



Annual Report and Accounts and Quality Account 2018/19

Taunton and Somerset NHS Foundation Trust

**Annual Report and Accounts
and Quality Account 2018/19**

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

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Welcome from the Chairman

This has been another year of very substantial achievement for Taunton and Somerset NHS Foundation Trust in the face of increasing demands on our services and financial pressures across the Somerset health economy and the NHS more generally.

I would again like to thank all my colleagues for their dedication to caring for our patients, supporting each other and rising to the financial and operational challenges which the past year has thrown at us.

It has been an extraordinarily successful year for our hospital in being recognised in prestigious awards for services and individual colleagues, including our Unicef Gold Standard award for our maternity services. We also received various other national and regional awards across a whole range of our services, including clinical, estates and facilities and catering. These achievements are a credit to the talent, resourcefulness and sheer hard work of our colleagues.

I would like also to thank our many friends throughout Somerset for their amazing support. We were delighted to have achieved our target of raising £1 million for the new MRI scanner campaign, for which we are privileged to have HRH The Countess of Wessex as our Royal Patron. The support of our partners, the League of Friends and SURE, and of local communities and individuals throughout Somerset has been exceptional and humbling. It is an inspiration to all at the Trust and encourages us to try still harder to maintain the highest standards of patient care that we provide.

We are delighted to have been awarded £79.5 million by NHS England for a major upgrade to our theatres and critical care facilities which will be of huge benefit to our patients throughout Somerset - detailed planning for this major project is now in progress. We were also very pleased to be awarded a further £11 million from NHS England to build an acute assessment hub on the Musgrove Park site and the preparatory works for that are already underway.

I reported last year on our proposed merger with Somerset Partnership NHS Foundation Trust which provides community and mental health services throughout Somerset. This is designed to benefit our patients by removing organisational barriers and giving better joined up care. It recognises the fact that physical and mental health often cannot be separated. During the year NHS Improvement approved the strategic case for our merger and we are preparing the final business case for the required approvals. Strong collaborative working involving our partners at Yeovil District Hospital and Somerset County Council has also continued to bring improvements for patients. For example, Somerset's Home First Service has helped reduce delays in discharge from Somerset's acute hospitals and get patients home sooner, with appropriate support.

We ended this year with a deficit of £10.8 million (before asset impairments and the net effect of capital donations) which was heavily impacted by the continually increasing pressures on our emergency and unplanned care services resulting in additional costs. This deficit is part of a much larger total for the Somerset health system as a whole which emphasises the importance of the prevention agenda and

reinforces the need for greater integration between providers coupled with the aim of providing more treatment at or closer to the patient's home.

For the coming year our focus remains on delivering the highest quality care we can provide. We are pushing ahead with our merger plans which provide a unique opportunity to develop and deliver holistic and integrated care across our joint acute, community, mental health and primary care services. We will also continue to work with our other health and care partners in the Somerset Health system with the aim of providing care closer to where our patients and their families live and reducing pressures on our hospital and bed-based services.

We are so proud of the highly committed and caring people working across our services, those on the front line and those in support. On behalf of the Board, I would like to thank all my colleagues for their remarkable commitment to our patients, their carers and families. We remain extremely grateful for the support we continue to receive from our patients, our carers, our volunteers and governors, and the wonderful contribution made by the charities that support us, including our League of Friends and SURE who continue generously to provide donations that make a real difference to patients.

We look forward to progressing our alliance with Somerset Partnership NHS Foundation Trust and working in an integrated manner with all our other partners in the Somerset health and social care system to provide the best possible care to everyone who uses our services across Somerset and the wider region.



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Colin Drummond, OBE, DL, Trust Chairman, 23 May 2019

Performance Report

Overview of performance

The purpose of the overview is to provide a short summary about Taunton and Somerset NHS Foundation Trust (“the Trust” or “Musgrove Park Hospital”), its purpose, strategic objectives (and any key risks to the achievement of those objectives) as well as details of how we have performed over the year.

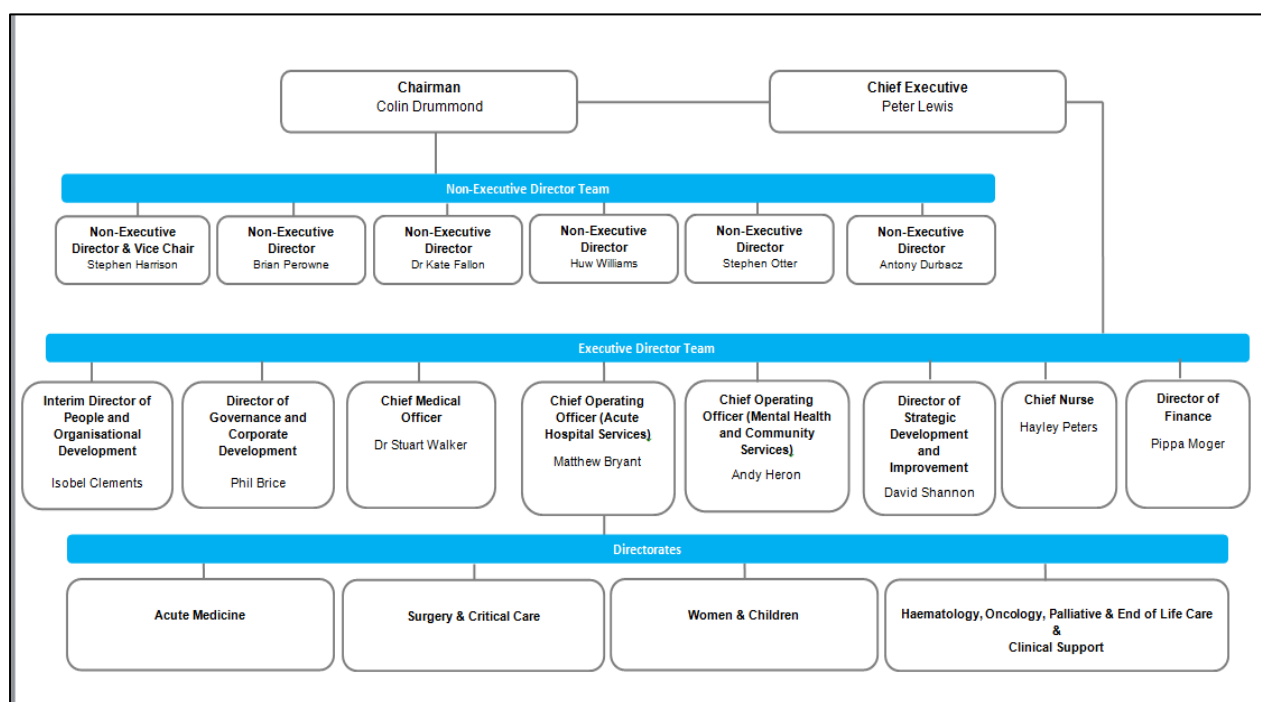
Brief history and structure of Taunton and Somerset NHS Foundation Trust

Taunton and Somerset NHS Foundation Trust was established in 2008 when we were awarded foundation trust status. The Trust is considered as a medium-sized provider of acute hospital services and serves a local population of over 340,000, as well as providing some specialist and tertiary services for Somerset’s whole population of around 544,000.

In addition to inpatient, outpatient and emergency care services, the Trust operates a high dependency and intensive care unit, 16 operating theatres, and numerous medical and surgical wards to provide care, meeting the full range of patient need. Musgrove Park Hospital has a fully equipped diagnostic imaging department operating 7 days per week, and a purpose-built cancer treatment centre which includes chemotherapy and radiotherapy facilities for both inpatients and outpatients.

Taunton and Somerset NHS Foundation Trust is registered without conditions as a healthcare provider with the Care Quality Commission (CQC).

Details of the Trust’s governance and reporting arrangements are set out within the annual governance statement. In summary:



Purpose, activities/business model and strategic objectives for Taunton and Somerset NHS Foundation Trust

We are a values-driven organisation, conscious that “together, we make the difference.” Our values are at the heart of service planning, recruitment and the operational running of services for patients. These are: “one team”, “putting our patients first”, “leading and listening”, and “striving for the best”. The Trust’s mission is “working together for a healthy Somerset”, recognising the role that we play in the health of the whole population, working in partnership with other health and social care services in the county. These values underpin the Trust’s strategic objectives and priorities, which for 2018/19 were:

- Deliver levels of performance that are in line with plans and national standards
- Promote good practice, transform and innovate, including through digital working to improve safety, outcomes and efficiency
- Resource, engage and develop the existing workforce across the whole alliance whilst aligning and developing a positive and progressive culture to deliver high quality, cost effective care and ensuring the alliance is a great place to work.
- Work with partners to deliver a joined up workforce resourcing and skills strategy, to increase sustainability, reduce reliance on temporary staffing and ensure that we recruit and retain the right staff
- Work well together as an alliance of two organisations, and work with primary care, social care, public health and voluntary sector partners to deliver integrated, high quality services
- Work with STP partners to deliver the joint objectives in the STP which will lead to a sustainable county health economy

During 2018/19, the Trust continued to provide the full range of the services expected of a district general hospital, primarily from Musgrove Park Hospital in Taunton. We also provided clinics for various specialties at numerous community hospitals (e.g. endoscopy and orthopaedic services from Bridgwater Community Hospital) and from other community venues across Somerset. The Trust continues to develop links with GPs and other primary care professionals so that care can be delivered in a way which reduces unnecessary hospital admissions.

The Trust’s business model remains focused on the delivery of high quality and safe services. The Trust’s largest source of income is NHS services paid for by the Somerset CCG, the local commissioners of NHS health services.

The Trust had a turnover of £322.5m in 2018/19 (£308.9m in 2017/18). The Trust also provides a substantial number of specialist services, often at a sub-regional or regional level. These include radiotherapy and some dental services, as well as some specialist surgical areas. These are paid for by other commissioners including NHS England.

The Trust has a private patient unit which operates all year round and delivers significant additional income, as well as expanding choice for local people. The environment in which the Trust operates continues to be operationally and financially challenging. Like all hospitals in England, Musgrove Park Hospital has been busier than ever in 2018/19, with record numbers of patients attending A&E, and increasing demand in almost all services.

The Trust continues to explore innovative ways to address these challenges, particularly working in our alliance with Somerset Partnership NHS Foundation Trust. We have further developed the “Home First” service which allows patients to return to their place of residence more quickly and formulating onward care packages tailored more specifically for their need. The work we did over the summer to prepare for winter pressures, enhancing our bed capacity and relocating our outpatient physiotherapy services to Dene Barton Community Hospital, meant we were able to maintain our services over winter more effectively and provide consistent bed capacity and levels of care throughout the winter.

Statement from the Chief Executive on the Trust’s performance/achievements and key risks / issues

This has been a difficult year for the NHS as a whole and the Trust continues to face profound operational and financial challenges.

Demand for services continues to rise, and is at unprecedented levels. The population served by the Trust is growing and becoming proportionately older. The Somerset population is already older than the average for England, and is becoming more so. The ageing population is one of the reasons why demand for services continues to grow. The rural nature of much of Somerset presents a further challenge. There also remain significant shortages of doctors and nurses in some specialty areas. The Trust maintains a corporate risk register outlining what it perceives as its key challenges. This is supplemented by risk registers within directorates, to identify, manage and mitigate risk. The most significant risks identified in the corporate risk register are as follows:

- Financial challenges and failure to achieve control total.
- Operational pressures having an impact on the quality of care provision and the delivery of the Trust’s operational performance standards (RTT, 62 day cancer, diagnostic waiting times and A&E).
- Management of demand across the system, particularly in emergency care.
- Age of the estate.
- Key clinical staffing vacancies, particularly in nursing.
- Recruitment, training and retention of key clinical staff.

The Trust continues to work with partners as part of the STP and the alliance with Somerset Partnership NHS Foundation Trust to develop strategic plans to address these risks and strategic challenges.

Key developments / achievements in 2018/19

- Our midwifery services achieved Unicef Gold Standard status for our baby friendly care and support. This means that future generations of babies, their mothers and families under the care of Musgrove Park's maternity unit will continue to experience the very best baby friendly standards. Unicef has rated only five other hospitals in the UK as Gold Standard and Musgrove Park is the first in the south west. Keiley Tuck, our bereavement midwife at Musgrove, was also named midwife of the year at the Butterfly Awards
- Our interventional radiology service was awarded exemplar status for quality improvement by the British Society of Interventional Radiology (BSIR). The society said the department has demonstrated a commitment to the development of high quality interventional radiology services

Quality Improvement

Quality improvement (QI) methodology is core to the way our organisation develops. QI is essentially the application of the scientific method to the development of change projects and programmes. Careful analysis is made of the underlying problems, measures carefully identified and trials conducted to test the efficacy of change ideas.

Over the last 12 months the improvement programme at Musgrove has worked on around 100 projects, and trained around 250 people in QI methodology. The programme has delivered a wide range of benefits, improving health outcomes, patient experience, lowering costs and improving the overall satisfaction of our colleagues with their work (the quadruple aim of health care improvement). Notably multiple of benefits have been made in the productivity of theatres and the care of patients in our hospital beds.

- Digital and improvement programmes

Taunton and Somerset NHS Foundation Trust is a Global Digital Exemplar site. The Trust has developed a clinically-led digital service, engaging with patients and clinicians to develop and implement new systems. Significant developments this year have been:

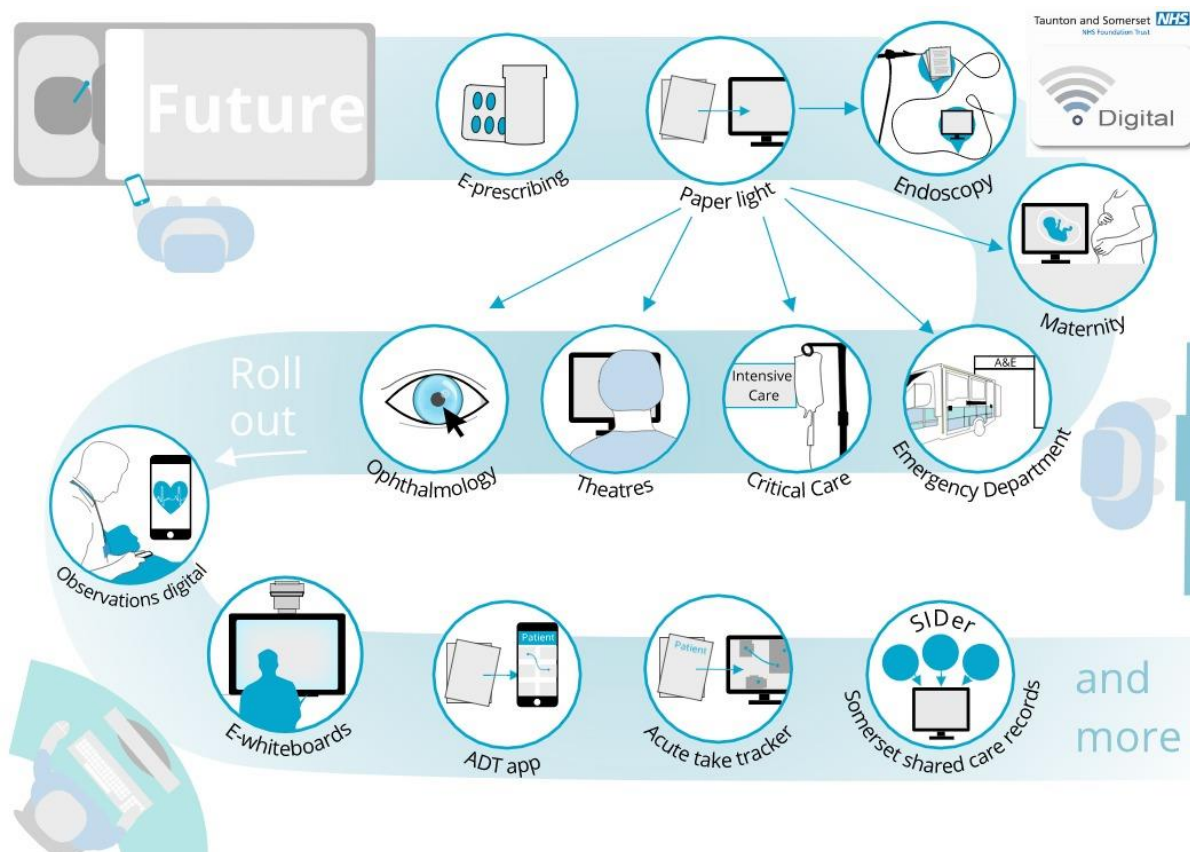
- Our Outpatient clinics operating almost paperless. This has made information more readily available to the clinicians for safe patient care. There has been a large reduction in paper notes stored and transported around the hospital. There has also been the introduction of kiosks in our outpatient clinics to support patients checking in for appointments.
- A new Critical Care system in ITU and HDU linking information direct from the monitoring equipment and laboratories to the clinical information. This supports the most vulnerable and poorly patients in the hospital and has enabled the unit to go almost paperless.
- Clinical testing of an Ophthalmology application to help deliver safe care for patients undergoing cataract surgery.
- Piloting of electronic whiteboards, electronic observations and tracking of acute medical and surgical patient to support care on the wards and flow through the hospital.

- Preparation for the hospital wide use of electronic prescribing to support safe medicines administration and reduce possible medication errors.

We have focused on making sure that information is handled safely and securely. Cyber security is a risk to all organisations and one which we take seriously therefore we work with national experts to ensure that we have put the right measures in place.

Across Somerset, as well as working closer with our colleagues in Somerset Partnership, we have been actively supporting county wide work. Examples include making GP information available to hospital clinicians and sending real-time emergency and discharge information to GPs. This makes sure that care information is in right place at the right time. We have also introduced the first part of the county-wide clinical shared care system, sharing care plans to help those planning end of life care.

Some key headlines from the programme are contained in the graphic below:



- New surgical centre

We are absolutely delighted that our hospital continues to receive national support to develop a new surgical centre, which will include new theatres and a critical care unit. For our patients and the people of Somerset, it means they will have access to modern, state of the art facilities, that are fit for the future.

The £79.5 million new surgical centre will replace much of Musgrove's ageing 1940s buildings that currently provide care for some of the most critically ill patients in Somerset. It will include:

- Six endoscopy rooms, patient recovery and clinical support areas.
- A modernised gynaecology unit
- Eight operating theatres (including two interventional radiology theatres), recovery areas and clinical support.
- 22 critical care beds, all specified for level 2 and 3 critical care patients
- A modernised decontamination unit

The new building will be in a central location on the hospital site, close to other clinical services. Approval has now been received to work with an appointed main sbe submitted for final Treasury approval in 2020.

During 2018 the Trust was also supported in its bid to enhance the provision of emergency services and develop an acute assessment hub. The development of the business case for this development will be completed in 2019.

- MRI charitable appeal

During the year we concluded the fundraising campaign for the 3rd MRI scanner at the Hospital. Through the generosity of the donors we raised the £1m required to secure this essential piece of diagnostic equipment, which will benefit a huge number of patients who may have cancers, cardiac or joint, tendon and muscle problems. The new scanner will help to ensure shorter waiting times for people in Somerset and beyond, as well as providing the hospital with greater overall scanning capacity. The new facility will be in use during the summer of 2019.

Going concern

International Accounting Standards (IAS1) require the Directors to assess, as part of the accounts preparation process, the Foundation Trust's ability to continue as a going concern. In accordance with the NHS Foundation Trust Annual Reporting Manual paragraph 3.20, the accounts should be prepared on a going concern basis unless the directors either intend to apply to the Secretary of State for the dissolution of the Foundation Trust without the transfer of the services to another entity, or have no realistic alternative but to do so.

The Trust has developed detailed financial plans for the financial year to the end of March 2020 and these show a deficit position of £6,000,000 on the NHS Improvement control total basis and £5,652,000 after taking account of donated asset related movements. The planned level of deficit will potentially require the use of interim revenue support loan facilities from the Department of Health and Social Care. The Trust has utilised interim revenue support loan facilities during both the 2017/18 and 2018/19 financial years and expects these facilities to continue to be available. For this reason, the Directors consider it appropriate to continue to adopt the going concern basis in preparing the accounts.

Performance analysis

The purpose of this section is to provide a detailed performance analysis and explain how the Trust measures performance.

Clinical activity over the four years to 2018/19 was as follows:

NHS Clinical Activity	2015/16	2016/17	2017/18	2018/19
Elective (Spells)	49,566	49,341	47,125	48,447
Non-Elective + Emergency Care (Spells)	43,291	44,076	47,755	48,733
Outpatients (Attendances)	327,011	367,239*	366,161	378,833
A&E (Attendances)	61,367	64,256	70,755	75,431
Deliveries	3,331	3,284	3,269	3,107

*This accounts for pre-operative assessment clinic appointments, which were not previously included.

Operational performance and infection control metrics	Target/ threshold	Performance April 2018-March 2019
Maximum time of 18 weeks from point of referral to treatment (RTT) in aggregate – patients on an incomplete pathway**	92%	78.0%
Number of patients waiting over 52 weeks from referral to treatment (RTT)	Zero (year-end)	41 (end March 19)
6-week diagnostic wait	99%	77.8%
A&E maximum waiting time of 4 hours from arrival to admission/transfer/discharge*	95%	88.9%
Cancer 62 Day Waits for first treatment***: <ul style="list-style-type: none"> • urgent GP referral for suspected cancer • NHS cancer screening service referral 	85% 90%	77.3% 89.3%
Clostridium difficile (Trust apportioned cases)	11	12

Operational performance and infection control metrics	Target/ threshold	Performance April 2018- March 2019
MRSA (Trust apportioned cases)	0	2

**A&E maximum waiting times - the indicator is expressed as a percentage of all A&E attendances where the patient spends four hours or less in A&E from arrival to transfer, admission or discharge*

*** RTT incomplete pathways – the indicator is expressed as the percentage of patients on an incomplete pathway (i.e. those still awaiting first consultant led treatment) who have waited less than 18 weeks from referral.*

**** Cancer figures are for April 2018 to February 2019 due to national reporting of March 2019 performance taking place in May.*

The Trust's performance against the 18 week referral to treatment (RTT) standard has been under the national level all year due to levels of demand being higher than available service capacity. The number of referrals received was 3.5% higher in 2018/19 than in 2017/18. However, the number of patients treated in the year was 1.9% higher than in 2017/18 and in line with plan. The high levels of demand resulted in an increase in the waiting list size and more patients waiting over 18 weeks for treatment. Over the year this also meant more patients waited over 52 weeks from referral to treatment, although during the second half of the year the Trust reduced the number of long waiting patients and is aiming to treat the remaining patients waiting over 52 weeks as quickly as possible in 2019/20.

Trust performance against the target of treating all patients within four hours of their arrival at A&E was below the national target for most of the year. However, performance remained strong relative to the national picture, with the Trust performing in the top third of trusts in the country for much of the year. During 2018/19 the Trust saw 2769 more patients in under four hours than in 2017/18. Emergency demand remained high, with a 6.6% increase in attendances at the Emergency Department relative to 2017/18. Emergency admissions grew at a higher rate in quarter 4, but overall for the year were 2.0% above last year's levels.

The Somerset A&E Delivery Board maintains oversight of a work programme aimed at reducing un-necessary emergency demand by providing alternatives to patients being admitted and also schemes to reduce extended stays in hospital. This includes the development of rapid response hubs, work to support care homes and full implementation of Home First project, which commenced in 2017/18. The Home First model of care facilitates the discharge of medically fit patients out of the hospital. Patients receive an intensive period of reablement in three settings to promote independence and keep patients (for as long as possible) in their usual place of residence. Through Home First and ongoing system-wide work with partner organisations the Trust has been able to keep the number of delayed transfers of care low this year.

Performance against the four 31-day cancer standards remained strong throughout the year. These standards cover the waiting times between decision to treat and treatment, whether first treatment or subsequent treatments. But like many trusts, Taunton and Somerset NHS Foundation Trust has struggled to meet the 62-day

referral to treatment standard for patients referred by their GP with a suspected cancer, with 77.3% of patients referred in by their GPs being treated within 62 days (against the 85% target). However, the Trust's performance against the 62-day GP cancer standard improved across all quarters of the year. The main reasons for the failure to achieve the standard include the complexity of patients being referred, referrals from GPs being 20% above the levels seen last year, patients choosing to delay diagnostic tests or treatment, and delays for patients being seen for specialist treatment at other providers. The 62 day screening standard was also narrowly missed. A cancer improvement plan continues to be implemented and added to, including actions to reduce the wait for the 2-week wait step of the pathway, increase cancer diagnostic capacity, and introduce Optimal and Faster Diagnosis pathways across a range of tumour sites. Work on this will continue during 2019/20.

The Trust's performance against the 6-week diagnostic waiting times was below the 99% national standard in 2018/19. Demand for diagnostic tests continues to be high and, like a number of trusts in the South West, the Trust had a shortfall in capacity to meet demand, especially for MRI, endoscopy and echo scans. Additional echo and endoscopy capacity was put in place during the year, which significantly reduced the number of routine patients waiting over 6 weeks. Although additional MRI capacity was also provided through mobile scanning vans, this was insufficient to reduce the number of routine 6 week waiters with demand as a whole rising due to the growth in cancer referrals. However, during 2019 additional on-site CT and MRI scanners will be installed, which will help to increase the number of scans we can undertake in the future.

Unfortunately, the Trust had two cases of MRSA bloodstream infections in 2018/19. Multi-disciplinary reviews were completed to identify the source of the infection and any areas of sub-optimal practice that may have contributed to the case.

During the year the Trust also reported a total of 12 trust-attributed *Clostridium difficile* cases (defined as specimen with a positive toxin test result taken on or after the fourth day of admission) against a threshold for the year of 11. This represents a reduction on the 18 cases reported in 2017/18.

