The completeness of the data is reliant on the responsible team entering the data, which is then routinely checked and audited by the performance information managers within the Trust. Therefore to the best of our knowledge the data is complete. The NHS England NICE standard is set at 53%.

The Southern Health NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of its services, by:
- validating data with teams prior to national data submission to ensure all diary entries and records are accurate
- taking part in annual audits such as the CCQI audit self-assessment tool (the Early Intervention in Psychosis Network), which benchmarks against other Trusts the developmental process against NICE concordant measures

The above actions ensure a robust performance management framework for the service with a consistent compliance rate over the required 53% and often report over 85% compliance.

Indicator	Early Intervention in psychosis (EIP): people experiencing a first episode of psychosis treated with a NICE approved care package within two weeks of referral. Ⓐ					
	Apr 2016 – Mar 17	Apr 2017 – Mar 18	Q1 2018–19	Q2 2018–19	Q3 2018–19	Apr 2018 – Mar 19
Southern Health	85.4%	87.4%	91.4%	91.6%	88.5%	91.3%
Average scoring Trust	74.5%	75.0%	76.0%	75.7%	77.2%	not available
Highest scoring Trust	changed criteria*	100%	100%	100%	100%	not available
Lowest scoring Trust	changed criteria*	0%	25.9%	15.7%	37.5%	not available
*Data collection started October 2016, criteria was changed hence no benchmark available.						

An enquiry in 2018/19 through the Health Service Journal asked about the funding levels and spends within our services, the following response was shared:

"

"Southern Health NHS Foundation Trust does supply data to Time4recovery. When submitting data for costings, providers are not asked to provide full costs of the service (reference costs) only the net staffing costs. As current data around spend and investment does not take into account all service costs, such as estates and wider trust costs, this can present a deficit. This is why spend per patient appears to be lower than the national recommendation, when in reality it is not.

Whilst spend per patient would appear to be lower than the national recommendation, at a gross level the Trust invests somewhere in the region of £8,400 per patient, per year. It is difficult to give an exact number without reviewing the caseloads in greater detail. This is due to the complexity of the patients who access EIP teams and reflected in the average three year clinical pathway.

We are working with commissioners on further investment into the services during 2019/20 to expand into older age groups and are looking forward to further discussions on this shortly."

2.2 Service users placed out of area overnight for adult mental health services (inappropriate out of area placements) Ⓐ

The Southern Health NHS Foundation Trust considers that this data is as described for the following reason: this is taken from Trust records with verification by our external auditors.

The reported indicator for inappropriate out of area placements for adult mental health services is calculated as per the NHS England definition of out of area.
There is a dedicated acute care support team who are responsible for bed finding as well as ensuring payments for the placements are accurate. The data is monitored daily.

The numbers of out of area placements has increased significantly in 2018/19 with demand demonstrated by higher referral rates and Mental Health Act detentions.

The Trust is bench marked in the lower quartile nationally at 14 mental health acute inpatient beds per 100,000 weighted population. The average would be 25% higher at 19 beds/100,000 population and 50 rehabilitation beds, compared to the Trust's 33 rehabilitation beds.

The Southern Health NHS Foundation Trust has taken the following actions to improve the indicator,

and so the quality of its services, by:
- amended the weekly Executive Flash Report and Performance Dashboard to highlight progress and identify issues at a glance
- implemented a revised process to sign off Delayed Transfers of Care with Hampshire County Council (the responsible organisation)
- completed an internal audit on the processes for out of area beds
- reviewed the balance of community and inpatient resources to improve the patient pathway
- implemented a Right Care, Right Place fortnightly meeting to provide a forum to prioritise and discuss bed flow.

The Executive Team approved seven key areas to support patients and reduce the demand for out of area placements. These actions will continue into 2019/20:

◊ embedding flow principles and supporting processes

◊ tackling cultural issues within the workforce

◊ developing and embedding the Emotionally Unstable Personality Disorder (EUPD) pathway

◊ increasing the visibility of operational pressures to the whole system

◊ accommodation review to provide real alternatives to hospitalisation

◊ ease of access to longer term placements

◊ system-wide review of capacity and demand.

Indicator	Inappropriate out of area placements for adult mental health services Ⓐ					
	Apr 2017 – Mar 18	Q1 2018–19	Q2 2018–19	Q3 2018–19	Q4 2018–19	Apr 2018 – Mar 19
Trust monthly occupied bed days out of area		1573/ 1281/ 1406	1720/ 1710/ 1825	1828/ 1746/ 1426	1329/ 1453/ 1479	-
Trust quarterly (Average number per month)	763	1420	1752	1667	1420	1565

2.3 Our patients on a Care Programme Approach who were followed up within seven days of discharge from psychiatric inpatient care

Evidence suggests that people with mental health problems, especially those with severe and enduring mental illness, are at risk of suicide and that people are particularly vulnerable in the period immediately after they have been discharged from a mental health inpatient ward. The national measure is to follow up 95% of patients within seven days of discharge.

To meet the national criteria the contact has to be between the day after discharge and within the next seven days. Visiting on the day of discharge would be identified as good practice and good care planning, however, this does not meet the national guidance.

Indicator	The percentage of patients on Care Programme Approach who were followed up within seven days after discharge from psychiatric inpatient care during the reporting period.					
	Apr 2016 – Mar 17	Apr 2017 – Mar 18	Q1 2018–19	Q2 2018–19	Q3 2018–19	Apr 2018 – Mar 19
Southern Health	97.3%	96.6%	96.5%	94.1%	95.4%	95.6%
Average scoring Trust	96.6%	96.1%	96.4%	96.4%	96.3%	not available
Highest scoring Trust	99.4%	100%	100%	100%	100%	not available
Lowest scoring Trust	59.5%	68.8%	73.4%	83.0%	81.6%	not available

The Southern Health NHS Foundation Trust considers that this data is as described for the following reason: this is taken from the national dataset (NHS Digital) using the data provided.

The reported indicator for Care Programme Approach seven day follow up is calculated on all patients who were discharged from an inpatient unit as per the guidance given by NHS Improvement. There are three potential outcomes (exempt, compliant or breach) which are calculated automatically based on the data entry processes being followed. The Trust records patients discharged to non-NHS Psychiatric Intensive Care Unit (PICU) settings as exemptions. The data is entered by the respective inpatient unit (for those external to the Trust this would be by the respective Community Mental Health Team). This data is then routinely checked and audited by the performance information managers within the Trust. Therefore to the best of our knowledge the data is complete.

The Southern Health NHS Foundation Trust has taken the following actions to improve this indicator, and so the quality of its services, by:
- updated policy for patients that are high risk of self-harm to be followed up within 48 hours of discharge from an inpatient setting

- daily checks by the performance team, in addition to local business support managers, checking daily with teams to ensure appointments have been booked and outcomed correctly.

In quarter two there was a dip in performance. Since October 2018 changes implemented have resulted in 95% compliance or above to meet the NHS Improvement target, ensuring discharged inpatients are seen within the seven days. The process amendments were to ensure highest risk patients are prioritised and seen within 48 hours.

The updated Trust policy on admission, transfer and discharge now states "All patients will have appropriate arrangements for follow up after discharge. This may be for them to arrange to see their own GP, attend a clinic or in the case of patients discharged from mental health and learning disability care settings, an appointment will be made to be seen within a maximum of seven days following discharge and within 48 hours if the patient presented as a risk of self-harm during admission."

The policy requires:
- patients requiring 48 hour follow-up should be identified early in the admission period
- follow up to be by a named person, identified and recorded before discharge. This can be by telephone call or face-to-face
- the person making the contact could be member of the ward, acute or community mental health teams
- patient records contain details on all staff involved in the care of the patient
- the discharging ward/unit ensures the patient contact details (including next of kin) and the follow up is booked before the patient leaves the ward/unit.

2.4 Crisis resolution teams acting as gatekeeper to admission

The data made available to the Trust by NHS Digital with regard to the percentages of admissions to acute wards for which the Crisis Resolution Home Treatment Team acted as a gatekeeper during the reporting period.

The reported indicator for gatekeeping is calculated looking at all patients who are admitted into an inpatient unit as per the guidance given by NHS Improvement. There are three potential outcomes (exempt, compliant or breach) which are calculated automatically based on the data entry processes being followed. The completeness of the data is reliant on the responsible team entering the data, which is then routinely checked and audited by the performance information managers within the Trust. Therefore to the best of our knowledge the data is complete.

The Southern Health NHS Foundation Trust considers that this data is as described for the following reason: this is taken from the national dataset using the data provided.

The Southern Health NHS Foundation Trust has taken the following actions to improve the indicator, and so the quality of its services, by:
- updated the gatekeeping form on RiO to record the rationale as to why a service user judged not suitable for home treatment and to capture the admission objectives if admission required
- aligned gate keeping processes and recording on RiO
- the Trust exceeds the 95% target, running at over 99% for the last three years.

The updated process initially met some teething issues as the order in which administrative tasks were completed affected compliance; these were resolved and teams are now aware of the sensitivities.

Indicator	The percentage of admissions to acute wards for which the crisis resolution home treatment team acted as a gatekeeper during the period					
	Apr 2016 – Mar 17	Apr 2017 – Mar 18	Q1 2018–19	Q2 2018–19	Q3 2018–19	Apr 2018 – Mar 19
Southern Health	99.7%	99.3%	100%	99.5%	99.6%	99.7%
Average Scoring Trust	98.5%	98.6%	98.1%	98.4%	98.3%	not available
Highest Scoring Trust	100.0%	100%	100%	100%	100%	not available
Lowest Scoring Trust	89.8%	84.3%	85.1%	81.4%	78.8%	not available

2.5 Admissions to adult facilities of patients under 16 years old

The Southern Health NHS Foundation Trust considers that this data is as described for the following reasons:

- all potential admission of patients less than 16 years old are escalated to the Duty Manager. This is supported by a formal reporting process
- those detained under the Mental Health Act section 136 are not in scope of the indicator as they are in a place of safety and not detained on an inpatient ward.

The completeness of the data is reliant on the responsible team entering the data, which is then routinely checked and audited by the performance information managers within the Trust. Therefore to the best of our knowledge the data is complete.

The Southern Health NHS Foundation Trust has taken the following actions to improve this indicator, and so the quality of its services, by:

- continue to monitor and signpost under 16s to appropriate services.

The Trust has an escalation process to Duty Managers and Commissioners within 24 hours should a young person be admitted to an Adult Mental Health facility. There have been no occurrences in the last year.

Indicator	Admissions to adult facilities of patients under 16 years old. No benchmarking data available					
	Apr 2016 – Mar 17	Apr 2017 – Mar 18	Q1 2018–19	Q2 2018–19	Q3 2018–19	Apr 2018 – Mar 19
Southern Health	0%	0%	0%	0%	0%	0%

2.6 Our readmission rate for children and adults

The data made available to the Trust by NHS Digital with regard to the percentage of patients aged:

- (i) 0 to 15 years or
- (ii) 16 years or over,

who were re-admitted to a hospital which forms part of the Trust within 28 days of being discharged from a hospital which forms part of the Trust during the reporting period.

The Southern Health NHS Foundation Trust considers that this data is as described for the following reason: this is taken from internal datasets within the Trust which are uploaded onto NHS digital.

Overall for 2018/19 the Trust is at 7% re-admission rate reflecting the cohort of patients, services commissioned and local supporting networks. The Trust balances the risk of early release resulting in re-admission against the benefits of continuing recovery at home. The metrics are monitored monthly via local and divisional performance meetings.

The Trust supports a small number of under 16s in our children and adolescent mental health services hospitals. One service user was re-admitted in 2018/19, this corresponds to a 4% re-admission rate.

Within adult mental health services a threshold level of 12% is set. Above this level commissioners were informed on a case by case basis as part of the monthly contract review meeting.

Our community hospitals run both medical assessment units (MAU) and rehabilitation wards. The hospitals treat a limited range of acute conditions, such as sepsis and mild cardiac illness, as well as patients with chronic conditions. These patients are more likely to be readmitted at some point in the future and the threshold is set at 10%. Rehabilitation wards are typically at the 2% re-admission level.

The Southern Health NHS Foundation Trust has taken the following actions to improve the indicator, and so the quality of its services, by:
- continuing to monitor at team level for any reoccurring themes and escalate as appropriate
- involving carers and families in discharge planning processes to ensure improved home support
- review of any learning points at the monthly management meeting on medically failed discharges (Integrated Services Division)
- involvement of community teams to support the service users pre and post discharge, enabling a successful transition into the community for adult forensic patients.

Indicator	The percentage of patients aged 0 -15 years readmitted to a hospital which forms part of the Foundation Trust within 28 days of being discharged from a hospital which forms part of the Foundation Trust during the reporting period. No benchmarking data is available.			
	Apr 2015 – Mar 2016	Apr 2016 – Mar 2017	Apr 2017 – Mar 2018	Apr 2018 – Mar 2019
Southern Health	0%	1.9%	0%	3.6%

Indicator	The percentage of patients aged 16 or over readmitted to a hospital which forms part of the Foundation Trust within 28 days of being discharged from a hospital which forms part of the Foundation Trust during the reporting period. No benchmarking data is available.			
	Apr 2015 – Mar 2016	Apr 2016 – Mar 2017	Apr 2017 – Mar 2018*	Apr 2018 – Mar 2019
Southern Health*	12%	17.5%	9.6%	6.9%**

* Annual comparison not applicable due to change in services in 2017/18. Lymington New Forest Hospital elective surgery data is now reported via University Hospital Southampton (UHS) NHS Foundation Trust.

** Mental health metrics, all admissions (including out of area placements), with exceptions for 135/136 suites and the Ministry of Defence ward admissions.

Physical Health Inpatients : Emergency re-admissions within 28 days

Southern Health NHS Foundation Trust

2.7 Patient experience of community mental health services

The Trust contracted with 'Quality Health' to undertake the national community mental health survey in 2018. This included an indicator of a patient's experience of contact with a health or social care worker during the reporting period.

The Southern Health NHS Foundation Trust considers that this data is as described for the following reason: this is taken from the national dataset using the data provided.

Patient experience

Mental health service user: "*After a period on acute psychiatric wards, I was moved to Hollybank. My mental health further improved during my time on Hollybank with the support of very caring and dedicated staff. The biggest problem I have had to face was housing. I was not eligible for supported or social housing or housing benefits and so had to find somewhere to rent privately. This proved very difficult as landlords and managing agents required working people. With ongoing support from the team my persistence paid off, I am now living in a shared house with reasonable rent. So my moto is never give up trying and a very big thank you to all on Hollybank who helped me so much in my journey.*"

Physical health patient: *A patient with complex needs was considered a high risk discharge. The treating team discussed with local commissioning group how best to meet the patient's wish to return home rather than look at alternative options. His family were organising renovations at his house including woodworm treatment, replacing floorboards and carpeting. The occupational therapist reviewed the equipment the patient would need at home and the delivery timeline. The patient was transferred home with a package of care, his ward bed was held for 48 hours to ensure he was stable in his new environment.*

The Southern Health NHS Foundation Trust has taken the following actions to improve the indicator, and so the quality of its services, by:

- new methodologies used to record patient experience and shared with staff as a learning tool. Patient experience recorded in written, digital and filmed formats
- worked with service users and carers to co-produce action plans from surveys and monitor progress against the plans via the Working in Partnership committee
- co-producing Trust 'in house' surveys ensuring questions are chosen by service users and carers, so that we are collecting data on what matters to them
- working with Experts by Experience and User Involvement Facilitators so that we improve and design services having taken their views and feedback into account
- training for team leaders/managers covers best practice in relation to patient experience and involvement in care pathway. This is used with staff as part of clinical supervision and appraisal discussions.

The objective is to increase the numbers of service users who report they were given enough time to discuss their needs and treatment, supported by improved staff understanding of how clinical interactions may feel from a service user perspective.

The table below evidences how Southern Health NHS Foundation Trust compares to other Trusts that provide community mental health services.

Indicator	Patient experience of contact with a health or social worker*				
	2014 – 2015	2015 – 2016	2016 – 2017	2017 – 2018***	2018 – 2019
Southern Health	6.8	6.7	7.1	7.5	7.5
Average scoring Trust	Not available**				
Highest scoring Trust	7.5	7.4	7.5	8.1	7.7
Lowest Scoring Trust	6.5	6.2	6.1	6.4	5.9

*Data is based on responses on a 0-10 scale where 0 is 'I had a very poor experience' to 10 'I have a very good experience'.

** The CQC annual survey does not report average trust scores.

*** 2017/18 survey results corrected from the 2017/18 report to provide the section 1 health and social care worker experience rather than the overall experience (Section 10).

2.8 Our rate of patient safety incident reporting

The data made available to the Trust by NHS Improvement with regard to the number and, where available, rate of patient safety incidents reported within the Trust during the reporting period, and the number and percentage of such patient safety incidents that resulted in severe harm or death.

The Southern Health NHS Foundation Trust considers that this data is as described for the following reasons; this is taken from the national dataset using the data provided and our internal incident reporting system.

The 2018/19 totals are based on data extracted from the Trust's incident reporting system; Ulysses. These include all patient safety incidents of severe harm or death submitted to the National Reporting and Learning System (part of NHS Improvement) during the specified time periods.

Indicator	Number of patient safety incidents reported to the National Reporting and Learning System (NRLS)*					
	16/17 Total – 12,460		17/18 Total – 8665*		18/19 Total - 10611	
	Apr 16 – Sept 16	Oct 16 – Mar 17	Apr 17 – Sept 17	Oct 17 – Mar 18	Apr 18 – Sept 18	Oct 18 – Mar 19
Southern Health*	6072	6388	5283	3382	3777	6834
Average scoring Trust**	2963	2910	3160	3147	2942	Not available
Highest scoring Trust**	6349	6447	7384	8134	9204	Not available
Lowest scoring Trust**	40	68	12	1	16	Not available
* results from internal incident reporting system ** results taken from NRLS						

Indicator	i) Number and ii) percentage of such patient safety incidents that resulted in severe harm or death					
	16/17 Total – 140 (1.1%)		17/18 Total – 81 (0.9%)		18/19 total – 38 (0.4%)	
	Apr 16 – Sept 16	Oct 16 – Mar 17	Apr 17 – Sept 17	Oct 17 – Mar 18	Apr 18 – Sept 18	Oct 18 – Mar 19
Southern Health*	i) 64 ii) 1.1%	i) 76 ii) 1.2%	i) 34 ii) 0.6%	i) 47 ii) 1.4%	i) 21 ii) 0.7%	i) 17 ii) 0.3%
Average scoring Trust**	i) 33 ii) 1.5%	i) 33 ii) 1.3%	i) 33 ii) 1.2%	i) 36 ii) 1.1%	i) 37 ii) 1.3%	Not available
Highest scoring Trust**	i) 101 ii) 3.2%	i) 107 ii) 2.2%	i) 172 ii) 3.1%	i) 259 ii) 8.2%	i) 239 ii) 3.7%	Not available
Lowest scoring Trust**	i) 10 ii) 1.4%	i) 2 ii) 0.1%	i) 1 ii) 0.0%	i) 0 ii) 0.0%	i) 1 ii) 3.6%	Not available
* results from internal incident reporting system ** results taken from NRLS						

The Trust Ulysses system is used to report all incidents including those related to staff health and safety, and other events in addition to the patient safety events. The Trust continues to promote a culture of open and honest incident reporting and the total number of incidents reported has shown an upward trend across the year.

The following trends are noted within the divisions: A downward trend in learning disabilities services in regards to assaults to staff. The decrease in assaults was due a number of successful therapeutic interventions to modify patients challenging behaviours, on the wards. Adult Mental Health services show a decrease in assaults but an increase in self harm or self-injurious behaviours and/or incidents. These have occurred mainly in our specialised services wards where two patients have required naso-gastric feeding. A number of new restraint techniques have been used to reduce the assaults to staff. The physical health services have seen an increase in reporting of pressure ulcers, this is due to national changes in reporting categories.

The Southern Health NHS Foundation Trust has taken the following actions to improve this indicator, and so the quality of its services, by:
- sustained improvement in managers receiving and reviewing incident forms from teams within 10 working days. This allows for timely learning and sharing information from an incident
- Sustained improvement of family engagement in serious incident investigations.

2.9 The percentage of staff who would recommend the Foundation Trust as a provider of care to their family and friends

In 2013/14 NHS England asked NHS providers to consider reporting on the staff element of the Friends and Family Test (FFT), although it did not make this a mandatory requirement for community Trusts.

Indicator	The percentage of staff employed by, or under contract to, the Foundation Trust during the reporting period who would recommend the Foundation Trust as a provider of care to their family of friends			
	Apr 2015 – Mar 2016	Apr 2016 – Mar 2017	Apr 2017 – Mar 2018*	Apr 2018 – Mar 2019
Southern Health*	66%	60%	63%	66%
Average scoring Trust	78%	74%	65%	67%
Highest scoring Trust	100%	100%	76%	79%
Lowest scoring Trust	45%	44%	53%	58%
* 2017/18 Southern Health number has been corrected from 69% to 63% as shown in question 21d of the 2018 Staff survey.				

The Southern Health NHS Foundation Trust considers that this data is as described for the following reason: this is taken from the NHS staff survey.

The Southern Health NHS Foundation Trust has taken the following actions to improve the indicator, and so the quality of its services, by:
- achieved a Trust record response rate for the 2018 NHS Staff Survey of 44%. A staff survey action plan has been created and key leads across the Trust will be engaged to identify delivery actions to ensure a strong programme of 'you said we did' communications and staff engagement going forward
- launched the Board led Staff Engagement and Inclusion Forum in January 2019
- 10 additional cultural questions were added to the 2018 NHS Staff Survey and the full data set will be used to launch a Cultural Dashboard giving team level data to promote cultural awareness and diversity in recruitment.

2.10 The percentage of patients who would recommend the Foundation Trust as a provider of care to their family and friends

Southern Health NHS Foundation Trust routinely seeks feedback from patients in relation to how likely they are to recommend the Trust as a provider of care. The table below gives the percentage of patients who reported that they would recommend the Trust to family and friends and offers comparative data from other similar Trusts with both community and mental health services.

Indicator	The percentage of patients during the reporting period who would recommend the Foundation Trust as a provider of care to their family of friends			
	Apr 2015 – Mar 2016	Apr 2016 – Mar 2017	Apr 2017 – Mar 2018*	Apr 2018 – Mar 2019
Southern Health	94.3%	93.9%	94.7%	95.8%
Average scoring Trust	94.5%	93.3%	93.5%	93.6%
Highest scoring Trust	98.8%	98.3%	98.8%	99.4%
Lowest scoring Trust	86.6%	67.5%	30.1%	26.9%
*updated result taken from NHS England published data (was reported as 97.2% in 2017/18 report).				

The Southern Health NHS Foundation Trust considers that this data is as described for the following reason: this is taken published data on the NHS England website.

The Southern Health NHS Foundation Trust has and intends to take the following actions to improve the indicator, and so the quality of its services, by:

- appointed an experienced Head of Patient Experience and Patient and Public Involvement lead who is taking forward the revised strategy
- established a 'Working in Partnership' Committee whose membership includes service users, carers, voluntary and third sector representatives and staff. The committee reports to the Caring and Patient Experience Group and has direct access to the Board
- appointed Experts by Experience as integral to the quality improvement agenda
- appointed Experts by Experience and User Involvement Facilitators to progress and support the ways in which the patient's voice is incorporated into service delivery and improvement
- researched the potential to outsource the collection of the Family and Friends test data using different collection methodologies. For example, texting, to facilitate ease of service user reporting and offer assurance of improved impartial data collection to the Trust Board and public.

2.11 Cardio-metabolic assessment and treatment for people with psychosis

This indicator on physical health monitoring for the holistic well-being of service users with psychosis is broken down into three sections:

a) inpatient wards
b) Early Intervention in Psychosis services (EIP)
c) community mental health services (people on a care programme approach).

The Southern Health NHS Foundation Trust considers that this data is as described for the following reasons; this is taken from the data collected for an external audit run by the Royal College of Psychiatrists (RCP). The cardio-metabolic parameters based on the Lester Tool are: smoking status, lifestyle, body mass index, blood pressure, glucose regulation and blood lipids. Intervention is required if service users fall in the red zone of the Lester Tool. The results from the RCP audits are expected after the deadline for this report; hence the results shown are based on internal analysis. The method used to calculate results has changed in 2018/19; only service users with a full suite of cardio-metabolic assessments and appropriate interventions are counted as complete. This accounts for the decline in the percentages for two of the audit this year.

The completeness of the data is reliant on the responsible team entering the data into the correct forms on RiO (electronic patient record system). Local areas use a Tableau report to monitor their performance, which are reviewed within the Adult Mental Health division performance meetings. Therefore to the best of our knowledge the data is complete.

The Southern Health NHS Foundation Trust has taken the following actions to improve the indicator, and so the quality of its services, by:

- continuing to monitor the target at monthly performance meetings
- completed review of all physical health forms on RiO to streamline patient record keeping.