All trust-apportioned cases are thoroughly investigated to assess whether there was any lapse in care that may have contributed. These assessments are subsequently peer reviewed and validated with the Trust's commissioners. Learning has included ensuring appropriate compliance with environmental cleaning and hand hygiene standards. This learning has been shared with the appropriate clinical and non-clinical staff and improvement actions taken. Further information about this is contained within the quality report.

How the foundation trust measures performance

The Trust has a robust process for the measurement of performance, which triangulates quality, workforce and financial indicators. The Trust's approach is known as the PAF (performance assurance framework) process. Each directorate has its own PAF, split into four areas: patients, people, operational delivery and finance / improvement. This is similar to a balanced scorecard approach, in line with the recommendations of Lord Carter's recent review of NHS services.

The PAF is reviewed monthly. The process involves the directorate manager, directorate clinical director, representatives from HR, finance, the operational performance and information teams and others. Each directorate reports on numerous indicators across the four PAF domains. These include all key clinical, operational and financial targets to ensure that the NHS mandate, NHS constitution, local quality and financial targets are met.

PAF meetings (and indeed Trust Board meetings) begin with a patient story to put the work of the directorate into a patient context and bring the indicators “to life” in relation to patient care. Where indicators are red, these are specifically discussed, as are areas of good practice. Selected early warning indicators are also analysed with a view to prevent them deteriorating. The PAF meetings also include a review of all high scoring risks (i.e. risks scoring 12 or above) to ensure the Trust is appropriately sighted upon the risks to service delivery, including access times, quality, workforce and finance. The Trust faces risks to its performance in a number of key areas, especially in relation to high levels of demand, but continues to take action to mitigate these risks wherever possible. Along with its regularly reviewed business continuity plans, this allows the Trust, as far as possible, to respond appropriately to uncertainty.

Environmental sustainability

Introduction

This report outlines the action taken during 2018/19 developing the Trust's Sustainability Strategy (Carbon Reduction Management Plan) which takes its priorities from the Sustainable Development Assessment Tool (SDAT). The SDAT has replaced the Good Corporate Citizen (GCC) and will provide more in depth detail on areas where focus needs to be directed to comply with the Carbon emissions reduction required by the Climate Change Act 2008.

Challenges

It has been a challenging year in terms of energy reduction in particular electricity consumption due to:

- a failure of the heating system pipework in the Jubilee building which has resulted in electric heaters being temporarily fitted in patient rooms. As a consequence 134 additional electric heaters have been installed during the winter period before replacement of the pipes begins in summer 2019.
- The relatively hot summer of 2018 required additional cooling for clinical areas to provide thermal comfort for patients and c 46 mobile air conditioning units were hired to facilitate this.
- Our Combined Heat and Power unit has remained out of action; the Trust seeks to remedy this with the installer in the coming year.
- Water usage has increased due to the need to cool external air handling units positioned on the roof to enable their ability to function at peak temperature

times throughout the hot summer of 2018. This, together with a number of leaks on ageing pipework has increased water usage throughout the year.

Achievements

- A building management analytics system is being trialled which identifies issues with individual heating control components throughout the energy and pipework system which is allowing early identification of plant failure and leaks. This system will enable a more proactive approach to rectifying issues and preventing financial and efficiency losses at an earlier stage.
- Funding has been secured from NHSI to upgrade the lighting in clinical areas within Duchess, Queens and Maternity Buildings at Musgrove Park and also at the medical records site in Priorswood to LED which will save 387,939 Kwh of electricity per annum and 148 tonne of carbon.
- A trial is currently being undertaken to use reusable sharps containers rather than single burn containers which will save 50 tonne of carbon per annum and a decision on full roll out will be made in May 2019.

Monitoring and Performance

Table 1 Efficiency savings since baseline year 2007 based on usage of services per patient contacts

	2007/8	2014/15	2015/16	2016/17	2017/18	2018/19
Patient contacts	322,320	481,127	484,566	525,999	533,774	556,102
Electricity per KWh	28.97	18.06 (5.42 was produced from renewable sources and CHP)	19.44 (4.31 was produced from renewable sources and CHP)	20.06 (2.17 was produced from renewable sources and CHP)	21.34 (CHP not operational during this period)	21.68 (CHP not operational during this period)
Gas per KWh	79.92	59.67	51.24	44.59	39.33	36.39
Water per m3	0.38	0.23	0.24	0.23	0.23	0.23
Clinical Waste generated per patient contact kg	1.29	2.11	1.98	0.71	0.72	0.72

Table 2 provides actual consumption data with regard to energy and waste. The columns on the right show the % change from base year and previous year.

	2007/08 Base Year	2017/18	2018/19	% Difference 2017/18 to 2018/19	Cumulative % difference from 2007/08 baseline figure to date
Gas - kWh	25,759,758	20,997,751	20,239,086	-4%	-22%
Electricity - kWh	9,339,410	11,394,383	12,055,822	6%	29%
Water m³	124,006	122,146	125,521	7%	--8%
Clinical waste – tonnes	416	383	399	4%	-4%

Table 3 below provides last years' data on reported carbon emissions. The reduction in CRC is due to the input of green renewable technologies, in particular the role of wind energy into the national grid which has been reflected in the conversion factor applied per kWh of both electricity and gas. Carbon emission costs have now risen to £18.30 per tonne. This is the final year for the CRC scheme which will be replaced by streamlined energy and carbon framework (SERC) on 1st April 2019, additionally the Climate change levy (CCL) has increased by 50% for electricity and 70% for gas.

	2010/11 Base Year	2015/16	2016/17	2017/18	2018/19	% change from 2017/18to 2018/19	% change from Base Year
CRC Carbon Reduction Commitment	11,092	9,955	9,895	7,873	7136	-9%	-35%
FITs (KWh) Feed in Tariffs		19,723	17,092	23,871	19,429	-18.5%	-1.5%

The Trust's use of natural resources compares favourably when compared with similar NHS Trusts, see data in table 4 below:

Comparative Costs	KPI	National Median (Medium Acute)	T&S
Energy costs	£/M2	26	27
	Kwh/m2	475.5	391.5
Water	£/M2	3.75	4.7
	M3/M2	1.6	1.5
Waste - Clinical	£/M2	3.6	3.1
	£/ tonne	238	307

Annual Targets for 2019-20

A Draft Sustainable Development Management Plan (SDMP) has been prepared and is due to be updated to include the potential for a combined SDMP with Somerset Partnership. The newly merged organisation will have to review its baseline figures to incorporate both Trusts, and calculate the changes required to meet the mandatory targets of the Climate Change Act 2008.

The future SDMP will follow guidance from NHSI and the Sustainability Assessment Tool, structuring the plan around the follow key domains:

- Asset management and utilities
- Travel and logistics.
- Adaptation
- Capital Projects
- Green space and biodiversity
- Sustainable Care Models
- Our people
- Sustainable use of resources
- Carbon / GHGs
- Environment, employee matters, social, community and human rights issues.

Emergency preparedness, resilience and response (EPRR)

The NHS needs to be able to plan for and respond to a wide range of emergencies and business continuity incidents that could affect health or patient safety. The Civil

Contingencies Act 2004 outlines a single framework for civil protection in the United Kingdom. Part 1 of the Act establishes a clear set of roles and responsibilities for those involved in emergency preparedness and response at the local level. The Trust as a Category 1 responder is subject to the following civil protection duties:

- Assess the risk of emergencies occurring and use this to inform contingency planning
- Put in place emergency plans
- Put in place business continuity management arrangements
- Put in place arrangements to make information available to the public about civil protection matters and maintain arrangements to warn, inform and advise the public in the event of an emergency
- Share information with other local responders to enhance co-ordination.
- Co-operate with other local responders to enhance co-ordination and efficiency.

NHS England Core Standards for Emergency Preparedness Resilience and Response (2015) are the minimum standards which NHS organisations and providers of NHS funded care must meet. The Trust is required to follow the EPRR framework and delivery of the NHS England Core Standards. These are the minimum standards which NHS Organisations and providers of NHS funded care must meet and provide assurance around EPRR to the Commissioning Board. The 2018 audit reported that the Trust is considered to be substantially compliant with the EPRR core standards and has formally reported the same to NHS England and the Somerset Clinical Commissioning Group.

The Trust has a rolling programme of live, table-top and communications exercises that are designed to test and develop our plans. The Trust is required to hold a live test every three years, a table-top test every year, and a communications cascade every six months. Whenever possible, the Trust strives to ensure that our testing is held in a multi-agency context. This is to provide familiarisation with other organisations and to assist with benchmarking our response with our partners. Exercises provide invaluable insight into the operational implementation of our plans and highlighted the areas of the plans that require further development.

To facilitate information sharing, coordination and best practice the Trust is represented at the Avon and Somerset Local Health Resilience Partnership, the purpose of which is to ensure that effective and coordinated arrangements are in place for multi-agency emergency preparedness and response in accordance with national policy and direction from NHS England. This engagement provides a valuable platform to collaborate with partner agencies in terms of planning and to share valuable learning from events and incidents which have required a multi-agency response. The Trust also has an internal Emergency Preparedness Resilience and Response Group to oversee its plans, key risks and mitigations and to develop staff training.

Social, community and equality, diversity, anti-bribery and human rights

Our strategic objectives, values and behaviours set out our commitment to treat everyone with dignity, kindness and respect, where we act fairly, without bias, accept difference and value diversity. We believe equality, diversity and inclusion are central to all that we do, both as a healthcare provider and as an employer. We have continued to focus on inclusion to ensure we improve the patient experience, we do this by ensuring our colleagues are engaged so we can make full use of their talents and diversity.

The Equality and Inclusion Working Group has responsibility for ensuring the development, delivery and monitoring of an equality and inclusion action plan. The working group ensures the Trust acts in accordance with the statutory duties to eliminate unlawful discrimination, advance equality of opportunity and foster good relations between people of different groups.

The Trust utilises the Equality Delivery System 2 (EDS2) as this provides an excellent framework to ensure the Trust is continually reviewing and improving performance for people with characteristics protected by the Equality Act 2010. The EDS2 is reviewed and updated annually to ensure evidence supports that services are commissioned, procured and delivered to meet the health needs of the local community. In addition to this the Trust is part of a Somerset-wide equality networking group, Somerset Equality Officers' Group, and with our partners in health and social care have supported the development and subsequent adoption of the joint Somerset-wide equality objectives and joint Somerset Equality Impact Assessment framework.

Some specific achievements this year have been:

- Raising awareness on equality, diversity and inclusion which started with a Board development day and the development of a Board equality, diversity and inclusion action plan;
- The Trust board formally pledged to support #TimeToTalk. Working together as an alliance, providing physical and mental health services, we pledge to support our colleagues to be ambassadors for raising awareness around mental health issues and always challenging stigma and discrimination. We will support our colleagues to do this and listen to the experiences of our colleagues, patients and carers;
- A new managed provider of interpretation and translation was secured this year and this service has been successfully rolled out across all Trust services;
- The adult Speech and Language Therapies service continues to provide support for transgender patients, with specialist support groups running for patients, providing practical as well as peer support for this group;
- The creation of a BME colleague network to better support our colleagues and ensure they are actively engaged in ensuring we are doing all that we can to support their development and promotion within the organisation.

[Information on policies and procedures on countering fraud and corruption](#)

At Taunton and Somerset NHS Foundation Trust we value our reputation for top quality care and financial probity, and we conduct our business in an ethical manner. The Board carries out its business in an open and transparent way and members of the public are able to attend portions of our Board meetings. The Trust is committed to the prevention of bribery, fraud and corruption. We expect all organisations / contractors instructed by our organisation to demonstrate a comparable commitment in order to do business with us. This enables us to reassure our patients, members and stakeholders that public funds are protected and safeguarded.

To limit our exposure to the risks of fraud, bribery and corruption we have an *anti-fraud, bribery and corruption policy*, a *whistleblowing policy* and a *Code of Conduct and Conflict of Interest policy*. These policies apply to all staff and individuals who act on behalf of our organisation.

Taunton and Somerset NHS Foundation Trust employs a Counter Fraud Manager who conducts both proactive and reactive work in line with the requirements of the 2018-19 NHS Counter Fraud Authorities Standards for Providers.

The success of approach is dependent on our colleagues, stakeholders, service users, visitors or anyone associated with the Trust to report any suspicions to the Counter Fraud Manager or to the NHS Counter Fraud Authority.

Details of overseas operations

The Trust has no direct overseas operations. However, for any operations carried out on behalf of overseas visitors, the costs are recovered via a reciprocal agreement with the Somerset CCG.

The Trust has no overseas operations and has no branches outside of the UK.

Key post-year developments

During 2017/18 the Trust entered into an Alliance with Somerset Partnership NHS Foundation Trust. This has been extended during 2018/19 to move towards a potential merger with Somerset Partnership. Approval of the Strategic Case has been received from NHS Improvement and the Trust is currently developing a Full Business Case for submission to NHS Improvement in the autumn with final approval expected in early 2019/20. Full merger is expected in the spring of 2020.

Statement of comprehensive income (SoCI)

The financial year ending 31 March 2019 has been challenging for the Trust due to a range of financial and operational pressures, particularly over the winter period. As a result of these pressures, the Trust ended the year with an overall deficit of (£10.8m) (on the financial reporting basis employed by NHS Improvement) before asset impairments of (£4.3m) and the net effect of capital donations of £0.2m, reflecting a statutory deficit of (£14.9m).

Income

The Trust's total income from activities has increased from £308.9m in the previous financial year to £322.5m in 2018/19, an increase of £13.6m (4.4%). The principal reason is that income from patient care activities has increased by £14.8m (5.5%). Within this, £4.5m was from increased levels of non-elective activity, £2.2m increase in elective activity and £3.5m in outpatient activity. In addition, the Trust received £6.2m of provider sustainability funding (PSF) income from the Department of Health and Social Care (£6.7m Sustainability and Transformation Fund in previous year). The greatest proportion of the Trust's income is derived from the provision of health care for patients in Somerset.

Income generation from private patient activity was £2.2m, a reduction of £0.2m on the previous year.

Expenditure and cost improvement plans

Total operating expenditure increased in 2018/19 by £24.0m (7.8%) to £332.2m. In order to offset the impact of inflation and other cost pressures, the Trust set a savings target of c2.5% of operational expenditure. The Trust set itself a stretch target of £12.2m savings and achieved a total of £10.1m.

Total pay costs were £200.3m in the year, an increase against the 2017/18 spend figure of £186.2m (7.5%). The expenditure increases were mainly the result of the pay increases awarded nationally to NHS staff along with additional staffing costs associated with workforce transformation and skill mix changes and dealing with increased demand particularly for non-elective and winter.

Operating non-pay expenditure increased by £9.2m (7.5%) on the previous year figure of £122.0m.

Expenditure on rechargeable high cost drugs prescribed to patients went up in 2018/19 and increased drug usage accounts for £1.2m of the overall increase in total operating expenditure. These costs are associated, in particular, with increased use of a number of approved high cost drugs in an increasing range of conditions, which are reclaimable through the specialised services commissioners and the cancer drugs fund.

There has been one-off impairment costs of £4.3m (£2.0m in 2017/18) incurred within the financial year relating to the revaluation of building, equipment and land.

A range of other non-pay costs have increased as a result of addressing the patient demand and waiting time pressures faced by the Trust during the year.

Statement of financial position (SOFP)

Non-current assets (land, buildings and equipment) comprise the most significant elements, by value, of the SOFP and amount in total to £185.6m as at 31 March 2019 (£182.3m as at 31 March 2018). Included within the net book value movements for the year were impairments of £4.3m and devaluations of £1.1m. These changes were made following the annual independent revaluations of land and buildings.

The Trust's borrowing at 31 March 2019 amounted to £38.8m (up from £28.8m at 31 March 2018). The increase has mainly resulted from the draw down of £8.6m of loans from the Department of Health and Social Care to cover cash requirements resulting from the Trusts income and expenditure deficit during the period.

Other significant investments in the hospital's infrastructure reflected in the SOFP include:

- Improvements to the Trust's estate and infrastructure (£4.5m).
- Continuing development of the new electronic patient records (EPR) system and global digital exemplar programme (£2.9m).
- IT upgrades (£0.9m).
- Major medical equipment replacement (£3.0m).
- Radiology equipment and installation works (£1.1m)
- Oncology Equipment (£3.1m)
- Winter Planning (£0.8m)
- Development and planning of the theatres and acute assessment hub schemes to be funded from central STP capital allocations (£0.7m).

Total capital investments in 2018/19 amounted to £17.0m (£13.3m in 2017/18). Capital investment in 2019/20 is expected to be £19.6m including the planned development work on the theatres redevelopment and acute assessment hub.

Other features of the SOFP

The level of cash deposits increased from £4.9m at 31 March 2018 to £8.2m at 31 March 2019.

Other accounting matters

Note 34 of the accounts outlines any *related party* transactions. This shows that none of the Board members, or key management staff, or parties related to them, has undertaken any material transactions with the Trust.

In line with the requirements for foundation trusts to prepare accounts in compliance with International Reporting Standards, the Trust has reviewed all of its accounting policies for the year ended 31 March 2019. Changes have been made to reflect the requirements of the newly introduced International Financial Reporting Standard 9 – Financial Instruments and 15 – Revenue from Contracts with Customers.

The Trust Board acts as the corporate Trustee for the Taunton and Somerset NHS Foundation Trust General Charitable Funds, registered with the Charities Commission. This charity also administers charitable funds on behalf of Somerset Partnership NHS Foundation Trust. The charity continues to receive donations from benefactors and uses these funds for the benefit of both patients and staff. The charitable fund annual report and accounts for 2018/19 are published separately and are available from the Trust on request.

Future plans

The financial position of the Trust continues to be challenging. The Trust plan for the 2019/20 financial year are for a small forecast surplus of £0.3m after taking into account savings plans of 2.5% of turnover. The Trust continues to work closely with system partners to address the significant financial challenges in Somerset.



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Peter Lewis, Chief Executive, 23 May 2019

Accountability report

NHS foundation trust code of governance disclosures

Taunton and Somerset 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.

How the Board of Directors and Council of Governors operate

The Board and Council of Governors exercise their functions as set out in the Trust's constitutional documents, relevant legislation and the regulatory framework.

The general duty of the Board, and of each director, is to act with a view to promoting the success of the Trust so as to maximise the benefits for its members. The Board has resolved that certain powers and decisions may only be exercised by the Board in formal session. Guidance is available in the Trust's *standing financial instructions* to determine the Board or Committee from which approval of decisions is required.

The Council of Governors is made up of elected and nominated governors who provide an important link between the hospital, local people and key organisations, sharing information and views that can be used to develop and improve services. It is chaired by the Trust Chairman. The Lead Governor is Kate Butler.

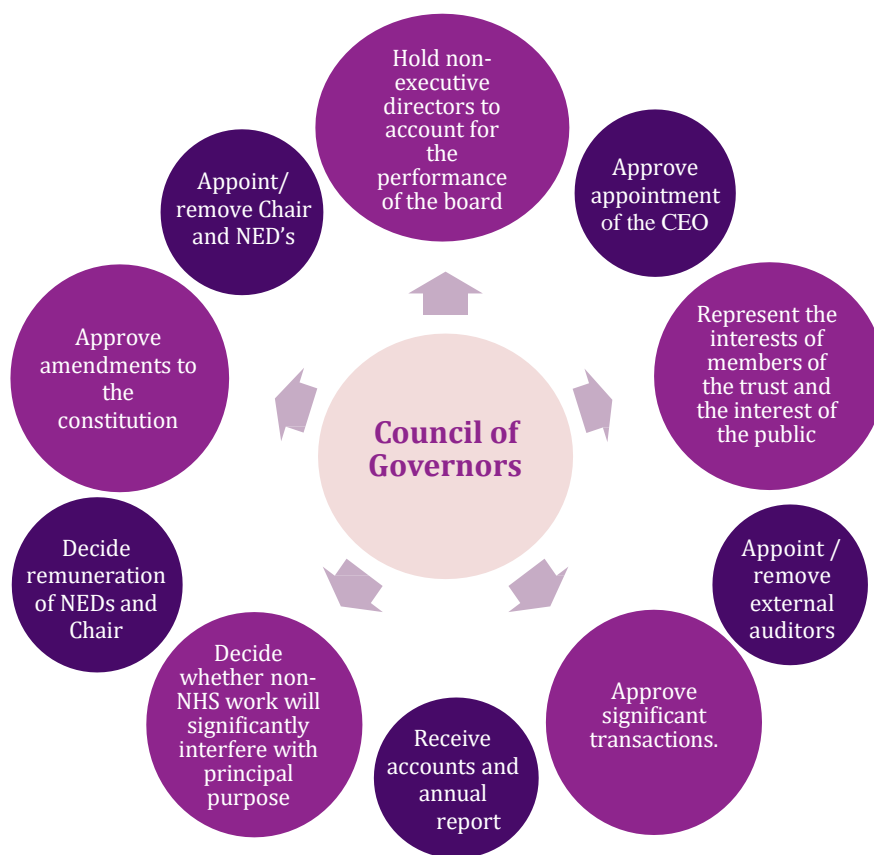
The Council consists of 29 governors:

- 15 publicly elected governors from four constituencies (Taunton, West Somerset, East Somerset and Rest of England).
- Five staff governors elected by self-nomination and constituency voting, representing a minimum of three out of the following five staff groups:
 - Medical and dental
 - Nursing and midwifery

- Hotel and estates services
- Clerical, administrative and managerial
- Allied professionals, scientific and technical.
- Eight partnership/local authority governors appointed by partnership or stakeholder organisations.
- A youth governor representative.

The Council of Governors is responsible for appointing or removing the Chairman of the Trust and other non-executive directors. This requires the approval of three-quarters of the members of the Council of Governors.

The Council of Governors is also responsible for the following:



During 2018/19, the Council of Governors carried out the following statutory duties:

- Approved the appointment of the Lead Governor (Kate Butler).
- Approved the re-appointment of three non-executive directors and the appointment of two joint non-executive directors from Somerset Partnership NHS Foundation Trust's Board.

- Received the Trust's annual accounts, annual report, quality report and auditor's report.
- Influenced the development of the Trust's quality report, including selecting the quality report priorities.
- Approved amendments to the Trust Constitution.
- Influenced the development of forward business plans through the Strategy Working Group.
- Represented the interests of members and the public by obtaining and reviewing their feedback via the good to know log at the Patient Care Working Group and planning engagement activities (such as setting up governor surgeries in 2018/19) at the Communications and Engagement Working Group.
- Engaged in the development of the Strategic Case for Merger with Somerset Partnership NHS Foundation Trust. The merger will need to be approved by governors later in 2019.
- Influenced the development of a new Constitution for the proposed merged Trust in partnership with representatives from Somerset Partnership NHS Foundation Trust's Council of Governors', via a joint Constitution Review Group.
- Representatives of the Council of Governors' were members of the Joint Governor Appointment Committee, in relation to the composition of non-executive directors on the post-merger Trust Board.

The Council of Governors has three sub-committees which meet outside the formal meetings of the full Council. The committees are chaired by public governors and focus on specific issues in relation to strategy, patient care and membership and communications. The committees provide reports and recommendations, as appropriate, for consideration by the Council of Governors. The Trust's non-executive and executive directors regularly attend the Council of Governors and the sub-committee meetings on a regular basis, to develop an understanding of the views of governors and members.

Governors are also encouraged to attend and observe meetings of the Board as part of their role. In addition, the Council of Governors has an Appointments Committee which is responsible for considering the remuneration, terms of employment and performance of the non-executive directors of the Trust Board (including the Chairman). The Appointments Committee is chaired by the Trust Chairman, except when it relates to him, when it is chaired by the Senior Independent Director.

In the event of dispute between the Council of Governors and the Board of Directors, in the first instance the Chairman, on the advice of the Secretary, and such other advice as the Chairman may see fit to obtain, shall seek to resolve the dispute. If the Chairman is unable to resolve the dispute, he shall appoint a special committee comprising equal numbers of directors and governors to consider the circumstances and to make recommendations to the Council of Governors and the Board of Directors with a view to resolving the dispute. If the recommendations (if any) of the

special committee are unsuccessful in resolving the dispute, the Chairman may refer the dispute back to the Board of Directors who shall make the final decision.

A full list of governors who were in post on 31 March 2019 and details of changes during the year is set out below, together with details of the number of Council of Governor meetings attended by each governor during 2018/19.

Elected governors – public constituency

Name	Constituency	Date elected/ re-elected	Term of office	Attendance at Council meetings
Kate Butler	West Somerset	Dec 2016	3 years	100%
Judy Cottrell	Taunton Deane	Dec 2016	3 years	100%
Melanie Devine	Taunton Deane	Dec 2017	3 year	100%
Judith Goodchild	West Somerset	Dec 2016	3 years	75%
Diana Griffith	East Somerset	Dec 2016	3 years	50%
Michael Hodson	West Somerset	Dec 2018	3 years	100%
Jeanette Keech	Taunton Deane	Dec 2018	3 years	100%
Vivienne Knighton	Taunton Deane	Dec 2016	3 years	100%
Alan Peak	West Somerset	Dec 2016	3 years	100%
Dudley Price	East Somerset	Dec 2018	3 years	100%
Patrick Simpson	West Somerset	Dec 2016	3 years	50%
John Slater	East Somerset	Dec 2016	3 years	100%
Timothy Slattery	Taunton Deane	Dec 2018	3 years	100%
Sue Steele	East Somerset	Dec 2018	3 years	50%
Vacancy	Rest of England	-	-	-

Public governor changes during 2018/19

Name	Constituency	Date elected/ re-elected	Term of office	Reason	Attendance at Council meetings
Mike Bickersteth	West Somerset	Dec 2015	3 years	Not eligible for re-election	100%
Mike Free	East Somerset	Dec 2015	3 years	Not re-elected	100%
Phil Hodgson	Rest of England	Dec 2015	3 years	Stood down 08 10 18+	0%

+ *Phil Hodgson stood down on 8 October 2018 due to his membership status changing from public to staff.*

There were governor elections this year in all four of the public constituencies. The election resulted in the following changes in the constituencies:

Taunton Deane: Timothy Slattery was elected and Jeanette Keech was re-elected.

East Somerset: Dudley Price and Sue Steele were elected. Mike Free was not re-elected.

West Somerset: Michael Hodson was elected.

Rest of England: There were no nominations for this constituency; therefore the post has remained vacant this year. We will seek nominations during the next election round.

Elected governors – staff constituency

Name	Constituency	Date elected/ re-elected	Term of office	Attendance at Council meetings
Manuel Blanco-Guzman	Medical and Dental	Dec 2017	3 years	100%
Graham Cartwright	Allied Professional	Dec 2018	3 years	0%
Lynn Pearson	Clerical and Admin	Dec 2017	3 years	100%
Philip Shelley	Clerical and Admin	Dec 2018	3 years	100%
Julie Vale	Nursing and Midwifery	Dec 2017	3 years	100%

Staff governor changes during 2018/19

Name	Constituency	Date elected/ re-elected	Term of office	Reason	Attendance at Council meetings
Angus Maccormick	Allied Professional	Dec 2015	3 years	Did not re-stand	0%

There was one governor election this year in the staff constituency. The election resulted in the following changes in the constituency:

Philip Shelley replaced Angus MacCormick following the governor election process.

Partnership governors

Name	Stakeholder organisation	Appointed/ re-appointed	Attendance at Council meetings
Peter Bradshaw	Mendip and South Somerset District Councils	Dec 2018	50%
Will Chandler	GP Governor Representative	Sept 2013	0%
James Hunt	Taunton Deane Borough Council	Aug 2011	0%
Jos Latour	Universities of Plymouth and Bournemouth	Aug 2017	25%
Gill Slocombe	Sedgemoor and West Somerset District Councils	Dec 2016	25%
Rod Williams	Somerset County Council	June 2017	75%

Vacancy	Somerset Partnership NHS Foundation Trust	-	-
Vacancy	Somerset Clinical Commissioning Group	-	-
Vacancy	Youth Governor	-	-

Partnership governor changes during 2018/19

The following partnership governor relinquished their role during 2018/19:

Name	Stakeholder organisation	Appointed/ re-appointed	Term of office	Attendance at Council meetings
Sue Steele	Mendip and South Somerset District Councils	Dec 2017	1 year	50%

Peter Bradshaw replaced Sue Steele as representative for Mendip and South Somerset District Councils. Sue Steele was elected as a public governor for the East Somerset constituency in this years' governor election round.

Register of interests

A register of interests for governors is maintained. A copy is available on the Trust's website at www.tsft.nhs.uk (as part of the Council of Governors' meeting papers) or by emailing governors@tst.nhs.uk

It is not considered that there are any significant interests held by governors which may conflict with their responsibilities, but it should be noted that Judith Goodchild is also Chair of Healthwatch and as such does not comment on the Trust's quality report in this capacity.

Engagement with members

We recognise the importance of having a strong and engaged membership. With circa 16,053 members (public and staff combined), the Trust has access to the local population, interaction with which helps to improve hospital services. The focus of the Trust's membership strategy, which is set and monitored by the Board, is on improving meaningful engagement with its members. In support of this aim, the Trust engages with its members via email, through the publication of Members' Briefing (which is a popular communication tool) and through events and meetings such as the annual members' meeting held in September each year. The Trust's membership (which is reviewed by the Communication and Engagement Working Group on behalf of the Council of Governors and the Board), is broadly representative of the population it serves. According to 2011 census data, the

majority of Somerset residents are 'white British'. Somerset also has an increasingly older population, and the Trust's membership reflects this trend.

How to Become a Member of the Trust

Anyone aged 16 years or over, living anywhere in England, can join us as a Member.

You can sign up online at <https://www.tsft.nhs.uk/about-your-hospital/members-and-governors/membership-application-form/>, phone or email the Membership Office.

There is no charge to become a member. Details of the Council of Governors' meetings and events can be found on the Trust's website.

Contact details for the Membership Office are:

Tel: 01823 342511

Email: members@tst.nhs.uk

Trust Management
Level 1, Lydeard House
Taunton and Somerset NHS Foundation Trust
Taunton
Somerset
TA1 5DA

Contact information for members

Members may contact governors via a dedicated e-mail address at governors@tst.nhs.uk or through the website at www.tsft.nhs.uk

Membership as at 31 March 2019

Public membership*

Constituency	Number of Members 31.3.19	Number of Members 31.3.18	increase/ decrease over year
Taunton	5,128	5,351	(223)
West Somerset	2,841	3,021	(180)
East Somerset	1,726	1,871	(145)
Rest of England	1,956	1,956	0

* In 2018/19 a data cleansing process was undertaken to ensure that the Trust's public membership database is compliant with the requirements of GDPR, which came into force in May 2018. This has resulted in a reduction in membership.

Staff membership

Constituency	Number of Members 31.3.19	Number of Members 31.3.18	increase/ decrease over year
Total staff	4,402	4,240***	(162)

**The Trust does not include bank staff in the staff category.

Directors' report

The directors are required to prepare an annual report and accounts for each financial year. The directors consider the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and stakeholders to assess the Trust's performance, business model and strategy.

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

Statement of disclosure to the auditors

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

Income disclosures

The Trust has met the requirement set out in Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) that income for the provision of goods and services for the purposes of the health service in England has been greater than its income from the provision of goods and services for any other purposes.

The Trust has made no political or charitable donations.

Better payment practice code

The Trust is obliged to comply with the public sector's better payment practice code (BPPC), which targets the payment of all undisputed invoices by the later of the due date or 30 days following the receipt of goods or valid invoice.

Details of the Trust's compliance with this code are:

	2018/19		2017/18	
	No	£m	No	£m
NHS Invoices				
Total invoices paid	1,575	12.122	1,484	10.657
Total invoices paid within target	678	4.050	653	4.938
Percentage of invoices paid within target	43.0%	33.4%	44.0%	46.3%

	2018/19		2017/18	
	No	£m	No	£m
Non - NHS Invoices				
Total invoices paid	88,390	168.568	88,817	164.731
Total invoices paid within target	44,858	106.960	42,077	109.558

Percentage of invoices paid within target	50.8%	63.5%	47.4%	66.5%
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	2018/19		2017/18	
	No	£m	No	£m
Total Invoices				
Total invoices paid	89,965	180.690	90,301	175.388
Total invoices paid within target	45,536	111.010	42,730	114.496
Percentage of invoices paid within target	50.6%	61.4%	47.3%	65.3%

The Trust did not incur any interest liability for late payment of invoices.

Internal audit function, appointment/reappointment and removal of external auditor and audit committee role

The Audit Committee is a committee of the Board. As part of its role, the Audit Committee seeks assurance on the adequacy of internal control processes within the Trust. To achieve the required levels of assurance, the Committee utilises the various audit functions of management, internal auditors (BDO) and external auditors (PwC/KPMG) and counter fraud. This meets mandatory NHS audit standards. The Audit Committee also takes assurance from the views of other external agencies about the Trust's procedures and from the Governance and Quality Committee and Finance Committee. The Audit Committee has the right to enquire into any area of the Trust's workings without hindrance.

The Audit Committee agrees the internal audit work plan each year and receives the reports and follow-ups on the issues raised. The internal audit plan is based on the Trust's assurance framework and corporate risk register and is reviewed by the Trust's committee of the Board. Where audits of major issues or risks are identified, managers who are responsible for the areas reviewed are asked to attend the Audit Committee meeting and report on the steps taken to rectify the situation. As for 2017/18, the internal auditors, BDO, have provided a moderate assurance opinion for 2018/19 that the Trust has a sound system of internal control.

The Audit Committee reviews and monitors the external auditor's independence, objectivity and effectiveness at least once per year. The Audit Committee also reviews any non-audit work carried out by the external auditor to ensure that the objectivity and independence of the external auditor is not impaired. The Audit Committee discusses the audit of the Trust's annual report and accounts with the external auditor prior to the Board's approval, in particular any areas of concern arising from work during the year.

The Trust's external audit services were supplied by PwC until 1 July 2018. A procurement exercise was undertaken jointly with Somerset Partnership NHS Foundation Trust in April 2018 with the aim to award separate contracts but to the same provider for the two trusts with a commencement date of 1 July 2018. This contract was awarded to KPMG for the period 1 July 2018 to 30 August 2021.

The cost of other non-audit work undertaken during 2017/18 was £2k. Other non-audit assurance services amounted to £0k.

The Audit Committee approved the external audit plan 2018-19 which outlined how KPMG planned to discharge its audit duties for the financial year. The Audit Committee considered the risks which were thought to be significant in relation to PwC's audit for the year ended 31 March 2019:

- Risk of management override of controls.
- Valuation of the Trust's land and buildings.
- Revenue recognition.
- Non-pay expenditure recognition
- Value for money.

Throughout the year, the Audit Committee has received and reviewed progress reports from PwC/KPMG in delivering its responsibilities as the Trust's external auditor, together with other matters of interest such as key technical areas and sector updates. The Audit Committee has confirmed throughout the year that the risks identified in the external audit plan have remained valid.

The Audit Committee receives and monitors the policies and procedures associated with counter fraud. The Trust's counter fraud manager produces a regular counter fraud progress report, giving updates on both reactive and pro-active work and assists the Trust in ensuring it has policies that are compliant with the NHS Counter Fraud Authority and all standards for NHS providers.

NHS Improvement's well-led framework

The Trust has a *governance policy* that describes the arrangements in place for quality governance, including committee structures, accountabilities and reporting requirements. These governance arrangements are discussed in detail in the annual governance statement and quality report.

No material inconsistencies have been identified between the annual governance statement and the report from the Trust's Care Quality Commission (CQC) inspection in 2017.

The quality report in appendix 1 details the range of work in which the Trust is involved aimed at improving patient care and stakeholder engagement.

Details about the Trust's implementation of NHS Improvement's *well-led framework* can be found in the annual governance statement.

There is a system for internal control that includes the assurance framework and the Trust has an ongoing process for providing assurance on, and improving, the governance of quality, overseen by the Trust's Governance and Quality Committee.

Register of interests

A register of Board members' interests is maintained. A copy is available on the Trust's website at www.tsft.nhs.uk (as part of the Trust Board meeting papers). It is

not considered that there are any significant interests held by the directors which may conflict with their responsibilities.


Membership of the Board as at 31 March 2019

A full list of directors who were in post on 31 March 2019 and details of changes during the year is set out below together with details of the number of meetings of the Board, Audit Committee and Board Nomination and Remuneration Committee attended in-year.



*Indicates member of the Audit Committee



+Indicates member of the Board Nomination and Remuneration Committee



Non-Executive Directors



<p>Colin Drummond OBE, DL+</p>	<p>Chairman (Chair of the Nomination Committee)</p>	<p>Appointed: 1 August 2014 Re-Appointed: 1 August 2017 Term Expires: 31 July 2020</p>
	<p>Colin was appointed Chairman on 1 August 2014. He is also Pro-Chancellor and Chair of Governors of the University of Plymouth. He was Master of the Worshipful Company of Water Conservators for 2007/08 and Chair of the 'WET 10' City Livery Companies from 2008 to 2013. From 1997 to 2015 he was a Trustee, and is now Honorary Vice President of the Calvert Trust Exmoor. He is Trustee of the Water Conservation Trust and President of Wadham College Oxford 1610 Society.</p> <p>From 1992 to 2013 Colin was Chief Executive of Viridor, a leading recycling, renewable energy and waste management company, and an executive director of Pennon Group PLC. He was then Chairman of Viridor until the end of 2014. Prior to joining Pennon, Colin was Chief Executive of Coats Viyella Yarns Division, an executive director of Renold PLC, a consultant with the Boston Consulting Group and an official with the Bank of England. Colin was Chairman of the Government's 'Living with Environmental Change Business Advisory Board from 2009 to 2015 and of the Environmental Sustainability Knowledge Transfer Network from 2007 to 2013.</p> <p>Colin holds an MA from Oxford University and an MBA from Harvard Business School where he held a Harkness Fellowship. He was appointed an OBE in the Queen's Birthday Honours 2012 for services to technology and innovation, and a Deputy Lieutenant (DL) of Somerset in 2016.</p> <p>Board Attendance: 9/9 Board Nomination/Remuneration Committee Attendance: 4/4 Audit Committee: 2/2</p>	

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Stephen Harrison+*	Non-Executive Director (Vice-Chair)	Appointed: 1 April 2013 Re-Appointed: 1 April 2017 Term Expires: 31 March 2020
	<p>Stephen joined the Trust in February 2013 as a designate non-executive director until his formal appointment on 1 April 2013. He worked at Clarks Shoes for his main career. On leaving Clarks, Stephen developed a portfolio of organisational development consultancy work and community activity, including being elected as leader of Mendip District Council. In the NHS he has undertaken non-executive director roles with Bath and West Community Trust, Mendip Primary Care Trust (where he was Chairman), North Somerset Primary Care Trust and finally as Chairman of a cluster of PCTs responsible for health services across Bristol, North Somerset and South Gloucestershire.</p> <p>Stephen is Chairman of YMCA Mendip and is a Trustee of the Lawrence Centre in Wells. He is a governor of Wookey Primary School.</p> <p>Board Attendance: 9/9 Board Nomination/Remuneration Committee Attendance: 4/4 Audit Committee Attendance: 4/5</p>	
Antony Durbacz+*	Non-Executive Director (Chair of the Audit Committee)	Appointed: 1 November 2016 Term Expires: 31 October 2019
	<p>Antony was appointed as a non-executive director in November 2016. He is a chartered accountant with 25 years' commercial experience as a finance director with major international companies. Antony has held executive leadership roles in blue chip companies in both the UK and Europe. He brings experience of all aspects of business management including financial control, business development, strategic planning and corporate governance. Antony is a Director of Great Western Assured Growth Ltd, a Director of LiveWest Charitable Housing Ltd, a Director and Shareholder of Liverty Ltd, a Governor at Crispin School and his daughter is a foundation doctor at North Bristol NHS Trust.</p> <p>Board Attendance: 9/9 Board Nomination/Remuneration Committee Attendance: 4/4 Audit Committee Attendance: 5/5</p>	



Dr Kate Fallon+	Non-Executive Director (Senior Independent Director) (Chair of the Finance Committee) (Chair of the Remuneration Committee)	Appointed: 1 July 2015 Re-Appointed: 1 July 2018 Term Expires: 30 June 2021
	<p>Kate was appointed as a non-executive director on 1 July 2015 and came to the Trust with significant experience in the strategic direction and transformation of services within the NHS. She established a completely new NHS trust in 2010, which trebled in size and became the first community trust to be licensed by Monitor as a Foundation Trust in November 2014. Previously Kate transformed her own general practice, taking it from a traditional reactive business to a forward-planning, innovative “beacon site”, with a sustained Investors in People accolade.</p> <p>Kate is currently a Trustee of Skills for Health and Chair for the Skills for Justice Enterprise. Her daughter is a Consultant at Taunton and Somerset NHS Foundation Trust. In 2015 she was included in the HSJ “Top 50 NHS Chief Executives” list for her approach to service transformation and the integration of NHS services.</p> <p>Board Attendance: 9/9 Board Nomination/Remuneration Committee Attendance: 4/4</p>	
Stephen Otter+*	Non-Executive Director (Chair of the Governance and Quality Committee)	Appointed: 1 July 2015 Re-appointed: 1 July 2018 Term Expires: 30 June 2021
	<p>Stephen was appointed as a non-executive director on 1 July 2015. Stephen started his police career in 1982 in the Thames Valley Police before moving to the Royal Hong Kong Police as an inspector. He then spent 13 years in the Metropolitan Police Service where his career ranged across a number of strategic roles at New Scotland Yard, leaving the force at the rank of Commander. He went on to serve as Assistant and then Deputy Chief Constable in Avon and Somerset Police. Following this, he was the Chief Constable of Devon and Cornwall Police from 2007 to 2012, where he combined leading the 6,000-strong police force with being the national lead on equality, diversity and human rights for the Association of Chief Police Officers. In 2008, Stephen was awarded the Queen’s Police Medal. In 2012 he became one of Her Majesty’s Inspectors of Constabulary and had the role of inspecting and reporting on policing for the purpose of promoting improvement. He is Chairman of Pluss, Director of Robus Solutions Ltd and an Associate of Cityforum Ltd.</p> <p>Board Attendance: 5/9 Board Nomination/Remuneration Committee Attendance: 3/4 Audit Committee Attendance: 1/5</p>	



Brian Perowne CB DL+	Non-Executive Director (Chair of the Charitable Funds Committee)	Appointed: 1 March 2013 Re-Appointed: 1 March 2017 Term Expires: 29 February 2020
	<p>Brian joined the Trust in March 2013. He brings with him a wealth of experience following a successful career in the Royal Navy which included three major commands and an appointment as Head of Naval Communications. He served as the Chief Executive of the Naval Base at Faslane on the Clyde before being promoted to Rear Admiral in 1996. He was Chief Executive of the Naval Bases and Supply Agency and served as Chief of Fleet Support on the Admiralty and Navy Boards. From 2001–2011 Brian was Chief Executive of The Home Farm Trust, a national charity providing support to adults with learning disabilities. He is Trustee and Vice-Chair of Somerset Sight, Deputy Lieutenant of Somerset, and a Council member - Association of NHS Charities.</p> <p>Board Attendance: 7/9 Board Nomination/Remuneration Committee Attendance: 3/4</p>	
Huw Williams+	Non-Executive Director	Appointed: 1 January 2016 Re-appointed: 1 January 2019 Term Expires: 31 March 2020
	<p>Huw was appointed as non-executive director designate on 1 July 2015. His position was made definitive as of 1 January 2016. In terms of his background, following graduation he joined Goldman Sachs International in London, progressing from Analyst to executive director in the investment banking division, before moving to Goldman Sachs' private equity arm from 2004-07. During his banking career, he advised on a large number of public and private take-overs and mergers, stock market flotations and public and private debt financings. From 2007-09 he worked for a US private equity fund (Cerberus Capital Partners) as a partner in its European business. Since then, he has focused on being an angel investor, investing in a wide range of private start-up companies, mostly in the UK. He is a non-executive director, LumeJet Print Technologies Limited.</p> <p>Board Attendance: 8/9 Board Nomination/Remuneration Committee Attendance: 2/4</p>	



Barbara Gregory	Joint Non-Executive Director (non-voting)	Appointed: 6 June 2018 Term Expires: 31 July 2020
	<p>Barbara Gregory has worked at senior management level in the NHS since 1993, including 15 years at Board level in a number of organisations in different parts of the health system – including as a Director of Finance in an NHS organisation that manages similar services to the Trust. She has an excellent working knowledge gained from first-hand experience of the health and social care system and has also been involved in the Strategic Transformation Programme in Cornwall.</p> <p>Barbara has also worked closely with senior colleagues from the Local Authority on the integration of provision and commissioning and the opportunities for the devolution of expenditure to providers as part of the potential development of Accountable Care organisations/systems.</p> <p>Barbara is a joint Non-Executive Director on the Taunton and Somerset NHS Foundation Trust and Somerset Partnership NHS Foundation Trust Boards.</p> <p>Board Attendance: 6/6 Board Nomination/Remuneration Committee Attendance: 1/2</p>	
Jan Hull	Joint Non-Executive Director (non-voting)	Appointed: 6 June 2018 Term Expires: 31 July 2020
	<p>Jan Hull spent the early part of her career with Unilever, in an international perfumery business covering sales, marketing and general management roles, including two years in the USA.</p> <p>She has over over 20 years' experience of the NHS in Somerset, initially in Public Health and later as Deputy Chief Executive for NHS Somerset, until she became Managing Director of the South, Central and West Commissioning Support Unit. Jan retired from this post in 2016.</p> <p>She has a good level of knowledge of the services provided by the Trust, and the strategic context in which the Trust operates, gained from experience both of directly managing community services, and from her commissioning responsibilities.</p> <p>Jan has worked at senior level with all of the major health and social organisations in the county, including primary care and the voluntary sector. She also has significant experience of structural change, having led the merger of three Commissioning Support Units in 2015.</p> <p>Jan is a joint Non-Executive Director on the Taunton and Somerset NHS Foundation Trust and Somerset Partnership NHS Foundation Trust Boards.</p> <p>Board Attendance: 5/6</p>	



	Board Nomination/Remuneration Committee Attendance: 2/2
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Joint Executive Directors

Peter Lewis	Chief Executive (Voting)	Appointed: 1 April 2005
	<p>Peter joined the Trust on 1 April 2005 as Director of Finance and Performance. He became Deputy Chief Executive in 2008 and took on the responsibility of Chief Operating Officer in 2010. Peter was Acting Director of Finance from 21 January 2016 until 28 August 2016. He was Deputy Chief Executive from 2008 until 1 September 2017. He was appointed as the Chief Executive of the Trust from 2 September 2017 and was appointed as joint Chief Executive of the Trust and Somerset Partnership NHS Foundation trust on 4 November 2017.</p> <p>Prior to joining the Trust, Peter was a Director of Performance at Dorset and Somerset Strategic Health Authority and has also worked in both commissioning and provider organisations prior to that. Peter is a Fellow of the Chartered Institute of Management Accountants. During the year, his wife also worked for the Trust.</p> <p>Board Attendance: 9/9</p>	
David Shannon	Director of Strategic Development and Improvement (Non-Voting)	Appointed: 29 August 2016
	<p>David joined the Trust as Finance Director in August 2016. David was previously Director of Operational Finance at North Bristol NHS Trust, from June 2014. Before that he spent six years at Nottingham University Hospitals NHS Trust, most of them as Assistant Director of Finance. He originally joined the NHS in 1998 on its graduate financial management training scheme. He is a member of the Southwest Pathology Services (SPS) Board. He was appointed as Director of Strategic Development and Improvement of the Trust and Somerset Partnership NHS Foundation Trust on 24 October 2017 following a period of transition with the incoming Director of Finance, Pippa Moger.</p> <p>Board Attendance: 9/9</p>	

Dr Stuart Walker	Chief Medical Officer (Voting)	Appointed (Substantively): 23 May 2016
	<p>Stuart was appointed substantively as Medical Director on 23 May 2016 – 30 September 2017. He was appointed as joint Chief Medical Officer of the Trust and Somerset Partnership NHS Foundation Trust on 1 October 2017.</p> <p>He is a Consultant Cardiologist and during his time at Musgrove Park Hospital has also held a number of roles within operational line management and in regional roles within the wider NHS. He has, for example, been Clinical Director for acute medicine at the Trust and Clinical Director at the Southwest Regional Vascular Strategic Network. As chief medical officer he champions patient safety and quality improvement. His wife works for the Trust.</p> <p>Board Attendance: 8/9</p>	
Hayley Peters	Chief Nurse (Voting)	Appointed (Substantively): 2 December 2015
	<p>Hayley was appointed substantively as Director of Patient Care on 2 December 2015. She was appointed as joint Interim Chief Nurse of the Trust and Somerset Partnership NHS Foundation Trust on 2 October 2017 and was appointed substantively into that role on 6 March 2018.</p> <p>Hayley has over 25 years of experience in the NHS and joined Taunton and Somerset NHS Foundation Trust in July 2013 as the Deputy Director of Nursing. Prior to that, Hayley worked in senior clinical leadership roles in the southwest, London and the southeast. Hayley's early career centred in critical care, first as an intensive care nurse and later, following a period of training at Birmingham Medical School, as one of the first Physician's Assistants to practice in the UK.</p> <p>As a senior nursing leader in the southwest, Hayley has developed a growing interest in nursing and enabling elderly and frail people to stay safe and reach their full potential through personalised care and service integration. Hayley is passionate about excellence in patient care and aspires to improve patient safety, quality and patient experience.</p> <p>Board Attendance: 8/9</p>	

Matthew Bryant	Chief Operating Officer (Acute) (Voting)	Appointed: 11 July 2016
	<p>Matthew joined the Trust in 2014 as Director of Operations and was appointed as Chief Operating Officer in 2015. He was appointed as Chief Operating Officer (Acute Hospital Services) of the Trust and Somerset Partnership NHS Foundation Trust on 1 October 2017. He is responsible for the day-to-day running of the hospital and for its performance in meeting the required national standards.</p> <p>Matthew has worked in the NHS in the South West since 1998, managing medical and surgical services at the Royal Devon and Exeter Hospital, and being part of the management team when that trust became one of the country's first foundation hospitals. He led the Trust's delivery of new models of care for older people, which included a strong focus on integration with services outside hospital. He helped establish the Peninsula Medical School in Exeter, of which he became an Honorary Fellow, teaching undergraduate medical students about healthcare management. He was also involved in the commissioning of specialist services and the development of joint working for health authorities across Devon and Cornwall.</p> <p>Matthew joined the NHS on the national general management training scheme, after graduating from Oxford University. He is also a Trustee of Hospiscare, the palliative care provider for Exeter, East and Mid-Devon.</p> <p>Board Attendance: 8/9</p>	
Phil Brice	Director of Governance and Corporate Development (Non-Voting)	Appointed: 1 October 2017
	<p>Phil joined Somerset Partnership NHS Foundation Trust in 2012, having worked in the NHS since 2000. He worked for the Somerset Health Authority before becoming Director of Corporate Services for Taunton Deane Primary Care Trust and then Director of Corporate Services and Communications for NHS Somerset from 2006 – 2011. He previously worked for the Treasury Solicitor's department, the Parliamentary and Health Service Ombudsman and AXA PPP healthcare. Phil is a member of the NHS Top Leaders' programme. He was appointed as joint Director of Governance and Corporate Development of the Trust and Somerset Partnership NHS Foundation Trust on 1 October 2017.</p> <p>His wife works for Somerset Partnership NHS Foundation Trust, His sister works for Taunton and Somerset NHS Foundation Trust and he is a Director of the Shepton Mallet Health Partnership.</p> <p>Board Attendance: 9/9</p>	

Pippa Moger	Director of Finance (Voting)	Appointed: 2 October 2017
	<p>Pippa joined the NHS in 2002 as a management accountant at South Somerset Primary Care Trust where she remained employed until the restructuring of primary care trusts in 2007 by which stage she had been promoted to Assistant Director of Finance. In 2007 Pippa joined NHS South West as Assistant Director of Finance responsible for strategic development of costing and payment by results for the South West. During her time at NHS South West a secondment opportunity arose in NHS Wiltshire to head up the commissioning team for 6 months.</p> <p>In March 2009 Pippa joined Yeovil District Hospital NHS Foundation Trust as Assistant Director of Finance and on leaving the Trust in 2013 had been Interim Director of Finance. Pippa has a passion for ensuring that NHS resources are used in the most efficient and effective way whilst ensuring patient safety is not compromised. Pippa was appointed as Director of Finance and Business Development of Somerset Partnership in June 2013 and was appointed as joint Director of Finance of the Trust and Somerset Partnership NHS Foundation Trust on 2 October 2017.</p> <p>Her stepdaughter works for Yeovil District Hospital NHS Foundation Trust, her son works for Somerset Partnership NHS Foundation Trust and she is a Director of the Shepton Mallet Health Partnership.</p> <p>Board Attendance: 9/9</p>	
Isobel Clements	Interim Director of Director People and Organisational Development (Non-Voting)	Appointed: 1 November 2017
	<p>Isobel started her career at Musgrove Park Hospital in 1988 and held several senior human resources and organisational development management roles, including at associate and deputy level, until she became Director of People for the Trust in 2014 (operating at a deputy level). She has played a key role in developing the Trust's system of distributed leadership, in ensuring that the organisation's values are brought to life in everyday behaviour, and in overseeing a leadership programme in which over 900 colleagues at the hospital have now taken part. She was appointed as joint Interim Director of People and Organisational Development of the Trust and Somerset Partnership NHS Foundation Trust on 1 November 2017. Isobel is a member of the Chartered Institute of Personnel and Development.</p> <p>Board Attendance: 7/9</p>	

Andy Heron	Chief Operating Officer (Mental Health and Community Services) and Deputy Chief Executive (Voting)	Appointed: 1 October 2017
	<p>Andy joined Somerset Partnership NHS Foundation Trust in January 2014. He originally qualified as an Occupational Therapist (DIP.COT) and has worked clinically in Cornwall and North Somerset and went on to manage mental health services prior to managing mental health services in Bristol from 1999 – 2006 where he took a central role in integrating NHS and social care services and a complete service redesign and the comprehensive re-provision of the mental health estate in the city. Following this Andy gained a broad range of experience in London and the South West in senior commissioning and provider roles in the NHS and also in social care where he worked at the level of Service Director with responsibility for services to people with physical and sensory impairment, learning disabilities and mental health problems. Prior to joining Somerset Partnership in 2014 he was Director of Projects for a successful mental health and community foundation NHS trust in East London with portfolio responsibility for service modernisation and commercial and business development.</p> <p>Andy maintains a strong interest in care pathway redesign and service integration and is also Lead Director for Restrictive Interventions.</p> <p>His wife works for Avon and Wiltshire Mental Health Partnership NHS Trust (and is involved in a sub contract for liaison and diversion services) and he is a Director of the Shepton Mallet Health Partnership</p> <p>He was appointed as Chief Operating Officer (Mental Health and Community Services) for the Trust and Somerset Partnership NHS Foundation Trust on 1 October 2017 and as joint Deputy Chief Executive for both trusts on 4 November 2017.</p> <p>Board Attendance: 7/9</p>	

During 2018/19 there have been two changes to the Board – the appointment of Barbara Gregory and Jan Hull as non-voting Joint Non-Executive Directors with Somerset Partnership NHS Foundation Trust. Details of the appointments are set out in the overview of Board members above.