Indicator	Cardio-metabolic assessment and treatment for people with psychosis - a) inpatient wards	
	2017/18	**2018/19**
Southern Health	94%	90%*

Indicator	Cardio-metabolic assessment and treatment for people with psychosis - b) Early intervention in Psychosis services	
	2017/18	**2018/19**
Southern Health	78%	97%*

Indicator	Cardio-metabolic assessment and treatment for people with psychosis - c) community mental health services (people on care programme approach)	
	2017/18	**2018/19**
Southern Health	92%*	79%*

* Initial results – waiting confirmation from RCP.

2.12 Improving Access to Psychological Therapies (IAPT)

The Improving Access to Psychological Therapies (IAPT) programme treats adults with anxiety disorders and depression. The therapy or treatment is delivered by fully trained and accredited practitioners, matched to the mental health problem and its intensity and duration designed to optimise outcomes. A stepped care model is used depending on the level of intervention required.

The Southern Health NHS Foundation Trust considers that this data is as described for the following reason: this is taken from the national dataset (NHS Digital) using the data provided.

The Trust is performing in line with the average trust results for the proportion of people that complete treatment and move to recovery.

Indicator	Proportion of people completing treatment who move to recovery (from IAPT dataset)					
	Apr 2016 – Mar 17	Apr 2017 – Mar 18	Q1 2018–19	Q2 2018–19	Q3 2018–19	Apr 2018 – Mar 19
Southern Health*	51.5%	48.3%	48.7%	51.0%	50.7%	51.1%
Average scoring Trust	49.9%	51.2%	51.9%	49.9%	50.2%	not available
Highest scoring Trust	86.0%	93.8%	87.3%	86.0%	85.7%	not available
Lowest scoring Trust	15.0%	19.2%	16.0%	25.0%	27.0%	not available
* internally reported data (NHS digital data is not available within this report deadline)						

National benchmarking networks show the Trust has performed above both Wessex and national levels for patients entering treatment waiting times at six and 18 weeks, with targets at 75% and 95% respectively. For the patients that fall out of this metric, analysis showed there were long waits for step three interventions, this was due to staff losses in year and the increase in more complex presentations.

The Southern Health NHS Foundation Trust has taken the following actions to improve the indicator, and so the quality of its services, by:

- continuing to monitor performance of both six and 18 weeks referrals at monthly meetings
- in the latter part of 2018 implemented efficiencies in telephone and referrals centre productivity and treatment for patients at Step 2
- contract reviewed with commissioners and third parties to address potential conflicts of interest.

Indicator	Improving access to psychological therapies: people with common mental health conditions referred to the IAPT programme will be treated within 6 weeks of referral					
	Apr 2016 – Mar 17	Apr 2017 – Mar 18	Q1 2018–19	Q2 2018–19	Q3 2018–19	Apr 2018 – Mar 19
Southern Health	87.2%	91.9%	96.6%	95.0%	96.3%	96.0%
Average scoring Trust	86.3%	87.2%	87.4%	85.3%	86%	not available
Highest scoring Trust	100.0%	100%	100%	100%	100%	not available
Lowest scoring Trust	15.0%	17.3%	21.0%	35.0%	39%	not available

Indicator	Improving access to psychological therapies: people with common mental health conditions referred to the IAPT programme will be treated within 18 weeks of referral					
	Apr 2016 – Mar 17	Apr 2017 – Mar 18	Q1 2018–19	Q2 2018–19	Q3 2018–19	Apr 2018 – Mar 19
Southern Health	99.9%	99.8%	99.9%	99.8%	99.9%	99.9%
Average scoring Trust	97.9%	98.4%	98.6%	98.9%	95.9%	not available
Highest scoring Trust	100.0%	100.0%	100.0%	100.0%	100%	not available
Lowest scoring Trust	33.0%	23.0%	56.0%	70.0%	50%	not available

Part 3 Other Information

Progress made in meeting our priorities for improvement in 2018/19
Details of the progress made to meet our priorities for improvement in 2018/19 are given below.

■ Priority 1: Improving patient safety

Indicator 1.1 Risk assessment and crisis planning within the mental health division

ACHIEVED   PARTIALLY ACHIEVED   NOT ACHIEVED

Aim:
A risk assessment looks at someone's risk to themselves and others. It is a document that should be written collaboratively with a service user and their family or carer. A risk factor is a personal characteristic or circumstance that is linked to a negative event and that either causes or facilitates the event to occur. A good therapeutic relationship must include both sympathetic support and objective assessment of risk.

Risk assessments are a core component in planning care within our mental health and learning disabilities divisions. We believe that a risk assessment should be focused on positive risk taking, should be structured and evidence based. All of our patients should have a risk assessment and these important documents should be completed collaboratively with the patient. A patient should have their individual level of risk assessed at each stage of their journey, or if their clinical condition changes. We aimed that each patient should have an up to date risk assessment that has been reviewed in a timely manner, with involvement from the patient, family, loved ones and carers.

Achievements:

	Adult mental health	Learning disabilities	Older person mental health	Specialised services	Total
% completed*	96%	97%	95%	96%	98%
% 1 year review	84%	94%	86%	91%	85%
*95% target					

Data from Tableau as of 11 April 2019. Adult mental health percentages with risk assessment, and risk assessment and review.

During this year the Assessment and Management of Clinical Risk policy has been reviewed, this was in relation to learning that had been identified following a serious incident. The changes within the policy allow for clarity when collaborative risk assessments are being conducted and ensuring the dovetailing with other policies so that a suite of policies are available.

A consultation with staff was conducted to identify gaps in the risk assessment electronic form on RiO (electronic patient record) and adjustments were made based on the responses received.

Training in relation to assessment and positive risk taking has also been refreshed in order to align with the updated policies, RiO risk page and risk reflective practice sessions.

During this year we have been auditing the quality of both the risk assessment and crisis plans, ensuring they are holistic and have the involvement of family and carers where relevant.

	Patients with a risk assessment that was holistic and of high quality	Patients with a "My crisis/My safety" plan that was of high quality
Q1	88%	85%
Q2	93%	62%
Q3	93%	74%
Q4	92%	94%

There has been a small increase in the quality of risk assessments, however the quality of the patient's 'My Crisis/My Safety plan' has been variable. The latter is wholly owned by the patient and offers guidance to clinicians in order to support in a crisis. Its completion depends on whether the patient is well enough to complete the plan and as such some of these will be a work in progress. The quality of risk assessments will remain a focus for the services, and discussions continue with patients and staff on improving the quality of assessments.

The involvement of carers and family in risk assessments and crisis planning has shown an improvement from the previous year. However we know that there is further work to be done in involving families. This will be part of the Triangle of Care quality indicator identified in the 2019/20 quality contract.

Family/carer involvement in	2017/18	2018/19 Q2	2018/19 Q4
Family/carer involvement in risk assessment	59%	43%	49%
Family/carer involvement in my crisis/ my safety plan	38%	54%	50%

Our older person's mental health services measure the quality of risk assessments through a tool called the Quality Assessment Tool. This is used on a monthly basis and it is when a senior clinician reviews medical records to identify any gaps or good practice in record keeping, talks to patients and carers to ascertain their views on the care and treatment given, and also speaks to staff in order to get a full complement of quality information with which to complete the assessment.

Quality assessment tool for older persons mental health inpatient services from Tableau April 2019

Quality assessment tool for Older Persons Mental Health Community services from Tableau April 2019

The infographics on the previous page show us that the overall quality score has varied during the year for inpatient services with a dip in October to 82%, and average score of 86.8%. Community services scores dipped in March and July with an average score of 88.4%. The dips correspond to changes in the organisation leadership and staff vacancies.

The question that relates to the inpatient risk assessment states: "Risk assessments and management plans are reviewed and updated at admission, discharge, a minimum of every week or according to clinical need." The overall score for older person's mental health inpatients was at 96%.

The question that relates to risk assessments in the community services states: "An appropriate risk assessment has been completed and kept up-to-date in RiO". The overall score for community services is recorded as 90%. Although this may seem low it very much depends how often the patient is seen by services, as some may have frequent contact and others an annual review. Therefore there may be some risk assessments that have not been updated as frequently.

Future plans:
Risk assessments remain a focus for the Trust. Although not identified as a quality priority for the forthcoming year, work will continue to refine the risk assessment to ensure ease of use for patients and clinicians.

Indicator 1.2 Reducing restrictive practice in the mental health division

| ACHIEVED | PARTIALLY ACHIEVED | NOT ACHIEVED |

Aim:
We are committed to reducing the need for restrictive interventions because they detract from the therapeutic environment on the ward. We recognise that occasionally some service users may behave in an aggressive or violent manner and that where all else fails, may necessitate the use of restrictive interventions. We also recognise the rights of staff to use such force as is reasonable, in order to protect themselves from an attack, or to prevent an unlawful attack on others.

Part of this indicator was in relation to ensuring that if a patient required restraint, it was a planned intervention and as such staff were trained adequately in the least restrictive methods, and patients were aware of what would happen.

Achievements:

Care plans within specialised services do include the views of patients, the care plan is written collaboratively with the young person. This is particularly pertinent to our young patients who may require restraint in order to have naso-gastric feeding.

For our adult mental health and older persons mental health colleagues restraint for the administration of medication is not routinely recorded in care plans, due to the often urgent requirement for this medication to be administered to patients who are acutely unwell. The decision to complete this intervention is done so with multi-disciplinary discussion. A debrief is completed with the patient when they are physically and mentally able to do so, this is usually with a psychological input, and the discussion relates not to why the restraint occurred, but how the patient feels about it, and the impact of the restraint. The incident is only discussed with families and carers if requested by the service user.

Physical health monitoring including comparison with physical health indictors is completed upon admission and after a course of medication, such as rapid tranquilisation, is completed. Each of the prone restraints are discussed in order to review the care both prior, during and after the event, debrief with the patient and any lessons learned. This is shared between all areas in order that learning can be disseminated.

The Safe Wards initiative has been implemented in the majority of our inpatient units, and has supported safer staffing requirements to match the acuity on the wards at that time.

The training of staff to ensure restraints are completed safely is called Supporting Safer Services. We are compliant with over 95% staff trained (the green line on the chart shows the percentage compliance, while the purple bars on the graph show the number of staff completing training each month)

Topic Training Compliance for the last 6 months
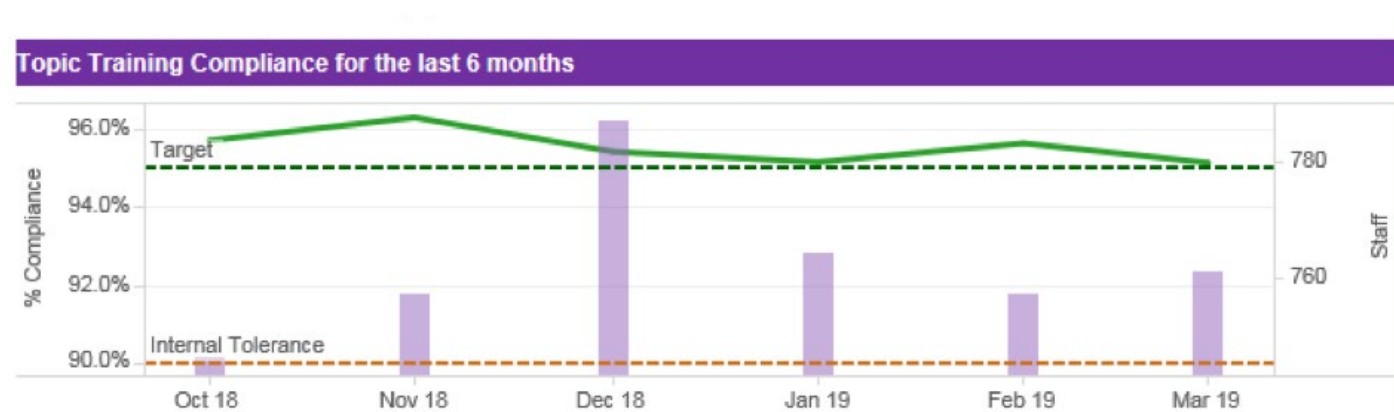
Future plans:

We will be reviewing our restrictive practices to ensure they are evidence based, and promote a safe environment for patients and staff. This includes a working group of stakeholders reviewing our current Supporting Safer Services training to ensure it is robust and appropriate for our patient groups which can vary over time. This is especially true of our young person's services.

Indicator 1.3 Collaborating with local communities to reduce suicide

ACHIEVED **PARTIALLY ACHIEVED** **NOT ACHIEVED**

Aim:

To reduce deaths of our patients through suicide. To include lessons from serious incidents in relation to those who have attempted or taken their own life. We also want to ensure that there is sufficient crisis provision to support patients in a crisis situation.

Zero Suicide Alliance | Because **ONE life** lost is **ONE** too many

Achievements:

- We held a joint suicide conference which was attended by clinicians.
- Our keynote speaker at the event was Thomas Joiner, who created the Joiner model (the interpersonal theory of suicide that attempts to explain why individuals engage in suicidal behaviour and to identify individuals who are risk) which was explored during the conference. Clinicians reported that the topics covered afforded them time for rich discussion and reflection
- We are committed to continue our work with the Zero Suicide Alliance

SHFT SUICIDES BY YEAR
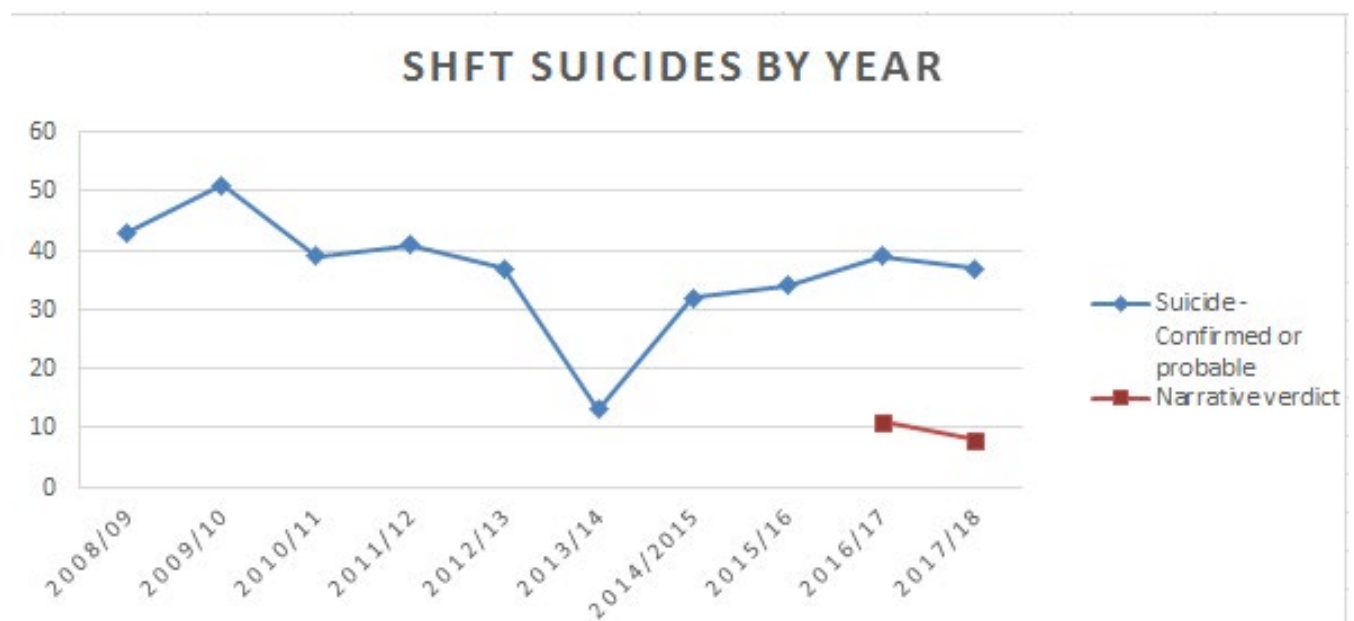
It has been noted there was an increase in suicides in the period 2016/17, this is due to the addition of inquests where the coroner records a narrative verdict. These were not included in previous years' data, so will show an increase. Due to this we will be carrying this indicator over to the next year. The chart above shows data for 2016/17 with the narrative verdicts identified.

Our Family Liaison Officer (FLO) has attended both the Southampton and the Hampshire Suicide Prevention Groups. She gave a presentation to the Hampshire group to highlight the need for additional support, both for bereavement and for families and carers of those at risk of suicide, and to suggest options for that support. The Hampshire group have asked the FLO to be part of a sub-group to explore and propose options for additional support in the wider community. It was also suggested that the three Hampshire prevention groups should work collectively to explore the options for joined up support across the county.

The FLO has also been invited to attend the Portsmouth Suicide Prevention Group to participate in a Task and Finish Group considering bereavement support and protocol development.

During this year the Communications Team assisted with the production of a video involving a family member and an investigating officer to show how the family liaison role has supported them. This video will be included in several conferences and meetings including the 'Investigations and learning from deaths in NHS Trusts' event in London, the Mental Health Joint Commissioners Quality Meeting, and our local senior leadership meeting.

The provision of crisis management has been challenging due to the geographical area that we cover. Therefore a large scale quality improvement project group was created; this involved other Trusts (including Solent NHS Trust) and local authorities.

Last year we launched a major programme of work supported by Northumberland, Tyne and Wear NHS Foundation Trust and collaborating with Solent NHS Trust. During 2018 we undertook months of careful observations of how teams are currently working, examination of processes and records, and over 150 hours of workshops and consultation involving hundreds of patients/service users, carers and staff discussing how services should look in the future and particularly how people would like to access community mental health services.

"It's not about IF these changes will happen, because I believe they will, but it's WHEN. Not everything can happen quickly but we need to be kept informed of progress at every step."

This is a large scale programme of changes and improvements. The group are working to ensure that good governance and robust project management is in place so that our progress will be tracked and measured. It is planned that the combined crisis service will be launched by summer 2019. The project group are committed to the principle of coproduction and we will build on the inclusive approach to service change that we have already started.

Future plans:
We will be creating a Trust suicide prevention group in order to review best practice, share and discuss lessons learned and understand how we can better support our patients to reduce the risk of suicide. As part of this group we will also plan for a second suicide prevention conference.

In order to have more timely information on deaths by suicide we will be publishing an annual suicide report, which will enable us to implement changes to practice and improve prevention more swiftly. We currently produce a benchmarking report to compare against the National Confidential Inquiry into Suicide and Safety in Mental Health (NCI). However the data within the NCI report is usually two years behind current data. We will continue to do the benchmarking report, but feel the annual report will allow for quicker implementation of change.

■ Priority 2: Improving clinical effectiveness

Indicator 2.1 Improving the recognition of sepsis in the community (Trust-wide)

ACHIEVED   PARTIALLY ACHIEVED   NOT ACHIEVED

Aim:
Prevention and early recognition of sepsis in community patients is a priority for the Trust. Sepsis is a common and potentially life-threatening condition which in many cases, if detected at an early stage, is treatable and long term harm avoided. We aim to provide guidance and education to all community patients, their families and carers.

Achievements:
The mental health and integrated services divisions have introduced the UK Sepsis Trust advice leaflet. This is discussed with and given to all patients, families or carers in order to educate people about the early signs and recognition of sepsis and where to access medical assistance if needed.

Our Families First stakeholder group agreed the previous leaflet was helpful, however it also agreed that further divisional modifications would be beneficial. Our learning disabilities services designed an

easy read version of the leaflet to share with service users, their families and carers. They also have a learning network which includes quizzes and workshops in order to support staff with early recognition of sepsis.

Staff resuscitation training covers the basic elements of sepsis awareness. The training highlights the importance of early recognition of sepsis and appropriate escalation for treatment, during Intermediate Life Support (ILS) training a practical sepsis scenario is completed. The current compliance rate for life support training across clinical staff is 90.4%. This is lower than our 95% target due to high staff vacancy rates limiting timely refresher training completion over the winter. February and March training rates exceed the 95% target.

The Integrated Services Division has delivered sepsis training to all community teams in the format of a presentation which was delivered at team meetings. The target of 90% has not been documented by Q4 in part due to systems recording problems and staff turnover.

Future plans:
We have rolled out National Early Warning Score (NEWS2) across all physical health inpatient services. This is a system used to identify and respond to patients at risk of deteriorating. This will be expanded to roll out NEWS2 and the paediatric version (PEWS) Trust-wide. To facilitate this staff will be trained in sepsis recognition and how to use an appropriate and effective tool to inform clinical practice.

Patient experience

A 58 year old male patient using the podiatry service for treatment of foot and leg ulcerations, attended clinic in August 2018. The patient is a type 2 diabetic who has always had a relaxed attitude towards his health and medication. As the podiatrist fetched the patient from the waiting room, they immediately identified that the patient appeared acutely unwell; he was shaking, sweating and complaining of feeling nauseous. Observations were taken and the podiatrist telephoned the GP surgery and spoke to the emergency on call doctor who advised to call an ambulance. The ambulance arrived and conveyed the patient to hospital where he was diagnosed with sepsis. The patient was treated as per the sepsis protocol and was discharged home. The patient then became unwell again in November 2018 and was able to recognise for himself the signs of sepsis and promptly attended the Accident and Emergency Department.

Indicator 2.2 Improving the management of deep tissue injuries, pressure ulcers and wound care in the Integrated Service Division (ISD)

ACHIEVED   PARTIALLY ACHIEVED   NOT ACHIEVED

Aim:
Prevention and early recognition of wounds is a priority for the Trust. Patients with chronic non-healing wounds have a significant reduction in the quality of their life and such wounds are substantial economic burden to NHS (recent estimates put wound care at 6% of the NHS budget.)

Our Trust aims are to improve the clinical outcomes for patients across the Integrated Services Division (ISD) through education and learning from incidents to improve practice.

Achievements:
The ISD has introduced standardised terms of reference for all wound and pressure ulcer incident investigations. Human factors (organisational, environmental and social circumstances) are included as elements of the investigation. All teams undertake clinical supervision for each pressure ulcer incidents that enables staff to extract and embed learning, supporting immediate improvements in patient care.

A quality improvement (QI) project was completed as part of the transformation programme ongoing within the Trust. Five elements for improvement were identified; equipment, panels, triage, documentation and training. Pathways, standard operating procedures and a robust action plan were written up during the initial workshop, and the changes and updates were communicated via a

roadshow visiting all ISD community teams across the Trust for maximum exposure. Staff gave positive feedback throughout; however, there was also a fair amount of anxiety with the level of changes involved. Staff will be supported by the Practise Development leads to manage these changes.

Delays in equipment provision for patients with chronic wounds was identified as an issue. The list of reported incidents were presented at the clinical quality review meeting for Hampshire commissioning groups to review with Hampshire County Council (HCC). The issues will continue to be addressed in 2019/20.

The pressure ulcer panel review process has been streamlined. A redesigned single questionnaire is now used as part of clinical supervision. The new process has freed up clinicians from sitting on panels for up to 12 hours a week, allowing more time to discuss patient care, identify learning and make positive changes to local practice.

In 2018/19 there was an improvement in the percentage of staff undertaking e-learning in relation to pressure ulcers over 2017/18. Changes in the NHS pressure ulcer grading system and actions identified as part of the QI programme meant the e-learning course was revised and supplemented with a face-to-face training option for 2019/20. Staff will now be able to choose their preferred method of training.

Future plans:
Work on this quality priority will continue into 2019/20; the ISD Practice Development Leads will continue to support teams to implement the QI action plan, including a plan to buddy up teams for support. The expectation will be to reduce the number of moderate pressure ulcer graded as moderate or above by 40% and increase the number of full wound assessments and holistic assessments by 50%.

Indicator 2.3 Improving access to psychological therapies. Adult mental health (AMH) and older person mental health divisions (OPMH).

ACHIEVED   PARTIALLY ACHIEVED   NOT ACHIEVED

Aim:

Psychological therapies are an important part of the treatment pathway for some patients. Within mental health and older persons mental health services there is a disparity in the access to psychological therapies which has been associated with long waiting times. Our aim was to understand and reduce inequalities and to address areas where psychological therapies are not frequently available.

Achievements:

It became apparent when we were reviewing the waiting list data that there was an inconsistency of approach when recording waiting times, not only for psychology intervention, but also for carers groups, making it difficult to have an accurate baseline on which to show any progress. This also identified a disparity between areas on the length of time people spent waiting.

A quality improvement project was carried out to examine the availability of psychological therapies on Berrywood Ward, part of the Older People's Mental Health service at the Western Community Hospital in Southampton. The project included a workshop week that took place in September 2018 and identified a number of improvement areas.

During the weekly planning meeting it became apparent that the therapeutic time spent with patients and patient's social interaction was limited, this was due to many factors but the environmental impact meant that it was not conducive to psychological therapies being completed. The initial 'quick wins' included reorganising the patient lounge areas see if there was impact on time spent on therapeutic activities, it was found that the environment was a key factor and the simple change of layout had a positive effect on patient interactions. The layout was changed from:

Before

After

The introduction of a psychologist was a key action and has already been implemented. The group recognised that one psychologist would not have the capacity to provide all of the interventions required; therefore they will also be providing training to staff in order to deliver psychological formulations.

Future plans:
Further embedding of the psychological work within Older Persons Mental Health services. This priority will also be carried over to next year's priorities as we have not fully achieved this within the year, we are aware the Trust is going through a process of restructure and as such we will need to review the priority to ensure it meets the needs of patients once the restructure has concluded.

■ Priority 3: Improving patient experience

Indicator 3.1 Consistent staffing

ACHIEVED	PARTIALLY ACHIEVED	NOT ACHIEVED

Aim:
To ensure we have a stable workforce to provide high quality care to our patients. Interview staff to understand why high numbers are leaving within 12 months and implement a workforce strategy to address the issues that are highlighted. We have achieved this indicator, however, the retention of quality staff is challenging across the NHS, therefore it will also be one of our priorities for the coming year.

Achievements:
During this year we have implemented a workforce strategy. We wanted to understand why some staff leave within 12 months of employment. Through exit interviews it was found that the reasons for leaving are varied, with many related to lack of career progression, lack of flexible working and high pressure of work. The main group leaving within this time period are nursing staff.

We are progressing this work with the retention hotline number being staffed by HR professionals, and exit questionnaires automatically sent to all leavers. We are aware of the need locally and across the system to develop more flexible working patterns and roles to both attract and retain staff and there are specific actions detailed within the workforce strategy work plans to address this and improve the health and wellbeing of our staff.

The numbers of staff leaving within 12 months of employment has fluctuated during the year:

Leaving staff - length of service

— % Leavers with less than 24 month service — % Leavers with less than 12 month service
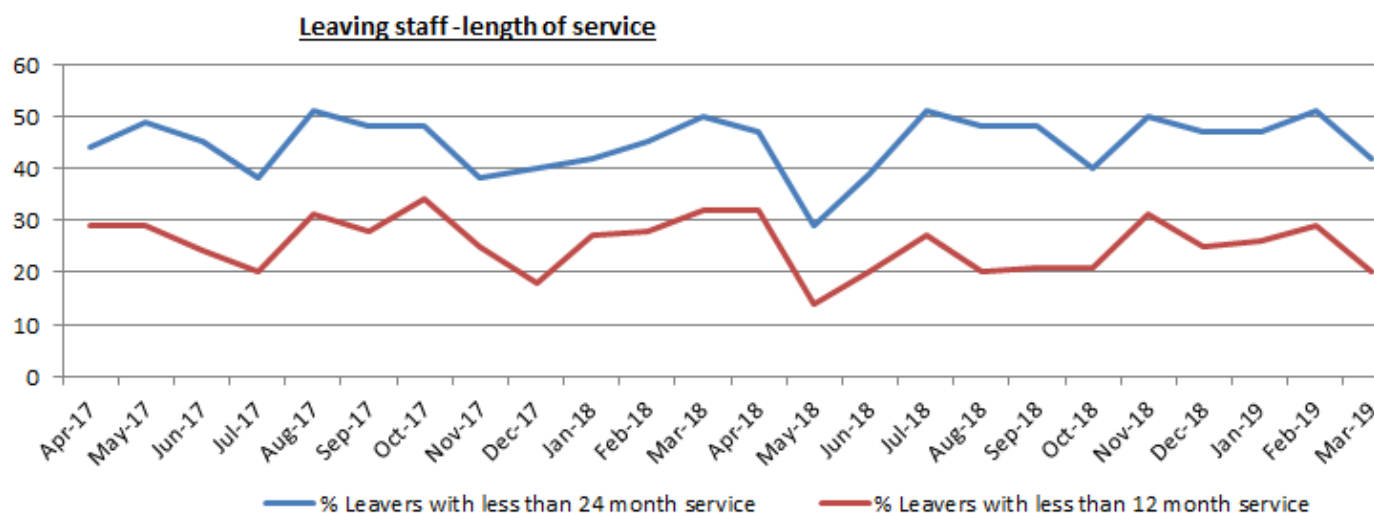
It has been identified that our slow recruitment process was resulting in potential new employees taking up alternative employment. In order to redesign the process a quality improvement project was undertaken, with a workshop in September 2018.
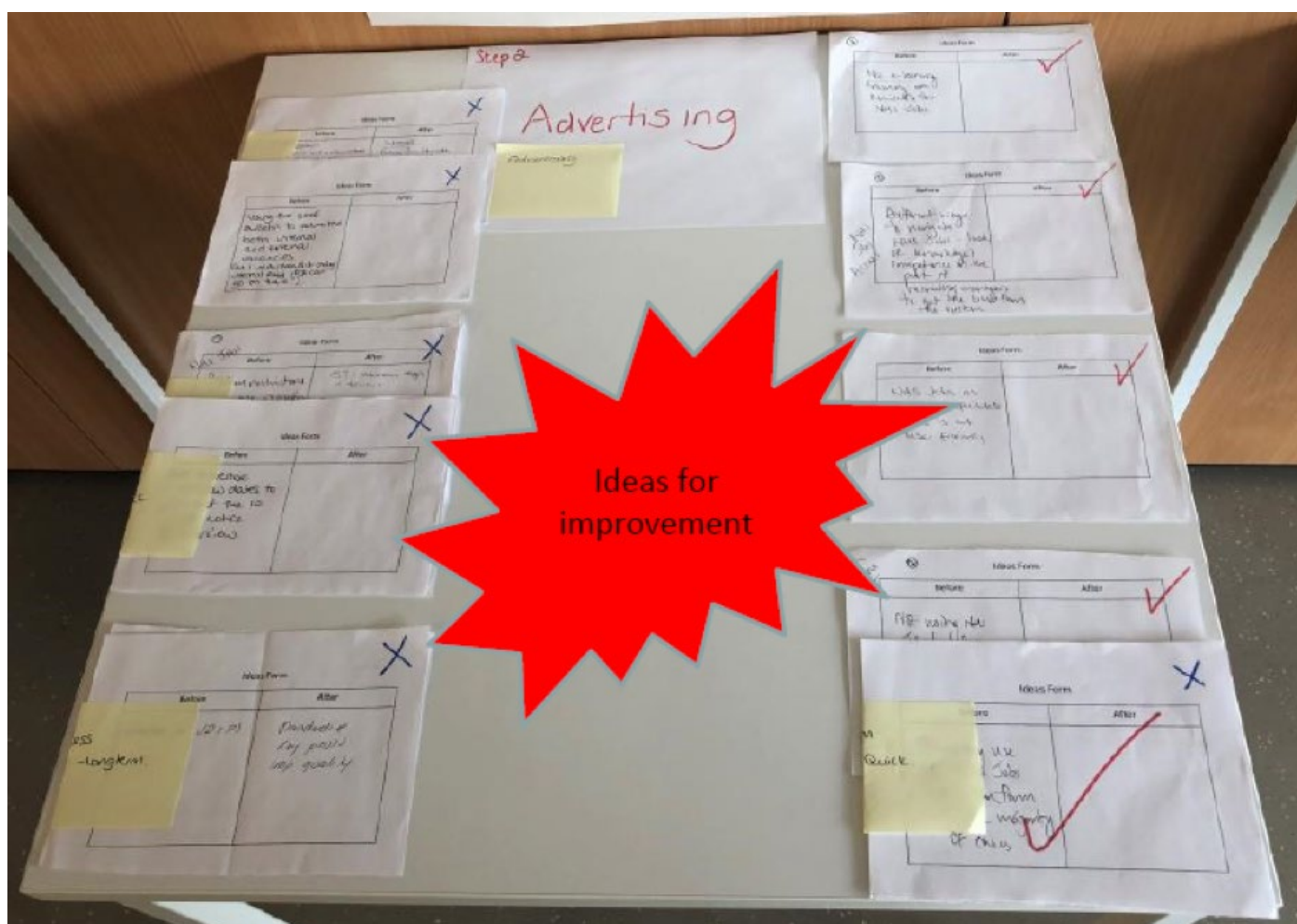
The team were able to implement some immediate changes. A plan to reduce the recruitment process by 34 days included changes to forms and templates and keeping the candidate better informed. The internal recruitment process was amended and implemented straight away, and this was well received by managers who were in the process of recruiting candidates from within the Trust.

The updated recruitment approval process has saved time by avoiding the need for all nursing and clinical posts to be checked by the executive team.

Further improvements have included:
- changes to essential forms
- use of alternative application forms for specific roles
- communication plan for applications
- revision of some areas of NHS jobs.

"

"It has been tiring but invigorating to be involved in the week long workshop, we have done so much in a short space of time. The impact of this change will not only improve the process for new candidates (as this will be their first touch with Southern Health) but also the job satisfaction for the recruitment team, and reduce the frustration of recruiting managers."

Shelly Mason – Matron for Older Persons Mental Health

We know that we need to support our staff in order to retain them and we recognise that we need a co-ordinated approach to do so. Our People Development team have developed an infographic to identify the different areas applicable to retaining staff. This team also offers a range of support for groups across the Trust to improve team building, culture and personal development which have retention benefits in helping make the Trust a more desirable place to work, where the focus is on having a career pathway, not just a job
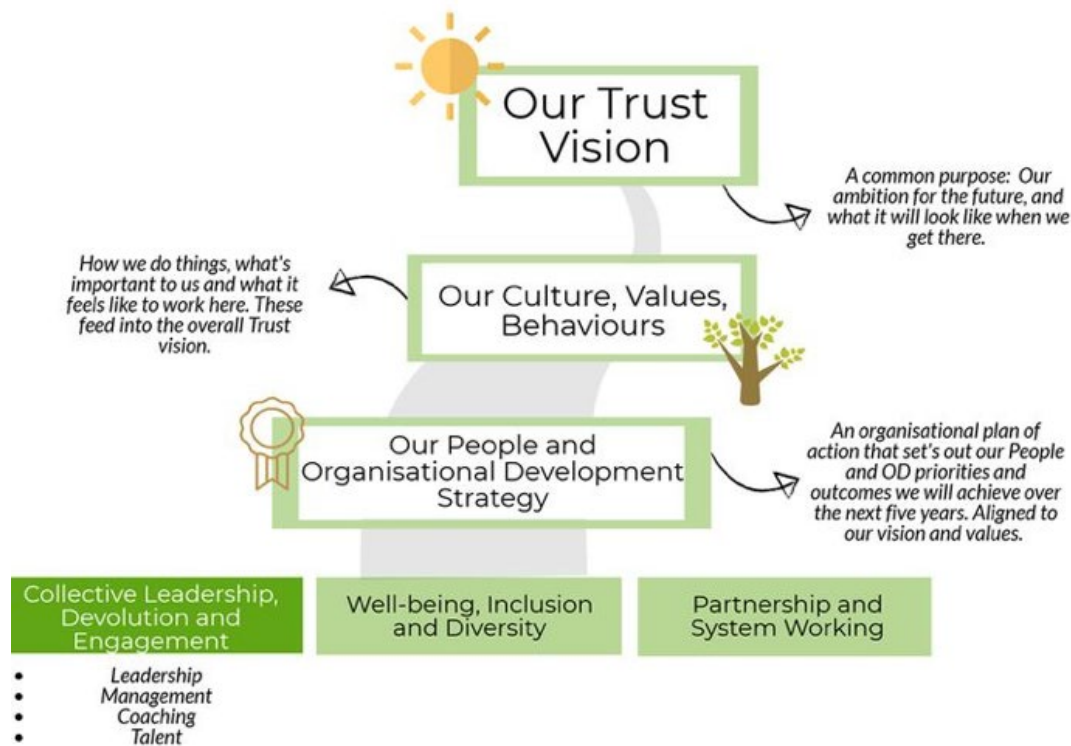
A learning festival commenced during this year, where groups of staff attended to learn from leaders within Southern Health NHS Foundation Trust, other NHS Trusts and External leaders. Over 240 staff members attended the eight sessions.

To better support our clinical staff and ensure they do not come to harm at work we have been working in partnership with Hampshire Constabulary to launch Operation Cavell. This is an initiative at improving how we support and protect our colleagues working on inpatient wards, and focuses on how reports of assaults, threatening or challenging behaviour against staff are handled. This procedure is aimed at those whose behaviour is not caused by an illness or condition, and where, despite being advised not to, they continue to abuse or assault staff, or cause damage.

Operation Cavell was started as a pilot in two inpatient units and three community teams within adult mental health and specialised services, and will be rolled out across the Trust over the coming year.

Future plans:

We recognise that developing leadership skills should be accessible for staff across all professions both clinical and non-clinical, and at all pay levels. As such we have completed focus groups as part of a fact finding mission in relation to leadership training, the outcomes of these focus groups have fed into the workforce strategy and a leadership training programme has been developed. This programme is due to go live in 2019/20 and will operate in a tiered approach so it can be available to all groups of staff .

Step Beyond

For established service leaders who have wider influence into the health and care system

Step Forward

For established team leaders and leaders with whole service responsibility

With emphasis on;

- Leading Through Complexity & Partnership
- Creative Thinking & Development
- Taking Appropriate Risk
- Moral Influence

Step On

For those new into leadership and/or leading teams

With emphasis on;

- Collective Leadership
- Empowerment & Engagement
- Inclusivity
- Ownership & Accountability

Indicator 3.2 Triangle of care

| ACHIEVED | PARTIALLY ACHIEVED | NOT ACHIEVED |

Aim:
The Triangle of Care emphasises the need for better local strategic involvement of carers and families in the care planning and treatment of people with mental ill-health. It promotes a therapeutic alliance between service user, carer and clinicians to ensure that a positive, honest and open relationship is created from the first point of contact.

The aim was to ensure that we included our carers in all aspects of their loved ones care. We worked with staff, carers and interested groups, such as the Families First group, so that staff are trained in being "carer aware". We have achieved this, however appreciate that there is additional work by the project leader in 2019/20. This will not be reported as a quality priority going forward.

Achievements:
The Triangle of Care exists of six principle:
- carers, and the essential role they play, are identified at first contact or soon after
- staff are 'carer aware'
- confidentiality protocols are in place
- carers Leads are in place
- carer introduction is in place with relevant information across the acute care pathway available
- carer support/information is in place.

Collaborative work has taken place with the Families First group and other stakeholders in order to produce leaflets and carers packs for inpatient units, this is now being expanded with input from one of the Trust's user involvement facilitators.

During this year we have created a carers communication plan, this has been written with input from stakeholders at every stage, and identified what was important to carers such as:
- recording details about the carer; their contact details and how they are involved with the patient or service user
- recording significant information/triggers
- identifying support and information for carers.

Embedding this fully is a key aim for the year ahead.

This has now been implemented on RiO and a draft Tableau report is being created so we can review how many communication plans we have in place and monitor numbers. Below is a draft version of the Tableau report.

Carers Communication Plan Report

NHS Southern Health
NHS Foundation Trust

Division	Area	Team Name	Lead HCP	Carer Communication Plan Status
Adults Mental Health ▼	(All) ▼	(All) ▼	(All) ▼	Carer Communication Plan Recorded ▼

Number of Patients with an Identified Carer	Number of identified Carers without a Carers Communication Plan	Number of identified Carers with a Carers Communication Plan
899	886	13

We have also created a package of training for staff to make them more aware of the importance of carers in some people's lives and the value of appropriately involving them in planning and delivering patient care. The training covers:
- identifying 'who is a carer?'
- the importance of sharing information with carers
- issues/barriers to sharing information
- our four key principles of engagement with families, carers and friends.
- a dedicated booklet to aide carer awareness for staff members.

This training is enhanced to support carer's leads in each of the mental health inpatient units. The majority of the lead roles have been assigned to individual staff members with a particular interest in supporting carers. At the end of Q4 2018/19 65% (25 of 39) of carers leads had been trained, with future dates in place to complete the remainder. Several of the trained carers leads are already carrying out training with their teams in relation to carer awareness.

Carers groups are established at all adult mental health inpatient units and the groups are undertaking reviews to assess the quality of the inpatient carers packs.

Future plans:
We recognise that the work completed within the adult mental health division relates to a small part of our Trust, and we are pleased to have support of the Trust Board to develop this further.

Indicator 3.3 Reducing Incidents of Violence and Aggression

ACHIEVED

PARTIALLY ACHIEVED

NOT ACHIEVED

Aim:
Any incidence of violence and aggression is extremely damaging and distressing to all individuals involved. It demonstrates a breakdown in relationships where frustrations have escalated to the point where there is loss of control.

For a service user the experience can result in a strong negative impact on the overall experience of care. For staff the experience can result in a belief that they are not protected in their working environment.

Achievements:
A quality improvement initiative was implemented on Kingsley Ward at Melbury Lodge, in order to improve the overall safety of the environment. During the initiative a group of staff, patients, carers and other stakeholders met to review the data and experiences of people who work or are admitted on to the ward.

During a week-long workshop the group generated over 100 ideas for improvement.

It became evident that the amount of therapeutic time spent with patients was not balanced with the amount of time taken to do administration tasks. Areas for attention were as follows:

- increase the staff feeling of 'time for patients'
- improve ward round process
- enhance the feeling of safety
- culture change.

Historically one member of staff per shift was allocated to undertake 30 minute observations of each patient. The QI project members trialled stopping this as felt it added no value to patient interactions. This simple change had a huge impact, with staff and patients quickly reporting they had more time for therapeutic contact and felt happier. Other simple but effective changes included providing better storage for patient property, improving the seating in reception area, and releasing two staff members per shift to join patients for meals, which has increased positive interactions and relationship building. Importantly, the numbers of safety incidents that are being reported by the team have reduced dramatically, to the point where the security team asked what had changed because the difference was so noticeable.

"From Wednesday we started to split into groups, each group looking at the key themes identified and starting to unpick them. The issues felt most important to address, by the whole group, were patient observations, ward rounds and the management of leave. At the same time, we identified 'quick wins' which were issues that could be addressed quite easily and quickly (the clue is in the title!) for the benefit of patients. For example, clock radios for patient rooms and the revision of the patient Welcome Pack."

Sarah Curtis – patient representative on Kingsley quality improvement project.

Some of the larger issues relate to the environment of Kingsley Ward and involve undertaking building works; these are currently being explored with the Trust Estates team.

Staff from other units have made contact with the Kingsley Ward Manager, to learn what changes they have made how the process could be applied to their own units and teams.

Future plans:
Inpatient units will consult Kingsley Ward staff to review what practices they could implement from the quality improvement work Kingsley ward have completed.

Section 3b. Further information

Please refer to the Annual Report and the Annual Governance Statement for further details on the quality of services and the quality governance frameworks in place within the Trust.

1 Our quality improvement programme 2018–19

Our key priority is to deliver patient centred care which is safe, effective and provides a positive patient experience. Achieving this is the responsibility of every single member of staff. Everyone should be focused on our vision and committed to continually improving and transforming the services we provide.

We have embarked on a period of substantial transformation, beginning with a focus on our approach to quality improvement (QI). We have learnt from best practice seen in other NHS Trusts and have implemented some of these successes locally, as well as building on the excellent work already taking place within our own organisation. We have given our employees the autonomy, and confidence, to make changes where they know that outcomes for patients can be improved. Initially we have done this by working in close partnership with colleagues from Northumberland Tyne and Wear NHS Foundation Trust, to learn from their experience in this process of transformation and improvement.

Our QI programme has seen approximately 60 staff take part in intensive QI training this year, learning practical tools and methodologies that can be applied in all our services. These staff go on to lead individual projects, providing support and training to others to deliver real change. Six of these staff are working within the team which manages the programme and are seen as QI coaches, providing a central pool of expertise and experience and managing delivery of training and project support. Not all members of staff (including some Board members) that took part in the intensive training course were able to devote sufficient time to support projects, so additional training is planned for quarters one and two in 2019/20 to maintain a pool of 60 active QI facilitators across the Trust. In addition, newly qualified health care professionals will have a session on QI tools in their preceptor training.

The Trust Board is clear that in order to make the right changes in the right places, a collection of staff, service users, patients and their carers and families must be involved at every stage. Those who deliver and receive our services are the experts in helping to make them more effective. This work is also being delivered in line with the Trust's new vision and strategy and together will help shape our path for the future.

A QI Programme Board has been set up to oversee and drive forward our plans to improve our services. The board is chaired by our Medical Director, and has a broad membership including staff, carers and service users, reflecting our commitment to genuine co-production.

In the past year around 20 quality improvement projects have been initiated as part of this programme. These include:
- a review of community learning disability health services
- improving the environment, activities and engagement with patients at Bluebird House
- improving access to community mental health services in Portsmouth and South East Hampshire
- reducing incidents and improving safety on Kingsley Ward
- improving how we prevent, identify and manage pressure ulcers
- improving and streamlining the recruitment process
- improving access to psychological therapies for older people on Berrywood Ward.

- improving the Electro Convulsive Therapy pathway for patients and staff
- reducing patient waiting times and improving the flow at Lymington Minor Injuries Unit
- meetings and papers review - improving corporate processes.

2 Our organisational learning 2018–19

We want Southern Health to be an organisation in which all staff will understand and embrace their role in learning to deliver and improve quality and safety for our patients, service users and their families as part of their working practice.

We are passionate about creating an open and listening culture where people who use our services contribute to the running of the organisation. Listening to and engaging patients, service users, children and their families in their care decisions and developing care plans in partnership is the foundation stone for excellent care. Truly listening to a person's voice has been a key focus for us over the last year.

Learning is shared at different levels within the Trust depending on its nature. This includes an internal alerting system to share immediate learning from serious incidents, as well as service level hotspots, learning matters and divisional learning posters. Learning is also shared via learning networks and quality, safety and professional conferences.

During 2018-2019, the team leading the quality improvement programme have delivered our first ever QI Conference, sharing the learning from the training and various projects taking place. 140 members of staff, service users, carers, family members and commissioners attended the event, with very positive feedback received from participants. One result has been past patients now volunteering at the Trust. After the success of this first event a larger conference is set to take place in June 2019.

A modular training program has been launched which includes modules on observational skills, quick wins and PDSA (plan, do, study, act). It is expected that over 600 training slots will be available in 2019/20.

3 Our Care Quality Commission ratings

The Care Quality Commission(CQC) undertook a comprehensive inspection of our mental health, learning disability and community health services between 21 May 2018 and 5 July 2018. We were rated as Requires Improvement.

Overall rating for this trust	Requires improvement 🟠
Are services safe?	Requires improvement 🟠
Are services effective?	Requires improvement 🟠
Are services caring?	Good 🟢
Are services responsive?	Good 🟢
Are services well-led?	Requires improvement 🟠

Although the overall rating remained the same as in 2014 when we were last rated, the CQC reported many examples of good practice and improvements throughout their inspection report. Six of the our 15 core services inspected improved their overall rating, eight remained the same and only one went down. Our perinatal and eating disorder services were not inspected in 2018 so their ratings remained the same as in 2014. In total three of our total 17 core services were rated Outstanding and ten were rated Good with only four rated Requires Improvement.