Performance evaluation of the Board effectiveness/governance arrangements

All directors, including the Chief Executive and Chairman, have annual performance reviews in line with the Trust's policy for all staff. In addition, the Trust carries out regular reviews of the effectiveness of the Board and all its sub-committees, using the findings to inform Board development. Details about the Trust's implementation of NHS Improvement's *well-led framework* can be found in the annual governance statement, the findings from which also inform the improvement of the Trust's governance systems.



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Peter Lewis, Chief Executive, 23 May 2019

Remuneration Report

Non-audited information

The Nomination and Remuneration Committee of the Board comprises the non-executive directors and determines the level of remuneration, terms of service for the Chief Executive and other executive directors. It supports the work of the Chairman in assessing the size, structure and skill requirements of the Board. The remuneration element of the Committee is chaired by the Senior Independent Director, Kate Fallon, and the nomination element of the Committee is chaired by the Trust's Chairman, Colin Drummond.

At present, the Trust employs colleagues under a number of pay and conditions of service (medical and dental contracts, agenda for change and spot salaries).

In determining pay, the Nomination and Remuneration Committee seeks to strike a balance between setting pay at a level sufficient to recruit, retain and reward individuals of a high calibre and ensuring best value in the use of public finances. Although staff are not formally consulted on pay rates, increases are set in line with those staff on agenda for change national terms and conditions.

In some cases, an additional responsibility payment may be paid where individual senior managers are required to take on significant responsibilities outside of their core role for an extended period. The allowance should be linked to the proportion of time spent on the additional responsibilities and would not normally exceed 10% of basic salary. Executive members of the Board are employed on contracts with no fixed or specified term, save for the Chief Medical Officer, who is subject to a three year fixed term in respect of his executive role. Notice periods for executive members of the Board are set at six months. No provision is made for additional termination payments.

The Remuneration Committee is the body charged with determining payments for loss of office. There is no policy for such payments. Instead, the Committee makes individual decisions on the rare occasions where such payments may be warranted. These decisions relate to both the award of a loss of office payment and on the value of any such payment. The Committee is free to exercise its discretion, and bases its decisions on the circumstances of the loss of office, the performance of the office-holder, and any other factors deemed relevant.

See page 45 onwards for salary and pension entitlements for senior managers. See page 31 onwards for details of the membership and attendance of the Nomination and Remuneration Committee.

The Trust is required to disclose the steps it has taken to satisfy itself that the remuneration is reasonable in cases where senior managers are paid more than £150,000 p.a. There are two senior managers currently employed by the Trust who were paid more than £150,000p.a. (the Chief Executive and the Chief Medical Officer). The salaries for these posts have been benchmarked and are commensurate with national, regional and local comparator roles within the NHS, reflecting the very high levels of responsibility associated with the posts, particularly

as these individuals have also been appointed to these roles within Somerset Partnership NHS Foundation Trust.

Fair Pay – audited information

The mid-point banded remuneration of the highest-paid director in Taunton and Somerset NHS Foundation Trust in the financial year 2018/19 was £200,000 to £205,000 (2017/18: £195,000 to £200,000).

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median remuneration of the organisation's workforce. This was 8.3 times (2017/18: 7.8) the median remuneration of the workforce, which was £24,768 (2017/18: £25,197).

In 2018/19, one employee received remuneration in excess of the highest-paid director (2017/18: 1). Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind of which there were none in 2018/19. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

The calculation is based on full-time equivalent staff of the reporting entity at the reporting period end date on an annualised basis. Where there is a sharing arrangement, it is the cost to the entity of an individual that identifies them as "highest paid" and not the total of that individual's remuneration. Termination benefits are excluded from the calculation of the highest-paid director's salary to avoid disturbing the ratio.

During 2017/18 the Trust appointed a joint executive team with Somerset Partnership NHS Foundation Trust. This increased the composition and the responsibilities of the executive team, who now operate across both trusts as part of an alliance to deliver more joined-up health services for the population of Somerset. This is reflected in their remuneration (see page 45 onwards).

There was no pay freeze for staff in 2018/19.

Expenses of the governors and directors – non-audited information

Expenses of the governors

There were a total of 29 governors in office during the reporting period and there were 12 governors who claimed expenses in that time (reflecting the elections in year). See page 23 onwards for more information. The aggregate sum of expenses paid to governors in the 2018/19 reporting period is £3,997 (2017/18 reporting period is £2,627).

Expenses of the directors

There were a total of 16 directors (9 executive and 7 non-executive) directors in office during the reporting period (16 directors in total as at 31 March 2019). The number of directors who claimed expenses in the reporting period was 10. The aggregate sum of expenses paid to directors (executive and non-executive) in the 2018/19 reporting period was £13,524 (2017/18 reporting period - £12,663).

Salaries and allowances of senior managers 2018/19

Name and Title	2018-19						
	Salary & Fees	All Taxable Benefits	Pension-related Benefits	Recharge of Remuneration (excluding Pension Recharges) to/from Somerset Partnership	Pension Recharges to/from Somerset Partnership	Total	
	(Bands of £5,000) £000	Rounded to the nearest £100	(Bands of £2,500) £000	(Bands of £5,000) £000	(Bands of £2,500) £000	(Bands of £5,000) £000	
	a	b	c	d	e	f	
Joint Executive Directors with Somerset Partnership NHS Foundation Trust (costs incurred by Taunton and Somerset NHS Foundation Trust)							
Mr P S Lewis	Chief Executive	185 - 190	0	102.5 – 105	(95 - 100)	(50 - 52.5)	140 - 145
Mr D A Shannon	Director of Strategic Development and Improvement	120 - 125	0	20 - 22.5	(60 - 65)	(10 - 12.5)	70 - 75
Dr S K Walker	Chief Medical Care Officer (Note 1)	200 - 205	0	0	(100 - 105)	0	100 - 105
Mrs H J Peters	Chief Nurse	125 - 130	0	7.5 – 10	(60 - 65)	(2.5 - 5)	70 - 75
Mr M A Bryant	Chief Operating Officer (Acute Hospital Services)	115 - 120	0	20 – 22.5	(55 - 60)	(10 - 12.5)	70 - 75
Mr A Heron *	Deputy Chief Executive and Chief Operating Officer (Mental Health and Community Services)	n/a	n/a	n/a	60 - 65	57.5 - 60	125 – 130
Mrs P Moger *	Director of Finance	n/a	n/a	n/a	65 - 70	92.5 - 95	165 – 170
Mr P Brice *	Director of Governance & Corporate Development	n/a	n/a	n/a	50 - 55	15 - 17.5	70 – 75

Name and Title		2018-19					
		Salary & Fees	All Taxable Benefits	Pension-related Benefits	Recharge of Remuneration (excluding Pension Recharges) to/from Somerset Partnership	Pension Recharges to/from Somerset Partnership	Total
		(Bands of £5,000) £000	Rounded to the nearest £100	(Bands of £2,500) £000	(Bands of £5,000) £000	(Bands of £2,500) £000	(Bands of £5,000) £000
		a	b	c	d	e	f
Mrs I Clements	Director of People and Organisational Development	105 - 110	0	192.5 - 194	(55 - 60)	(97.5 - 100)	140 - 145
Salary Costs paid by Somerset Partnership NHS Foundation Trust							
Mr A Heron *	Deputy Chief Executive and Chief Operating Officer (Mental Health and Community Services)	125 - 130	0	n/a	n/a	n/a	125 - 130
Mrs P Moger *	Director of Finance	135 - 140	0	n/a	n/a	n/a	135 - 140
Mr P Brice *	Director of Governance & Corporate Development	100 - 105	0	n/a	n/a	n/a	100 - 105
Non-Executive Directors for TST only							
Mr C Drummond	Chair	45 - 50	1,200	n/a	n/a	n/a	45 - 50
Mr S D Harrison	Vice Chair	15 - 20	2,000	n/a	n/a	n/a	20 - 25
Mr B B Perowne	Non-Executive Director	10 - 15	1,700	n/a	n/a	n/a	15 - 20
Dr K J Fallon	Non-Executive Director	15 - 20	0	n/a	n/a	n/a	15 - 20
Mr H R Williams	Non-Executive Director	10 - 15	0	n/a	n/a	n/a	10 - 15
Mr S Otter	Non-Executive Director	10 - 15	0	n/a	n/a	n/a	10 - 15
Mr A Durbacz	Non-Executive Director	10 - 15	1,200	n/a	n/a	n/a	15 - 20

* Employed by Somerset Partnership NHS Foundation Trust with Secondment to Taunton and Somerset

The Trust entered into an Alliance with Taunton & Somerset NHS Foundation Trust during 2017/18. As a result, a single Executive/Management Team was formed. The Taunton and Somerset NHS Foundation Trust Board continues to function as a legal entity. The table of Salary and Pension entitlements of senior managers for 2018/19 includes the full entitlements paid to senior managers during the year. This is not the amount chargeable to the Trust. Recharges between the two organisations are shown in columns d and e.

Notes

1. No longer in the Pension Scheme

Pension entitlements of senior managers 2018/19

Name and title	Real increase in pension at pension age (bands of £2,500) £000	Real increase in pension lump sum at pension age (bands of £2,500) £000	Total accrued pension at pension age at 31 March 2019 (bands of £5,000) £000	Lump sum at pension age related to accrued pension at 31 March 2019 (bands of £5,000) £000	Cash Equivalent Transfer Value at 1 April 2018 £000	Real Increase in Cash Equivalent Transfer Value £000	Cash Equivalent Transfer Value at 31 March 2019 £000	Employers Contribution to Stakeholder Pension To nearest £100 £	All pension related benefits (bands of £2,500) £000
Executive Directors									
Mr P S Lewis	5 – 7.5	7.5 – 10	65 - 70	160 - 165	947	220	1,167	0	102.5 - 105
Mr D A Shannon	0 – 2.5	0	30 - 35	75 – 80	431	90	521	0	20 - 22.5
Dr S K Walker**	0 – 2.5	0 – 2.5	0	0	1,049	(1,049)	0	0	0
Mrs H J Peters	0 - 2.5	0	40 - 45	90 – 95	577	96	673	0	7.5 – 10
Mr M A Bryant	0 – 2.5	0	35 - 40	80 – 85	483	92	575	0	20 – 22.5
Mrs I Clements ***	7.5 – 10	20 – 22.5	35 – 40	95 – 100	476	230	706	0	192.5 - 195
Mr P Brice*	0 – 2.5	0 – 2.5	20 – 25	60 - 65	417	79	496	0	45 – 47.5
Mr A Heron*	2.5 – 5	62.5 – 65	30 – 35	60 – 65	424	194	618	0	132.5 – 135
Mrs P Moger*	7.5 – 10	20 – 22.5	35 – 40	85 – 90	413	225	638	0	205 – 207.5

* Post are shared between Somerset Partnership and Taunton and Somerset Foundation Trust. The full pension figures attributed to the employee have been disclosed in the table above rather than the amount chargeable to the Trusts.

** No longer in the Pension Scheme

*** Became a Director on 01/11/2017, related Pension Benefits have been adjusted to a full year effect

As Non-Executive members do not receive pensionable remuneration, there are no entries in respect of pensions for Non-Executive members.

The CETV is the actuarially assessed capitalised value of the pension scheme benefits accumulated by a member at a particular point in time. The benefits valued are the member's accumulated benefits and any contingent spouse's pension payable from the scheme. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

The real increase in CETV reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement) and uses common market valuation factors for the start and end of the period.

The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures, and from 2004-05 the other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.



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Peter Lewis, Chief Executive, 23 May 2019

Salaries and allowances of senior managers 2017/18 – audited information

Name and title		2017/18					
		Salary & Fees	All Taxable Benefits	Pension-related Benefits	Recharge of Remuneration (excluding Pension Recharges) to/from Somerset Partnership	Pension Recharges to/from Somerset Partnership	Total
		(Bands of £5,000) £000	Rounded to the nearest £100	(Bands of £2,500) £000	(Bands of £5,000) £000	(Bands of £2,500) £000	(Bands of £5,000) £000
		a	b	c	d	e	f
Joint Executive Directors with Somerset Partnership NHS Foundation Trust (costs incurred by Taunton and Somerset NHS Foundation Trust (TST))							
Dr S R Barrell	Chief Executive (Note 1)	60 - 65	0	0 - 2.5	n/a	n/a	65 – 70
Mr P S Lewis	Chief Executive (Note 2)	160 - 165	0	120 - 122.5	(60 - 65)	(17.5 - 20)	200 – 205
Mr D A Shannon	Director of Strategic Development and Improvement (Note 3)	120 - 125	0	85 - 87.5	(35 - 40)	(7.5 - 10)	160 – 165
Dr S K Walker	Chief Medical Care Officer (Note 4*)	195 - 200	0	125 - 127.5	(45 - 50)	(7.5 - 10)	265 – 270
Mrs H J Peters	Chief Nurse (Note 5)	125 - 130	0	117.5 - 120	(30 - 35)	(7.5 - 10)	205 – 210
Mr M A Bryant	Chief Operating Officer (Acute Hospital Services) (Note 6)	115 - 120	0	57.5 - 60	(30 - 35)	(7.5 - 10)	135 – 140
Mr A Heron *	Deputy Chief Executive and Chief Operating Officer (Mental Health and Community Services) (Note 7)	n/a	n/a	n/a	25 - 30	5 - 7.5	35 – 40
Mrs P Moger *	Director of Finance (Note 8)	n/a	n/a	n/a	30 - 35	5 - 7.5	40 - 45

Name and title		2017/18					
		Salary & Fees	All Taxable Benefits	Pension-related Benefits	Recharge of Remuneration (excluding Pension Recharges) to/from Somerset Partnership	Pension Recharges to/from Somerset Partnership	Total
		(Bands of £5,000) £000	Rounded to the nearest £100	(Bands of £2,500) £000	(Bands of £5,000) £000	(Bands of £2,500) £000	(Bands of £5,000) £000
		a	b	c	d	e	f
Mr P Brice *	Director of Governance & Corporate Development (Note 9)	n/a	n/a	n/a	25 - 30	2.5 - 5	30 – 35
Mr N Macklin *	Director of People and Organisational Development (Note 10)	n/a	n/a	n/a	35 - 40	0 - 2.5	40 – 45
Mrs I Clements	Interim Director of People and Organisational Development (Note 11)	40 - 45	0	17.5 - 20	(25 - 30)	(2.5 - 5)	25 – 30
Salary costs paid by Somerset Partnership NHS Foundation Trust							
Mr A Heron *	Deputy Chief Executive and Chief Operating Officer (Mental Health and Community Services) (Note 7)	115 - 120	400	n/a	n/a	n/a	115 – 120
Mrs P Moger *	Director of Finance (Note 8)	115 - 120	0	n/a	n/a	n/a	115 – 120
Mr P Brice *	Director of Governance and Corporate Development (Note 9)	95 - 100	100	n/a	n/a	n/a	95 – 100
Mr N Macklin *	Director of People and Organisational Development (Note 10)	95 - 100	0	n/a	n/a	n/a	95 – 100

Name and title		2017/18					
		Salary & Fees	All Taxable Benefits	Pension-related Benefits	Recharge of Remuneration (excluding Pension Recharges) to/from Somerset Partnership	Pension Recharges to/from Somerset Partnership	Total
		(Bands of £5,000) £000	Rounded to the nearest £100	(Bands of £2,500) £000	(Bands of £5,000) £000	(Bands of £2,500) £000	(Bands of £5,000) £000
		a	b	c	d	e	f
Non-Executive Directors for TST only							
Mr C Drummond	Chair	45 - 50	1,400	n/a	n/a	n/a	45 – 50
Mr S D Harrison	Vice Chair	15 - 20	3,000	n/a	n/a	n/a	20 – 25
Mr B B Perowne	Non-Executive Director	10 - 15	2,200	n/a	n/a	n/a	15 – 20
Dr K J Fallon	Non-Executive Director	10 - 15	0	n/a	n/a	n/a	10 – 15
Mr H R Williams	Non-Executive Director	10 - 15	0	n/a	n/a	n/a	10 – 15
Mr S Otter	Non-Executive Director	10 - 15	0	n/a	n/a	n/a	10 – 15
Mr A Durbacz	Non-Executive Director	10 - 15	2,000	n/a	n/a	n/a	15 – 20

* Employed by Somerset Partnership NHS Foundation Trust with secondment to Taunton and Somerset.

The Trust entered into an Alliance with Somerset Partnership NHS Foundation Trust during 2017/18. As a result, a single executive/management team was formed. The Taunton and Somerset NHS Foundation Trust Board continues to function as a legal entity. The table of salary and pension entitlements of senior managers for 2017/18 includes the full entitlements paid to senior managers during the year (columns a to c). Recharges between the two organisations are shown in columns d and e. The net charge to Taunton and Somerset NHS Foundation Trust is recorded in column f.

Notes

1. Left the Trust on 1/9/2017.
2. Was the Deputy CEO for Taunton and Somerset until 1/9/2017, became the Trust's CEO from 2/9/2017. Was the Joint Deputy Chief Executive from 4/7/2017 until 3/11/2017. Became Joint Chief Executive on 4/11/2017.

3. Was Director of Finance until 23/10/2017 (joint working arrangement with Pippa Moger from 2/10/2017 until 23/10/2017). Became Joint Director of Strategic Development and Improvement from 24/10/17.
- 4*. Was Medical Director until 30/9/2017, became Joint Chief Medical Care Officer from 1/10/2017 (includes £18K for clinical duties).
5. Was Director of Patient Care until 1/10/2017. Became Joint Interim Chief Nurse from 2/10/2017 and was appointed substantively into that role on 6 March 2018.
6. Was Chief Operating Officer until 30/9/2017. Became Chief Operating Officer (Acute Services) from 1/10/2017.
7. Became Chief Operating Officer (Mental Health and Community Services) from 1/10/2017. Became Deputy Chief Executive as well from 4/11/2017.
8. Became Director of Finance from 2/10/2017, joint working arrangement with David Shannon until 23/10/2017, when became sole Director of Finance.
9. Became Director of Governance and Corporate Development from 1/10/2017
10. Was Director of People and Organisational Development from 4/7/2017 until 31/10/2017.
11. Became Interim Director of People and Organisational Development from 1/11/2017.

Pension entitlements of senior managers 2017/18 – audited information

Name and title	Real increase in pension at pension age	Real increase in pension lump sum at pension age	Total accrued pension at pension age at 31 March 2018	Lump sum at pension age related to accrued pension at 31 March 2018	Cash Equivalent Transfer Value at 1 April 2017	Real Increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2018	Employers Contribution to Stakeholder Pension	All pension related benefits
	(bands of £2,500) £000	(bands of £2,500) £000	(bands of £5,000) £000	(bands of £5,000) £000	£000	£000	£000	To nearest £100 £	(bands of £2,500) £000
Executive directors									
Dr S R Barrell	0 - 2.5	(2.5) - 0	20 - 25	40 - 45	324	9	346	0	0 - 2.5
Mr P S Lewis	5 - 7.5	10 - 12.5	55 - 60	150 - 155	773	146	919	0	120 - 122.5
Mr D A Shannon	2.5 - 5	7.5 - 10	30 - 35	75 - 80	337	82	419	0	85 - 87.5
Dr S K Walker	5 - 7.5	12.5 - 15	55 - 60	150 - 155	890	129	1,018	0	125 - 127.5
Mrs H J Peters	5 - 7.5	10 - 12.5	35 - 40	90 - 95	445	115	560	0	117.5 - 120
Mr M A Bryant	2.5 - 5	2.5 - 5	30 - 35	80 - 85	417	52	468	0	57.5 - 60
Mrs I Clements (from 1 November 2017)	0 - 2.5	0 - 2.5	10 - 15	30 - 35	179	19	224	0	17.5 - 20
Mr A Heron*	0 - 2.5	(57.5 - 60)	25 - 30	0	444	(37)	412	0	(25 - 27.5)
Mr P Brice*	0 - 2.5	2.5 - 5	20 - 25	55 - 60	342	60	405	0	40 - 42.5
Mr N Macklin*	0 - 2.5	0	10 - 15	0	146	20	167	0	12.5 - 15
Mrs P Moger*	0 - 2.5	(2.5) - 0	20 - 25	40 - 45	324	9	346	0	0 - 2.5

* Posts are shared between Somerset Partnership and Taunton and Somerset Foundation Trust. The full pension figures attributed to the employee have been disclosed in the table above rather than the amount chargeable to the Trusts.

Staff report

We are really proud of our colleagues and their achievements. We value our people and their commitment to our patients and our organisation - together, we are dedicated to working as one team to make a difference to people's lives. In this section of the annual report, we describe the ways in which we engage and communicate with our colleagues as well as setting out the number of people we employ and sickness absence data.

Analysis of average number of employees (WTE basis)* – audited information

	Total 2018/19	Permanent 2018/19	Other 2018/19	Total 2017/18	Permanent 2017/18	Other 2017/18
Medical and dental	506	496	10	511	497	14
Ambulance staff				0	0	0
Administration and estates*	1,278	1,213	65	894	868	27
Healthcare assistants and other support staff	912	803	108	1,109	953	156
Nursing, midwifery and health visiting staff	1,205	1,071	134	1,136	1,042	95
Nursing, midwifery and health visiting learners				0	0	0
Scientific, therapeutic and technical staff	593	579	14	648	634	13
Healthcare science staff				0	0	0
Social care staff				0	0	0
Agency and contract staff				0	0	0
Bank staff				0	0	0
Other				0	0	0
Total average numbers	4,493	4,162	331	4,298	3,993	305
Of which (numbers of employees (WTE) engaged on capital projects)	42	42	0	65	63	2

* The figure for 2018/19 includes support service staff who were previously recorded under 'Healthcare assistants and other support staff', following the transfer of these services into the trust's estates and facilities team.

Analysis of gender breakdown (based on headcount) – non-audited information

Directors

	Male	Female
Executive*	6	3
Non-executive	6	1 + 2 (from June 2018)
Total	12	6

*Please see the list of executives from page 36 (includes those members of the joint team seconded to the Trust but employed by Somerset Partnership NHS Foundation Trust).

Other senior managers (all employees (excluding directors) at band 8 and above)

	Male	Female
Medical consultants + GPs	166	114
Senior managers (all band 8+ staff)	60	136
Total	226	250

Other employees

	Male	Female
Medical (training and career grade)	106	158
All other staff	760	3450
Total	866	3608

We welcome the requirement for UK organisations to report their gender pay gap. This is a good opportunity to understand and address the root causes of gender inequality in our society, and we are looking at how we can best do this in the local NHS.

The Trust's gender pay gap report for 2017/18 shows statutory information but also an analysis of the difference between different roles (medical in comparison to non-medical roles) and provides further commentary in addition to the statutory requirements.

In line with national guidance, the data for 2017/18 is published on the Trust's website at: <https://www.tsft.nhs.uk/media/664386/TST-Gender-Pay-Gap-report-310318.pdf>

Employee costs – audited information

	2018/19			2017/18		
	Total	Permanent	Other	Total	Permanent	Other
	£000	£000	£000	£000	£000	£000
Salaries and wages	156,949	154,030	2,919	147,461	145,872	1,589
Social security costs	15,353	15,353	0	14,098	14,098	0
Pension cost - defined contribution plans employer's contributions to NHS pensions	19,051	19,051	0	17,768	17,768	0
Pension cost - other	0	0	0	0	0	0
Other post-employment benefits	0	0	0	0	0	0
Other employment benefits	7	7	0	0	0	0
Termination benefits	23	23	0	96	96	0
Temporary staff - external bank	0	0	0	0	0	0
Temporary staff - agency/contract staff	10,538	0	10,538	8,793	0	8,793
Recoveries in respect of seconded staff	(487)	(487)	0	(520)	(520)	0
Total gross staff costs	202,191	188,734	13,457	187,696	177,314	10,382

The figure above includes £1,915 (2017/18 £1,525) relating to permanent staff who are employed on Capital Projects.

Sickness absence data and staff wellbeing – audited information

The following figures are reported in the annual accounts and are based on the financial year:

Total number of staff years	4028
Total days lost through sickness	52,213
Calculated absences per staff year	13

The Trust experienced monthly levels of sickness during 2018/19 ranging from 3.6% to 4.4%. These levels are an improvement on the previous year that peaked at 4.6%.

Analysis of the reasons for sickness absence showed the two main causes as stress/anxiety related and musculoskeletal. The Trust provides a range of interventions to maintain well-being; these were further enhanced during the year by the involvement in the NHSI wellbeing programme. This programme is designed to support Trusts to use improvement methodology to identify root causes impacting on sickness and identify actions to support improvement. These actions have been designed to support colleagues with building resilience and minimising the impact of stress.

A wellbeing strategy was launched during 2018/19 and the Trust ran the first wellbeing conference for colleagues. The focus continues to be on prevention rather than the management of sickness absence; the strategy will be reviewed and updated during 2019/20.

Health and safety

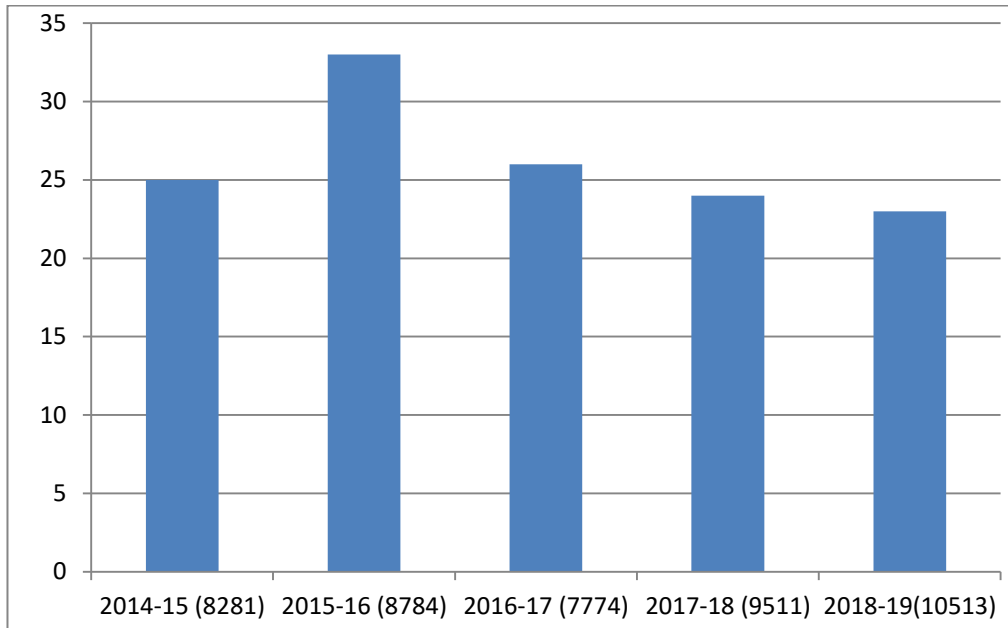
There continues to be a positive health and safety culture within the organisation and this is recognised by external regulators such as the Health and Safety Executive. The Trust's Health and Safety Committee and the Safety Environment and Advisors Group (SEAG) are effective meetings that ensure structures and processes are in place to successfully manage health and safety. Safety topic leads report to SEAG either directly or via specialist safety meetings such as the Fire Safety Committee. SEAG is chaired by the health and safety advisor who is responsible for ensuring that a structure is in place to manage the health and safety functions for the 24 topic leads that report into it. This includes policy consultation, development and approval, monitoring of policy implementation plans, policy monitoring and action plan updates. This work schedule aligns with the Integrated Quality Assurance Board (IQAB). Policies are in place for health and safety related topics along with a robust system for policy monitoring. This reports in to the SEAG work schedule.

Incidents reported to the HSE under RIDDOR

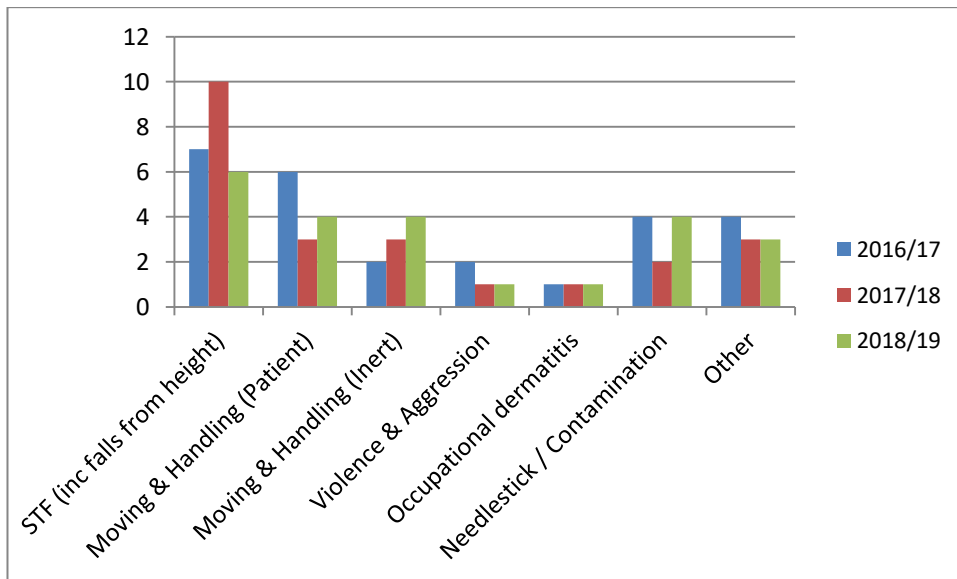
The Reporting of Injuries, Diseases and Dangerous Occurrences Regulation (RIDDOR) requires the Trust to report deaths, certain types of injury, some occupational diseases and dangerous occurrences that 'arise out of or in connection with work'. An annual RIDDOR report has been prepared and considered in the relevant fora. All RIDDORs are fully investigated and monitored. An overview of all RIDDORs is a standing agenda item on the safety committees. During 2018/19, the Trust reported 23 incidents to the Health and Safety Executive as detailed in the table below. This is a slight decrease from the 24 incidents during 2017/18. Of the 23 incidents, three were classified in the major incident category due to the nature of injuries that were sustained.

The following two tables are an extract from the annual report and give an indication of the total number of RIDDORs year on year and breakdown by cause.

Number of RIDDOR reports made to the Health and Safety Executive - 2014/15 - 2018/19



Number of RIDDOR reports by cause - 2016/17 - 2018/19



Counter Fraud

Taunton and Somerset NHS Foundation Trust supports the NHS Counter Fraud Authority strategy that aims to reduce fraud within the NHS. We are committed to the prevention, detection and investigation of any such allegations and will seek to apply criminal, disciplinary, regulatory and civil sanctions where allegations are upheld. This includes the recovery of identified losses to ensure that NHS resources are used for their intended purpose - the delivery of patient care.

The Trust employs a counter fraud manager who conducts both proactive and reactive work to ensure that resources are not wrongfully diverted from patient care and there is a robust *anti-fraud, bribery and corruption policy* in place. All colleagues, contractors, vendors and patients are encouraged to report concerns to the Trust's local counter fraud manager or NHS Counter Fraud Authority.

Support for colleague health and wellbeing

The Trust works hard to look after its people and to keep them well. There is an employee assistance programme provided by Right Management Workplace Wellness which offers around the clock access to free and confidential advice and support for all staff. The workplace wellness team helps colleagues to proactively identify, plan and manage life events and helps them to stay in control, happy, healthy and fully focused on life and work. The Trust actively participated in Wellbeing Month in March to support colleagues in taking care of themselves, which in turn helps them to take better care of our patients.

Staff policies and actions applied during the financial year

The Trust's *recruitment and selection policy* ensures that full and fair consideration is given to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities. This is further enhanced by the Trust's *special leave policy* and *probationary period policy*, which have specific provisions to ensure that the needs of disabled persons are taken into account. Such policies apply to those who become disabled persons during the year, and the Trust is also compliant with the Equalities Act, which requires the provision of tailored measures to ensure that the needs of disabled employees are met. Many of the Trust's policies in regard to training, career development and promotion make no specific provisions for employees with disabilities. However, all employees are treated equally, and provisions are made for reasonable adjustments where required.

We work hard to engage our people in all that we do. Our executive and non-executive directors, as well as our governors, visit areas across the hospital to hear feedback from staff directly. Also, the Trust's Chief Executive encourages colleagues to share their feedback honestly and easily and there are regular drop-in sessions for colleagues to meet with the executive director team. A variety of direct and confidential communication channels are provided through the intranet, email and paper forms. Employees are provided with information on matters of concern to them. There are a range of communication and engagement tools that are utilised:

- A weekly staff bulletin, managers' briefing, Board briefing and governors' briefing.
- Executive director drop-in sessions.
- A team brief (with key strategic messages and operational performance) published on a monthly basis, key points from which are presented to colleagues (all of whom are invited) by the executive directors and dialogue encouraged.
- Urgent and important notices are sent by email to all colleagues.
- The use of social media as a form of interaction and communication (including Facebook and Twitter).
- Sharing information on the intranet, on which there is a comprehensive combination of organisational news, publications, database of policies and patient information, departmental information and information about colleague benefits. Some questionnaires are also hosted in this way.

The Trust takes concerns raised by colleagues and patients very seriously and has processes in place to enable staff to raise concerns without fear of reprisal, further information about this is available on the Trust's intranet pages. We aim to create a culture where colleagues, patients and carers are able to speak out when concerned about safety, quality or how we are demonstrating our values.

We know there will be occasions when we don't get things right; which is why encouraging colleagues and patients to raise concerns openly as part of normal day-to-day practice is an important part of improving the quality of the service we provide, patient safety and experience.

We have further invested this year in the time allocated to our freedom to speak up guardians who play a key role in helping to raise the profile of raising concerns. Colleagues can confidentially speak to them for advice and support in relation to concerns they have about patient safety and/or the way their concern has been handled. They help to foster an environment that is open and honest and to support a culture where colleagues feel comfortable about raising concerns and issues, no matter how big or small. During 2018/19 the freedom to speak up guardians have been raising awareness of their role across the Trust – including during a dedicated freedom to speak up awareness week. We were also fortunate to be visited by the National Freedom to Speak Up Guardian, Henrietta Hughes to support the work we are doing.

Staff Survey

The 2018 staff survey was completed between September and December 2018 with a 38% response rate equating to feedback from 1,689 colleagues, which was a slight decrease on the response rate of 40% in 2017 and is below the average response rate of 44% of comparable Trusts.

In 2018 the NHS Staff survey saw some key changes in the way the results were reported these changes included the following:

- A move from 32 Key findings to 10 Key Themes
- A move from a 5 point rating scale to a 10 point rating scale
- The introduction of a new theme under the heading Morale

The 10 Key themes and the results for Taunton and Somerset can be seen in the table below:

Theme	2017 score	2017 respondents	2018 score	2018 respondents	Statistically significant change?
Equality, diversity & inclusion	9.2	1738	9.2	1642	Not significant
Health & wellbeing	6.4	1740	6.0	1642	↓
Immediate managers	7.0	1736	6.8	1655	Not significant
Morale		0	6.3	1604	N/A
Quality of appraisals	5.6	1468	5.4	1428	Not significant
Quality of care	7.7	1480	7.3	1438	↓
Safe environment - Bullying & harassment	8.2	1725	8.1	1638	Not significant
Safe environment - Violence	9.4	1727	9.4	1639	Not significant
Safety culture	6.8	1739	6.7	1625	↓
Staff engagement	7.3	1740	7.2	1684	↓

The table shows that there were four significant changes in the results falling under the themes of Health and Wellbeing, Quality of Care, Safety Culture and Staff Engagement. The results in each of these themes are made from a series of questions and these are detailed below.

HEALTH AND WELLBEING

Question	2017	2018	National Average 2018
The opportunities for flexible working patterns	53%	51.7%	51.9%
Does your organisation take positive action on health and well-being?	32.3%	28.5%	27.8%
In the last 12 months have you experienced musculoskeletal problems (MSK) as a result of work activities?	19.7%	24.6%	28.7%
During the last 12 months have you felt unwell as a result of work related stress	33.2%	39.5%	38.9%
In the last three months have you ever come to work despite not feeling well enough to perform your duties?	51.5%	52.7%	56.9%

QUALITY OF CARE

Question	2017	2018	National Average 2018
I am satisfied with the quality of patient care I give to patients/service users	85.6%	80.3%	80.1%
I feel that my role makes a difference to patients/service users	91.2%	88%	89.5%
I am able to deliver the care I aspire to	72.6%	66.6%	66.9%

SAFETY CULTURE

Question	2017	2018	National Average 2018
My organisation treats staff who are involved in an error, near miss or incident fairly	51.2%	58.9%	58%
When errors, near misses or incidents are reported, my organisation takes action to ensure that they do not happen again	65.9%	69.3%	70.2%
We are given feedback about changes made in response to reported errors, near misses and incidents	49.5%	57.3%	61.7%
I would feel secure raising concerns about unsafe clinical practice	74.5%	74.3%	73.3%
I am confident that my organisation would address my concern	57.5%	60%	60%
My organisation acts on concerns raised by patients / service users	71.6%	72.7%	73.9%

STAFF ENGAGEMENT

Question	2017	2018	National Average 2018
I look forward to going to work	61.4%	61%	59.3%
I am enthusiastic about my job	77.7%	75.5%	74.8%
Time passes quickly when I am working	78.5%	77.7%	76.8%

Question	2017	2018	National Average 2018
There are frequent opportunities for me to show initiative in my role	74.4%	71.6%	72.5%
I am able to make suggestions to improve the work of my team/department	77.9%	74.5%	74.5%
I am able to make improvements happen in my area of work	58.8%	56.7%	56.1%
Care of patients/service users is my organisations top priority	83.5%	82.2%	76.7%
I would recommend my organisation as a place to work	70.9%	71.9%	62.6%
If a friend or relative needed treatment I would be happy with the standard of care provided by this organisation	83.2%	83.6%	71.3%

Overall Staff Engagement

Our overall staff engagement score has seen a slight decrease from 7.3 in 2017 to 7.2 in 2018. For 2018 this engagement score is higher than the national average which sits at 7.0.

Trade Union Facility Time Disclosure

1	Andria Haffenden UNISON andria.haffenden@tst.nhs.uk	£28.12/hr	4	112.48	5,865	1.00	54,980	11%
2	Carolyn Higgins SoR carolyn.higgins@tst.nhs.uk	£20.74/hr	4	82.96	4,326	1.00	40,564	11%
3	Claire Doolan SoR claire.doolan@tst.nhs.uk	£23.85/hr	4	95.40	4,974	0.80	37,314	13%
4	Debbie Russell UNISON *	£19.16/hr	32	612.98	31,963	0.85	31,963	100%
5	Eleanor Copp RCM eleanor.copp@tst.nhs.uk	£23.85/hr	4	95.40	4,974	1.00	46,642	11%
6	Katie Bowers CSP katie.bowers@tst.nhs.uk	£19.35/hr	4	77.40	4,036	1.00	37,841	11%
7	Laura Collins CSP laura.collins@tst.nhs.uk	£16.61/hr	4	66.44	3,464	1.00	32,482	11%
8	Marcela Coe UNISON marcela.coe@tst.nhs.uk*	£23.85/hr	4	94.82	4,944	0.11	4,944	100%
9	Mike Slade Unite mike.slade@tst.nhs.uk	£23.85/hr	4	95.40	4,974	1.00	46,642	11%
10	Natalie Buck natalie.buck@tst.nhs.uk	£28.12/hr	4	112.48	5,865	1.00	54,980	11%
11	Paul Martin SoR paul.martin@tst.nhs.uk*	£22.22/hr	4	76.67	3,998	0.09	3,998	100%
12	Steven Higgins SoR steven.higgins@tst.nhs.uk	£24.84/hr	4	99.36	5,181	1.00	48,562	11%
13	Frank Hicks	£11.89/hr	4	47.56	2,480	1.00	23,253	11%
14	Dave Merrell	£19.16/hr	4	76.24	3,975	1.00	37,471	11%
15	David Wilson	£11.89/hr	4	47.56	2,480	1.00	23,253	11%
16	Michael Phillips	£15.00/hr	4	60.00	3,129	1.00	29,330	11%
17	Andy Dodd	£11.89/hr	4	47.56	2,480	1.00	23,253	11%
18	Debbie Quick	£13.06/hr	4	52.24	2,724	1.00	25,528	11%
19	Kevin Hellier	£11.89/hr	4	47.56	2,480	0.92	21,393	12%
20	James Knight	£20.74/hr	4	82.96	4,326	1.00	40,564	11%
21	Kamila Cieniewicz	£11.89/hr	4	47.56	2,480	0.80	18,602	13%
22	Neuza Nunes (Alex)	£13.06/hr	4	52.24	2,724	0.80	20,422	13%
23	Lee Talbot	£11.00/hr	4	44.00	2,294	1.00	21,500	11%
			120	2,227.27	116,137		725,481	

*Facility Time Only

Expenditure on consultancy

The Trust spent £0.6m on consultancy during the financial year. This expenditure was mainly on development of the business case for the merger and alliance (£0.27m), the Trust share of the costs of the Somerset Strategic Transformation Partnership (£0.23m) and business development for the Somerset Cancer Register (£0.04m).

Off-payroll arrangements – audited information

The Trust has a robust policy in place in respect of any off-payroll arrangements. In each case, the Trust's Chief Executive, or their delegated deputy, reviews and approves the cost, duration and purpose of any off-payroll arrangements. This is reviewed on a weekly basis.

For all off-payroll engagements as of 31 March 2019, for more than £245 per day and that last longer than six months

No. of existing engagements as of 31 March 2019	0
Of which...	
No. that have existed for less than one year at time of reporting.	0
No. that have existed for between one and two years at time of reporting.	0
No. that have existed for between two and three years at time of reporting.	0
No. that have existed for between three and four years at time of reporting.	0
No. that have existed for four and more years at time of reporting.	0

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

No. of new engagements, or those that reached six months in duration, between 1 April 2017 and 31 March 2018.	0
Of which:	
No. assessed as within the scope of IR35.	0
No. assessed as not within the scope of IR35.	0
No. engaged directly (via PSC contracted to Trust) and are on the Trust's payroll.	0
No. of engagements reassessed for consistency / assurance purposes during the year.	0

No. of engagements that saw a change to IR35 status following the consistency review.	0
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For any off-payroll engagements of Board members, and/or senior officials with significant financial responsibility, between 1 April 2018 and 31 March 2019

Number of off-payroll engagements of Board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
Number of individuals that have been deemed board members and/or senior officials with significant financial responsibility during the financial year. This figure includes both off-payroll and on-payroll engagements.	3

Exit packages – audited information

Foundation trusts are required to disclose summary information of their use of exit packages agreed in the year. The table below discloses all exit packages agreed in year including those payable to senior managers.

Exit package cost band	2018/19			2017/18		
	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000		9	9	0	14	14
£10,000 - £25,000				1	1	2
£25,001 - £50,000				0	1	1
£50,001 - £100,000				0	0	0
£100,000 - £150,000				0	0	0
£150,001 - £200,000				0	0	0
Etc.				0	0	0
Total exit packages by type		9	9	1	15	16
Total resource cost		£23,000	£23,000	£22,000	£74,000	£96,000

The table below details the number of non-compulsory staff departures which attracted an exit package in the year and the values of the associated payments. The table has been prepared on exit packages agreed during the year irrespective of the actual date of accrual or payment.

	2018/19		2017/18	
	Payments agreed Number	Total value of agreements	Payments agreed Number	Value of agreements
Voluntary redundancies including early retirement contractual costs				
Mutually agreed resignations (MARS) contractual costs				
Early retirements in the efficiency of the service contractual costs				
Contractual payments in lieu of notice	9	£23,000	15	£48,000
Exit payments following employment tribunals or court orders				
Total	9	£23,000	15	£48,000
Of which: <i>Non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months of their annual salary</i>				

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 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

The Trust has been placed in segment 3 under the new *single oversight framework*. This segmentation information is the Trust's position as at 31 March 2019. Current segmentation information for NHS trusts and foundation trusts is published on NHS Improvement's 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	2016/17 scores
Financial sustainability	Capital service capacity	4	3	4
	Liquidity	4	4	4
Financial efficiency	I&E margin	4	4	2
Financial controls	Distance from financial plan	3	3	1
	Agency spend	4	3	3
Overall scoring		4	3	3

Statement of the Chief Executive's responsibilities as the Accountable Officer of the 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 Taunton and Somerset 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 Taunton and Somerset 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's Group Accounting Manual and in particular to:

- Observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis.
- Make judgements and estimates on a reasonable basis.
- State whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual (and the Department of Health and Social Care Group Accounting Manual) have been followed, and disclose and explain any material departures in the financial statements.
- Ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance and
- 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*.



Peter Lewis, Chief Executive, 23 May 2019

Annual Governance Statement

Scope of responsibility

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Taunton and Somerset 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 Taunton and Somerset NHS Foundation Trust for the year ended 31 March 2019 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Trust has identified an executive director with responsibility for progressing risk management in the organisation. The Director of Governance and Corporate Development has clearly defined risk management responsibilities and is supported by the Associate Director of Integrated Governance. The Chief Operating Officer has overall accountability for the day to day delivery of risk management activity within the clinical directorates. Responsibilities for risk management are clearly defined within job descriptions for all of these roles.

The Trust's governance support unit is responsible for providing appropriate training, support and guidance to enable all managers to carry out their risk management responsibilities. Specific training courses on risk management for managers, risk assessment, incident management and investigation are supported by a corporate induction and mandatory update programme covering all regulatory requirements.

The Director of Governance and Corporate Development and Chief Operating Officer are key members of the Trust's Executive Committee, where the risk register is reviewed monthly to ensure operational risks are being adequately controlled.

The Director of Governance and Corporate Development co-chairs the Trust's key operational management group for governance, the Integrated Quality Assurance

Board (IQAB), with the Chief Nurse and Chief Medical Officer. The Associate Director of Integrated Governance is also a key member of this committee. The IQAB meets monthly to monitor progress with corporate and operational plans and receive assurance reports and improvement plans from nominated leads on all regulatory requirements in accordance with its reporting schedule.

The Trust's Serious Incident Review Group meets regularly to share issues raised following incidents, complaints, concerns and claims, along with information from other key sources, such as morbidity and mortality reviews. This enables sharing of good practice and lessons learned via directorate governance structures and allows for direct input into the Trust's improvement programme.

The Audit Committee has responsibility for monitoring the effectiveness of the Trust's risk management systems and for reviewing and challenging the organisation's risk appetite and maturity.

The risk and control framework

The Trust's *governance policy* details how risk will be identified, evaluated and managed. It gives details of the monitoring arrangements and the authority for decision-making through identified posts or committees. The main methods for the identification of risk are:

- Review of compliance with key standards, for example the Care Quality Commission (CQC) registration requirements, and legislation such as the Health and Safety at Work Act (1974).
- Executive review of annual and strategic objectives to identify potential risks to meeting those objectives.
- Local risk assessment at departmental level, feeding up to divisional risk registers.
- Facilitated risk identification sessions at various levels in the organisation.
- Incident reporting and complaints information.
- Information from external sources such as the Care Quality Commission's (CQC) inspection, audits and patient and staff surveys.

All risks are assessed and evaluated using a standard form and scoring system, allowing direct comparison. From this evaluation, risks are categorised into one of three accountability levels, and responsibility for the control and monitoring of the risk is allocated to the department, the directorate or the Trust's executive team, depending on the level identified. Responsibility for completing actions is allocated to an individual manager, with monitoring carried out by the relevant directorate committee or Trust executive director. The three accountability levels are set based on the Trust's risk appetite, which is regularly reviewed by the Board.

Risk identification is linked to the setting of organisational objectives, as detailed in the Trust's board assurance framework. Capital planning includes an assessment of risk issues, and spending is prioritised on a risk basis. All papers considered by the Board are referenced to the risks they are aimed at addressing. The board assurance framework links to the significant risks that may affect the Trust achieving

its objectives, how they are currently controlled and what sources of assurance the Board has that the risks are being managed appropriately. It also details action that is necessary to reduce the risks or improve sources of assurance, with prioritisation based on the standard Trust risk evaluation process. Information and data security risks are identified and managed through the Trust's risk assessment and incident reporting processes. The Trust has established an Data Security and Protection Group to monitor this process and provide assurance on the systems in place for managing information risks.