Ratings for community health services

	Safe	Effective	Caring	Responsive	Well-led	Overall
Community health services for adults	Good ↑ Sept 2018	Good →← Sept 2018	Outstanding ↑ Sept 2018	Good ↑ Sept 2018	Good →← Sept 2018	Good ↑ Sept 2018
Community health services for children and young people	Good →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018
Community health inpatient services	Good ↑ Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018
Community end of life care	Good ↑ Sept 2018	Requires improvement →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Good ↑ Sept 2018
Urgent care	Good ↑ Sept 2018	Good ↑ Sept 2018	Good →← Sept 2018	Good ↑ Sept 2018	Good ↑ Sept 2018	Good ↑ Sept 2018
Overall*	Good ↑ Sept 2018	Good ↑ Sept 2018	Good →← Sept 2018	Good ↑ Sept 2018	Good →← Sept 2018	Good ↑ Sept 2018

Ratings for mental health services

	Safe	Effective	Caring	Responsive	Well-led	Overall
Acute wards for adults of working age and psychiatric intensive care units	Requires improvement →← Sept 2018	Good ↑ Sept 2018	Good ↑ Sept 2018	Good ↑ Sept 2018	Requires improvement →← Sept 2018	Requires improvement →← Sept 2018
Long-stay or rehabilitation mental health wards for working age adults	Good →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Outstanding ↑ Sept 2018	Outstanding ↑ Sept 2018	Outstanding ↑ Sept 2018
Forensic inpatient or secure wards	Good ↑↑ Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Good ↑ Sept 2018	Good ↑ Sept 2018
Child and adolescent mental health wards	Requires improvement →← Sept 2018	Good ↑ Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Requires improvement ↓ Sept 2018	Requires improvement →← Sept 2018
Wards for older people with mental health problems	Requires improvement →← Sept 2018	Requires improvement ↓ Sept 2018	Good →← Sept 2018	Inadequate ↓↓ Sept 2018	Requires improvement ↓ Sept 2018	Requires improvement ↓ Sept 2018
Wards for people with a learning disability or autism	Good ↑ Sept 2018	Good ↑ Sept 2018	Outstanding ↑ Sept 2018	Outstanding ↑ Sept 2018	Good ↑ Sept 2018	Outstanding ↑↑ Sept 2018
Community-based mental health services for adults of working age	Good →← Sept 2018	Requires improvement ↓ Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018
Mental health crisis services and health-based places of safety	Good ↑ Sept 2018	Requires improvement →← Sept 2018	Good →← Sept 2018	Good ↑ Sept 2018	Requires improvement →← Sept 2018	Requires improvement →← Sept 2018
Community-based mental health services for older people	Good →← Sept 2018	Requires improvement ↓ Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018
Community mental health services for people with a learning disability or autism	Good →← Sept 2018	Good →← Sept 2018	Outstanding ↑ Sept 2018	Good →← Sept 2018	Good ↑ Sept 2018	Good →← Sept 2018
Eating disorder services (not inspected during this inspection or included in ratings aggregation)	Good Sept 2014	Good Sept 2014	Good Sept 2014	Good Sept 2014	Good Sept 2014	Good Sept 2014
Perinatal services (not inspected during this inspection or included in ratings aggregation)	Outstanding Sept 2014	Outstanding Sept 2014	Outstanding Sept 2014	Outstanding Sept 2014	Outstanding Sept 2014	Outstanding Sept 2014
Overall	Requires improvement →← Sept 2018	Requires improvement →← Sept 2018	Good →← Sept 2018	Good →← Sept 2018	Requires improvement →← Sept 2018	Requires improvement →← Sept 2018

On 29 June 2018 the CQC served us with a warning notice under Section 29A of the Health and Social Care Act 2008. The notice was in relation to two registered location, Bluebird House and Leigh House. The reasons for the Commission's view were that at the time of the inspection (19 to 21 June 2018) we did not have sufficient staff to ensure the safe care and treatment of the young people at these locations. The CQC undertook an unannounced inspection on 18 July 2018 to check whether we had taken the necessary actions, and found that significant improvements had been made and as such, they lifted the warning notice.

The CQC identified several other areas for improvement within their inspection report and issued us with seven Requirement Notices. A quality improvement plan was developed to address these areas, and the plan focused on themes with a work stream approach to understand and address root causes with quality improvement methodology being used to support the improvements.

Using a programme management approach all CQC related improvement actions are monitored through the weekly Quality Improvement Plan Delivery Group and progress is reported to the Quality and Safety Committee and Trust Board on a monthly basis. Progress is externally shared with the Quality Oversight Committee attended by all commissioners and NHS Improvement.

4   How we are implementing Duty of Candour

We are continuing to support and encourage our staff to be open and honest with patients and their families when things go wrong. We are committed to the principles outlined in the Duty of Candour regulations and are striving to ensure that we engage with patients and their families in a way that is meaningful to them.

We have continued to support this by:
- reviewing our Duty of Candour policy and procedure to provide greater clarity to staff on their responsibilities
- developed a series of tools to support staff in properly and consistently demonstrating the behaviours and practices that are required, including;
  - an e-learning training package for staff on the requirements of Being Open and Duty of Candour
  - reviewed our Ulysses Safeguard Risk Management system, where Duty of Candour compliance is recorded, routinely carrying out a review of any moderate and above incidents where staff have indicated that Duty of Candour could not be undertaken to ensure that there is a valid reason for this (for example where the patient/family has explicitly asked for no contact)
  - undertaken audits to confirm compliance with each step of the Duty of Candour requirements, aided by our Business Intelligence System, Tableau, which enables all staff to see Duty of Candour compliance data (at team level and above). This gives immediate oversight of compliance to the three stage process, enabling managers to see incidents that need urgent attention to validate whether Duty of Candour has taken place, or where it hasn't to ensure that this is promptly actioned
  - continued to provide 'face-to-face' training within our bespoke Investigator's training course which focuses on how to involve service users and families in serious incident. investigations – we have run the Investigating Officers course 4 times throughout 2018-19 and trained a further 77 Investigating Officers
  - completed refresher training for our first cohort of investigators who were trained in 2015.

Duty of Candour continues to be a standing item on our executive-led corporate panels which sign-off serious incident investigations. This ensures that it is not only the quality of the investigation which is reviewed but also the requirements of the Duty of Candour policy.

5 Role of the Family Liaison Officer (FLO)

We have had an established Family Liaison Officer role since December 2016.

During 2018/19 there were 92 referrals for FLO support. Overall there was a reduction in the number of referrals from staff; however, an increased number of families received support. The reduction of referrals from staff is due to improved awareness and understanding of the role, leading to more appropriate referrals.

Each individual referral received may result in support being extended to multiple members of family or carers but usually will only be counted as one case.

The breakdown of referrals is as follows:
- 53 families benefitted from additional support which has now ended (though families may choose to make contact in the future if they want assistance to access support from other agencies)
- 26 families are currently receiving support on a regular basis
- 10 families were contacted by the FLO to provide information, options for external support and contact details on a one-off basis
- 12 referrals are currently under review pending contact from family
- 41 families have not required direct FLO support.

This year more enquiries were received from staff to discuss options for better communication with families in complex situations. These discussions did not result in a formal referral unless there was a place for direct FLO input, but is a very positive step in improving how we support families and carers across the organisation and a generally unseen aspect of the role.

The FLO co-presented the 'Sharing Information' exercise as part of the Investigating Officers training schedule. She is a member of the Trust's Patient Experience, Engagement and Caring Group' and the Families First Group. A key part of the role is sharing best practice across the NHS and linked organisations. Over 10 formal presentations and training sessions were given at external conferences and events.

In supporting families through a serious incident investigation or complaint process, the FLO has been able to encourage a number of family members to provide their input and insight into various aspects of our improvement work and ensures the families receive updates on this continuing work.

In the past year the FLO has focused on the following issues:
- ensuring that families and service users received appropriate support
- reinforcing the need for staff to communicate with service users, carers and families from day one through training, internal and external presentations and general conversation
- staff training
- working with external agencies to resource further support for bereaved families in the community.
- updating Carer's Packs and information
- providing support information on death and dying for people with learning disabilities and those

who support them
- supporting the 'Triangle of Care' work in mental health services.

The FLO continues to be an active member of the Hampshire and Southampton Suicide Prevention Groups and has utilised these networks to work with voluntary support agencies to improve provision in various parts of Hampshire. She has also participated in the Task and Finish Group set up by the Portsmouth Suicide Prevention Group to review and develop bereavement support in the area.

6 Staff survey

The NHS staff survey is one way that we can hear directly from staff about their experience at work. We actively encourage all staff to participate.

The most recent results for indicators KF21(now called 14) and KF26 (now called 13c) are:

Reference	Details of indicator	2017 Survey	2018 Survey	2018 Average survey result
KF 21 (now 14)	Percentage believing that the Trust provides equal opportunities for career progression or promotion	88%	90%	87%
KF 26 (now 13c)	Percentage of staff experience harassment, bullying or abuse from staff in the last 12 months	20%	17%	15%

In the last year we have taken a number of actions to improve equal opportunities for career progression. These include completing and publishing a Workforce Diversity Scorecard to scrutinise the involvement of protected groups in recruitment, selection, employee relations, training and development. We have also delivered the Workforce Race Equality (WRE) Action Plan, achieving positive outcomes across the WRE standards metrics. We have hosted three diversity and inclusion engagement events in 2018/19, in order to scrutinise staff experience data for protected groups, identify current methods of engagement, and co-design staff engagement and inclusion activities for 2019/20. In August 2018 we were a proud official partner of the Southampton PRIDE event, and in October celebrated Black History Month.

The People Development team undertook 'An ethnographic review into black and minority ethnic (BME) disciplinaries at Southern Health to review people's experiences at every point of the employee journey for BME staff, including recruitment, selection, employee relations and exit interviews. The review will be completed and presented in quarter one of 2019/20. The team has also delivered development programmes that include an 'Introduction to Line Management' module, which highlights the importance of wellbeing, diversity and inclusion.

In the last year we have also taken a number of actions to reduce staff experience of harassment, bullying or abuse from colleagues. A new working group met in January 2019 to design a delivery programme for tackling bullying, harassment, violence and aggression from any source, and we launched Operation Cavell, a partnership project with Hampshire Constabulary to improve how we manage incidents of violence and aggression that has been implemented in some mental health teams.

We have completed a baseline assessment of how we provide support to staff following a critical incident, and where required delivered staff and team support via Human Resources; Critical Incident Stress Management (CISM) and the Health and Safety Team. We have continued to implement the 'Time to Change – Employer Pledge' action plan on changing the way we think and act about mental health at every level of the organisation, and completed a baseline mapping exercise with regards to NICE Standards on Health and Wellbeing Management. Through the staff engagement events we've gathered feedback that has been used to design the Health and Wellbeing (HWB) Champions toolkit. The toolkit embraces the principles of Positive Psychology and offers staff the opportunity to identify 'what we are doing well' and 'what needs to improve'.

7 Freedom to Speak Up

A dedicated Freedom to Speak Up Guardian was appointed in 2016/17 following the recommendation of Sir Robert Francis in his review and subsequent report into the failings in Mid-Staffordshire NHS Foundation Trust.

In October 2018 the post became substantive with full time hours. Over the last year, the contacts from staff have risen to over 200, an increase of approximately 200%. A broad range of subjects have been raised, with the highest number of contact themes being patient safety, bullying and harassment and organisational risk. This reflects the challenges of recruitment and retention in our workforce.

The guardian has been supported by the Executive Director for Workforce, Organisational Development and Communications, and a Non-Executive Director with a special interest in this subject area. The Guardian meets monthly with the Chief Executive, each of the directors and Trust chair, to discuss themes and areas of concern.

She has worked closely with different groups and teams in the Trust, including Staff Engagement and People Development, and central to her role is speaking with staff and teams across all service areas to provide independent and confidential support to those who want to raise concerns.

HR data and staff reflections show the formal HR processes are not always helpful, can take time, be disruptive and have a hidden cost of loss of engagement or job focus, with potential impacts on quality of care, absence and other staff. Therefore reducing the number of cases where staff are subject to formal processes is key.

Changes as a result of concerns raised this year:
- the whistle blowing policy has been updated, making it clearer and less intimidating
- we have Defined the 'Human Resources (HR) offer' – for dealing with key cases such as Bullying & Harassment, Grievance, Disciplinararies, Whistleblowing. This will involve a review under each of;
  1) what we do
  2) how we support staff/teams through it
  3) potential options to avoid unnecessary formal processes (where appropriate).

Information on the Speak up program where staff can raise concerns over quality of care, patient safety or bullying and harassment was provided to staff by:

- staff intranet link to the Trust Freedom to Speak Up Guardian and how she can be contacted by mobile phone or dedicated email
- staff notice boards across the Trust provide information on Freedom to Speak Up Guardian and her contact details
- the guardian role is promoted at staff induction, staff wellbeing events, Conflict Resolution and Management Induction training
- recruited "Freedom to Speak Up Champions" from a diversity of directorates to assist in spreading confidence amongst staff to raise concerns.

The guardian worked directly with staff that raised concerns and kept them informed of progress as the matter was escalated (if required). Feedback was given via face to face or telephone meetings and followed up with a letter.

We ensure staff who speak up do not suffer detriment by handing concerns raised confidentially directly to the guardian. Where required, the senior management team would aid resolution and ensure the staff member was supported to continue working in their role and location.

The Freedom to Speak Up Guardian links into the National Guardian network and attended national and regional meetings and conferences during the year.

8 NHS Doctors in training

This is a new indicator in the 2018/19 Quality Report that gives assurance that the doctors in training are safely rostered and their working hours are complaint with the terms and conditions of service junior doctors' 2016 contract. Our Guardian of Safe Working's (GOSW) annual report on rota gaps and plans for improvement to reduce these gaps is summarised below.

Indicator	Doctor in training - Trainee numbers, rota gaps and outcomes			
	Q1 2018–19	Q2 2018–19	Q3 2018–19	Q4 2018–19
Total trainees	92	93	93	87
Non training programme doctors	1	1	2	1
Vacant training posts	15	12	13	9
On call rota gaps	15	12	13	9
Total exception	17	14	24	6
Outcome – No further action	4	2	5	2
Outcome – TOIL/ payment	13	11	19	4
Outcome – Level 1 review	0	1	0	0
Outcome – Level 2 review	0	0	0	0

Doctors in training numbers and assignments are coordinated nationally by Health Education England (HEE), and we are supporting the HEE school boards regionally.
We operate six non-residential rotas and two full shift residential rotas covering all five areas across Hampshire.

The table above reflects all trainee doctors including foundation years (FY) one and two, widening access to speciality training (WAST), General Practitioner specialist trainees (GP ST), core and speciality trainees. The quarterly trainee numbers may fluctuate due to the number of doctors working less than full time in a rota.

All the activity on rotas is monitored by the rota coordinator in the medical human resources department (HR). The GOSW works closely with Medical HR and junior doctors to monitor and improve the service for all stakeholders.

We have taken the following actions to reduce rota gaps:
- Established the Junior Doctor Forum (JDF) with junior doctors, medical HR, local negotiating committees (LNC), management and executive team members. This provides an opportunity to discuss concerns and agree improvement plans.
- Reorganisation in the Trust with clinical tutors and a chief registrar appointed.
- We have appointed three Training Programme Directors (TDP); a foundation year TDP, a Mental Health Higher TPD and a Forensic TPD. The latter two have been involved in working on regional HEE strategies to fill training gaps. This is particularly important in that any single Trust does not have control over training doctor appointments which are managed nationally.
- The Regional GMC (General Medical Council) conducted a Trust Education Quality Review and Inspection in 2018 and reported positively on trainee induction, supervision, targeted training with senior members of the organisation being visible, identifiable and approachable.
- The GMC recommendations for improvements have been addressed, with continuing actions on use of differing information systems and supporting diversity matters for groups such as 'less than full time training', and international medical graduates.

9 Nurses and Allied Health Professional training and development

The Trust works with local universities to offer student nurses and Allied Health Professionals (AHP) a wide variety of placements within the Trust, across the duration of their training programme.

Students completing the Registered Nurse Degree Apprenticeship programme (RNDA) are Southern Health employees who are supported to complete their RNDA on a part time basis with the Open University.

We offer a wide variety of additional training and support for nurses and AHPs. For example the Trust induction includes information on how to raise concerns, the Freedom to Speak Up Guardian role and information governance amongst other elements. The trainees are supported according to the Nursing Midwifery Council (NMC) and the HCPC (AHP governing body) regulation, with a practice based mentor, access to student forums to augment their theoretical learning and consider how to apply theory to practice. We have practice educators based within the Learning Education and Development team who support students and newly qualified staff.

Student nurses and AHP staff are not rostered on shifts as per the doctors in training and do not count in the safer staffing team numbers.

Nurses and AHP in training	2018/19
Student nurses	1205
Student AHP	133
Nurse apprenticeship	23
Nursing associates	10
Assistant practitioners	10
Preceptorship	132
Return to practice (Nursing and AHP)	8

Once qualified, there are many exciting opportunities for trainees to gain employment in the Trust, and they are offered a seven month preceptorship programme that includes seven training days, placed into action learning sets and supported in practice by practice educators. They complete the programme by undertaking a quality improvement project or clinical audit which they present to senior staff from across the Trust.

We also offer a 'return to practice' entrance route for qualified staff not currently working in the NHS. A full mentoring programme is also offered.

Each placement is evaluated by the students through their university. Average scores are extremely positive at 94% good or very good and feedback included comments such as;
- "I enjoyed my time with staff at the community care team greatly. I always felt well supported and was given many opportunities to learn and develop new skills. My mentor was an excellent example of the kind of nurse I would like to aspire to be, and by the end of my placement I really felt like a part of the team. I would highly recommend this placement to other student nurses."
- "This placement was a great insight into the community. My mentor was great to work with as she was really thorough with her work and explained it really well to me. She gave me the opportunity to take on tasks such as holistic assessment on my own which improved my communication skills and confidence. This is great placement to learn about wound care and dressings. I gained a lot of experience in understanding the aim of enhanced recovery is to promote, educate and encourage independence for the patients by giving them the skills and building their confidence to continue with their activities of daily living after discharge from hospital."

In 2018/19 there was a focus on general recruitment of nurses and AHPs. Previously existing staff have cited a lack of career progression opportunities as a reason for leaving, so teams have looked at rotations and secondments in order to better recruit and retain staff. In 2019/20 there will be work to look at career structures and more opportunities for nursing and AHP staff including Advanced Practice pathways and Non-Medical Consultant roles. Wider rotation opportunities are also being explored across physical, mental health and learning disability services, as well as via the local sustainability and transformation partnership (STP). There is also a need to explore opportunities provided for AHPs by the new advanced clinical practitioner (ACP) and pre-registration apprenticeships roles.

10 Learning disability improvement standards

This is a new section in our Quality Report for 2018/19. We completed a benchmarking exercise for the Learning Disability Improvement Standards in November 2018. This will become an annual activity for all Trusts with data collated by NHS Improvement.

The standards reflect the strategic objectives and priorities described in national policies and programmes, in particular those arising from Transforming care for people with learning disabilities – next steps and the Learning Disabilities Mortality Review (LeDeR) programme.

We plan to take the following actions to improve our performance against these standards by:
- developing a learning disability flag on patient records to enable staff to make reasonable adjustments in service provision and allow future tracking of NHS services
- our estates service will consider amendments to new building designs to accommodate people with disabilities. Examples of such facilities include quiet / low stimulation waiting areas and changing rooms for people using incontinence products
- working collaboratively with other established projects such as Quality Improvement, Greenlight tool kit and CQUIN 3b to ensure that the Learning Disability Standards are considered in ongoing work but that endeavours are not duplicated
- learning Disability Health Facilitators provided awareness training across all trust divisions. The uptake, feedback and decisions on resources will be reviewed in 2019/20.

The benchmarking exercise involved 87 questions which were RAG (red, amber, green) rated. Over 50% of the red and amber questions could be address or partly addressed though flagging people with a learning disability on RiO. Where there were variations across the divisions we answered for the majority of services provided.

Indicator	2018 baseline audit on the Learning Disability Improvement Standards		
	Red	Amber	Green
Southern Health	20%	15%	65%

Annex 1: Statements from external organisations

The opportunity to provide feedback on the Quality Report was offered to the following bodies:
- Clinical Commissioning Groups - West Hampshire, South Eastern Hampshire, North Hampshire, Fareham & Gosport.
- Clinical Commissioning Group - Southampton City.
- Council of Governors.
- Healthwatch organisations – Southampton, Hampshire.
- Overview and Scrutiny Committees – Southampton and Portsmouth declined to comment.

Feedback that has been received is included in this annex.

The feedback from all stakeholders has been taken into consideration and changes have been made from the earlier version of this document which was supplied for review. We now hope that the reader will be able to clearly understand which of the priorities for 2018/19 have been achieved and the level of that achievement.

WEST HAMPSHIRE CLINICAL COMMISSIONING GROUP

Representing West Hampshire, South Eastern Hampshire, North Hampshire, Fareham and Gosport Clinical Commissioning Groups.

NHS
West Hampshire
Clinical Commissioning Group

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9 May 2019

Dr Nick Broughton
Chief Executive Officer
Southern Health NHS Foundation Trust
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Email: Nick.Broughton@southernhealth.nhs.uk

Dear Nick,

Southern Health Quality Account 2018/19

West Hampshire Clinical Commissioning Group (CCG), North Hampshire CCG, Fareham and Gosport CCG and South Eastern Hampshire CCG are pleased to comment on Southern Health NHS Foundation Trust's Quality Account for 2018/19 for the services that the Hampshire CCGs commission. All of these CCGs have worked with the Trust over the past year in monitoring the quality of care provided to their local population and identifying areas for improvement.

Following the previous, very challenging years, there has been some real progress seen during 2018/19, some of which are summarised in your quality statement.
In addition it is pleasing to see that all nine of your quality priorities were achieved or partially achieved. The report following the inspection by the Care Quality Commission during 2018, whilst not changing the overall rating, showed individual service improvement. The aspiration of the Trust to achieve an 'Outstanding' rating, at the next review in four years' time, is admirable and it is hoped that quality oversight during the transition to the revised organisational structure does not adversely affect the consistency in meeting the quality standards.

The nine quality priorities identified for 2019/20 are supported by the Commissioners and many are included within the quality elements of the contract for 2019/20. Commissioners wish to contribute positively to the quality and safeguarding agendas and would welcome the continuation of participation at the Trust's internal meetings, particularly the Mortality Forum and Quality & Safety Committee. Commissioners are encouraged to see the emphasis on care pathways and personalised care planning in the mental health services as these are areas where we have some concerns and we hope that this will also encompass an improved focus on 'My Safety' / Crisis plans where appropriate. Commissioners would also have liked to see a continued focus on the quality of risk assessments as this also remains

an area of concern. We are also pleased to see the Trust will continue the focus on wound management including pressure ulcers and chronic wounds. It is positive to note that the trust has signed up to the Zero Suicide Alliance and the accompanying challenging targets and it is hoped that the Trust will continue to work with Commissioners and local Authorities to facilitate this. Commissioners will monitor progress against many of these quality priorities through contract reviews.

It is good to hear that the Trust is taking actions to reduce the numbers of service users placed out of area, however there is no mention of whether the trust has carried out a quality impact assessment of those placements deemed inappropriate and commissioners would like to be assured that the Trust is cognisant of these placements before placing service users in them.

Another area of concern for commissioners is that of the care of patients with co-occurring conditions (referred to as *dual diagnosis* in your report). Whilst we acknowledge the development of the operational forums in the mental health localities, commissioners remain concerned that progress still needs to be made to ensure these service users receive the appropriate care. The Trust and Commissioners are members of the Hampshire Co-occurring Conditions Steering Group run by Public Health and we would hope that the outputs from this will be seen and interpreted at local level. Commissioners will continue to monitor progress over the next twelve months.

Commissioners concur with your statement in relation to the progress the Trust has made in the development of the Quality Improvement process and have been pleased to have been invited to participate in a number of the rapid process improvement workshops and would like to continue this during 2019/20. We look forward to seeing the consolidation of the actions from these workshops and the positive impact on patient care in the coming months. The impact of the actions from the Quality Improvement initiative on Kingsley Ward, to reduce incidents of violence and aggression, is already seeing benefits to service users and staff and we will be interested to see how this is rolled out across the other mental health wards.

The Clinical Commissioning Groups acknowledge the collaborative work with service users and carers in peer reviews and commend the three new appointments to support the trust working more closely with service users; will this be repeated in other areas? Commissioners have seen at first hand the benefit of having service users involved in the peer reviews and we hope to continue to be involved in these as a critical friend.

The Freedom to Speak up section is an additional requirement in this year's Quality Account and the improved process the Trust now has in place to provide independent and confidential support to people who want to raise concerns, is more robust and it is particularly encouraging to see the Chief Executive taking a specific interest in this.

The Trust Evidence in Improvement panels which monitor how the learning and actions identified from Serious Incidents have been implemented, have gone from strength to strength and most of them have CCG representation. These are all chaired at Executive level and apply appropriate scrutiny and challenge. The presentations given by teams have improved although there is still room for improvement in some areas. It is good to see that another priority for 2019/20 is continuing the theme of learning with the development of the learning events and will include patients and carers as well as staff. Commissioners would also be interested in attending a selection of these events.

CCGs are disappointed to note that the Trust is still not meeting the agreed timescales for responses to complaints, which has not improved over the last two years, however, we acknowledge that this has been the subject of a recent rapid process improvement

workshop, to which commissioners attended, and we look forward to seeing the impact of the identified actions on the response times.

One of the continuing concerns for both the Trust and Commissioners remains the vacancy and turnover rates for all grades of staff and the high percentages of staff leaving within twelve months of starting. However commissioners have stepped down the bimonthly workforce meetings with the Trust as we felt assured that the Trust is taking positive action to address the difficulties. In addition to the sustained activities the Trust has in place for recruitment, the Trust has continued to recognise the importance of looking after the current staff and, as well as delivering health and wellbeing programmes for staff you are now also working on developing a culture of compassionate leadership; this, together with the quality improvement work on staff induction may well have a positive impact on staff retention and we look forward to seeing how this develops over the coming months.

The Trust has made significant effort over the winter months to encourage staff uptake of the flu vaccinations and this has resulted in an increase, however, there is still a way to go to improve staff uptake with this important safety precaution and we would like to see a continued improvement next year.

This Quality Account complies with national guidance and demonstrates areas of achievement as well as areas where improvement is required. The Clinical Commissioning Groups are satisfied that the overall content of the Quality Account meets the required mandated elements.