As part of its ongoing commitment to risk management, the governance support unit develops an annual plan, monitored by the Governance and Quality Committee that includes key risk management objectives. The Trust's internal work plan is linked to key risks.

Assurance on compliance with Care Quality Commission (CQC) registration requirements, along with other key regulatory requirements, is provided to the Governance and Quality Committee via the work of the Integrated Quality Assurance Board (IQAB). The IQAB reviews the assurances in place for all requirements in line with an annual plan, providing regular updates to the Governance and Quality Committee.

Taunton and Somerset NHS Foundation Trust is fully compliant with the registration requirements of the CQC.

The Trust involves its key stakeholders in managing risks which impact on them in a variety of ways and the Council of Governors has a key role in supporting and challenging the Board.

The Trust's key risks for 2018/19 were:

- Financial challenges and failure to achieve control total.
- Operational pressures having an impact on the quality of care provision and the delivery of the Trust's operational performance standards (RTT, 62 day cancer, diagnostic waiting times and A&E).
- Management of demand across the system, particularly in emergency care.
- Age of the estate.
- Key clinical staffing vacancies, particularly in nursing.
- Recruitment, training and retention of key clinical staff.

In 2019/20 and into the longer-term, there are a number of similar, key strategic risks facing by Taunton and Somerset NHS Foundation Trust relating to financial, operational and staffing challenges across the Somerset health and care system, including cash flow and the ageing estate. The Trust will continue to look at how these risks can be mitigated through the alliance with Somerset Partnership NHS Foundation Trust and by working more closely with other partners in Somerset and in neighbouring counties and as part of the sustainability and transformation plan (STP).

Developing Workforce Safeguards

In October 2018 NHSI released 'Developing workforce safeguards – supporting providers to deliver high quality care through effective staffing'. The report made many recommendations and highlighted good practice to support Trusts make evidenced decisions about safe staffing levels across all clinical areas, covering all staffing groups.

The Trust has reviewed the safeguards and recommendations during the year and put in place, along with Somerset Partnership NHS Foundation Trust, a series of measures to meet these requirements. Central to this is the resourcing principles, aims and plans set out in the joint People Strategy published in May 2018.

We have in place regular reviews of safe staffing for inpatient ward areas with safecare data triangulated against outcomes such as incidents, red flag reports or any harm reported, professional opinion from clinical leaders about current risks or mitigation in all areas. There is a six-monthly report to the Trust Board on safer staffing in inpatient wards and it is planned to extend this to include all clinical professions in the next twelve months.

The Trust does not as yet have a comprehensive workforce plan that extends to all clinical professionals but is working with colleagues and partner organisations through the Local Workforce Action Board to develop this.

Any service changes, skill mix reviews and new roles are subject to a Quality Impact Assessment process that it shared with organisations across the county. Escalation processes are documented and are linked to system-wide escalation needs. Where these issues have continued or increased, these are escalated to the Trust's board.

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

The Trust has an up-to-date register of interests for decision-making staff and will be publishing this, as required by the 'Managing Conflicts of Interest in the NHS' guidance, in June 2019.

There are no significant risks relating to compliance with the NHS foundation trust condition four relating to corporate governance. As part of its internal audit plan, the Trust undertakes reviews of its governance and risk management arrangements.

The Trust has further developed its risk management processes to ensure that relevant and up to date risk information is available at all key meetings, ensuring that decisions are based on robust assessments of risk. The Trust has an open and fair culture, encouraging incident reporting to enable the hospital to learn and improve as part of its core business.

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 trust has undertaken risk assessments and has a sustainable development management plan in place which is being developed to take account of UK Climate Projections 2018 (UKCP18). The trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

Annual Quality Account

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

The Chief Nurse leads the development of the annual quality report. Key stakeholders are involved in the development of the report. The development of the priorities and indicators was based on all types of patient feedback over the year, with the Council of Governors approving the final list of priorities.

The Head of Integrated Governance, supported by the governance support unit, clinical information analysts, clinical audit facilitators and other specialists, has coordinated the preparation of the quality report. Controls are in place to ensure that all the Trust's employees have the appropriate skills and expertise to perform their duties. This includes the provision of relevant training and helps to ensure the accuracy and reliability of data collected and prepared by employees and which is used to assess the quality of the Trust's performance.

The quality metrics included in the report have been regularly reported through Trust governance structures, including the Governance and Quality Committee, Trust Board and Council of Governors where appropriate.

Data quality issues are addressed through the Trust's information governance systems in line with its *information and data quality policy*.

The metrics include key measures developed with the Trust's principal commissioners, the Somerset CCG, to provide them with assurance that the Trust is providing high quality care. Additional measures relating to patient experience are provided by the monthly assessments that the Trust has established, overseen by the Trust's Patient Experience Committee.

The quality report presents a fair and balanced view of the activities of the Trust, based on data which is subject to rigorous quality control as well as internal and external audit. The data used to inform the quality report is overseen by the Trust's Information team and the governance support unit, in compliance with the policies and procedures in place to ensure the quality of data.

Information governance, cyber and data security

The Trust manages its information governance agenda through a number of different approaches. The Governance and Corporate Development Director chairs the Data Security and Protection Group (DSPG), which is responsible for setting the framework for information governance standards in the Trust and ensuring delivery of action plans to improve compliance.

A key part of the DSPG work is to review compliance against the Data Security and Protection Toolkit and to ensure evidence is externally assured through audit. In 2018/19 the Trust achieved 'Standards Exceeded' rating within the Data Security and Protection Toolkit.

The information governance framework is supported by the Data Protection Officer, The Caldicott Guardian and the Senior Information Risk Owner (SIRO).

Information Governance SIRIs

There were five data breaches which were required to be reported to the Information Commissioner's Office during 2018/19. No further action was taken by the ICO.

Cyber Security

Cyber and data security continues to be an important focus for Taunton & Somerset NHS Foundation Trust and the NHS in England. Throughout 2018/19, improved processes have been implemented for the management of cyber incidents as part of our routine business processes, with the corporate IM&T security team responding to threats and reporting any Cyber Serious Incidents Requiring Investigation (CSIRI) to DH and NHS Digital where appropriate. No CSIRI were reported to NHS Digital in 2018/19.

Action Plan

During 2019/20 we will maintain compliance by completion of the Data Security and Protection Toolkit and continuing our readiness and compliance with the Data Protection Act and General Data Protection Regulation.

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

An important part of the Trust's responsibility is that the Trust assesses and reviews the financial sustainability of the organisation. As such the Trust has considered the scale of the financial challenges it is facing over the next 12 month period.

The Trust has developed detailed financial plans for the financial year to the end of March 2020 and these show a breakeven position on the NHS Improvement control total basis with a small surplus of £348,000 after taking account of donated asset related movements. The Trust has utilised interim revenue support loan facilities from the Department of Health and Social Care during both the 2017/18 and 2018/19 financial years and expects these facilities to continue to be available should financial performance deteriorate significantly from the plan. For this reason, the Directors consider it appropriate to continue to adopt the going concern basis in preparing the accounts.

Throughout the year the Finance Committee and the Board have closely monitored the financial position and the impact of the significant operational pressures on the delivery of the Trust's financial plan.

The Trust ensures economy, efficiency and effectiveness through a variety of means, including:

- A robust pay and non-pay budgetary control system.
- A suite of effective and consistently applied financial controls.
- Effective tendering procedures.
- Continuous service and cost improvement.

The Trust benchmarks efficiency in a variety of ways, including the national reference costs index and by comparison with the annual surpluses generated by all foundation trusts.

Conclusion

No significant control issues have been identified.



.....
Peter Lewis, Chief Executive

Date: 23 May 2019

Quality Report

2018/19 – incorporating the Quality Account

Quality Report 2018/19 – incorporating the Quality Account CONTENTS

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QUALITY REPORT 2018/19 – INCORPORATING THE QUALITY ACCOUNT

PART ONE – INTRODUCTION

FOREWORD FROM THE CHIEF EXECUTIVE

Taunton and Somerset NHS Foundation Trust are passionate about the quality of care that we provide to our patients. Our vision is to work together with all our partners in health and social care in Somerset to improve the health and wellbeing of the people of the county by providing and supporting high quality, effective, physical, specialist, mental health and learning disability services.

This year, maintaining and improving the quality of care we provide to patient across our many services remained our overarching priority, even as, like many NHS providers, we made significant efficiency savings. We believe that our unrelenting focus on patient safety, clinical effectiveness and patient experience has helped to ensure our success.

Taunton and Somerset NHS Foundation Trust has formed an alliance with Somerset Partnership NHS Foundation Trust which provides community, mental health and disability services across Somerset, ahead of the two trusts merging. We are merging because we believe that, working as one organisation, we will improve outcomes for our patients and they will have a better experience. We already have a single Joint Executive Team for the two trusts and the report which follows will highlight some of the patient benefits which are already occurring.

As our clinical teams across both trusts think through how we can integrate our community, mental health and learning disability, and hospital services in the future, one of our aims is to provide parity between the physical and mental healthcare needs of all of our patients.

This journey is seen in Taunton and Somerset NHS Foundation Trust's quality priorities for 2018/9, one of which aimed to increase our hospital colleagues' capability to recognise and respond to patients with mental health needs. To achieve this aim we have:

- continued to train frontline hospital staff with enhanced knowledge and skills to support people with mental health conditions or distress;
- built clinical links between the adult and children's wards in mental health and Musgrove Park Hospital, with some colleagues shadowing one another;

- expanded the liaison psychiatry service which provides input into the care of mentally unwell patients in the acute. The new enhanced service is being offered across the 24/7 period;
- worked with the liaison psychiatry team to improve the Emergency Department for patients with mental health conditions;
- introduced activity co-ordinators on three elderly care wards to increase mental and physical stimulation for patients in order to reduce agitation.

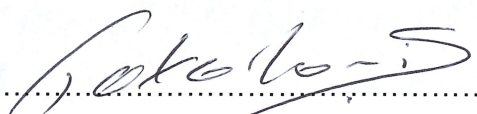
Our patients are our partners and their experience of the care we provide, their thoughts and feedback are central to the quality of care we provide. Patients provide feedback through a number of national surveys, for example the adult inpatient survey and the maternity survey; through our patient advice and liaison service; via feedback to our services themselves; and via additional qualitative work that our teams do. We want to go further than this because we know that if we co-design services with patients and service users our services will meet their expectations better. We are building on this approach and supporting improvement projects to bring colleagues and service users together in a co-design approach. Our aim is for patient partners to be on each of the improvement boards and for each new improvement project to use co-design methodology.

Our colleagues, the thousands of staff who deliver our services, are central to the quality of care we deliver and to our patients' experience. There is a direct link between the engagement, development and wellbeing of our staff and the quality of care they deliver. This is recognised in our sixth quality priority which focusses on the wellbeing and retention of our colleagues.

We have developed a detailed retention and wellbeing plan using quality improvement methodology. This retention plan was agreed in July 2018 and progress is monitored by a working group. In March 2018 we held our first wellbeing month focussed on the emotional, physical and mental wellbeing of colleagues across both trusts. We also ran a very successful wellbeing conference which brought colleagues from both trusts together to talk through this important topic.

The quality of care we provide will continue to be our number one aim through 2019/20. Indeed, it is our central reason for merging with Somerset Partnership NHS Foundation Trust in the future. Some of our quality priorities are longer term aims that we will continue to focus on in the coming year. I look forward to updating you on our work next year.

The Trust has a mechanism in place to identify any guidance issued by the Secretary of State and act upon it appropriately. To the best of my knowledge and belief, the information in the Quality Account is accurate.

Signed.....

Peter Lewis
Chief Executive

ABOUT US

Taunton and Somerset NHS Foundation Trust (TSFT) operates primarily through Musgrove Park Hospital.

We are an acute hospital in Somerset serving a population of over 340,000, as well as providing some specialist and tertiary services for the whole of Somerset with a catchment population of 544,000.

Each year the Trust, at Musgrove Park Hospital and at some community settings, sees in the region of:

- 48,736 patients admitted as emergencies
- 48,447 patients seen for planned care, either as an inpatient or on a day case basis
- 379,861 patients attending outpatient clinics
- 75,429 attending the Emergency Department
- 239,750 diagnostic imaging examinations
- 3,092 babies born in the Maternity Department
- 1,415 transfers to the trust's intensive care and high dependency units

The Trust had a turnover of £322.5m in 2018/19 (£308.9m in 2017/18). The hospital has 30 wards, nearly 600 beds, 15 operating theatres, a fully equipped diagnostic imaging department and a purpose built cancer treatment centre which includes outpatient, chemotherapy day care, radiotherapy and inpatient facilities. The Trust employs over 4,100 staff.

We are committed to providing the safest possible patient care, the best possible experience for patients and the most effective use of the resources we have.

PART TWO PRIORITIES FOR IMPROVEMENT AND STATEMENTS OF ASSURANCE FROM THE BOARD

UPDATE ON QUALITY IMPROVEMENT PRIORITIES (QIP) 2018/19

In March 2018 the Trust Board agreed the following Key Quality Improvement Priorities (QIP) for 2018/19:

1. Learning from deaths
2. Safer care
3. Mental health and holistic care
4. Patient experience
5. Right care, right time, right place
6. Staff retention and well being

Producing a Quality Account is an opportunity for organisations to collect, review and analyse information relating to quality so that they can decide where improvement is needed, in such a way that it becomes part of core business. It can also help with benchmarking, or comparing ourselves, against other organisations. At Musgrove these processes are fundamental to our quarterly clinical quality review meetings with the commissioners and the development of agreed Commissioning Quality for Innovation targets (CQUINS) each year.

Based on the wide ranging evidence already available in the Trust about patient safety and care, and looking at our progress with last year's CQUIN targets, several quality topics were identified as having room for improvement or focus. These topics were developed with the help of the Patient Care Group.

QIP 2018/19 - Priority 1 - Learning from deaths

Why is this important?

We are improving care and patient safety at Musgrove Park Hospital by reviewing deaths in our hospital. Mortality data from both qualitative review (at directorate/departmental level) as well as higher level quantitative data is used to aid 'learning from mortality' within the Trust, as well as provide oversight and governance around inpatient deaths. Mortality review and specifically 'learning

from deaths' cannot be taken in isolation and is intricately linked to the Trust's review of serious incidents via the Serious Incident Review Group (SIRG) and departmental/directorate governance.

What did we want to achieve?

The Mortality Surveillance Group (MSG) aim to achieve:

- Deaths within priority patient criteria are identified and included for both standard and group-specific review.
- Mortality reviews are completed using the Trust proforma and with clear judgement on quality and avoidability.
- Specialty mortality and morbidity meetings are held and discussion of outputs and learning documented.
- Cases with significant concerns are referred for investigation via the serious incident review process.
- Directorate and topic-based review takes place to identify further learning.

Examples of action taken

Specific examples of action taken include, teaching on end of life care within general surgery/vascular patients and the involvement of the learning disabilities team within respiratory medicine.

Performance to-date

During April 2018 to March 2019, 1,303 patients at Taunton and Somerset NHS Foundation Trust died (including inpatients and patients in the Emergency Department (ED)).

By 8 April 2019, 631 case record reviews and nine investigations have been carried out in relation to 579 of the deaths.

Six, representing 1.0% of the patient deaths during the reporting period, are judged more likely than not to have been due to problems in patient care.

How this will be measured and monitored?

The MSG is formed to support the Trust to monitor patient outcomes and ensure the Trust provides clinically effective care. Its objectives include developing and overseeing the systems relied upon to review deaths within the hospital, including specialty mortality and morbidity meetings, and to ensure an effective response to signals of quality concerns from relevant sources of intelligence about outcomes.

MSG's responsibilities include reviewing the benchmarked standardised mortality rates of the Trust and specialty-based mortality and morbidity activity with a view to identifying potential areas for investigation and gaining assurance on the operation of effective review processes at service level. This will be achieved via

structured reporting to address specialty level mortality and morbidity resources, structures, process and outputs.

Duties also include consideration of the mortality data, in conjunction with other qualitative clinical data, to identify areas for investigation. Areas for investigation include consideration of the outputs of local case note review, mortality and morbidity activity alongside statistical (Standardised Mortality Rate Ratio) data, and other contextual information about the service and the data, and to investigate alerts and other outlier notifications received from the Care Quality Commission or identified systems (e.g. Healthcare and Evaluation Data, national databases, national audits).

The mortality review policy is monitored at the MSG via the monthly mortality review report.

MSG reports key metrics to the board on a quarterly basis.

QIP 2018/19 - Priority 2 - Safer care

Why is this important?

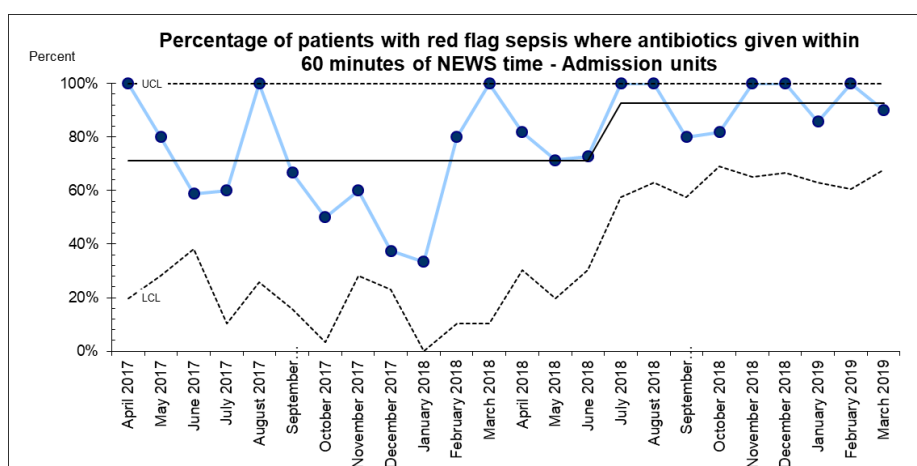
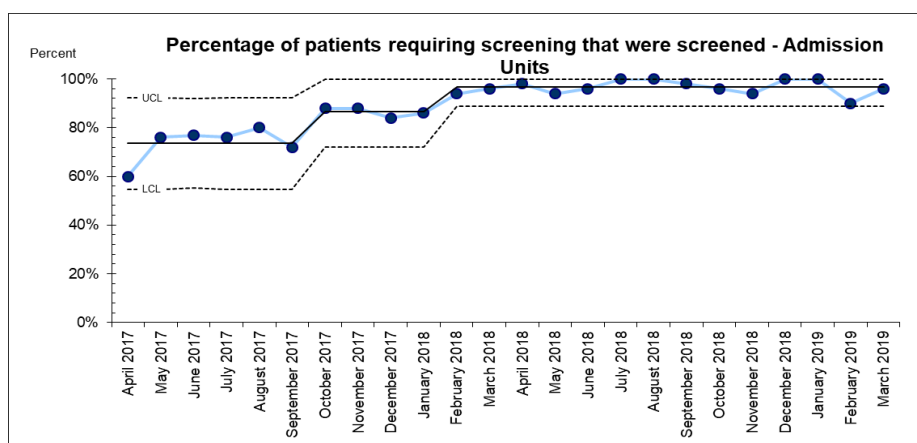
The NHS has embarked on a journey to become one of the safest healthcare systems in the world. This can only be achieved by focussing on continuous learning and improvement in our efforts to reduce the risk of harm to patients.

What did we want to achieve?

We focussed on safety in a number of key areas.

Sepsis

We aimed to achieve a sustained improvement in sepsis management – with blood cultures and antibiotic management given within the first hour. As demonstrated in the graphs below, we achieved this aim:



Maternity

By using the care bundle we aimed to continue sustain the reduction in the number of stillbirths. Although we have not sustained last year’s excellent position, the Trust has worked with the Healthcare Safety Investigation Branch through the year to review our care bundle and ensure we are sharing learning from other providers.

Infections

We aimed to achieve the local target of 90% compliance with handwashing guidelines to support us to meet challenging targets for avoiding infections. We achieved better than 90% compliance in each of the 12 months from April 2018 to March 2019.

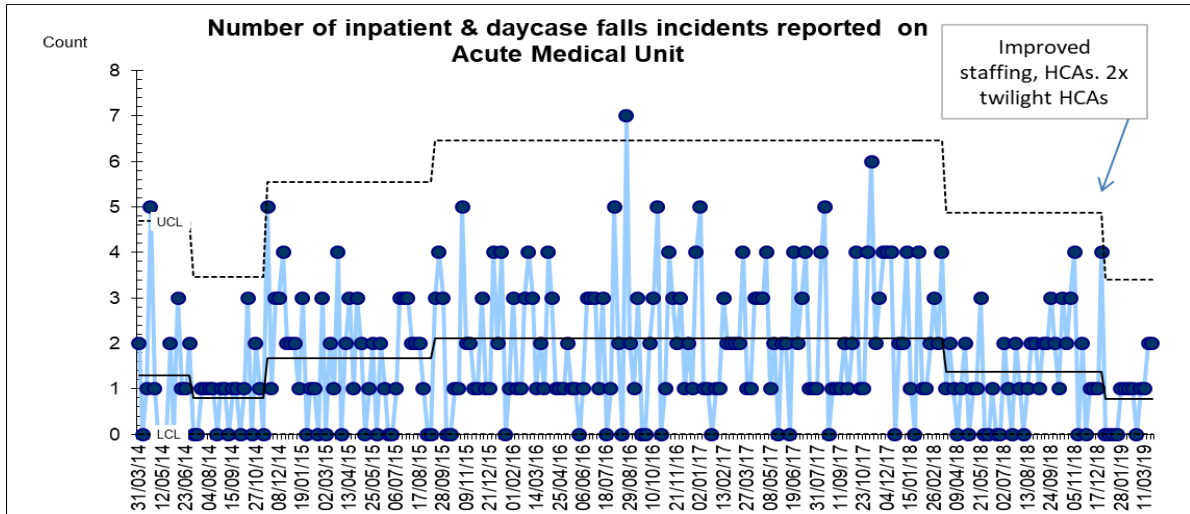
Falls

We aimed to focus on two key areas for improvement to reduce the incidence of falls within Musgrove Park Hospital:

- Putting actions in place to reduce falls amongst acutely unwell, confused patients who are newly admitted to hospital or moved to a new environment.
- Patients are at particular risk when they are medically fit but are unable to be discharged due to functional or social issues. We aimed to work with the

enablement lead and the Home First teams to coordinate the best approach for these patients.

The planned actions have been delivered and the Falls Group is working to review available data to identify whether they have had the intended impact. The graph below is one of many now used to review falls information in detail, allowing targeted review of data.

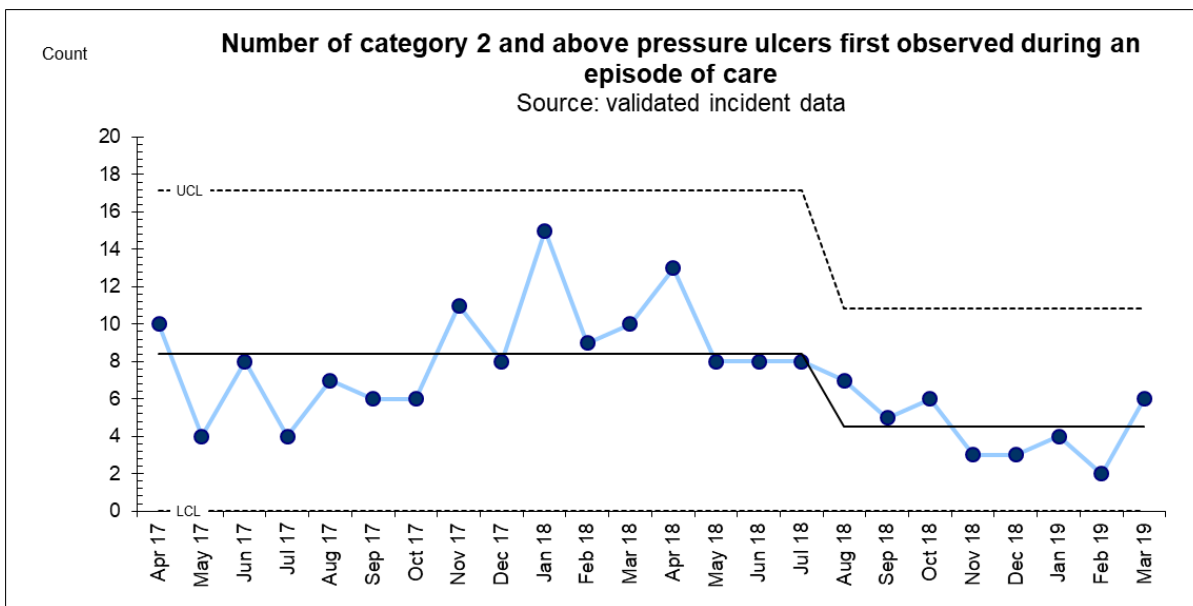


Streams

We aimed to roll out a mobile application which allows multiple clinical staff to view a patient’s observations and National Early Warning Score at any one time and within any location within the Trust. This work has now been superseded by the development of an application in-house as part of our digital work.