The Clinical Commissioning Groups are engaged with the Trust on several levels and have developed strong relationships with the Trust's local management teams through open communication and robust, but fair, challenge and we acknowledge the level of openness and transparency the Trust has afforded us over the past year. We look forward to continuing the close working relationship with the Trust over the coming year to deliver continued quality improvement to the mental health, learning disability and integrated community service users.

Overall West Hampshire CCG, North Hampshire CCG, Fareham and Gosport CCG and South Eastern Hampshire CCG are satisfied with the Quality Accounts for 2018/19 in that they provide a clear and accurate statement.

Yours sincerely

Heather Hauschild (Mrs)
Chief Officer
West Hampshire CCG

cc
Julia Barton - Executive Director of Quality and Nursing, Hampshire and Isle of Wight Partnership of Clinical Commissioning Groups
Emma Holding - Executive Director of Quality and Nursing, Hampshire and Isle of Wight Partnership of Clinical Commissioning Groups

SOUTHAMPTON CITY CLINICAL COMMISSIONING GROUP

09 May 2019

Dr Nick Broughton
Chief Executive
Southern Health NHS Foundation Trust
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Calmore
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Hants
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Dear Nick

Southern Health NHS Foundation Trust (SHFT) Quality Report 2018/19

Southampton Clinical Commissioning Group (CCG) is pleased to comment on Southern Health NHS Foundation Trust's Quality Report for 2018/19; for the services that it commissions. We have continued to work with the Trust over the past year in monitoring the quality of care provided to the local population of Southampton and in identifying areas for improvement.

It is evident from the report that progress has been made against the 2018/19 priorities, with all nine being clearly described as either achieved or partially achieved.

Although not carried forward to next year's priorities, the CCG would welcome a continued focus on Risk Assessments, as there are further improvements to be made. This particularly relates to the quality of assessments and the involvement of patients and family. The CCG would also like to see further improvements in performance in relation to meeting agreed timescales for responses to complaints and it is hoped the impact from the recent rapid process improvement workshop, which included CCG attendance, will support the required improvements. We are pleased to see the continuation of work around Personalised Care Planning and will be working with the Trust to support the delivery of agreed relevant quality indicators.

A key concern over the last twelve months, particularly within Southampton, has been the high caseloads in Community Mental Health Teams and staffing issues on the inpatient wards. Although the Quality Report reflects that SHFT achieved their 2018/19 priority relating to staffing; this has not been as evident in Southampton. Staffing issues have been linked with inpatient beds being closed to admission and the temporary closure of wards. The CCG will be closely monitoring the new 2019/20 priority relating to safe staffing to see how this can deliver effective recruitment and retention strategies and create a culture where staff feel supported and enabled to thrive.

The Trust has made further improvements this year with an increase in the staff uptake of flu vaccinations; we would like to see this continue next year.

In relation to next year's priorities, the CCG is pleased to see the inclusion of a focus on care pathways within the adult mental health services. It is really important that these pathways are effective, used consistently across the organisation and that the Trust is able to evidence the impact on patient outcomes. We also welcome the priority relating to communication standards in learning disabilities, where priorities were agreed in discussion with commissioners.

The Quality Report provides detail on how the Trust will measure each of the priorities for 2019/20; this would have been strengthened by the inclusion of specific measurable key performance indicators to support delivery and monitoring of progress.

There have been a high number of senior leadership changes across the organisation over the past year and the Trust are currently going through another period of re-organisation. The CCG would now welcome a period of consistency, so that these changes can be fully embedded and support the Trust with its aim of increasing staff morale and formulating robust governance processes.

It is evident that the Trust has continued to proactively involve carers across the organisation and the Quality Report contains many excellent examples of where this is happening, including within the Quality Improvements Programme, Peer Reviews and in the development of the priorities for the next twelve months. Further information is provided in the report relating to the role of the Family Liaison Officer and the CCG has seen, throughout the year, how this role continues to benefit both service users and their families.

The CCG supported the opening of the Crisis Lounge at Antelope House to provide a 24/7 service; but is disappointed that there have been numerous closures of the lounge during the year, which has meant this has not been fully achieved.

The Trust has continued on its improvement journey over the last twelve months, having another challenging year. It is encouraging to see that the prosecution by the Health and Safety Executive is being described by the Trust as a catalyst for huge change and that they are already making progress to deliver and embed related improvements. The most recent Care Quality Commission (CQC) Inspection noted significant improvements had been made in some areas and rated 84% of services as good or outstanding. This is a reflection of the efforts made by the Trust over the past year. The CCG has also seen continued improvement in the reporting and learning from deaths and continues to receive regular updates from the Trust. However, the CCG notes the areas identified for improvement, specifically those linked to the Requirement Notices issued to the Trust at the time of the inspection and those outlined in the Trust's wider Quality Improvement Plan. The CCG will continue to monitor progress over the next twelve months.

There have been many positive developments during the past year, including the launch of a new Quality Improvement Programme to support transformation of services. The CCG has been invited to participate in some of these work streams; which has provided an excellent opportunity for us to work closely with the Trust on quality improvement initiatives. This transparency is welcomed and we look forward to continuing this over the coming year.

Organisations are required to report performance against a specific set of core indicators within their Quality Report; these are included, although some of the performance data is not yet available in the draft report, so we are unable to comment further on this. An additional consideration for inclusion in 2018/19 is for organisations to provide details of ways in which staff can speak up. It is good to see there is Executive support for this and the permanent appointment of the Freedom to Speak up Guardian in October 2018.

Overall the Quality Account reflects both the challenges experienced by SHFT and many positive service developments over the last twelve months. The CCG agrees that there are still significant improvements to be made in a number of key areas, but acknowledges the many areas of quality improvement as outlined in the report.

The Quality Account meets the minimum national requirements, but as suggested in previous years, the CCG would really like to see the inclusion of patient stories. These provide a different perspective and an opportunity to understand personal experiences in order to inform improvements.

Overall Southampton CCG, are satisfied with the Quality Report for 2018/19 and supports the new and continued quality priorities relevant to Southampton. We look forward to working closely with Southern Health NHS Foundation Trust over the coming year to further improve the quality of local Mental Health and Learning Disability services.

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Yours sincerely

John Richards
Chief Officer
Southampton CCG

GOVERNOR STATEMENT ON SOUTHERN HEALTH QUALITY REPORT 2018/19

Over the last 12 months we have seen some progress towards improving the quality of care and the culture at Southern Health, although we remain concerned that Trust finances are challenging. The Quality Report is a reflection of this progress and captures the key areas the Trust must prioritise in the year ahead.

It is clear to us that the Trust Board continues to focus on quality, working to ensure that the care provided today is safe and effective. It is also clear to us that the Trust Board has clear plans to transform services for the future. This approach is enshrined in the organisational vision, values and strategy, and demonstrated in the ongoing investment the Trust has made towards Quality Improvement where early projects have shown encouraging outcomes.

We have seen examples of the Trust making good its commitment to greater involvement of patients and families. For instance, Governors attend the Working in Partnership Committee which is chaired by a carer and represents the views of patient and carer groups across Hampshire. We also note the appointments made during the year of a Head of Patient Engagement and User Involvement Facilitators, and the growing body of experts by experience who are actively involved in the work of the Trust.

There is increasing evidence that the Trust's approach is delivering results. The Care Quality Commission comprehensive inspection, which reported in October 2018, revealed significant improvements across a range of services, although maintaining an overall Requires Improvement rating. We were also encouraged by the results of the NHS staff survey, which showed an increase in staff engagement. This suggests to us that the Trust's efforts to build a just culture and better support its workforce are beginning to have an impact. Finally, the community mental health survey published in November 2018 showed significantly improved results compared to previous years in terms of people's experience of using mental health services.

Whilst we are confident that the Trust is moving in the right direction, we are also clear that there remain challenges to overcome. The recruitment and retention of staff continues to pose a risk to the Trust and indeed the wider NHS. Continuing financial pressures may affect the pace at which change and improvement can be made. We are also disappointed and frustrated that the Trust has not been able to significantly and sustainably reduce the number of local patients receiving mental health inpatient care beyond the borders of Hampshire. It is important that the Trust remains committed to mitigating these risks and challenges for the benefit of patients, and Governors will continue to proactively support and encourage work to overcome these challenges, at pace.

We have a particular ongoing concern regarding our mental health services in the city of Southampton. Further issues relating to patient safety, staffing levels and crisis care have been identified in the year, and brought to wider attention with recent Inquest verdicts. We are focusing on the recently announced organisational changes, particularly those in Southampton, and have been pleased to see greater investment from the City CCG in areas we believe will improve patient safety and patient outcomes.

As Governors, we have been encouraged by the growing positivity and optimism we have seen around the organisation. We have also welcomed the various opportunities to be involved in the work of the Trust, in committees, conferences, visits and through sharing of information and consultation on the Trust's plans and approaches – including the production of the Quality Report itself. We thank the Trust Board for this open approach.

In the year ahead, it is vital that the Trust maintains and builds upon the momentum for change which it has developed thus far, and that staff, patients and families are at the heart of everything we do. We very much look forward to providing further support and constructive challenge towards achieving this in 2019/20.

The Governors of Southern Heath NHS Foundation Trust
May 2019

HEALTHWATCH - SOUTHAMPTON

lFeedback from Healthwatch Southampton on the Quality Account 2018/19 for Southern Health

Healthwatch Southampton is pleased to have the opportunity to comment on the quality account 2018-19.

We note the comment made by Healthwatch Hampshire last year. We have much sympathy with their comment about the format of the report and their view that it is largely inaccessible to the public. Nevertheless, we will attempt to make some comment from the perspective of patients and the public in Southampton.

Overall, we find the report somewhat confusing and not an easy read. We might have expected the 'statement on quality' by the Chief executive to open the report. We are presented with a Five-year strategy with 4 listed strategic priorities, what will success look like and Key actions together with a list of what is to be achieved in year one. Then on another page we have a list of aspirations for achievement by 2024 and six headings listing what is to be delivered during 2019/20 and finally in section 2b we have a list of 'Priorities for improvement in 2019 and 2020'. Although there is some commonality this is confusing. The explanation 'What is a Quality Report?' is left until the end of section 2a.

The draft last year was submitted with the previous year's achievements listed close to the priorities for the coming year but the final report had relegated these to part 3 of the report. Regrettably, this year the results of last year's priorities are once again separated from the priorities for the coming year making it very difficult to follow progress. We understand that the 'Detailed requirements for quality reports' allows for the priorities to be put into the context of previous years achievements and not simply relegated to part 3. Indeed, other trusts in the region have all listed the achievements of previous years in Part 2.

However, there are some very positive aspects written into the report. Southern Health FT provides adult mental health services to the City with Antelope House as its prime In-patient centre in Southampton City and we concentrate our comments on those aspects of the report that apply to Southampton. Opening the Crisis Lounge at Antelope house 24/7 is welcomed as a positive step. The statement on quality from the Chief Executive officer is again welcomed and we are pleased to read the honest appraisal of the Trust's position. The restructuring of the organisation to locality and specialised directorates should be a positive move and for Southampton, we hope it will result in tighter control and more rapid access over the services provided to City residents.

We welcome the move to better involve patients and carers and the appointment of a Head of Patient and Public Involvement is very positive. The establishment of a 'Working in Partnership' committee, is supported and we are pleased to have a member sitting on that committee.

Healthwatch Southampton once again took part in the PLACE inspection at Antelope House and the other facilities provide by the Trust for the City. We were pleased with the result of these inspections which showed a good standard of facility for patients. The standard of facilities at Forest Lodge and Willow Ward, Moorgreen Hospital, were especially pleasing.

We were informed of the Trusts intention to temporarily close Beaulieu Ward at the Western Hospital and although this was disappointing, we acknowledge that the Trust had little choice given the staffing position.

Improving patient safety, is of course essential and staffing is an essential first step. The move to locality directorates should assist and we support the establishment of a collaborative leadership programme to achieve compassionate leadership. The introduction of NEWS2 has been shown to be effective and we are pleased that it will now be expanded to mental health patients. Learning from events is clearly sensible and we hope the Trust will involve the 'Working in Partnership' committee. Improving Access to Psychological Therapies is being carried forward as a priority but it is clear that its achievement will depend on the recruitment and retention of good psychologists.

The two priorities for mental health in Priority 2, Improving clinical effectiveness, are both welcomed. The principle of individual care pathways for mental health patients and the evaluation of its effects should be a step forward and we note that it will require significant work. The aim to reduce the number of suicides of patients in the care of the trust is very important and we sincerely hope the trust achieves its targets.

Personalised care planning within the mental health division is part of Priority 3, Improving patient experience. We are pleased to see that co-produced plans are a key element in this priority. The aim to improve the communication support for non-NHS staff working with people living with a learning disability is welcomed.

For the current year, we are pleased that the trust achieved, either wholly or in part, its objectives.

As previously stated, the overall plan for the organisation is ambitious but we agree that the Trust management should aspire to achieve this, and we wish the Trust well in its efforts. Healthwatch Southampton has offered to assist and will work with the to ensure that the Trust hears the patient and relatives voice.

H F Dymond MBE
Chair, Healthwatch Southampton
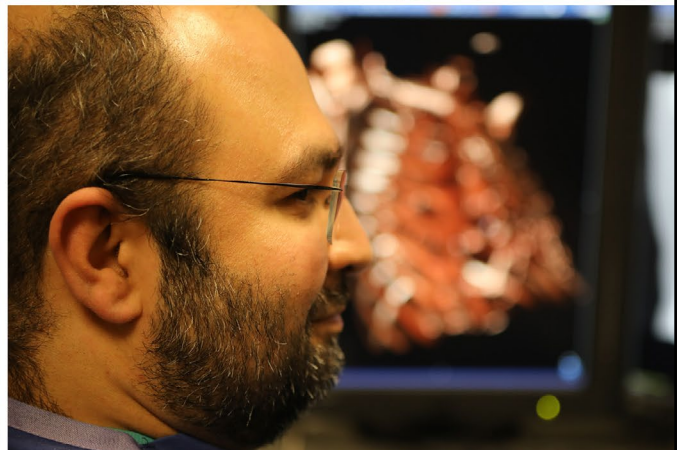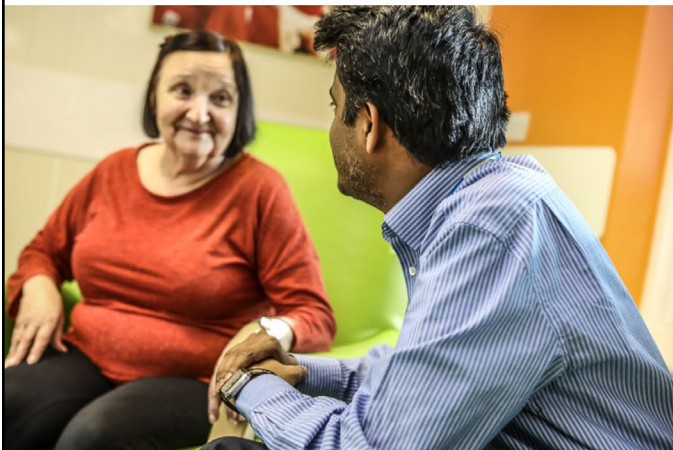
Rehab Assistant Claire Shipp

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 April 2018 to March 2019.
    - Papers relating to Quality reported to the Board over the period April 2018 to March 2019.
    - Feedback from the commissioners dated 9 May 2019 (Southampton City) and 9 May 2019 (West Hampshire Clinical Commissioning Group Representing West Hampshire, South Eastern Hampshire, North Hampshire, Fareham and Gosport Clinical Commissioning Groups).
    - Feedback from governors dated 15 May 2019.
    - Feedback from local Healthwatch organisations dated 8 May 2019.
    - Feedback from Overview and Scrutiny Committees
    - Southampton and Portsmouth - declined to comment
    - Hampshire Health and Adult Social Care Select Committee - feedback not received in time for inclusion in report
    - The Trust's complaints report published under regulation 18 of the Local Authority Social services and NHS Complaints Regulations 2009, dated 5 June 2018
    - The latest national patient survey 2018
    - The latest national staff survey released 26 February 2019
    - The Head of Internal Audit's draft annual opinion over the Trust's control environment dated April 2019.
    - CQC Inspection Report dated 3/10/2018: RW1 Southern Health NHS Foundation Trust Inspection report.

- the Quality Report presents a balanced picture of the NHS Foundation Trust's performance over the period covered:
- the performance information reported in the Quality Report is reliable and accurate;
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice;
- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review; and
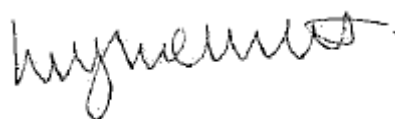
- the Quality Report has been prepared in accordance with NHS Improvement's annual reporting manual and supporting guidance (which incorporates the Quality Accounts regulations) as well as the standards to support data quality for the preparation of the Quality Report.

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the Quality Report.
By order of the board
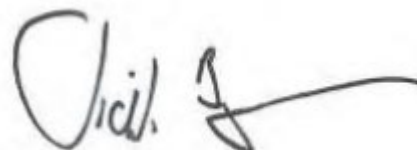
Date   23 May 2019   Lynne Hunt
                                        Chair

Date   23 May 2019   Dr Nick Broughton
                                        Chief Executive

Independent Auditors' Limited Assurance Report to the Council of Governors of Southern Health NHS Foundation Trust on the Annual Quality Report

We have been engaged by the Council of Governors of Southern Health NHS Foundation Trust to perform an independent assurance engagement in respect of Southern Health NHS Foundation Trust's Quality Report for the year ended 31 March 2019 (the 'Quality Report') and specified performance indicators contained therein.

Scope and subject matter

The indicators for the year ended 31 March 2019 subject to limited assurance (the "specified indicators") marked with the symbol Ⓐ in the Quality Report, consist of the following national priority indicators as mandated by Monitor (operating as NHS Improvement) ("NHSI"):

Specified Indicators	Specified indicators criteria (exact page number where criteria can be found)
Early intervention in psychosis (EIP): people experiencing a first episode of psychosis treated with a NICE-approved care package within two weeks of referral	Page 235
Inappropriate out-of-area placements for adult mental health services	Page 236

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 NHS Foundation Trust Annual Reporting Manual ("FT ARM") and the 'Detailed requirements for quality reports 2018/19' issued by NHSI. The Directors are also responsible for the conformity of the specified indicators criteria with the assessment criteria set out in the FT ARM and the 'Detailed requirements for external assurance for quality reports 2018/19' issued by NHSI and for reporting the specified indicators in accordance with those criteria, as referred to on the pages of the Quality Report listed above.

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 does not incorporate the matters required to be reported on as specified in the FT ARM and the 'Detailed requirements for quality reports 2018/19';
- The Quality Report is not consistent in all material respects with the sources specified below; and
- The specified indicators have not been prepared in all material respects in accordance with the criteria set out in the FT ARM and the 'Detailed requirements for external assurance for quality reports 2018/19'.

We read the Quality Report and consider whether it addresses the content requirements of the FT ARM and the 'Detailed requirements for quality reports 2018/19'; 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 consistent with the following documents:

- Board minutes and papers for the period April 2018 to March 2019.
- Papers relating to quality reported to the Board over the period April 2018 to March 2019.
- Feedback from the commissioners Southampton City Clinical Commissioning Group dated 9 May 2019 and West Hampshire Clinical Commissioning Group Representing West Hampshire, South Eastern Hampshire, North Hampshire, Fareham and Gosport Clinical Commissioning Groups dated 9 May 2019.
- Feedback from governors dated 15 May 2019.
- Feedback from Healthwatch Southampton dated 8 May 2019.
- The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 5 June 2018.
- The latest national patient survey 2018.
- The latest national staff survey released 26 February 2019.
- The Head of Internal Audit's annual opinion over the Trust's control environment dated April 2019.
- CQC Inspection Report dated 3/10/2018: RW1 Southern Health NHS Foundation Trust Inspection report.

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.

Our Independence and Quality Control
We complied with the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. We apply International Standard on Quality Control (UK) 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Use and distribution of the report
This report, including the conclusion, has been prepared solely for the Council of Governors of Southern Health NHS Foundation Trust as a body, to assist the Council of Governors in reporting Southern Health 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 Southern Health NHS Foundation Trust for our work or this report save where terms are expressly agreed and with our prior consent in writing.

Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board ('ISAE 3000 (Revised)'). Our limited assurance procedures included:

• reviewing the content of the Quality Report against the requirements of the FT ARM and the 'Detailed requirements for quality reports 2018/19';
• reviewing the Quality Report for consistency against the documents specified above;
• obtaining an understanding of the design and operation of the controls in place in relation to the collation and reporting of the specified indicators, including controls over third party information (if applicable) and performing walkthroughs to confirm our understanding;
• based on our understanding, assessing the risks that the performance against the specified indicators may be materially misstated and determining the nature, timing and extent of further procedures;
• making enquiries of relevant management, personnel and, where relevant, third parties;
• considering significant judgements made by the NHS Foundation Trust in preparation of the specified indicators;
• performing limited testing, on a selective basis, of evidence supporting the reported performance indicators, and assessing the related disclosures; and
• reading the documents.

A limited assurance engagement is less 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 impact 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 thereof, may change over time. It is important to read the Quality Report in the context of the criteria set out in the FT ARM and 'Detailed requirements for quality reports 2018/19'.

The nature, form and content required of Quality Reports are determined by NHSI. This may result in the omission of information relevant to other users, for example for the purpose of comparing the results of different NHS Foundation Trusts/organisations/entities.

In addition, the scope of our assurance work has not included governance over quality or non-mandated indicators in the Quality Report, which have been determined locally by Southern Health NHS Foundation Trust.

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 does not incorporate the matters required to be reported on as specified in the FT ARM and the 'Detailed requirements for quality reports 2018/19';
- The Quality Report is not consistent in all material respects with the documents specified above; and
- The specified indicators have not been prepared in all material respects in accordance with the criteria set out in the FT ARM and the 'Detailed requirements for external assurance for quality reports 2018/19'.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Southampton
29 May 2019

The maintenance and integrity of the Southern Health NHS Foundation Trust's website is the responsibility of the directors; the work carried out by the assurance providers does not involve consideration of these matters and, accordingly, the assurance providers accept no responsibility for any changes that may have occurred to the reported performance indicators or criteria since they were initially presented on the website.

Annex 4: Data definitions

PwC tested the following indicators
Early Intervention in Psychosis (EIP)

People experiencing a first episode of psychosis treated with a NICE approved care package within two weeks of referral

Detailed descriptor:
The reported indicator for people experiencing a first episode of psychosis treated with a NICE approved care package within two weeks of referral is calculated on all patients who are referred as per the guidance given by NHS Improvement and accepted onto the caseload.

Data definition
Numerator: The number of people experiencing a first episode of psychosis treated with a NICE approved care package within two weeks of referral.
Denominator: The number of people experiencing a first episode of psychosis who are referred as per the guidance given by NHS Improvement and accepted onto the caseload.

Details of the indicator
This indicator applies to anyone with a suspected first episode of psychosis who is aged 14 to 65. Southern Health Foundation Trust is only commissioned to provide a NICE approved package of care within two weeks of referral to people with a first episode of psychosis that are aged 35 and under. This is the data reported in Section 2. Exemptions include referrals of people who are experiencing psychotic symptoms with a confirmed organic cause, for example brain diseases such as Huntington's and Parkinson's disease, HIV or syphilis, dementia, or brain tumours or cysts.

Accountability
Achieve more than 53% of people with first episode of psychosis (FEP) are treated with a NICE-approved package of care within two weeks of referral.

Detailed Guidance
More detail about this indicator and the data can be found within the Mental Health Community Teams Activity section of the NHS England website. Documents titled: Guidance and FQAs for reporting against access and waiting time standards: Children and young people with an eating disorder and Early Intervention in Psychosis. This is available at: https://www.england.nhs.uk/mental-health/resources/access-waiting-time/

Inappropriate out-of-area placements for Adult Mental Health services

Detailed descriptor
An inappropriate 'out of area placement' for acute mental health in-patient care happens when: A person with assessed acute mental health needs who requires adult mental health acute inpatient care, is admitted to a unit that does not form part of the usual local network of services. This maybe an inpatient unit that does not usually admit people living in the catchment of the person's local community mental health service and where the person cannot be visited regularly by their care coordinator to ensure continuity of care and effective discharge planning.
Examples where an out of area placement maybe appropriate include – safeguarding issues, employment reasons, or an individual's choice.