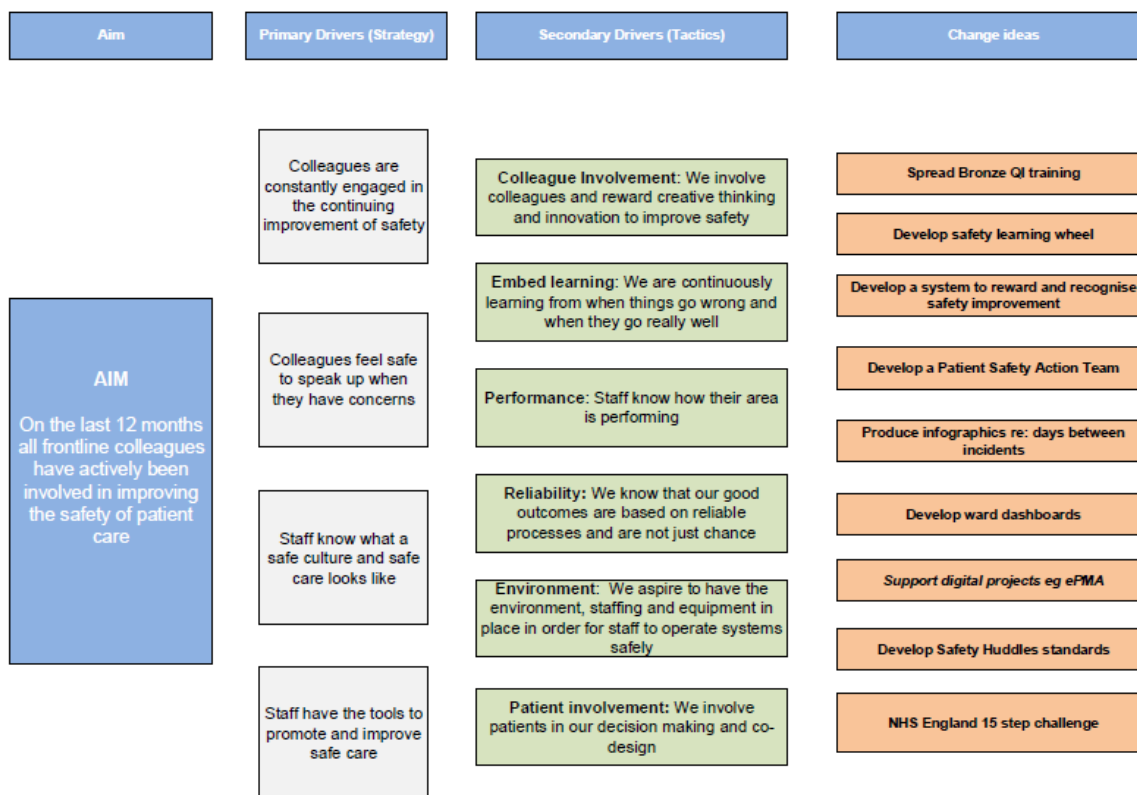
Pressure ulcers

We aimed to work in collaboration with our partners across Somerset to sustain the low levels of pressure damage of the previous year. We actually delivered an improved performance as demonstrated in the graph below:



Future plan

Each of the workstreams detailed above has individual workplans that is overseen by the Patient Safety Improvement Board. The additional focus of the Board is on improving colleague engagement in patient safety as detailed in the driver diagram below:



QIP 2018/19 - Priority 3 – Mental health and holistic care

The aim of this priority is to increase staff capability to recognise and respond to those with mental health needs (children, adults in crisis, and older people). This is measured by training compliance in conflict resolution, eating disorders, adolescent mental health, e-learning and establishment of psychiatric liaison pathways.

Why is this important?

As identified in the recent National Confidential Enquiry in Patient Outcome and Death report (NCEPOD, 2017), *“Mental Health in General Hospitals: Treat as One”*, the benefits of integrating care across boundaries (e.g. health, social care, employment and housing) are well understood. However, good integrated care for people with mental health conditions often appears to remain the exception rather than the rule, with physical and mental healthcare largely disconnected. This can lead to poor patient experience and reduced quality of care.

What did we achieve?

One of the fundamental drivers for the Trust’s partnership and planned merger with Somerset Partnership NHS Foundation Trust (the local provider of NHS mental health services) is to fully integrate mental and physical health services. This work has already resulted in closer working between physical and mental healthcare services, leading to an increased support and understanding of mental health issues for patients in the acute setting.

We recognised that there is a limited amount of mental health training provision for staff at Musgrove Park Hospital. The NCEPOD report *“Treat as One”* (2017) explored the care given to mentally unwell patients in acute hospitals. The report highlighted many issues with the quality of care given to mentally unwell patients in this setting, and identified staff training as key to addressing some of them. The report found that:

- a. Fewer than half of hospitals have mandatory training in the management of patients with mental health conditions;
- b. No hospitals offer training covering all aspects of management of patients with mental health conditions;
- c. Staff reported significant training gaps.

The Trust made an action plan for areas of development arising from the NCEPOD report and this included enhanced training for colleagues as a key driver for obtaining improved care for patients.

The NHS Five Year Forward View for Mental Health also makes significant recommendations regarding mental health training for acute hospital colleagues. It

says that “staff across the NHS need to have training that equips them to understand mental health problems and to treat people with mental health problems with dignity and respect.” It recommends that core training be provided in:

- Basic mental health awareness and knowledge
- Understanding of mental health law
- Public mental health
- Compassion and communication skills.

Performance to-date

Over the last year we have continued to train frontline care colleagues with enhanced knowledge and skills in supporting people with mental health conditions or distress. This training has been well received by staff and has continued to lead to a reduction in the need to bring in extra speciality colleagues to support complex patients. Alongside training for existing colleagues, training for new healthcare assistants has been reviewed and now includes this enhanced element.

Clinical links have been built between the adult and children’s wards in mental health and the acute trust. This has led to some shadowing in each other’s environments to encourage sharing of knowledge and networking. In some areas this has been slower to progress due to higher levels of vacancies, but plans to continue and expand this are in place.

The liaison psychiatry service, which provides input into the care of mentally unwell patients in the acute hospital, has been expanded as part of a targeted county-wide approach to improving care. The new enhanced service is being offered across the 24/7 period.

An area that cares for a higher proportion of people with mental health conditions and in crisis is the Emergency Department and the liaison psychiatry team have been working with colleagues in this area to improve how patients are assessed and treated. A working group has been set up that includes patient representatives who have been sharing their experience and ideas for improving experience in this area.

The Trust has participated in a national programme run by NHS Improvement aimed at enhancing the care of patients who are suffering from delirium or dementia or who are distressed in the acute care environment. As part of this work we have introduced a trial of activity co-ordinators (to three elderly care wards) to facilitate increased mental and physical stimulation with the aim of reducing agitation. Colleagues, who are working in pilot areas, have been trained to encourage increased levels of activity and self-care. This programme has yet to be fully evaluated, but early data is demonstrating a lower level of care needs and

improved patient and family experience. An additional ward is going to trial this role to see if a similar impact is experienced.

Future plan

Over the coming year all of the work streams described above will continue to further enhance colleague knowledge and patient experience.

QIP 2018/19 - Priority 4 - Patient experience

Why is this important?

It has been evidenced that co-design between staff and service users results in services that better meet patients' expectations and are more cost effective and sustainable. Co-design is a key component of our ambitions to be an exemplar Trust for patient and family centred care. We therefore want to support improvement projects to bring colleagues and users together and grow our confidence and skills in this co-design approach.

What did we want to achieve?

- Patient partners to be at each of the improvement boards supporting projects' prioritisation and decision making.
- For each new improvement project to use co-design methodology that brings colleagues and patient users or representatives together from the outset.

Examples of action taken

Over the past year the patient experience team and improvement team have been working together to set the need for, and expectation of, partnership working with patient partners. The improvement boards have been recruiting their partners (Musgrove Partners) and developing relationships and understanding.

The Musgrove Partners have co-designed their role outline and framework with the patient experience team and have initiated the co-design of the Patient and Family Centred care baseline measurement tool(s).

In 2019 we are working with the improvement team to further develop partnerships with patients and service users in order to shape and influence the services we deliver. The aim is to simplify the recruitment process in order to recruit experts with experience who may not want to become volunteers or patient partners but are keen to contribute to improvement.

How this will be measured and monitored?

- By measuring the patient involvement, influence and contribution to the improvement boards.
- By measuring the number of new improvement projects that use co-design methods.
- With feedback from Musgrove Partners in relation to their experience in influencing change.
- By revisiting terms of reference and role expectation for patient partners, and begin the process of working with the Somerset Partnership NHS Foundation Trust patient participation and involvement group in preparation for the merger of the two trusts.

QIP 2018/19 - Priority 5 - Right care, right time, right place

Why is this important?

With the increasing demands placed on Musgrove Park Hospital, the need to improve the efficiency of the hospital and at the same time, enhance the quality of care for patients has never been more important.

During 2018/19, the Trust has worked to improve the discharge of patients. This work will not only reduce the amount of time that patients have to wait for discharge, but will also ensure that the Trust is working effectively with partner organisations to reduce dependency on bed-based models of care. Patients who are delayed in hospital are increasingly vulnerable to decompensation, deterioration in their physical and mental health and more likely to fall or contract a hospital acquired infection. For all these reasons, the Trust continues to strive to reduce delays in discharge which supports safety and promotes good patient outcomes. The Trust is committed to adopting an enablement-led culture to achieve these outcomes.

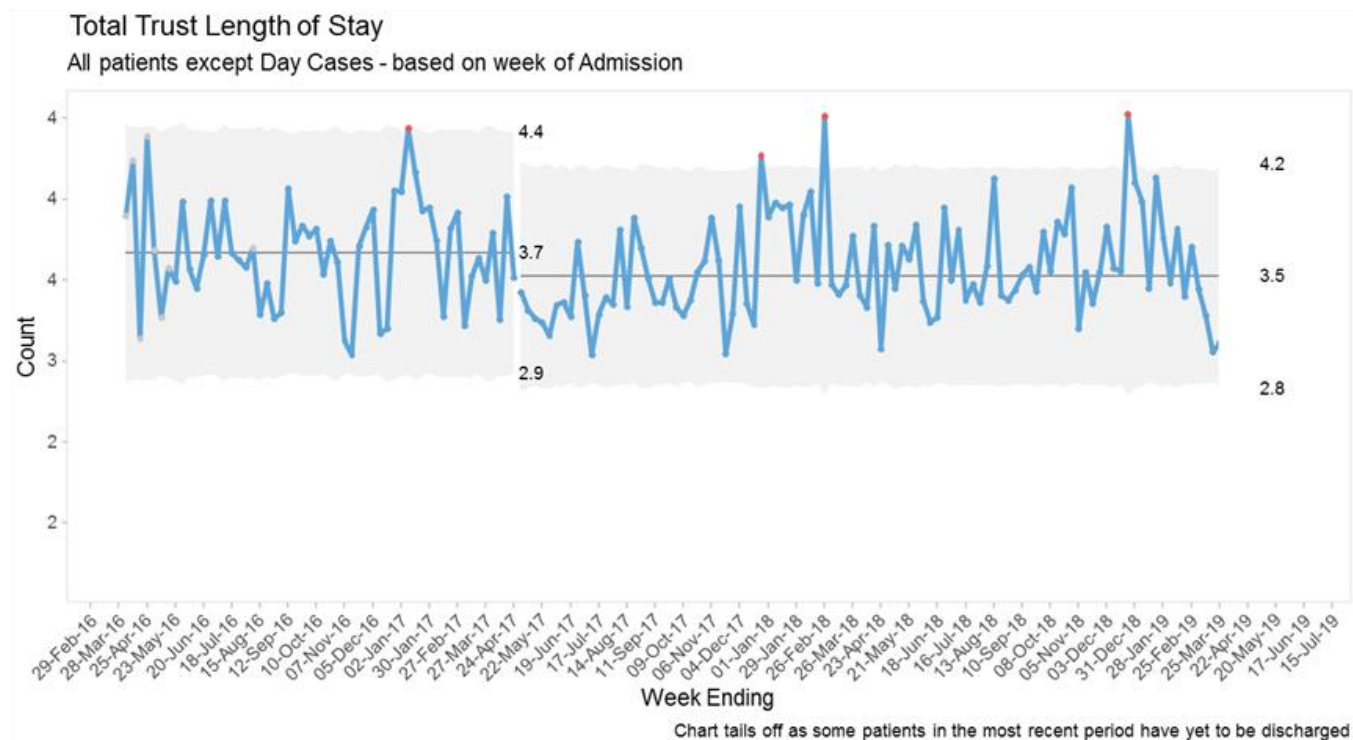
What did we want to achieve?

One of the key elements to make sure patients receive the right care, at the right time, in the right place, was to continue our work to improve discharge. For 2018/19, we planned to build on the work delivered in the previous year and ensure changes made in discharge pathways were sustainable.

What have we achieved?

Reduction in length of stay

During 2018/19 the average length of stay in Musgrove Park Hospital has reduced from 3.7 days to 3.5 days, a reduction of 0.2 days.



This reduction has been delivered due to a number of key change initiatives, several of which are detailed below. One of the most significant of these projects is Home First.

The Home First project is a countywide programme to support frail, vulnerable people after discharge. It provides three pathways of care:

- home with assessment and support
- community hospital enablement
- care home enablement.

This service has been in place for a year and an additional years' funding has been agreed. 7,500 nights in a hospital bed have been freed up, resulting in a system-wide saving of at least £2m. The service has supported 2,403 patients to leave hospital with 1,460 of those discharged directly home from hospital.

This success has only been possible because the whole system has worked together. Somerset County Council, Somerset Partnership NHS Foundation Trust and Taunton and Somerset NHS Foundation Trust have all worked together to agree priorities, share staff and decision making and ensure pathways of care are frictionless. Within the last year this partnership working has extended, offering a range of new services to support people to leave hospital and return home.

Medical wards are the area where patients are most vulnerable to harm from long lengths of stay. Length of stay on the medical wards has fallen from 5.4 days to 4.8 days, a reduction of 0.6 days.

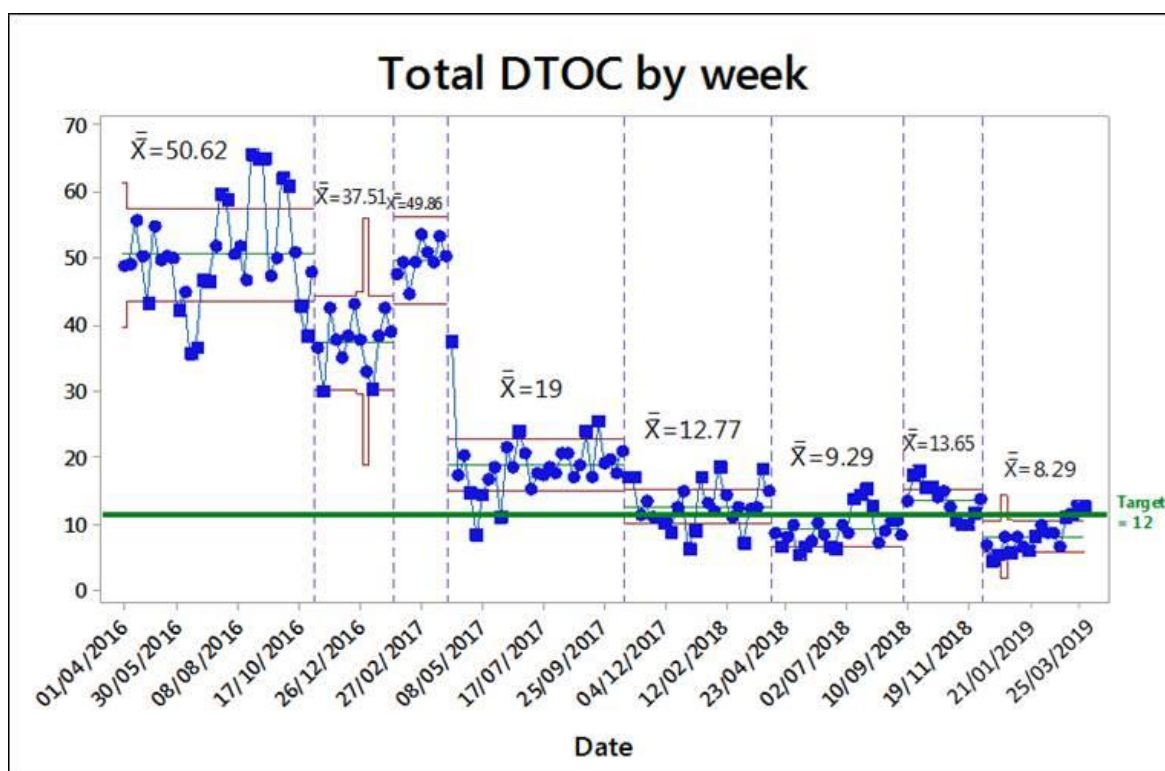
7-day services

The Trust has expanded 7-day services to support discharge at weekends and bank holidays. Both therapy services and the integrated discharge team now work seven days per week.

Delayed transfers of care (DTOC) and partnership working

During the year the number of patients fit for discharge who have been delayed has fallen further. The Trust is consistently overachieving against the national target of 2.5 %.

Taunton and Somerset NHS Foundation Trust DTOC:



As for length of stay, the work on delayed transfers of care has been due to how the whole system has worked together on Home First and other projects. Additional projects, building on the success of Home First, include:

Red Bag Project

The Red Bag Scheme aims to improve patient experience in hospital and improve communication when individuals are being admitted from or discharged to a care home by keeping all important information and belongings together. The Red Bag project now works with all care homes within the Taunton and Bridgwater area.

Village Agents

Somerset County Council commissioned a village agent project. The Trust now has a village agent based in Musgrove Park Hospital who plays a key part in linking patients with their local communities to support and enhance their lives upon discharge.

Change projects to deliver improvement in inpatient care

NHSi collaboratives

This is a 90-day programme which enables the Trust to work with experts and other organisations. The Trust was successful in joining this collaborative which is supporting two teams:

- 1) Enablement - The aims of this project is to improve patient outcomes and reduce length of stay. This will be achieved by adopting an enablement approach, which will challenge traditional care models in an acute setting. This approach focuses on all colleagues enabling patients to carry out meaningful activities of daily living to promote independence and recovery.
- 2) Criteria led discharge - This is an initiative that enables nurses and therapists to discharge patients against a set criteria. This is now being rolled out within the surgical directorate and is particularly beneficial in supporting discharge at weekends.

Digital supporting improvements in care

The eWhiteboards will enable a complete overview of delays and outstanding actions for discharge which will streamline current processes (practice development forums, occupational therapy, physiotherapy and social work reviews, community psychiatric nurse and Home First referrals). It's anticipated that the eWhiteboards will lead to a reduction in length of stay. The eWhiteboards will be tested during this financial year with the intention of rolling out to all ward areas in spring 2019.

Early supported discharge

The Red Cross has continued to work as partners with the hospital to support patients with discharge. They ensure that the patient is settled at home with care, food and warmth. This is designed to reduce readmissions to hospital. Patients

have really valued this service and the Trust has had positive feedback.

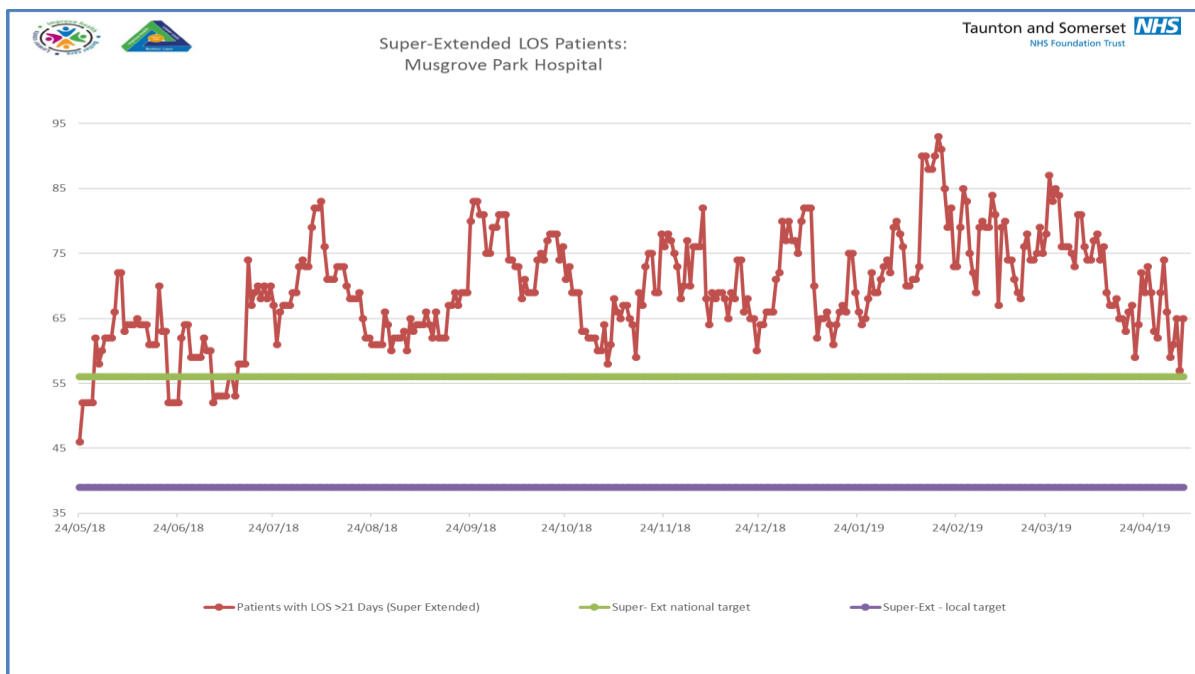
*I live alone so no one at home to collect me from hospital
I had no money or card with me.
The RX service was a great relief to help me get home*

*I live alone so no one at home to collect me from hospital. I had no money or card with me. The RX
Red Cross service was a great relief to help me get home.

Between 1 October and 31 December 2018 the Red Cross supported 175 patients to return home. This resulted in 170 bed days saved.

Extended length of stay project

In summer of 2018 NHS Improvement set acute trusts an objective of reducing the number of patients with a length of stay of 21 days or more by 25%. In an attempt to achieve this, in August 2018 the Trust began to pilot methodology from both NHS improvement and The Advisory Board. Action-focused board rounds, the creation of escalation guidance and a tracker which monitors all patients with a length of stay of 17 days or more has helped to reduce the number of long stay patients on the pilot wards. This new methodology was trialled from August 2018 (see graph below). The pilot has been rolled out to six wards and the plan is to roll it out to the rest of the organisation within the next six months.



QIP 2018/19 - Priority 6 - Staff retention and well being

STAFF RETENTION

Why is this important?

Shortages in a number of roles make it difficult to recruit colleagues in adequate numbers. While it is important to focus on recruitment to ensure the supply of colleagues, it is even more important to retain existing colleagues. They have already received investment in time, resource in training and development, and they understand the requirements of working in Somerset.

There is no single action that will improve retention. Retaining colleagues involves a number of initiatives designed to create a positive culture that colleagues want to be part of, and become attached to, and therefore are likely to remain.

Wellbeing is more than just an individual's responsibility. Successful organisations have recognised that good health is a key enabler to good business. The health and wellbeing of colleagues directly contributes to organisational success and poor workforce health has a high cost.

What did we want to achieve?

To have a detailed retention and wellbeing plan developed through quality improvement methodology which sets out a multifaceted approach to improve colleague retention and wellbeing.

Examples of action taken

Nationally time has been spent on understanding where the greatest impact can be made. The programmes provide access to best practice, masterclasses and support to develop longer term improvement plans.

Performance to date

A retention improvement plan was agreed in July 2018 with regular working group meetings to track progress against our plan. A number of improvements have been made to streamline systems to create easier working practices for colleagues and remove duplication. Detailed analysis of data has enabled targeted work to engage and retain nursing colleagues.

In March 2018 the Trust launched the first "wellbeing month" which saw a month of various activities to support the emotional, physical and mental wellbeing of colleagues across both Taunton and Somerset NHS Foundation Trust and Somerset Partnership NHS Foundation Trusts. We also ran the first joint wellbeing

conference in April, which brought 150 colleagues from both trusts together to spend time discussing, thinking and sharing experience around wellbeing.

The retention and wellbeing work are key deliverables as part of a three year People Strategy for the alliance with Somerset Partnership NHS Foundation Trust.

How this will be measured and monitored?

Assessment is through a mixture of hard and soft measures, including regular monitoring of sickness absence, turnover, temporary staffing costs and usage, vacancy fill rates, national staff survey results, pulse check results, exit interviews plus both informal and formal feedback.

Measurement of wellbeing comes from the internal pulse check which is run twice a year across the whole Trust, and from the health and wellbeing theme from the annual NHS Staff Survey. Latest results from both can be seen in the tables below:

Pulse Check Results 2018/19

	Q1 & Q2 April – Sept	Q3 & Q4 Sept – March
Wellbeing Index (amalgamation of following two questions)	65.5%	64.7%
My immediate manager places a strong emphasis on promoting safety and wellbeing of colleagues	76.4%	75.9%
I felt work related stress within the last 12 months	54.6%	53.4%

NHS Staff Survey Results – Health and Wellbeing 2018

The Health and Wellbeing theme is made up from the following five questions

Question	2018	2017	2016	2015	Acute Hospitals 2018	Difference against National Benchmark +/-
The opportunities for flexible working patterns	51.7%	53%	52%	49.8%	51.9%	-0.2%
Does your organisation take positive action on health and wellbeing?	28.5%	32.3%	29.1%	33.7%	27.8%	+0.7%
In the last 12 months	24.6%	19.7%	19.7%	20%	28.7%	-4.1%

Question	2018	2017	2016	2015	Acute Hospitals 2018	Difference against National Benchmark +/-
have you experienced musculoskeletal (MSK) problems as a result of work activities?						
During the last 12 months have you felt unwell as a result of work related stress?	39.5%	33.2%	32.3%	31.5%	38.9%	+0.6%
In the last three months have you ever come to work despite not feeling well enough to perform your duties?	52.7%	51.5%	51.5%	50.6%	56.9%	-4.2%

With the changes to the 2018 Annual Staff Survey the theme for health and wellbeing overall was scored as 6 out of a 10 point scale rating compared to the national average for acute trusts of 5.9 for 2018.

QUALITY IMPROVEMENT PRIORITIES 2019/20

As part of the on-going work to align processes in advance of the merger with Somerset Partnership NHS Foundation Trust, we have developed a list of joint quality priorities with Somerset Partnership.