Data definition
Total number of bed days patients have spent out of area in the last month deemed inappropriate. Exemptions include where an out of area placement is appropriate as given in the guidance

Accountability
Progress in line with agreed trajectory for elimination of inappropriate adult acute out of area placements no later than 2021

Detailed Guidance

Further information on Government website:
www.gov.uk/government/publications/oaps-in-mental-health-services-for-adults-in-acute-inpatient-care/out-of-area-placements-in-mental-health-services-for-adults-in-acute-inpatient-care

Appendix 5: Glossary

Abbreviation/term	Full text
AHP	Allied Health Professional
BAME	Black, Asian and Minority Ethnic
BLS	Basic life support training
CAMHS	Child and Adolescence Mental Health Services
CCG	Clinical Commissioning Group
COG	Council of Governors
Commissioner	Member of Clinical Commissioning Groups (CCGS)
CQC	Care Quality Commission
CQUIN	Commissioning for Quality and Innovation Framework
DIALOG	An outcome measure used in mental health services
DNACPR	Do Not Attempt Cardio Pulmonary Resuscitation
DSTP	Data Space Transfer Protocol
EIP	Early Intervention in Psychosis
FFT	Friends and Family Test
GBO	Goals based outcomes
GDPR	General Data Protection Regulation
HCPC	The Health and Care Professionals Council
Healthwatch	Healthwatch is an independent organisation which ensures the voice of patients and carers are heard. They raise issues of concern and work with organisations to improve services.

HoNOS	Health of the National Outcomes Scales
ILS	Intermediate life support training
LeDeR	The Learning Disabilities Mortality Review Programme
LD	Learning disabilities
LGBTQ+	Lesbian, gay, bisexual, transgender, queer and other
MDT	Multidisciplinary Team
MECC	Making every contact count
MHA	Mental Health Act
MIU	Minor Injuries Unit
MSK	Musculoskeletal services – any injury, disease or problems with your muscles, bones or joints
NEWS2	National Early Warning Score - used to identify and respond to patients at risk of deteriorating
NICE	National Institute of Health and Care Excellence
NIHR	National Institute for Health Research
NHS	National Health Service
NHSE	NHS England
NHSI	NHS Improvement
PEWS	Paediatric Early Warning score - used to identify and respond to paediatric patients at risk of deteriorating
PICU	Psychiatric Intensive Care Unit
POMH	Prescribing Observatory for Mental Health
Q1, Q2, Q3, Q4	Quarter 1 (April to June), Quarter 2 (July to September), Quater 3 (October to December), Quarter 4 (January to March)
RCA	Root Cause Analysis

Recovery College	An educational approach to provide a safe space for people to connect, gain knowledge and develop skills
RiO	Our electronic patient record
RTT	Referral to Treatment
SHFT	Southern Health NHS Foundation Trust
The Trust	Southern Health NHS Foundation Trust
TOMS	Therapy Outcome Measures
Triangle of Care	A programme launched in July 2010 between the Carers Trust and the National Mental Health Development Unit, emphasising the need for better local strategic involvement of carers and families in the care planning and treatment of people with mental ill-health.
WRES	Workforce Race Equality Standard

Independent auditors' report to the Council of Governors of Southern Health NHS Foundation Trust

Report on the audit of the financial statements

Opinion

In our opinion, Southern Health NHS Foundation Trust's financial statements (the "financial statements"):

- give a true and fair view of the state of the Trust's affairs as at 31 March 2019 and of the Trust's income and expenditure and cash flows for the year then ended; and

- have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2018/19.

We have audited the financial statements, included within the Annual Report and Accounts 2018/19 (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 March 2019; the Statement of Comprehensive Income for the year then ended; the Statement of Cash Flows for the year then ended; the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with the National Health Service Act 2006, the Code of Audit Practice and relevant guidance issued by the National Audit Office on behalf of the Comptroller and Auditor General (the "Code of Audit Practice"), International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our audit approach

Context

Our audit for the year ended 31 March 2019 was planned and executed having regard to the fact that the Trust's operations and financial stability were largely unchanged in nature from the previous year. In light of this, our approach to the audit in terms of scoping and key audit matters was largely unchanged.

Overview
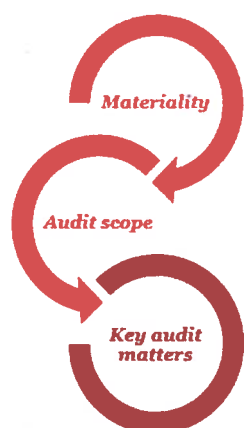
- Overall materiality: £6,315,000 (2018: £6,188,500) which represents 2 % of total revenue.

- In establishing our overall approach we assessed the risks of material misstatement and applied our professional judgement to determine the extent of testing required over each balance in the financial statements

- The Key Audit Matters identified were:
  - Risk of fraud in revenue and expenditure recognition; and
  - Valuation of the Trust's estate.

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The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the 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) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, 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. This is not a complete list of all risks identified by our audit.

Key audit matter	How our audit addressed the Key audit matter

Risk of fraud in revenue and expenditure recognition

See note 1 to the financial statements for the directors' disclosures of the related accounting policies relating to the recognition of income and expenditure for further information.

We focused on these areas because the Trust had a financial incentive this year to understate revenue, as by the year end, it was known that the control total agreed with NHS Improvement ("NHSI") had not been met.

The control total agreed for the Trust was a £3.4m surplus (before transfers and impairments), including core Provider Sustainability Fund ('PSF') of £4.1m. The Trust missed its control total by £10.5m, primarily due to the increase in out of area placements. As a result, the Trust did not receive core PSF for Q4 and did not receive any incentive or bonus PSF for exceeding its control total. It did however, receive core PSF for Q1 to Q3 (£2.6m) and a general distribution of PSF (£1.5m) for having signed up to achieving the control total.

There was a risk that management would understate the financial result for the year to help meet the control total next year:

- Income may be recognised in 2019/20 that relates to 2018/19.

- Expenditure in 2018/19 may be overstated or expenditure relating to 2019/20 may be recognised in 2018/19.

Income

The Trust's principle source of income is from Clinical Commissioning Groups ("CCGs"), local authorities and NHS England. The service level agreements (block contracts) with the CCGs, local authorities and NHS England are annual and the majority of the income is fixed for the year and does not fluctuate with the level of activity. In line with the standard NHS contract, 2.5% of this income relates to Commissioning for Quality and Innovation ("CQUIN") and is received based on achievement against a series of performance indicators.

There may also be contract variations to the block contracts signed during the year. These elements are more subject to management judgement regarding the income to which the Trust is entitled.

We focused our work on the elements of income and expenditure that are the most susceptible to manipulation, being:

- Non-standard journal transactions, including those that debit income; and those that debit expenditure and credit trade and other receivables;
- Income and expenditure items recognised around the year end date, which may be recognised in the wrong period; and
- Items of expenditure where the value recognised at year end is estimated, including accruals and provisions.

Journals

We selected a risk-based sample of manual and automated journal transactions that had been recognised in both income and expenditure, focusing in particular on non-standard transactions as outlined above.

We traced these journal entries to supporting documentation (for example, invoices, cash receipts or payments) and found that, without exception, the supporting documentation demonstrated that the journal was appropriate and had been recognised in the correct period.

Intra-NHS agreement of transactions and balances

We obtained the Trust's mismatch reports received from NHSI, which identified transactions and balances with other NHS bodies (debtor, creditor, income or expenditure balances) that were disputed by the counterparty. We checked that management had investigated all disputed amounts and discussed with them the results of their investigation and the resolution. We read correspondence with the counterparties, which corroborated the discussions. We considered the impact, if any, that the remaining disputed amounts would have on the Trust's financial statements and determined that there was no material impact.

Income

For non-block contract income and other operating income recognised in the month before and the month after the year end, we agreed a sample of transactions to supporting documentation (for example, signed contract or agreement, an invoice or correspondence), and where possible, to subsequent cash receipt, to check it had been recognised in

Key audit matter	How our audit addressed the Key audit matter
The remainder of the Trust's income arises from a range of sources, for example, through the provision of non-statutory Social Care Services, Education & Training and Research & Development. These income streams are more variable in nature than the block contract income and are subject to differing terms and conditions and hence, more subject to management judgement regarding the amount and timing of income that is recognised.	the correct period.
	For a sample of CQUIN income, we read the relevant terms and conditions of the contract and traced the amount that had been recognised to supporting documentation, including an analysis demonstrating the Trust's performance against the required CQUIN performance indicators. We agreed the CQUIN income to the invoices raised.
We therefore focused our testing on CQUIN income, block contract variations and non-block contract income.	There were no material block contract variations signed during the year or deferred income balances as at the year end.

Expenditure

The Trust's operating expenditure relates to employee expenses and remuneration, transactions with other NHS organisations and payments for supplies, premises and other operating costs both to other public sector organisations and commercial third parties. We focused our testing on non-employee and non-depreciation expenditure, as we considered this expenditure to be the most susceptible to misstatement.

Expenditure

For a sample of accounts payable as at the year end, we tested the amount recognised to invoice or other relevant supporting documentation including contracts.

We tested a sample of accrued expenses as at the year-end by agreeing the amount recognised to the subsequent invoice or other relevant supporting documentation including contracts or calculations and agreed estimates and assumptions used to previous charges for the goods/services to check the amount and timing of recognition of the expense.

There were no material provisions balances as at 31 March 2019.

For a sample of non-employee and non-depreciation expenditure recognised throughout the year we traced the amount that had been recognised to supporting documentation (for example, signed contract or agreement, an invoice, or supporting correspondence).

Valuation of the Trust's estate

Management's accounting policies, key judgements and use of experts in relation to the valuation of the Trust's estate is set out in note 1 of the financial statements.

Property, Plant and Equipment (PPE) makes up approximately 80% of the assets held by the Trust and at 31 March 2019 was valued at £189.6m (£186.4m in 2017/18).

Land and buildings are initially measured at cost, and subsequently measured at fair value in accordance with the Department of Health and Social Care Group Accounting Manual 2018/19.

A desktop valuation of the Trust's land and buildings has been undertaken this year by the District Valuer, in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual, using the Modern Equivalent Asset ("MEA") basis of valuation, which involves a range of assumptions being used.

The output from this year's valuation exercise has seen the value of the Trust's estate increase overall by £0.5m.

The specific risk areas are:

- The accuracy of the detailed property information provided to the District Valuer, in particular the land area and floor plans on which the valuation has been based,

We obtained the output of the valuation undertaken by the District Valuer, including details of the request for the work to be performed by the Trust. We checked and found the valuer had a UK qualification, was part of an appropriate professional body and was not connected with the Trust.

We read the relevant sections of the valuation report and, using our own valuation expertise, we challenged the assumptions and methodology applied in the valuation exercise, specifically considering the use of MEA, which we found to be consistent with our expectations.

To check the accuracy of the underlying data (on which the valuation was based), we agreed the data used by the District Valuer back to floor and area plans for a sample of land and properties and found the valuation to be based on current information.

We physically verified a sample of assets to check their existence and, in doing so, considered whether there was any indication of physical obsolescence which would indicate potential impairment or affect the valuation of the property; our testing did not identify any such indicators.

We checked that the change in valuation was correctly reflected and appropriately disclosed in the financial statements.

Key audit matter	How our audit addressed the Key audit matter
• The methodology, assumptions and underlying data used by the District Valuer (including the application of the MEA), and • The accounting transactions resulting from this valuation.	

Other than the matters noted in the 'Arrangements for securing economy, efficiency, and effectiveness in the use of resources' paragraph, we determined that there were no further key audit matters relating to the Trust's arrangements for securing economy, efficiency, and effectiveness in the use of resources to communicate in our report.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Trust, the accounting processes and controls, and the environment in which the Trust operates.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall materiality	£6,315,000 (2018: £6,188,500)
How we determined it	2% of revenue (2018: 2% of revenue)
Rationale for benchmark applied	Consistent with last year, we have applied this benchmark, a generally accepted auditing practice, in the absence of indicators that an alternative benchmark would be appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £250,000 (2018: £250,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Trust's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Performance Report and the Accountability Report, we also considered whether the disclosures required by the NHS Foundation Trust Annual Reporting Manual 2018/19 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) and the Code of Audit Practice require us also to report certain opinions and matters as described below.

Performance Report and Accountability Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Performance Report and Accountability Report for the year ended 31 March 2019 is consistent with the financial statements and has been prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2018/19.

In light of the knowledge and understanding of the Trust and its environment obtained in the course of the audit, we did not identify any material misstatements in the Performance Report or Accountability Report.

In addition, the parts of the Remuneration and Staff reports to be audited have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2018/19.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Accountability Report set out on page 94, the directors are responsible for the preparation of the financial statements in accordance with the Department of Health and Social Care Group Accounting Manual 2018/19, and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Trust's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

The Trust is also responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Auditors' 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 auditors' 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 auditors' report.

We are required under Schedule 10 (1) of the National Health Service Act 2006 to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources and to report to you where we have not been able to satisfy ourselves that it has done so. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively. We have undertaken our work in accordance with the Code of Audit Practice, having regard to the criterion determined by the Comptroller and Auditor General as to whether the Trust has proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. We planned our work in accordance with the Code of Audit Practice. Based our on risk assessment, we undertook such work as we considered necessary.

Our audit did not consider any impact that the United Kingdom's withdrawal from the European Union may have on the Trust as the terms of withdrawal are not clear, and it is difficult to evaluate all of the potential implications on the Trust's activities, patients, suppliers and the wider economy.

Use of this report

This report, including the opinions, has been prepared for and only for the Council of Governors of Southern Health NHS Foundation Trust as a body in accordance with paragraph 24 of Schedule 7 of the National Health Service Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Arrangements for securing economy, efficiency and effectiveness in the use of resources

Under the Code of Audit Practice we are required to report, by exception, if we conclude we are not satisfied that the Trust has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2019.

Adverse opinion

As a result of the matters set out in the Basis for adverse opinion section immediately below, we have concluded that the Trust has not put in place proper arrangements for securing economy, efficiency and effectiveness in the use of its resources for the year ended 31 March 2019.

Basis for adverse opinion and Key Audit Matter

The Trust was first subject to regulatory action by Monitor (now NHS Improvement "NHSI") in April 2014. This followed an investigation which found the Trust to be in breach of the conditions of its licence due to governance issues identified following Care Quality Commission ("CQC") inspections.

In December 2015, the Trust was the subject of an independent report, commissioned by NHS England, which considered the Trust's arrangements for investigating unexpected deaths of people with learning disability or mental health problems. This report identified a number of issues with the Trust's historical arrangements in this regard. As a result of this report, regulatory action was taken by NHSI in January 2016 and further enforcement undertakings were agreed.

In April 2016, NHSI imposed an additional licence condition under section 111 of the Health and Social Care Act 2012, following warning notices received from the CQC that the Trust had not taken sufficient action to mitigate physical environment risks at some units. The licence condition required the Trust to address its continuing non-compliance with its licence by ensuring that it has in place a sufficient and effective Board, management and clinical leadership capacity and capability, as well as appropriate governance systems and processes to address the issues previously identified. Further enforcement undertakings were agreed with NHSI in June 2016. The warning notices issued by the CQC were lifted in September 2016.

During 2018/19, NHSI lifted some of the regulatory undertakings against the Trust, although the Trust remains under enforcement action by NHSI, due to it being in breach of a number of its licence conditions. The Trust was also subject to a full comprehensive inspection by the CQC in June and July 2018 and improvements were identified, although it remains rated as 'requires improvement' overall. However, the Trust has reported an unplanned deficit of £6.9m, which was £10.5m below plan, mainly as a result of the high volume of out of area placements. This has had a significant impact on the financial performance of the Trust, which did receive a general distribution for agreeing its control total with NHSI, but has not received its Q4 PSF funding or available Provider Sustainability Fund (PSF) incentives or bonuses for achieving its control total.

In considering the Trust's arrangements, we have performed the following procedures:

- Read reports and relevant correspondence with the CQC.
- Read relevant correspondence with NHSI on the licence conditions.
- Considered financial performance and financial sustainability by reviewing the 2018/19 outturn and achievement of cost improvement targets.
- Considered the operational performance of the Trust during the year by reviewing performance reporting.

As a result of the work performed, we have concluded that the above matters indicate weaknesses in arrangements for: applying the principles and values of sound governance; managing risks effectively; planning finances effectively; managing and utilising assets effectively; and planning, organising and developing the workforce effectively as defined by Auditor Guidance Note 03 issued by the National Audit Office.

Other matters on which we report by exception

We are required to report to you if:

- the statement given by the directors on page 59, in accordance with provision C.1.1 of the NHS Foundation Trust Code of Governance, that they consider the Annual Report taken as a whole to be fair, balanced and understandable, and provides the information necessary for patients, regulators, and other stakeholders to assess the Trust's performance, business model, and strategy is materially inconsistent with our knowledge of the Trust acquired in the course of performing our audit.

- the section of the Annual report on pages 39 and 40, as required by provision C.3.9 of the NHS Foundation Trust Code of Governance, describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee.

- the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2018/19 or is misleading or inconsistent with our knowledge acquired in the course of performing our audit. We have not considered whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

- we have referred a matter to Monitor under Schedule 10 (6) of the National Health Service Act 2006 because we had reason to believe that the Trust, or a director or officer of the Trust, was about to make, or had made, a decision which involved or would involve the incurring of expenditure that was unlawful, or was about to take, or had taken a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency.

- we have issued a report in the public interest under Schedule 10 (3) of the National Health Service Act 2006.

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- we have not received all the information and explanations we require for our audit.

We have no exceptions to report arising from this responsibility.

Certificate

We certify that we have completed the audit of the financial statements in accordance with the requirements of Chapter 5 of Part 2 to the National Health Service Act 2006 and the Code of Audit Practice.

Sasha Lewis (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Southampton
29 May 2019

Southern Health NHS Foundation Trust

Annual accounts for the year ended 31 March 2019

Contents

Foreword to the accounts

Southern Health NHS Foundation Trust

These accounts, for the year ended 31 March 2019, have been prepared by Southern Health NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.

Signed

Name   Dr. Nick Broughton

Job title   Chief Executive

Date   **23 May 2019**

Statement of Comprehensive Income

	Note	2018/19 £000	2017/18 £000
Operating income from patient care activities	3	291,977	285,307
Other operating income	4	23,792	24,120
Operating expenses	6	(319,689)	(309,245)
Operating (deficit)/surplus from continuing operations		**(3,920)**	**182**
Finance income	11	183	80
Finance expenses	12	(1,196)	(1,186)
PDC dividends payable		(5,168)	(5,285)
Net finance costs		**(6,181)**	**(6,391)**
Other gains	13	3	1,098
Losses arising from transfers by absorption	34	-	(3,697)
Deficit for the year		**(10,098)**	**(8,808)**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	7	(903)	(3,227)
Revaluations	17	4,122	7,502
Total comprehensive expense for the period		**(6,879)**	**(4,533)**
Adjusted financial performance (control total basis):			
Deficit for the period		(10,098)	(8,808)
Remove net impairments not scoring to the Departmental expenditure limit		2,681	6,812
Losses on transfers by absorption		-	3,697
Remove I&E impact of capital grants and donations		247	101
Adjusted financial performance surplus / (deficit)		**(7,170)**	**1,802**

Statement of Financial Position

	Note	31 March 2019 £000	31 March 2018 £000
Non-current assets			
Intangible assets	14	4,009	5,005
Property, plant and equipment	15	189,572	186,367
Total non-current assets		193,581	191,372
Current assets			
Inventories	18	81	21
Trade receivables and other receivables	19	20,509	18,362
Non-current assets held for sale	20	1,818	1,818
Cash and cash equivalents	21	20,405	28,278
Total current assets		42,813	48,479
Current liabilities			
Trade and other payables	22	(34,904)	(35,097)
Borrowings	24	(400)	(401)
Provisions	26	(2,441)	(540)
Other liabilities	23	(3,426)	(1,432)
Total current liabilities		(41,171)	(37,470)
Total assets less current liabilities		195,223	202,381
Non-current liabilities			
Borrowings	24	(15,708)	(16,108)
Provisions	26	(262)	(313)
Total non-current liabilities		(15,970)	(16,421)
Total assets employed		179,253	185,960
Financed by			
Public dividend capital		89,292	89,120
Revaluation reserve		55,523	52,304
Other reserves		(755)	(755)
Income and expenditure reserve		35,193	45,291
Total taxpayers' equity		179,253	185,960

The notes on pages D5 to D43 form part of these accounts.

Signed

Name Dr. Nick Broughton
Job title Chief Executive
Date 23 May 2019

Statement of Changes in Equity for the year ended 31 March 2019

	Public dividend capital	Revaluation reserve	Other reserves	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000
Taxpayers' equity at 1 April 2018 - brought forward	89,120	52,304	(755)	45,291	185,960
Deficit for the year	-	-	-	(10,098)	(10,098)
Impairments	-	(903)	-	-	(903)
Revaluations	-	4,122	-	-	4,122
Public dividend capital received	172	-	-	-	172
Taxpayers' equity at 31 March 2019	89,292	55,523	(755)	35,193	179,253

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

	Public dividend capital	Revaluation reserve	Other reserves	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000
Taxpayers' equity at 1 April 2017 - brought forward	88,169	49,767	(755)	52,361	189,542
Deficit for the year	-	-	-	(8,808)	(8,808)
Transfers by absorption: transfers between reserves	-	(1,716)	-	1,716	-
Impairments	-	(3,227)	-	-	(3,227)
Revaluations	-	7,502	-	-	7,502
Transfer to retained earnings on disposal of assets	-	(22)	-	22	-
Public dividend capital received	951	-	-	-	951
Taxpayers' equity at 31 March 2018	89,120	52,304	(755)	45,291	185,960

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.

Other reserves
These represent the net asset balances of demised organisations or functions which have previously merged into Southern Health NHS Foundaiton Trust accounts. The last significant entry being in 2012/13.

Income and expenditure reserve
The balance of this reserve is the accumulated surpluses and deficits of the trust.

Statement of Cash Flows

	Note	2018/19 £000	2017/18 £000
Cash flows from operating activities			
Operating (deficit)/surplus		(3,920)	182
Non-cash income and expense:			
Depreciation and amortisation	6.1	8,876	8,381
Net impairments	7	2,681	6,812
Income recognised in respect of capital donations	4	(16)	(131)
Increase in receivables and other assets *	19	(1,923)	(3,473)
Increase in inventories	18	(60)	(21)
Increase in payables and other liabilties **	22	2,661	2,106
Increase / (decrease) in provisions	26	1,850	(1,064)
Net cash generated from operating activities		**10,149**	**12,792**
Cash flows from investing activities			
Interest received	11	183	80
Purchase of intangible assets	14.1	(1,440)	(839)
Purchase of property, plant, equipment and investment property	15.1	(9,967)	(8,261)
Sales of property, plant, equipment and investment property	5.4	3	4,972
Receipt of cash donations to purchase capital assets	4	16	131
Net cash generated used in investing activities		**(11,205)**	**(3,917)**
Cash flows from financing activities			
Public dividend capital received		172	951
Capital element of finance lease rental payments	24	(1)	-
Capital element of PFI, LIFT and other service concession payments	24	(400)	(507)
Other interest	12	(1)	-
Interest paid on finance lease liabilities	12	(4)	(4)
Interest paid on PFI, LIFT and other service concession obligations	12	(1,191)	(1,182)
PDC dividend paid	12.2	(5,392)	(5,118)
Net cash generated used in financing activities		**(6,817)**	**(5,860)**
(Decrease)/Increase in cash and cash equivalents		**(7,873)**	**3,015**
Cash and cash equivalents at 1 April - brought forward	21.1	**28,278**	**25,263**
Cash and cash equivalents at 31 March	21.1	**20,405**	**28,278**

* This balance excludes PDC dividend receivable per Note 19

** This balance is adjusted for the change in capital creditors within Payables Note 22

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.

International Accounting Standard (IAS) 1 requires management to assess, as part of the accounts preparation process, the Trust's ability to continue as a going concern. The financial statements should be prepared on a going concern basis unless management intends, or has no alternative but, to apply to the Secretary of State for the Trust's dissolution without the transfer of its services to another entity.

The Trust is expecting to incur a deficit during the next 12 months of £6.2m. However with planned support from NHS Improvement of £6.2m a breakeven position will be delivered. The cash will deteriotate from the year end position of £20.4m to £9.4m due to capital investment and forecast working capital changes .

Financial position:

- The Trust recorded a financial control total deficit of £7.2 million for the 2018/19 financial year, which was worse than the control total agreed with NHS Improvement of £3.4m surplus which included planned support of £4.1m.
- The Trust Board has approved the 2019/20 financial plan which meets the break-even control total. Achievement of this Plan will rely on delivering a range of non-recurrent measures during 2019/20, whilst a three year recovery plan is developed to return the Trust to recurrent financial balance.
- The Trust is not in "special measures" for financial reasons.
- The Trust has agreed the control total with NHS improvement for 2019/20.
- Contracts with the Trust's main Commissioners have been agreed which give a significant level of assurance around continued service delivery and income cash flows for the Trust during 2019/20.

After making enquiries, and whilst there are uncertainties, the Directors have a reasonable expectation that the Trust will have access to adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the account.

Note 1.3 Interests in other entities

Material entities over which the Trust has the power to exercise control so as to obtain economic or other benefits, are classified as subsidiaries and are consolidated.

Southern Health NHS Foundation Trust is the Corporate Trustee of Southern Health General Fund ("brighterway"). The charity is deemed to be a subsidiary under the prescriptions of IAS 27. International Accounting Standards dictate that consolidated accounts should be prepared. IAS 1, Presentation of accounts, however, states that specific disclosure requirements to be set out in individual standards or interpretations need not be satisfied if the information is not material. Furthermore, accounting policies set out in IFRS need not be developed or applied if the impact of applying them would be immaterial.

Whilst Southern Health NHS Foundation Trust does have a connected Charitable Fund, it does not deem this fund material within the context of the accounts of the NHS Foundation Trust. A limited disclosure is therefore contained within note 2 of these accounts and full consolidation has not been undertaken.

Note 1.3 Interests in other entities continued

Southern Health NHS Foundation Trust is the sole beneficiary of the Southern Health General Fund. The charity registration number is 1089307 and the registered address is as per note 35. Accounts for the charity can be obtained from www.charity-commission.gov.uk.

The Willow Group Partnership is a group of four GP practices who hold the contract with NHS England to supply the primary care services for specific localities in South East Hampshire. This work is then subcontracted to the Foundation Trust who employs the practice staff and underwrite the associated risks. The Trust controls the activities of the Partnership through Senior Managers of the Trust and is recorded as a related party.

Whilst Southern Health NHS Foundation Trust has control of this partnership which would be deemed a subsidiary under IAS 27 similar to the Charitable Fund, they have been deemed to be immaterial in 2018/19 for the preparation of group accounts. Furthermore, it is felt that the additional information of group accounts would not enhance the readers understanding of the NHS Foundation Trust's financial results as the financial impact of these activities are already incorporated within the financial transactions of the Trust as funding is received by Southern Health NHS Foundation Trust from Primary Care Commissioners and pay incurred on behalf of the partnership. A limited disclosure is contained within Note 2.

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 unbilled activity delivered where there is no specific contract with a commissioner however for the purposes of financial reporting these arrangements for out of area patients are subject to an implied contract within the NHS.

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 Trust receives income from commissioners under Commissioning for Quality and Innovation (CQUIN) schemes. The Trust agrees schemes with its commissioner but they affect how care is provided to patients. That is, 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 and are recognised through the passage of time.

Revenue from research contracts

Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. Where the projects cover more than one year but relate to one performance obligation and it is assessed that the Trust's interim performance does not create an asset with alternative use, 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.

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 of the benefit.

Note 1.4.3 Other income

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

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. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Pension costs

NHS Pension Scheme

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

All assets are measured subsequently at valuation. Assets which are held for their service potential and are in use (ie 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 property, plant and equipment 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. Current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

Assets held at depreciated replacement cost have been valued on an alternative site basis where this would meet the location requirements of the services being provided.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, 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.

Professional valuations are carried out by the Valuation Office Agency. The valuations are carried out in accordance with the RICS Appraisal and Valuation Manual insofar as these terms are consistent with the agreed requirements of NHS Improvement and HM Treasury.

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. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'held for sale' ceases to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the trust, respectively.

Revaluation gains and losses
Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating income.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments
In accordance with the GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.
Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

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 ie:
- management are committed to a plan to sell the asset
- an active programme has begun to find a buyer and complete the sale
- the asset is being actively marketed at a reasonable price
- the sale is expected to be completed within 12 months of the date of classification as 'held for sale' and
- the actions needed to complete the plan indicate it is unlikely that the plan will be 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 Local Improvement Finance Trust (LIFT) transactions

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

The annual contract payments are apportioned between the repayment of the liability, a finance cost, the charges for services and lifecycle replacement of components of the asset. The element of the annual unitary payment increase due to cumulative indexation is treated as contingent rent and is expensed as incurred.

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

The NHS Foundation Trust assumed management control of a LIFT procured inpatient facility during April 2010. This is deemed to satisfy the tests of IFRIC 12 and thus has been accounted for by the NHS Foundation Trust as a PFI asset which is disclosed within the Statement of Financial Position. Note 29 provides further details.

The services received under the contract are recorded as operating expenses and are VAT recoverable. The VAT status of the transactions qualifies the NHS Foundation Trust to value the property excluding VAT.

Note 1.7.6 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	Max life
	Years	Years
Buildings, excluding dwellings	-	74
Dwellings	25	25
Plant & machinery	-	10
Transport equipment	7	7
Information technology	5	5
Furniture & fittings	5	10

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 intangible assets
Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all of the following can be demonstrated:

• the project is technically feasible to the point of completion and will result in an intangible asset for sale or use
• the trust intends to complete the asset and sell or use it
• the trust has the ability to sell or use the asset
• how the intangible asset will generate probable future economic or service delivery benefits, eg, the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
• adequate financial, technical and other resources are available to the trust to complete the development and sell or use the asset and
• the trust can measure reliably the expenses attributable to the asset during development.

Software
Software which is integral to the operation of hardware, eg an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, eg 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	Max life
	Years	Years
Development expenditure	5	5
Software licences	5	5

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.

Note 1.11.1 Recognition Continued
This includes the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements and are recognised when, and to the extent which, performance occurs, ie, when receipt or delivery of the goods or services is made.

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 and liabilities are classified as subsequently measured at amortised cost 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.

Impairment of financial assets
For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets 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).

The Trust assess the credit losses on a debt class basis, the categories being Non NHS receiveables and Individuals. Recent performance of collectability is calculated and aplied to that class of debt. Credit losses are not expected with other NHS bodies due to the agreement of balances exercise and subsequent reporting within consolidated group accounts.

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 1.12.2 The trust as lessor

Operating leases

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Southern Health NHS Foundation Trust receives no amounts from lessees under finance leases.

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 26.2 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

The trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any "excesses" payable in respect of particular claims are charged to operating expenses when the liability arises.

Note 1.14 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 27 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 27, 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 Corporation tax

The NHS Foundation Trust is not liable for corporation tax for the following reasons:
- private patient activities are covered by section 14(1) of the Health and Social Care (Community Health and Standards) Act 2003 and are not treated as a commercial activity and are therefore tax exempt; and
- other trading activities, for example staff canteens are ancillary to core activities and are not deemed to be entrepreneurial in nature.

Note 1.18 Foreign exchange

The NHS Foundation Trust's functional currency and presentational currency is sterling. Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. Given the insignificant number and immaterial value of foreign currency transactions processed through the year, the NHS Foundation Trust has not re-translated monetary assets and liabilities to 31 March 2019 or 31 March 2018 spot exchange rates. No exchange rate gains or losses are therefore recognised in the NHS Foundation Trust's (deficit)/surplus for the year then ended.

Note 1.19 Third party assets

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

Note 1.20 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the trust not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

However the losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

Note 1.21 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

The NHS Foundation Trust has not gifted or received any gifts in the period.

Note 1.22 Transfers of functions to other NHS bodies

For functions that the NHS Foundation Trust has transferred to another NHS body, the assets and liabilities transferred are de-recognised from the accounts as at the date of transfer. The net loss corresponding to the net assets transferred is recognised within income, but not within operating activities. Any revaluation reserve balances attributable to assets de-recognised are transferred to the income and expenditure reserve. Adjustments to align the acquired function to the trust's accounting policies are applied after initial recognition and are adjusted directly in taxpayers' equity.

Note 1.23 Critical judgements in applying accounting policies

In the application of IAS 1 the management of the NHS Foundation Trust is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and associated assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

The following are the judgements, apart from those involving estimations (see below) that management has made in the process of applying the trust accounting policies and that have the most significant effect on the amounts recognised in the financial statements:
Management has not needed to make any other critical judgements in producing the 2018/19 accounts other than the ones described below:

- An assessment as to whether the NHS Foundation Trust has entered into operating leases or finance leases. Finance leases are determined when the NHS Foundation Trust considers that significant risks and rewards of ownership of a leased asset have transferred to the NHS Foundation Trust.

- The NHS Foundation Trust has assessed one property lease arrangement to exhibit the characteristics of a finance lease. The NHS Foundation Trust also has a LIFT financed scheme which is accounted for 'on statement of financial position' in accordance with DH guidance. Otherwise all leases held by the NHS Foundation Trust have been assessed as operating leases.

Note 1.23.1 Sources of estimation uncertainty
The following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Other than the valuation of non-current assets, there are no key assumptions for 2018/19 concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

In accordance with Note 1.7 the NHS Foundation Trust's land and buildings have been subject to a desktop good housekeeping review by the Valuation Office Agency in January 2019 except for properties which have been subject to major capital improvement in the current period. More detail is recorded in note 15.

The valuations have been undertaken in accordance with International Financial Reporting Standards (IFRS) as interpreted and applied by the HMT Treasury FReM compliant Department of Health and Social Care Group Manual for Accounts (GAM). They are also prepared in accordance with the professional standards of the Royal Institution of Chartered Surveyors: RICS Valuation - Global Standards 2017 and RICS UK National Supplement, commonly known as the Red Book, in so far as these are consistent with IFRS and the above mentioned guidance. The report is prepared by a RICS Registered Valuer.

The NHS Foundation Trust has obtained the valuation for specialised assets based on the optimised modern equivalent asset assumption as suggested in IAS16. In practical terms, this means assessing if
 - the location of the services could be moved to a more cost effective locality
 - the building layout is inefficient, what would the floor space be in order to deliver the same services
 - the building footprint reduced, could the land area reduce accordingly

The main purpose of this exercise was to ensure that the carrying values of the estate fairly reflected how the NHS Foundation Trust could deliver the services if the Trust had a blank canvas to start from.
Although the MEA assumptions used in the NHS Foundation Trust's estate valuation process have been developed by a senior member of the Trust's estates team and the Valuation Office Agency, there is inherent uncertainty in the assumptions given the nature of optimising a complex and varied specialised portfolio of assets.

Note 1.24 Early adoption of standards, amendments and interpretations
No new accounting standards or revisions to existing standards have been early adopted in 2018/19.

Note 1.25 Standards, amendments and interpretations in issue but not yet effective or adopted
The DH GAM does not require the following Standards and Interpretations to be applied in 2018/19.

IFRS 14 Regulatory Deferral Accounts - Not EU-endorsed. Applies to first time adopters of IFRS after 1 January 2016 and therefore not applicable to DHSC group bodies.

IFRS 16 Leases - Application required for accounting periods beginning on or after 1 January 2019, but not yet adopted by the FReM: early adoption is not therefore permitted.

IFRS 17 Insurance Contracts - Application required for accounting periods beginning on or after 1 January 2021, but not yet adopted by the FReM: early adoption is not therefore permitted.

IFRIC 23 Uncertainty over Income Tax Treatments - Application required for accounting periods beginning on or after 1 January 2019.

Note 2 Operating Segments and Subsidiaries

Note 2.1 Segmental Reporting

IFRS8 requires an entity to report financial performance within its accounts in the same format to that received on a regular basis by the 'Chief Operating Decision maker' of the entity. During 2018/19 the Trust has reported to its Board financial performance at a divisional level on a highly summarised basis, being budget vs. actual for the year, cumulatively and year end forecast. As Board decisions are not being made using the divisional data, for the purpose of the 2018/19 accounts, Southern Health considers that it operates a single segment, 'healthcare', and segmental disclosures therefore do not need to be produced.

Note 2.2 Southern Health NHS Foundation Trust Charitable Fund

The accounts of the NHS Foundation Trust's charitable fund, whilst not operated at arms length to the NHS Foundation Trust, have not been consolidated within these accounts in accordance with IAS 27 for the reasons described in Note 1.3.

Whilst the separate accounts for the charitable fund are available on request, the key draft accounts for the year ended 31 March 2019 are summarised below.

Charity's Statement of Financial Activities	Unaudited 2018/19 £000s	Audited 2017/18 £000s
Total incoming resources	117	554
Cash resources expended	(206)	(270)
Transfers of funds to other NHS Charities	-	(24)
Net outgoing resources before transfers	(89)	260
Gains/Loss on revaluation and disposal plus other fund movements	15	(9)
Net movement in funds	(74)	251

Charity's Balance Sheet (Statement of Financial Position)	Unaudited 31 March 2019 £000s	Audited 31 March 2018 £000s
Investments	768	553
Total fixed assets	768	553
Cash	97	128
Other current assets	25	293
Current liabilities	(33)	(43)
Net assets	857	931
Restricted / endowment funds	544	541
Unrestricted funds	313	390
Total charitable funds	857	931

Note 2.3 Willow Group Partnership

As detailed in Note 1.3 the Willow Group Partnership has responsibility for delivering primary care services from four locations in Gosport. The results below are incorporated into Southern Health NHS Foundation Trust financial statements in full.

Memorandum Information included in the Trust's Accounts in respect of the GP Partnership

	2018/19 £000s	2017/18 £000s
Clinical Income	5,528	5,673
Non Clinical Income	76	200
Non Pay	(1,251)	(1,350)
Pay	(5,015)	(4,655)
Net Primary Care Expenditure	(662)	(132)

Note 3 Operating income from patient care activities

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	2017/18
	£000	£000
Mental health services		
Block contract income	147,988	144,541
Clinical income for the secondary commissioning of mandatory services	539	472
Other clinical income from mandatory services	1,408	919
Community services		
Community services income from CCGs and NHS England	109,669	109,458
Income from other sources (e.g. local authorities)	29,021	29,871
All services		
Private patient income	27	46
Agenda for Change pay award central funding	3,325	-
Total income from activities	**291,977**	**285,307**

Note 3.2 Income from patient care activities (by source)

Income from patient care activities received from:	2018/19	2017/18
	£000	£000
NHS England	38,763	35,608
Clinical commissioning groups	216,947	216,639
Department of Health and Social Care	3,325	-
Other NHS providers	4,844	4,335
Local authorities	22,109	22,879
Non-NHS: private patients	27	31
Non-NHS: overseas patients (chargeable to patient)	-	15
Injury cost recovery scheme	97	136
Non NHS: other	5,865	5,664
Total income from activities	**291,977**	**285,307**

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

	2018/19 £000	2017/18 £000
Income recognised and received for the year	-	15

Note 4 Other operating income

	2018/19 £000	2017/18 £000
Other operating income from contracts with customers:		
Research and development (contract)	1,206	1,274
Education and training (excluding notional apprenticeship levy income)	8,788	8,283
Non-patient care services to other bodies	351	397
Provider sustainability / sustainability and transformation fund income (PSF / STF)	4,207	2,810
Income in respect of employee benefits accounted on a gross basis	2,072	2,462
Other contract income	3,900	5,752
Other non-contract operating income		
Education and training - notional income from apprenticeship fund	233	15
Receipt of capital grants and donations	16	131
Charitable and other contributions to expenditure	15	42
Rental revenue from operating leases	3,004	2,954
Total other operating income	**23,792**	**24,120**

Source of the material amounts within other operating income: Health Education England £8,513k (2017/18 £8,193k).

Note 5 Additional information on revenue

Note 5.1 Additional information on revenue from contracts with customers recognised in the period

	2018/19
	£000
Revenue recognised in the reporting year that was included within contract liabilities at the previous year end	1,372

Note 5.2 Transaction price allocated to remaining performance obligations
The Trust has no remaining performance obligations that exceed more than one year or accounts for partially completed spells.

Note 5.3 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 license 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	282,311	274,584
Income from services not designated as commissioner requested services	9,666	10,723
Total	**291,977**	**285,307**

Note 5.4 Profits and losses on disposal of property, plant and equipment
No asset sales have taken place in year, however retention monies from a prior year sale have been receieved this year offset by final associated costs. A net £3k has been received during 2018/19.

Note 6.1 Operating expenses

	2018/19	2017/18
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	6,459	5,977
Purchase of healthcare from non-NHS and non-DHSC bodies	14,582	9,157
Staff and executive directors costs	224,599	217,108
Remuneration of non-executive directors	141	180
Supplies and services - clinical (excluding drugs costs)	7,275	6,976
Supplies and services - general	7,317	7,104
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	4,349	4,285
Consultancy costs	110	784
Establishment	5,106	5,121
Premises	8,196	7,861
Transport (including patient travel)	4,114	3,869
Depreciation on property, plant and equipment	7,111	6,920
Amortisation on intangible assets	1,765	1,461
Net impairments	2,681	6,812
Movement in credit loss allowance: contract receivables / contract assets	(28)	
Decrease in provision for impairment of receivables	-	(280)
Audit fees payable to the external auditor		
audit services- statutory audit	96	104
other auditor remuneration (external auditor only)	10	8
Internal audit and counter fraud costs	120	109
Clinical negligence	1,859	1,850
Legal fees	518	60
Insurance	279	270
Education and training	1,271	1,024
Rentals under operating leases	15,749	14,498
Early retirements	4	7
Redundancy	(83)	77
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (LIFT)	1,176	995
Car parking & security	295	215
Hospitality	77	44
Losses, ex gratia & special payments	6	166
Other services, eg external payroll	2,156	2,990
Fines	-	2,125
Other	2,379	1,368
Total	**319,689**	**309,245**

The Out of Area placements spend within Purchase of Healthcare has increased year on year for a number of complex reasons mentioned in the Annual Report internal controls conclusion.

In the 2017/18, the legal fees are recorded as low due to the reversal of an accrual from 2016/17. The cost of £518k disclosed for 2018/19 is reasonable for the Trust.

The fines for three prosecution cases totalled £2,125k during 2017/18.

Note 6.2 Other auditor remuneration

	2018/19	2017/18
	£000	£000
Other auditor remuneration paid to the external auditor:		
2. Audit-related assurance services - audit of quality report	10	8
Total	10	8

Note 6.3 Limitation on auditor's liability

The limitation on auditor's liability for external audit work is £1m (2017/18: £1m).

Note 7 Impairment of assets

	2018/19	2017/18
	£000	£000
Net impairments charged to operating (deficit) / surplus resulting from:		
Unforeseen obsolescence	-	199
Changes in market price	2,681	6,588
Other	-	25
Total net impairments charged to operating (deficit) / surplus	2,681	6,812
Impairments charged to the revaluation reserve	903	3,227
Total net impairments	3,584	10,039

The impairment charged to expenditure based on market price mainly relates to one facility temporariliy closed due to a major refurbishment project; the services are being delivered in an alternative Trust site. The facility is expected to re-open Summer 2019.

Note 8 Employee benefits

	2018/19 Total £000	2017/18 Total £000
Salaries and wages	166,783	161,010
Social security costs	15,896	15,509
Apprenticeship levy	812	789
Employer's contributions to NHS pensions	21,422	20,877
Pension cost - other	27	12
Termination benefits	633	283
Temporary staff (including agency)	20,117	19,278
Total staff costs	**225,690**	**217,758**
Of which		
Costs capitalised as part of assets	1,174	573

Reconciliation of staff related costs in Note 5 Operating Expenses	2018/19 £000	2017/18 £000
Employee expenses	224,599	217,108
Redundancy	(83)	77
Costs capitalised as part of assets	1,174	573
Total gross staff costs	**225,690**	**217,758**

Note 8.1 Retirements due to ill-health

During 2018/19 there were 11 early retirements from the trust agreed on the grounds of ill-health (8 in the year ended 31 March 2018). The estimated additional pension liabilities of these ill-health retirements is £514k (£516k in 2017/18).

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

Note 8.2 Directors Remuneration

The aggregate amounts payable to directors were:

	2018/19 £000	2017/18 £000
Salary	1,023	1,208
Taxable benefits	37	25
Employer's pension contributions	107	829
Sums paid to third parties for Directors Services	-	3
Total	**1,166**	**2,065**

Further details of directors' remuneration can be found in the remuneration report.
There are no long term incentives schemes, other pension benefits, guarantees and advances for directors of the NHS Foundation Trust.
The change in value for the pension contributions is because the current year is cash based contributions and does not contain the notional uplift in the pension benefits for directors in the year

Note 9 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 for Health in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

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

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2019, is based on valuation data as 31 March 2018, updated to 31 March 2019 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019. The Department of Health and Social Care have recently laid Scheme Regulations confirming that the employer contribution rate will increase to 20.6% of pensionable pay from this date.

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgment from the Court of Appeal in December 2018 Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process.

National Employment Savings Trust (NEST)

In 2018/19 the Trust continued its participation of the National Employment Savings Trust (NEST) which is a defined contribution workplace pension scheme. The scheme is in use for a small number of staff as an alternative to the NHS Pension Scheme. Employer and employee contributions for the year totalled £62k (2017/18 £24k). There is no upper limit on annual contributions per scheme participant. NEST is a scheme set up by government to enable employers to meet their pension duties, and is free for employers to use. Members pay a 1.8% charge on contributions plus an annual management charge of 0.3%.

Note 10 Operating leases

Note 10.1 Southern Health NHS Foundation Trust as a lessor
This note discloses income generated in operating lease agreements where Southern Health NHS Foundation Trust is the lessor.

	2018/19 £000	2017/18 £000
Operating lease revenue		
Minimum lease receipts	3,004	2,954
Total	**3,004**	**2,954**

	31 March 2019 £000	31 March 2018 £000
Future minimum lease receipts due:		
- not later than one year;	2,789	2,713
- later than one year and not later than five years;	463	539
- later than five years.	221	275
Total	**3,473**	**3,527**

Note 10.2 Southern Health NHS Foundation Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where Southern Health NHS Foundation Trust is the lessee.

	2018/19 £000	2017/18 £000
Operating lease expense		
Minimum lease payments	15,749	14,498
Total	**15,749**	**14,498**

	31 March 2019 £000	31 March 2018 £000
Future minimum lease payments due:		
- not later than one year;	12,385	13,940
- later than one year and not later than five years;	40,383	42,081
- later than five years.	17,324	27,220
Total	**70,092**	**83,241**
Future minimum sublease payments to be received	(634)	(775)

The NHS foundation trust leases:
24 properties from NHS Property Services Ltd with a total future commitment of £58m.
There was an assumed occupancy of 7 years in 2017/18 therefore there is an estimated 6 year remaining lease term for these properties.
3 properties from Community Health Partnerships Ltd with a future commitment of £8.4m.

Other significant operating lease commitments for properties with other landlords are: Avalon House (£5.1m to December 2029), the Parkway Centre (£3.9m to February 2030), College Keep (£1.0m to November 2022) and Alpha Court (£0.8m to April 2024)

Note 11 Finance income

Finance income represents interest received on assets and investments in the period.

	2018/19 £000	2017/18 £000
Interest on bank accounts	183	80
Total finance income	183	80

Note 12 Finance expenditure

Finance expenditure represents interest and other charges involved in the borrowing of money.

	2018/19 £000	2017/18 £000
Interest expense:		
Finance leases	4	4
Interest on late payment of commercial debt	1	-
Main finance costs on PFI and LIFT scheme obligations	868	893
Contingent finance costs on PFI and LIFT scheme obligations	323	289
Total interest expense	1,196	1,186

Note 12.1 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015

	2018/19 £000	2017/18 £000
Amounts included within interest payable arising from claims under this legislation	1	-

Note 12.2 PDC Dividend Cash Movements

	2018/19 £000	2017/18 £000
PDC Dividends Receivable at April	(92)	(259)
Charge for the Year	5,168	5,285
PDC Dividends Receivable at March	316	92
PDC Dividends Paid in year	5,392	5,118

Note 13 Other gains / (losses)

	2018/19 £000	2017/18 £000
Gains on disposal of assets	5	1,154
Losses on disposal of assets	(2)	(56)
Total gains / (losses) on disposal of assets	3	1,098

Note 14.1 Intangible assets - 2018/19

	Software licences	Development expenditure	Intangible assets under construction	Total
	£000	£000	£000	£000
Valuation / gross cost at 1 April 2018 - brought forward	2,310	6,346	281	8,937
Additions	170	402	197	769
Reclassifications	41	110	(151)	-
Disposals / derecognition	(1)	(110)	-	(111)
Valuation / gross cost at 31 March 2019	2,520	6,748	327	9,595
Amortisation at 1 April 2018 - brought forward	572	3,360	-	3,932
Provided during the year	471	1,294	-	1,765
Disposals / derecognition	(1)	(110)	-	(111)
Amortisation at 31 March 2019	1,042	4,544	-	5,586
Net book value at 31 March 2019	1,478	2,204	327	4,009
Net book value at 1 April 2018	1,738	2,986	281	5,005

Note 14.2 Intangible assets - 2017/18

	Software licences	Development expenditure	Intangible assets under construction	Total
	£000	£000	£000	£000
Valuation / gross cost at 1 April 2017	1,319	6,419	678	8,416
Additions	905	335	285	1,525
Impairments	(109)	(192)	-	(301)
Reclassifications	253	429	(682)	-
Disposals / derecognition	(58)	(645)	-	(703)
Valuation / gross cost at 31 March 2018	2,310	6,346	281	8,937
Amortisation at 1 April 2017	434	2,892	-	3,326
Provided during the year	256	1,205	-	1,461
Impairments	(60)	(110)	-	(170)
Disposals / derecognition	(58)	(627)	-	(685)
Amortisation at 31 March 2018	572	3,360	-	3,932
Net book value at 31 March 2018	1,738	2,986	281	5,005
Net book value at 1 April 2017	885	3,527	678	5,090

Note 15.1 Property, plant and equipment - 2018/19

	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	35,975	139,559	455	2,383	7,226	113	8,132	717	194,560
Additions	-	2,386	-	6,303	284	-	780	25	9,778
Impairments	(375)	(3,843)	-	-	-	-	-	-	(4,218)
Reversals of impairments	200	70	-	-	-	-	-	-	270
Revaluations	1,523	-	-	-	-	-	-	-	1,523
Reclassifications	-	1,951	-	(2,038)	6	-	80	1	-
Disposals / derecognition	-	(48)	-	-	(516)	-	(1,253)	(241)	(2,058)
Transfer to FT upon authorisation	-	-	-	-	-	-	-	-	-
Valuation/gross cost at 31 March 2019	37,323	140,075	455	6,648	7,000	113	7,739	502	199,855
Accumulated depreciation at 1 April 2018 - brought forward	-	-	-	-	3,529	67	4,175	422	8,193
Provided during the year	-	4,367	17	-	1,127	16	1,527	57	7,111
Impairments	-	(364)	-	-	-	-	-	-	(364)
Revaluations	-	(2,584)	(15)	-	-	-	-	-	(2,599)
Disposals / derecognition	-	(48)	-	-	(516)	-	(1,253)	(241)	(2,058)
Accumulated depreciation at 31 March 2019	-	1,371	2	-	4,140	83	4,449	238	10,283
Net book value at 31 March 2019	37,323	138,704	453	6,648	2,860	30	3,290	264	189,572
Net book value at 1 April 2018	35,975	139,559	455	2,383	3,697	46	3,957	295	186,367

Note 15.2 Property, plant and equipment - 2017/18

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2017	36,868	144,090	491	2,474	6,852	169	7,498	841	199,283
Transfers by absorption	(1,760)	(1,916)	-	-	(23)	-	-	-	(3,699)
Additions	-	2,843	-	2,324	801	-	1,283	19	7,270
Impairments	(1,340)	(13,346)	(36)	-	-	-	(224)	-	(14,946)
Reversals of impairments	200	331	-	-	-	-	-	-	531
Revaluations	1,642	5,860	-	-	-	-	-	-	7,502
Reclassifications	-	2,238	-	(2,415)	-	-	159	18	-
Transfers to / from assets held for sale	485	(485)	-	-	-	-	-	-	-
Disposals / derecognition	(120)	(56)	-	-	(404)	(56)	(584)	(161)	(1,381)
Valuation/gross cost at 31 March 2018	35,975	139,559	455	2,383	7,226	113	8,132	717	194,560
Accumulated depreciation at 1 April 2017	-	-	-	-	2,947	107	3,446	501	7,001
Transfers by absorption	-	-	-	-	(2)	-	-	-	(2)
Provided during the year	-	4,366	19	-	976	16	1,465	78	6,920
Impairments	-	(4,023)	(19)	-	-	-	(156)	-	(4,198)
Reversals of impairments	-	(309)	-	-	-	-	-	-	(309)
Disposals / derecognition	-	(34)	-	-	(392)	(56)	(580)	(157)	(1,219)
Accumulated depreciation at 31 March 2018	-	-	-	-	3,529	67	4,175	422	8,193
Net book value at 31 March 2018	35,975	139,559	455	2,383	3,697	46	3,957	295	186,367
Net book value at 1 April 2017	36,868	144,090	491	2,474	3,905	62	4,052	340	192,282

Note 15.3 Property, plant and equipment financing - 2018/19

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2019									
Owned - purchased	37,323	119,746	453	6,648	2,486	30	3,192	264	170,142
Finance leased	-	328	-	-	-	-	-	-	328
On-SoFP PFI contracts and other service concession arrangements	-	18,037	-	-	-	-	-	-	18,037
Owned - donated	-	593	-	-	374	-	98	-	1,065
NBV total at 31 March 2019	**37,323**	**138,704**	**453**	**6,648**	**2,860**	**30**	**3,290**	**264**	**189,572**

Note 15.4 Property, plant and equipment financing - 2017/18

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2018									
Owned - purchased	35,975	120,584	455	2,383	3,130	46	3,833	295	166,701
Finance leased	-	330	-	-	-	-	-	-	330
On-SoFP PFI contracts and other service concession arrangements	-	18,075	-	-	-	-	-	-	18,075
Owned - donated	-	570	-	-	567	-	124	-	1,261
NBV total at 31 March 2018	**35,975**	**139,559**	**455**	**2,383**	**3,697**	**46**	**3,957**	**295**	**186,367**

Note 16 Donations of property, plant and equipment

Frailty Medical Equipment was purchased by Southern Health NHS Foundation Trust General Fund, £16k.

Note 17 Revaluations of property, plant and equipment

	2018/19	2017/18
	£000	£000
Revaluation at 1 April	52,304	49,767
Impairments	(903)	(3,227)
Revaluations	4,122	7,502
Asset disposals	-	(22)
Transfer by absorption	-	(1,716)
Revaluation at 31 March	**55,523**	**52,304**

The valuation this year was a desktop and good housekeeping review with the exception of physical inspections that were needed where major capital improvements had taken place. Namely Romsey Hospital, Gosport War Memorial Hospital, Melbury Lodge and Ravenswood.

Note 18 Inventories

	31 March 2019	31 March 2018
	£000	£000
Drugs and Consumables	81	21
Total inventories	**81**	**21**

Note 19 Trade receivables and other receivables

	31 March 2019	31 March 2018
	£000	£000
Current		
Contract receivables*	16,039	-
Trade receivables*	-	14,214
Accrued income*	-	1,374
Allowance for impaired contract receivables*	(246)	-
Provision for impaired receivables*	-	(1,143)
Prepayments (non-PFI)	1,917	1,833
PDC dividend receivable	316	92
VAT receivable	2,461	1,961
Other receivables	22	31
Total current trade and other receivables	**20,509**	**18,362**
Of which receivables from NHS and DHSC group bodies:	15,129	13,988

*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.

There are no non-current receivables (2017/18 nil), nor are there any contract assets.

Note 19.1 Allowances for credit losses - 2018/19

	Contract receivables £000
Allowances as at 1 Apr 2018 - brought forward	-
Impact of implementing IFRS 9 (and IFRS 15) on 1 April 2018	326
New allowances arising	73
Changes in existing allowances	4
Reversals of allowances	(105)
Utilisation of allowances (write offs)	(52)
Allowances as at 31 Mar 2019	**246**

The allowances for credit losses from the prior year was analysed in accordance with IFRS 9 and IFRS 15. It was established that £817k with NHS Bodies has been assessed as potential price concessions arising from challenge over variable levels of consideration for the services provided as referenced in Note 1.4 of the accounting policies.

There are no allowances for other receivables.

Note 19.2 Provision for impairment of receivables - 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.

	All receivables £000
Allowances as at 1 Apr 2017 - as previously stated	**1,431**
Increase in provision	965
Amounts utilised	(8)
Unused amounts reversed	(1,245)
Allowances as at 31 Mar 2018	**1,143**

Note 20 Non-current assets held for sale and assets in disposal groups

	2018/19 £000	2017/18 £000
NBV of non-current assets for sale and assets in disposal groups at 1 April	**1,818**	**5,513**
Assets classified as available for sale in the year	-	1,585
Assets sold in year	-	(3,695)
Assets no longer classified as held for sale, for reasons other than sale	-	(1,585)
NBV of non-current assets for sale and assets in disposal groups at 31 March	**1,818**	**1,818**

The property held for sale was expected to complete in April 2019 but the sale has failed to take place. The Trust is now considering other options.

Note 21.1 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.

	2018/19 £000	2017/18 £000
At 1 April	**28,278**	**25,263**
Net change in year	(7,873)	3,015
At 31 March	**20,405**	**28,278**
Broken down into:		
Cash at commercial banks and in hand	46	37
Cash with the Government Banking Service	20,359	28,241
Total cash and cash equivalents as in SoFP and SOCF	**20,405**	**28,278**

Note 21.2 Third party assets held by the Trust

The Trust held cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	31 March 2019 £000	31 March 2018 £000
Bank balances	197	147
Total third party assets	**197**	**147**

Note 22 Trade and other payables

	31 March 2019 £000	31 March 2018 £000
Current		
Trade payables	16,918	17,840
Capital payables	1,368	2,228
Accruals	7,118	3,460
Receipts in advance (including payments on account)	1,421	1,357
Social security costs	2,319	2,236
Other taxes payable	1,083	1,179
Other payables	4,677	6,797
Total current trade and other payables	**34,904**	**35,097**
Of which payables from NHS and DHSC group bodies:	10,762	8,387

There are no non-current payables for the Trust, (2017/18 Nil).
IFRS 9 is applied without restatement therefore comparatives have not been restated.

Note 23 Other liabilities

	31 March 2019 £000	31 March 2018 £000
Current		
Deferred income: contract liabilities	3,426	1,432
Total other current liabilities	**3,426**	**1,432**

Note 24 Borrowings

	31 March 2019 £000	31 March 2018 £000
Current		
Obligations under PFI, LIFT or other service concession contracts (excl. lifecycle)	400	401
Total current borrowings	**400**	**401**
Non-current		
Obligations under finance leases	84	85
Obligations under PFI, LIFT or other service concession contracts	15,624	16,023
Total non-current borrowings	**15,708**	**16,108**

Note 24.1 Reconciliation of liabilities arising from financing activities

	Finance leases £000	PFI and LIFT schemes £000	Total £000
Carrying value at 1 April 2018	85	16,424	16,509
Cash movements:			
Financing cash flows - payments and receipts of principal	(1)	(400)	**(401)**
Financing cash flows - payments of interest	(4)	(868)	**(872)**
Non-cash movements:			
Application of effective interest rate	4	868	872
Carrying value at 31 March 2019	84	16,024	16,108

Note 25 Finance leases

Note 25.1 Southern Health NHS Foundation Trust as a lessee

Obligations under finance leases where Southern Health NHS Foundation Trust is the lessee.

	31 March 2019	31 March 2018
	£000	£000
Gross lease liabilities	204	209
of which liabilities are due:		
- not later than one year;	5	5
- later than one year and not later than five years;	18	18
- later than five years.	181	186
Finance charges allocated to future periods	(120)	(124)
Net lease liabilities	84	85
of which payable:		
- not later than one year;	-	-
- later than one year and not later than five years;	2	2
- later than five years.	82	83
Contingent rent recognised as an expense in the period	-	-

The amount payable in a year is less than £500 and therefore does not register in £000s in the note above.

Note 26 Provisions for liabilities and charges analysis

	Pensions: injury benefits* £000	Legal claims £000	Re-structuring £000	Other £000	Total £000
At 1 April 2018	48	329	251	225	853
Arising during the year	-	93	2,204	-	2,297
Utilised during the year	(6)	(208)	-	-	(214)
Reversed unused	-	(15)	(218)	-	(233)
At 31 March 2019	42	199	2,237	225	2,703
Expected timing of cash flows:					
- not later than one year;	5	149	2,237	50	2,441
- later than one year and not later than five years;	20	-	-	150	170
- later than five years.	17	50	-	25	92
Total	42	199	2,237	225	2,703

The new restructuring provision has arisen due to a major management realignment undertaken to put the patient at the heart of the clinical operations merging physical and mental health teams on a location basis.
The reversal relates to the balance carried forward under the terms of the business transfer agreement following the withdrawal of learning disabilities services in Oxfordshire which is no longer a financial risk to the Trust.

* In 2018/19 the analysis of provisions has been revised to separately identify provisions for injury benefit liabilities. In previous periods, these provisions were included within other provisions.

Note 26.1 Clinical negligence liabilities

At 31 March 2019, £9,111k was included in the provisions of NHS Resolution in respect of clinical negligence liabilities of Southern Health NHS Foundation Trust (31 March 2018: £4,164k).

Note 27 Contingent assets and liabilities

	31 March 2019 £000	31 March 2018 £000
Value of contingent liabilities		
NHS Resolution legal claims	(197)	(207)
Net value of contingent liabilities	(197)	(207)

Contingent liabilities are costs that are less than 50% likely and so includes the excess costs for litigation cases where it is believed the NHS Foundation Trust will win.

Note 28 Contractual capital commitments

	31 March 2019 £000	31 March 2018 £000
Property, plant and equipment	7,647	3,068
Total	7,647	3,068

Note 29 On-SoFP PFI, LIFT or other service concession arrangements

Southern Health NHS Foundation Trust has the following obligations in respect of the finance lease element of on-Statement of Financial Position LIFT scheme, Antelope House in Southampton.

Note 29.1 Imputed finance lease obligations

Southern Health NHS Foundation Trust has the following obligations in respect of the finance lease element of on-Statement of Financial Position PFI and LIFT schemes:

	31 March 2019 £000	31 March 2018 £000
Gross PFI, LIFT or other service concession liabilities	44,596	45,521
Of which liabilities are due		
- not later than one year;	1,602	1,568
- later than one year and not later than five years;	7,083	6,589
- later than five years.	35,911	37,364
Finance charges allocated to future periods	(28,572)	(29,097)
Net PFI, LIFT or other service concession arrangement obligation	16,024	16,424
- not later than one year;	400	401
- later than one year and not later than five years;	2,008	1,749
- later than five years.	13,616	14,274

Note 29.2 Total on-SoFP PFI, LIFT and other service concession arrangement commitments

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

	31 March 2019 £000	31 March 2018 £000
Total future payments committed in respect of the PFI, LIFT or other service concession arrangements	69,859	71,314
Of which liabilities are due:		
- not later than one year;	2,562	2,463
- later than one year and not later than five years;	10,903	10,483
- later than five years.	56,394	58,368

Note 29.3 Analysis of amounts payable to service concession operator

This note provides an analysis of the unitary payments made to the service concession operator:

	2018/19 £000	2017/18 £000
Unitary payment payable to service concession operator	2,500	2,403
Consisting of:		
- Interest charge	868	893
- Repayment of finance lease liability	401	507
- Service element and other charges to operating expenditure	740	648
- Revenue lifecycle maintenance	168	66
- Contingent rent	323	289
Other amounts paid to operator due to a commitment under the service concession contract but not part of the unitary payment	316	316
Total amount paid to service concession operator	2,816	2,719

Note 30 Financial instruments

Note 30.1 Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the NHS Foundation Trust has with governmental bodies, the NHS Foundation Trust is not exposed to the degree of financial risk faced by commercial entities. Financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The NHS Foundation Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS Foundation Trust in undertaking its activities.

The NHS Foundation Trust's treasury management operations are carried out by the finance department with investment advice received as required from Royal London Cash Management (RLCM), within parameters defined formally within the NHS Foundation Trust's standing financial instructions and policies agreed by the Trust Board. Due to the way Department of Health calculates the cost of the 3.5% Trust Dividend which allows an offset for average cleared balances held within the Government Banking Service (GBS), or National Loans Fund deposits, there has been no financial justification for the NHS Foundation Trust to make any investments outside of these two facilities during the current year. All Treasury activity undertaken by the NHS Foundation Trust is subject to review by the NHS Foundation Trust's internal auditors.

Currency risk

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

Market Risk

100% of the NHS Foundation Trust's financial liabilities carry a nil or fixed rate of interest. The NHS Foundation Trust is not, therefore, exposed to significant interest rate risk.

Credit risk

The NHS Foundation Trust's risk profile is low with the maximum being disclosed in receivables to customers. Note 19.2 provides information on the NHS Foundation Trust's potential credit losses. The NHS Foundation Trust does not enter into derivatives as a financial instrument. The NHS Foundation Trust has reviewed its lease contracts and notes that there are limited credit risks identified. These are deemed to be closely related and therefore are not required to be disclosed separately.

As set out in Note 21, all material balances of the NHS Foundation Trust's £20.4 million (2017/18 £28.3 million) total cash deposits are held in the Government Banking Service's accounts. The NHS Foundation Trust is therefore satisfied that there is no material exposure to credit risk in respect of cash deposits.

Liquidity risk

The NHS Foundation Trust's net operating costs are incurred under annual service agreements with Commissioning Care Groups, which are financed from resources voted annually by Parliament. The NHS Foundation Trust also financed its capital expenditure in the year from funds generated from its activities.

As mentioned in the going concern note, the financial planning model suggests that the NHS Foundation Trust has sufficient cash to meet its day to day operations through out 2018/19.

Note 30.2 Carrying values of financial assets

IFRS 9 Financial Instruments is applied restrospectively 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.

	Held at amortised cost £000
Carrying values of financial assets as at 31 March 2019 under IFRS 9	
Trade and other receivables excluding non financial assets	15,813
Cash and cash equivalents at bank and in hand	20,405
Total at 31 March 2019	**36,218**

	Loans and receivables £000
Carrying values of financial assets as at 31 March 2018 under IAS 39	
Trade and other receivables excluding non financial assets	15,017
Cash and cash equivalents at bank and in hand	28,278
Total at 31 March 2018	**43,295**

Note 30.3 Carrying value of financial liabilities

IFRS 9 Financial Instruments is applied restrospectively 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.

	Held at amortised cost £000
Carrying values of financial liabilities as at 31 March 2019 under IFRS 9	
Obligations under finance leases	84
Obligations under PFI, LIFT and other service concession contracts	16,024
Trade and other payables excluding non financial liabilities	30,081
Provisions under contract	2,460
Total at 31 March 2019	**48,649**

	Other financial liabilities £000
Carrying values of financial liabilities as at 31 March 2018 under IAS 39	
Obligations under finance leases	85
Obligations under PFI, LIFT and other service concession contracts	16,424
Trade and other payables excluding non financial liabilities	31,682
Total at 31 March 2018	**48,191**

Note 30.4 Fair values of financial assets and liabilities

Book value (carrying value) is a reasonable approximation of fair value.

Note 30.5 Maturity of financial liabilities

	31 March 2019 £000	31 March 2018 £000
In one year or less	32,941	32,082
In more than one year but not more than two years	419	401
In more than two years but not more than five years	1,591	1,351
In more than five years	13,698	14,357
Total	**48,649**	**48,191**

Note 31 Losses and special payments

	2018/19		2017/18	
	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000	Number	£000
Losses				
Cash losses	5	-	3	-
Bad debts and claims abandoned	61	52	12	3
Total losses	**66**	**52**	**15**	**3**
Special payments				
Compensation under court order or legally binding arbitration award	9	46	11	2,336
Ex-gratia payments	34	167	37	8
Total special payments	**43**	**213**	**48**	**2,344**
Total losses and special payments	**109**	**265**	**63**	**2,347**

Included in the totals above are two cases relating to 2017/18 which are in excess of £300k. Both cases relate to the Health and Safety Executive's action taken against Southern Health NHS Foundation Trust which were finalised in court on 26 March 2018.

Note 32 New accounting standards

Note 32.1 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.

Reassessment of allowances for credit losses under the expected loss model resulted in a £817k decrease in the provision for impaired receiveables on 1 April 2018.

Note 32.2 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).

There have been no changes arising from the standard.

Note 33 Related parties

The NHS Foundation Trust is an independent public benefit corporation working under an NHS Provider licence for the parent department, the Department of Health and Social Care.

Summary of cost to the NHS Foundation Trust (including salary, redundancy, employers National Insurance and pension contributions) made for Board Members during the financial year.

	31 March 2019 £000	31 March 2018 £000
Salary	1,258	1,474
Benefits in Kind	39	25
Other Pay	273	584
Total	1,569	2,083

The total differs to Note 8.2 Directors Remuneration due to employer National Insurance Contributions, non-Board pay and expenses for Directors with a dual role.

The transactions during 2018/19 and 2017/18 detailed below were related by virtue of the Board member listed along with their role in the third party.

		Receivables		Payables	
		31-Mar-19 £000	31-Mar-18 £000	31-Mar-19 £000	31-Mar-18 £000
(i)	The Willow Group Partnership (Paula Hull, General Partner)	9	415	130	9
(ii)	Southern Health NHS Foundation Trust General Fund Charity Reg No: 1089307 (All directors Trustees of the charity)	28	24	-	-
	Total	37	439	130	9

		Income		Expenditure	
		2018/19 £000	2017/18 £000	2018/19 £000	2017/18 £000
(i)	The Willow Group Partnership (Paula Hull, General Partner)	5,303	3,625	50	379
(ii)	Southern Health NHS Foundation Trust General Fund Charity Reg No: 1089307 (All directors Trustees of the charity)	132	246	206	270
	Total	5,435	3,871	256	649

(i) The NHS Foundation Trust has entered into a subcontracting arrangement to deliver the Primary Care Services in alliance with the the Willow Group Partnership. The values disclosed in this note are for transactions between the Trust and the Partnership which do not benefit Paula Hull personally.

(ii) All expenditure of the charity is for the benefit of the staff and patients of Southern Health NHS Foundation Trust

All of the transactions listed above and below are unsecured and under no guarantees.

Note 33.1 Related parties

Name	2018/19		2017/18		31 March 2019		31 March 2018	
	Spend with related party	Income from related party	Spend with related party	Income from related party	Amounts owed to related party	Amounts due from related party	Amounts owed to related party	Amounts due from related party
Transactions which exceed £250,000:-	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000
NHS Dorset CCG	-	900	-	527	-	288	-	73
NHS Fareham And Gosport CCG	67	29,957	80	29,122	41	659	24	500
NHS North Hampshire CCG	59	27,507	79	26,383	29	58	53	-
NHS Oxfordshire CCG	-	10	-	1,533	-	1	-	54
NHS Portsmouth CCG	-	1,660	-	1,737	23	37	-	112
NHS South Eastern Hampshire CCG	67	36,865	200	38,396	97	707	382	1,330
NHS Southampton CCG	-	28,514	-	28,996	-	472	-	978
NHS West Hampshire CCG	86	90,042	-	89,452	172	1,642	80	2,026
Portsmouth Hospitals NHS Trust	1,872	1,028	1,384	1,003	451	139	230	125
Solent NHS Trust	2,652	1,928	2,896	1,805	622	447	233	153
NHS England	14	43,175	4	38,958	1,010	6,659	75	4,969
Health Education England	28	8,552	26	8,174	16	38	234	31
NHS Resolution (formerly NHS Litigation Authority)	2,086	-	2,062	-	-	-	-	-
NHS Improvement (TDA legal entity)	-	182	-	216	-	-	-	28
NHS Improvement (Monitor legal entity)	-	400	3	467	175	175	-	273
Care Quality Commission	226	-	289	5	-	-	-	-
NHS Property Services Ltd	10,477	7	9,573	2	5,793	30	4,248	21
Community Health Partnerships	1,003	-	1,103	-	353	-	126	-
Department of Health	-	3,529	5	247	-	-	-	-
Frimley Health NHS Foundation Trust	58	1,058	24	1,158	4	518	4	455
University Hospital Southampton NHS Foundation Trust	3,587	5,699	3,012	4,582	2,236	2,289	2,165	1,907
Hampshire Hospitals NHS Foundation Trust	2,448	609	2,290	583	437	94	500	41
Oxford Health NHS Foundation Trust	1	65	304	321	92	11	128	203
Midlands Partnership NHS Foundation Trust (formerly South Staffordshire and Shropshire Healthcare NHS Foundation Trust, acquired R1E on 1 June 2018)	18	571	16	535	-	174	2	127
East London NHS Foundation Trust	285	-	-	-	285	-	-	-
Sussex Partnership NHS Foundation Trust	138	262	32	182	27	42	25	23
Northumberland, Tyne & Wear NHS Foundation Trust	196	-	295	-	137	-	285	-
South Central Ambulance Service NHS Foundation Trust	263	-	100 -	4	62	1	58	1
Hampshire County Council	471	22,469	913	22,625	3,014	660	168	231
Oxfordshire County Council	-	119	125	426	225	-	64	-
Portsmouth City Council	11	-	11 -	13	10	-	10	-
Southampton City Council	36	569	75	223	167	374	22	22
Winchester City Council	346	-	388	-	92	-	45	-
NHS Shared Business Services	281	-	375	-	-	-	-	-
HM Revenue & Customs - Other taxes and duties and NI contributions	16,708	-	16,299	-	3,402	-	3,415	-
NHS Pension Scheme	21,422	-	20,980	-	2,896	-	2,799	-
HM Revenue & Customs - VAT	-	-	-	-	-	2,461	-	1,961

Note 34 Loss arising from transfers by absorption

During 2017/18, Southern Health NHS Foundation Trust transferred the remaining forensic Learning Disabilties service operating in Oxford to Oxford Health NHS Foundation Trust along with the ownership of the Slade site and Evenlode capital improvements, total £3,697k.

Note 35 Contact Details

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