As in previous years, our Chief Nurse and Chief Medical Officer, linking with Executive Team colleagues, undertook a review of quality performance during 2018/19 to consider areas where we might wish to focus our priorities for quality improvement during 2019/20. This included a review of the issues identified by the Care Quality Commission (CQC), during their inspection visits, undertaken in 2017 and 2018. This process also took into account:

- national patient safety and patient experience initiatives;

- patient, carer and public feedback on our services;
- learning from complaints, PALS, incidents and quality reviews;
- patient surveys and patient satisfaction questionnaires;
- feedback from Leadership Quality Walkrounds and other staff listening events;
- feedback from other external reviews of our services (Healthwatch, external and internal audit);
- feedback on last year's Quality Account;
- our strategic objectives and service development plans.

From this work, in March 2019, the Trust's Council of Governors agreed the following key quality improvement priorities for 2019/20, building on performance in 2018/19, as reported above:

Priority 1: Delivering parity of esteem between physical and mental health services

Priority 2: Learning from incidents complaints and mortality reviews

Priority 3: Improving the quality of discharge summaries

Priority 4: Improving sepsis recognition

Priority 5: Improving implementation of the Rapid Response service

Priority 6: Developing co-design and service-user involvement

QIP 2019/20 - Priority 1 - Delivering parity of esteem between physical and mental health services

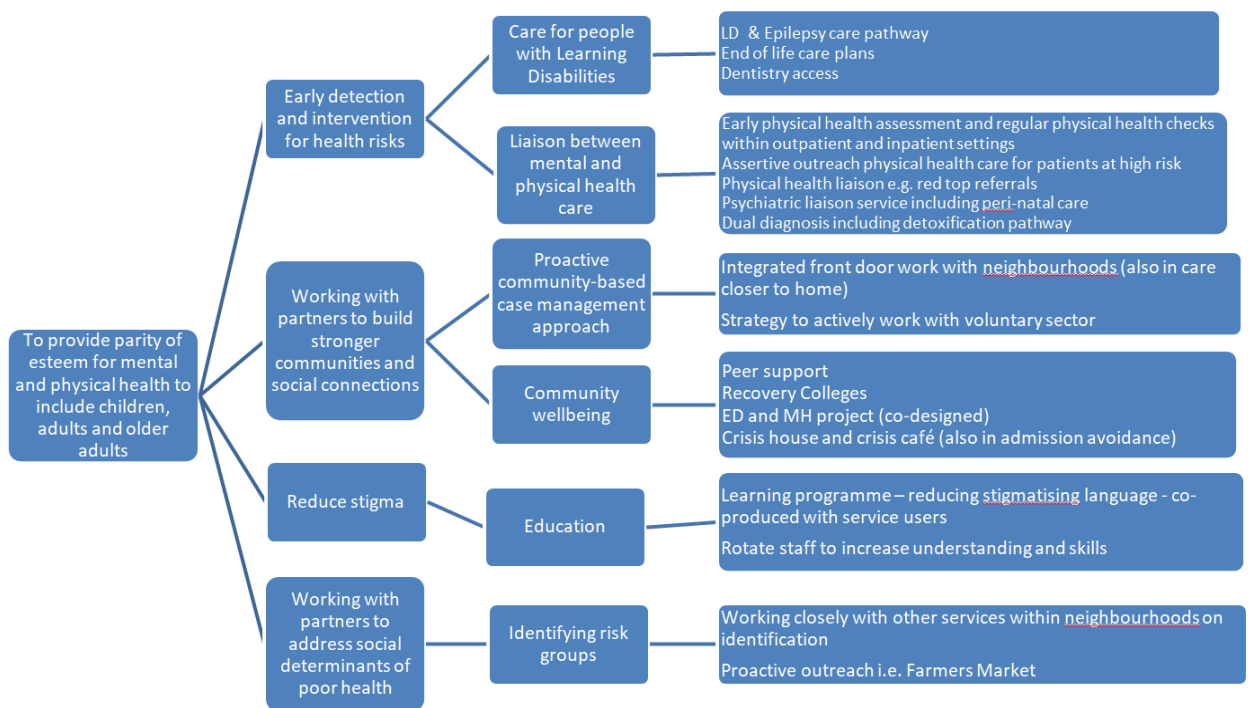
The Health and Social Care Act 2012 created a new legal responsibility for the NHS to deliver 'parity of esteem' between physical and mental health. Parity of esteem means equal access to effective care and treatment; equal efforts to improve the quality of care; equal status within health care education and practice; equally high aspirations for service users; and equal status in the measurement of health outcomes ([Royal College of Psychiatrists 2013](#)). In essence, it means valuing mental health equally with physical health. It is also about ending the stigma which stops people with serious mental health problems getting treated with the same vigour as if they had a physical illness such as, say, diabetes. Parity is also about tackling the physical illnesses of people with severe mental health problems. Currently they have the same life expectancy of people who lived in the 1950s – some 10 to 15 years shorter than average.

As part of our work as an alliance with Somerset Partnership NHS Foundation Trust, the principle of provide parity of esteem for mental and physical health for children, adults and older adults is at the core of our emerging clinical model, linked to the priorities and investment set out in the NHS Long Term Plan.

We will look to improve the early detection and intervention for health risks for people with mental health problems and work with our partners to address the social issues that can lead to poor mental health and wellbeing.

What do we want to achieve?

The driver diagram below shows the key aims for this priority.



QIP 2019/20 – Priority 2 – Learning from incidents, complaints and mortality reviews

Why is this important?

When things go wrong in care, it is vital that we investigate the circumstances to ensure learning can take place. By learning, we mean working out what has gone wrong, and why it has gone wrong, so that effective and sustainable actions can be taken to reduce the risk of similar things happening again.

What do we want to achieve?

For 2019/20, the Trust will align the systems it has in place for learning from incidents, complaints and deaths to ensure real changes are made and embedded when we identify any potential concerns following review and investigation.

We aim to implement the planned new national guidance as soon as it is released and have already begun implementing some of the expected areas of focus from this guidance, including improving the way we work with families and carers as part of our investigation and action planning.

How this will be measured and monitored?

The Trust has an established Serious Incident Review Group for the oversight of learning from serious incidents, including on-going measurement and audit to ensure that planned actions have resulted in the changes our investigations identified as necessary. The role of this group will be extended to focus on learning from all incidents, complaints and mortality reviews across the alliance, including the measurement and audit methodology.

QIP 2019/20 – Priority 3 - Improving the quality of discharge summaries

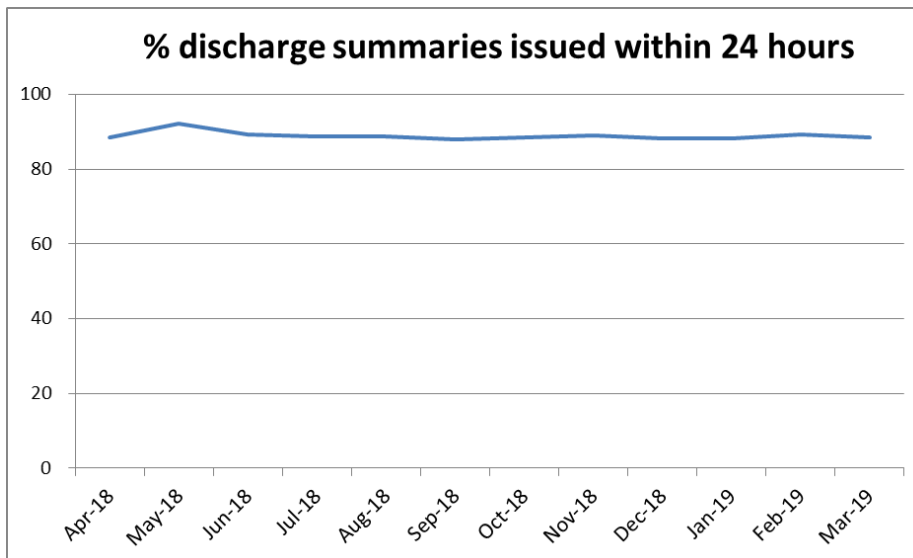
Why is this important?

The impact of poor quality documentation is hard to quantify, but it has a significant impact on patient care. Good discharge summaries facilitate continuity between secondary and primary care and are essential for safe transitions from hospital to home and good continuity of care.

The NHS has produced a range of guidance on different aspects of discharge summaries, including key content and timeliness requirements relating to specific parts of the discharge pathway and conditions (e.g. acute kidney injury, end of life care), with a key current focus on emergency care discharge.

What do we want to achieve?

Taunton and Somerset NHS Foundation Trust had previously focussed on the timeliness of discharge summaries, with a key measure being the percentage of summaries issued within 24 hours. The graph below shows performance over 2018/19 (c. 89% for the year):



For 2019/20, the Trust plans to focus on the quality of the information included in the discharge summary in addition to the timeliness. An audit and measurement programme will be developed, based on Royal College of Physicians guidelines, to identify key quality issues and inform the development of an improvement plan.

QIP 2019/20 – Priority 4 - Improving sepsis recognition

Why is this important?

Sepsis is a leading cause of death in the United Kingdom with a reported 44,000 cases every year. The successful management of sepsis requires prompt recognition; appropriate interventions to identify and control the micro-organisms; the restoration of oxygen delivery to tissues; appropriate escalation and decisive medical management within the first hour of a sepsis flag being identified.

The continuous audit of patient notes for the CQUIN is important to monitor the progress within the Trust and take every opportunity to learn how we can improve care each time. This includes learning from serious incidents via the Serious Incident Review Group (SIRG) and departmental governance meetings.

What do we want to achieve?

There is an established Sepsis Steering Group (SSG) that meets monthly and includes representatives from governance, the improvement team, medicine, surgery, admission areas, pharmacy and maternity. The SSG reports directly to the Quality Assurance Group and the Trust Board through the monthly integrated performance report. The SSG monitors performance against sepsis targets, and implements actions to improve any areas of poor performance.

The SSG aims to ensure all patients have their observations correctly performed by trained healthcare professionals who recognise abnormal parameters and escalate the patient according to policies (National Early Warning Score 2 [NEWS2] Adults over 18; Modified Early Obstetric Warning Score [MEOWS] – Maternity, Paediatrics Early Warning Score [PEWS] - paediatrics).

All colleagues involved in performing and responding to observations have an understanding of when and how to use the appropriate sepsis screening tool. Sepsis education is included in medical, and nursing / healthcare professional induction. Weekly one hour sessions are available for all clinical and non-clinical staff to book on to.

Once a patient has been screened for sepsis using the correct screening tool, Red Flag signs are recognised and the appropriate treatment pathway of the sepsis six is initiated and completed within the hour. This should be documented on the back of the screening proforma with the reasons for any variance in treatment.

If the patient's deterioration is not thought to be due to sepsis this should be clearly documented on the proforma and then placed in the notes.

Any significant concerns regarding sepsis are referred for investigation via the serious incident review process. To enable the SSG to monitor any potential areas of concern, three codes have been added purely for sepsis. These are: X01 – Failure to sepsis screen when NEWS 5 (National Early Warning Score) or above; X02 Failure to give ABX within one hour of Red flag; X03 Failure to adequately monitor escalate care in red flag patient.

Examples of action taken

A competition has been held between wards in Somerset Partnership NHS Foundation Trust hospitals and Musgrove Park Hospital for a sepsis display in each area.

Development of sepsis support group – monthly meetings for patients treated with sepsis to reduce the risk of post sepsis syndrome. This has been highlighted by the Sepsis Trust as an exemplar project.

Sepsis Thursday has been launched within the Trust to increase awareness and simple ward-based audits to monitor local progress.

High profile sepsis star awards are available for all staff who screen and treat patients within the hour time frame.

Local champions are in place in each area to promote sepsis screening and treatment

Performance to date

Inpatients areas: Inpatient performance results have significantly improved since the Clinical Quality Commission inspection with over 82% of inpatients screened for sepsis in December 2018. This is a significant improvement from August 2017 when the figure was less than 20%. Inpatient screening rates for the CQUIN 2018/2019 Q4 were 82.7%. Antibiotics given to patients within one hour who had red flag sepsis was up to 100%.

Admission areas: The latest CQUIN results for Q4, 95% of patients who required screening for sepsis were screened and 91% of patients (21 out of 23) were given antibiotics within the hour.

How this will be measured and monitored?

CQUIN: 50 sets of notes for inpatients and 50 sets of notes for admission areas are audited by the governance team each month. If there are any concerns raised in the audit the lead sepsis nurse reviews the notes in the local area to see if there are any potential areas for learning or improvement.

Local audits are regularly undertaken in the Emergency Department, acute medical unit, surgical assessment unit, paediatrics and maternity and the results are reported to the SSG. There are monthly multidisciplinary team meetings in each area to discuss missed screening or a delay in sepsis treatment or escalation.

QIP 2019/20 – Priority 5 – Improving implementation of the Rapid Response Service

Why is this important?

The new Somerset Rapid Response Service (RRS) was commissioned by the Somerset A&E Delivery Board in response to rising numbers of patients attending Emergency Departments and needing to be admitted to acute hospitals across the county. This compromises the ability of local acute trusts to deliver national standards for referral to treatment times and meet the needs of those patients most in need of inpatient care. This new Rapid Response Service is one of the initiatives introduced to help reduce the pressure on the healthcare system by reducing the number of admissions, and was a priority to establish by the winter of 2018/19.

This new community service provides a credible alternative to patient admissions. The main objective of this is to support patients to stay at home. Support could be provided from a number of sources, thus avoiding an admission to hospital.

The service targets patients who have had a fall, a loss of mobility or who are unwell (for example, with a urinary tract infection), but do not need acute medical investigation or treatment. Without additional support at home by RRS such patients would need to be admitted to hospital.

What do we want to achieve?

Moving forward, the new RRS will aim to build on the initial implementation period and has the following objectives:

- To increase the average number of daily referrals to the service, by
 - establishing itself as a reliable and trusted countywide service effective in preventing unnecessary hospital admissions;
 - developing an effective staffing model that will be able to safely manage the caseload countywide;
 - continuing to communicate and advertise the service through raising awareness to referring groups.
- To maintain an average length of stay of maximum three to four days, by
 - continuing to build working relationships and partnerships with key internal and external stakeholders by ensuring a smooth transfer of care to their services and support for patients on the RRS caseload.
- To build working relationships with acute care colleagues to provide urgent assessment support for patients where indicated and aim to keep more referred patients at home.
- To set up effective lines of communications with community complex care teams.

Examples of action taken

The new countywide service has been operating since 1 November 2018.

A new team has been mobilised and has been developing the model, working alongside existing community nursing and therapy teams, where needed.

Working relationships have been built with adult social care (ASC) and Home First teams to enable patients to move onto appropriate services where needed. Also, working with ASC, the Somerset RRS has commissioned a “test and learn scheme for referring patients onto the Red Cross for further support.

Communication with primary care, South West Ambulance Service NHS Foundation Trust and frailty units in the acute hospitals has been ongoing and is encouraging referrals to the RRS.

Performance to date

- From 1 November 2018 to 31 March 2019 the service has managed to keep 242 patients at home. 60 of these patients were transferred onto the Home First pathway and adult social care.
- The average number of referrals per day is currently 2.95 against a target of 4.5.
- Average length of stay is 2.79 days against a target of three days.
- Patient satisfaction - Since the start, the service has received feedback 42 Friends and Family feedback forms, 21 from patients and 21 from carers. 95% of Friends and Family feedback responses indicated that they were likely/extremely likely to recommend the service.

How this will be measured and monitored?

Admission data is collected via our electronic patient record RIO and is collated and monitored on a monthly basis. This data is reported to the RRS Project Board, the A&E Delivery Board and Urgent Care Programme Board.

Monitoring of the service is continuous. This enables the continued implementation and development of an effective and efficient model of care delivery for the population of Somerset. This scheme also links into the 'Fit for the Future' commissioning work stream, as a key project for providing care at home.

QIP 2019/20 – Priority 6 - Developing co-design and service-user involvement

Why is this important?

Patients and the public are at the heart of everything we do. The NHS Constitution states that *'You have the right to be involved, directly or through representatives, in the planning of healthcare services commissioned by NHS bodies, the development and consideration of proposals for changes in the way those services are provided, and in decisions to be made affecting the operation of those services'*. We believe that by listening to people who use and care about services we can understand their health needs better and focus on, and respond to, what matters to them.

The NHS five year forward view talks about harnessing the 'renewable energy represented by patients and communities' and the need to 'engage with communities and citizens in new ways, involving them directly in decisions about the future of health and care service'.

People are realistic about what the service can and cannot offer if they are engaged in the right way. But, as we lead service changes, engaging with the public can feel difficult, especially when potentially unpopular decisions need to be made. Therefore comprehensive engagement and involvement is critical.

What do we want to achieve?

Our aim is to maintain a constant partnership with patients and the public, in order to improve patient safety, patient experience and health outcomes. This supports people to live healthier lives.

As part of the merger we want to achieve meaningful, effective and productive patient and public involvement. Co-design has an influence on and shapes the delivery of care, quality and safety of services and decisions about the inevitable changes to the services delivered as part of the merger.

We use patient feedback as a valuable source of information, which helps to improve the quality and safety of the care we deliver. By offering every patient, or member of the public affected by the service, the opportunity to share their experience, we are enabling them to motivate and participate in change and improvement.

Examples of action taken and performance to-date

Musgrove Partners

The Musgrove Partners are a group of Patient Voice Volunteers who support engagement and participation. They are actively involved in the recruitment of staff, focus groups, reviewing serious incidents, complaints reviews, improvement boards and projects (as noted above). They also represent the patient and public voice in critical decision making and are represented in strategic planning. We aim to broaden this group to community teams in Somerset Partnership NHS Foundation Trust and plan to rename the group the Patient Voice Partners.

Patient Care Group (PCG - Taunton and Somerset NHS Foundation Trust) and the Patient and Public Involvement Group (PPIG) - Somerset Partnership NHS Foundation Trust

The PCG are appointed by the Council of Governors and is responsible for gaining a greater understanding of patient care issues and developments and take the lead on discussions at the Council of Governors on matters relating to patient care and experience.

They are informed and up-to-date with developments relating to patient care and experience to enable them to be an effective link with the membership in their constituency.

They represent the Trust's members, in order to be satisfied that the Trust's Board, through the non-executive directors, has the right governance and assurance processes in place for matters relating to patient care and experience.

The PPIG reviews progress with equality and diversity activity, new and revised Trust policies as well as new and significant risks and safeguarding issues. The meeting is also an opportunity for teams to share successes and challenges through presentations of projects or new initiatives. The meeting is chaired by the lead governor. They provide governance assurance and hold the Trust to account for incidents and themes of complaints and patient advice and liaison activity. This includes Parliamentary and Health Service Ombudsman case reviews and patient and public involvement, such as Friends and Family reports and Care Opinion feedback.

Our respective Council of Governors have agreed that the aim is for the two groups to be merged in future.

Volunteers

Volunteers play an important role for people who use our services, along with their families and carers, by providing support to our healthcare professionals.

Volunteers give their time and energy freely to benefit the quality of our services and contribute to enhancing service users' and carers' experiences.

There are many opportunities available, from supporting patient care to signposting visitors or contributing to the running of our services in both Taunton and Somerset NHS Foundation Trust and Somerset Partnership NHS Foundation Trust.

Service user involvement group (improvement team)

The patient and public involvement teams at Musgrove Park and Somerset Partnership NHS Foundation Trust are working with the improvement team on a service-user involvement project. The aim of this is to improve and enhance the procedures for participating in improvement projects and Trust activity by defining and simplifying the opportunities available along with the recruitment processes required.

Focus groups

The patient and public involvement team facilitates and supports focus groups so that services can be delivered in collaboration with experts by experience. These are ad hoc and at the request of the services. Participants are invited to attend a group and share their experiences in order to provide meaningful intelligence from the perspective of a service user or carer.

Triangle of care

The Triangle of Care (ToC) is a national initiative led by the Carers Trust.

The triangle refers to the three way partnership between patient, carer and staff, which is different to the 'traditional' two-way relationship between patient and staff. The carer (which might be a husband or wife, child, partner, other family member or a friend) is a crucial partner when we are delivering a service to a patient/service user. The ToC improves health outcomes and the experience of our services. This initiative has already been embedded in mental health, and the aim is to progress this initiative throughout the merged Trust.

Stroke Integration Survey

As part of the integration of stroke services, we have recognised the need to seek patient and carer experience along the whole pathway. The patient and public involvement team (PPI) is working closely with clinicians, and has developed a questionnaire which will be used with patients and carers at each stage of their journey through the pathway, thus giving real time feedback. This will take the format of semi-structured interviews with experienced members of the PPI team. Patients will be selected on a number of criteria to ensure we have a broad representation of severity of stroke and location within the county. The outcomes will be evaluated, and the themes and issues raised will contribute towards the pathway improvement work currently being undertaken.

How will this be measured and monitored?

Patient and public involvement teams at Taunton and Somerset NHS Foundation Trust and Somerset Partnership NHS Foundation Trust work with teams to observe and check the progress and quality of patient and public involvement projects.

Support with projects from the improvement team using quality improvement methodology includes:

- obtaining feedback from services using patient and public involvement and co-design to develop and influence services.
- gaining feedback from patients, service users and participants through regular review meetings (PPI group, Musgrove Partners and Patient Care Group governors).

All projects are overseen and monitored by the Associate Director of Patient-Centered Care and the patient and public involvement leads.

Close monitoring of response rates for the Friends and Family Test, surveys and attendance at focus groups and forums takes place regularly.

NATIONAL QUALITY INDICATORS

All data in this section is provided by the Health and Social Care Information Centre and is governed by standard national definitions.

Summary Hospital-Level Mortality Indicator (SHMI)

Related domain: (1) Preventing people from dying prematurely

The Summary Hospital-Level Mortality Indicator (SHMI) is a standardised mortality indicator. It expresses actual deaths compared to an expected value. In this case, 'average' is represented by a value of 1. SHMI has been designed to overcome certain shortcomings inherent in other standardised mortality indicators such as the HSMR. This includes the influence of coding of palliative care patients. SHMI also includes patients who died within 30 days of discharge whereas HSMR looks only at deaths that occur in hospital.

The Trust's overall SHMI over the past three years is represented in the table below:

Reporting Period	Ratio (Banding)	England	Lowest Trust	Highest Trust
April 2018 to March 2019	Data due to be published August 2019			
January 2018 to December 2018	0.9510 (as expected)	1.0000	0.6993	1.2264
October 2017 to September 2018	0.9266 (as expected)	1.0000	0.6917	1.2681
July 2017 to June 2018	0.9230 (as expected)	1.0000	0.6982	1.2572
April 2017 to March 2018	0.9168 (as expected)	1.0000	0.6994	1.2321
January 2017 to December 2017	0.8907 (better than expected)	1.0000	0.7204	1.2181
October 2016 to September 2017	0.9208 (as expected)	1.0000	0.7270	1.2473
July 2016 to June 2017	0.9344 (as expected)	1.0000	0.7261	1.2277
April 2016 to March 2017	0.9522 (as expected)	1.0000	0.7075	1.2123
January 2016 to December 2016	0.9844 (as expected)	1.0000	0.6907	1.1894
October 2015 to September 2016	0.9921 (as expected)	1.0000	0.6897	1.1638
July 2015 to June 2016	0.997 (as expected)	1.000	0.694	1.171

April 2015 to March 2016	1.002 (as expected)	1.000	0.678	1.178
January 2015 to December 2015	1.000 (as expected)	1.000	0.669	1.173
October 2014 to September 2015	0.983 (as expected)	1.000	0.652	1.177
July 2014 to June 2015	0.984 (as expected)	1.000	0.661	1.209
April 2014 to March 2015	0.970 (as expected)	1.000	0.670	1.210
January 2014 to December 2014	0.967 (as expected)	1.000	0.655	1.240
October 2013 to September 2014	0.982 (as expected)	1.000	0.597	1.198
July 2013 to June 2014	0.984 (as expected)	1.000	0.541	1.198
April 2013 to March 2014	0.967 (as expected)	1.000	0.539	1.197

NB: 1.00 is the SHMI average, values lower than 1.00 indicated better than average.

The Taunton and Somerset NHS Foundation Trust considers that this data is as described for the following reasons:

- There has been continued focus on initiatives related to safety that have reduced the number of avoidable deaths in a range of specialties.
- Routine review of Healthcare Evaluation Data (HED) by speciality, procedure and diagnosis groups has provided early warning of problems in patient care.

The Taunton and Somerset NHS Foundation Trust intends to take the following actions to improve on this rate, and so the quality of its services:

- by regularly monitoring outcomes through tools such as Healthcare Evaluation Data.
- by identifying where outcomes appear to be deviating. This allows the Trust to investigate and verify the result and provides an early opportunity to make improvements to patient treatment pathways.

Hospital Standardised Mortality Ratio (HSMR) and Summary Hospital-level Mortality Indicator (SHMI) performance are reported each month to the Trust Board, but, due to considerable monthly variation, a rolling three-month figure is reported. Weekday versus weekend non-elective admissions is also reported.

Additional scrutiny is undertaken via the Trust's monthly mortality surveillance group. Also, the SHMI and HSMR, split by diagnosis group, is kept under close review. This often prompts engagement with the clinical leadership who give consideration to data and clinical quality, as appropriate.

Percentage of patient deaths with palliative care coded at either diagnosis or specialty level for the Trust

Reporting Period	TST	England	Lowest Trust	Highest Trust
April 2018 to March 2019	Data due to be published August 2019			
January 2018 to December 2018	Data due to be published May 2019			
October 2017 to September 2018	33.2%	33.6%	14.3%	59.5%
July 2017 to June 2018	30.9%	33.1%	13.4%	58.7%
April 2017 to March 2018	28.9%	32.5%	12.6%	59.0%
January 2017 to December 2017	25.3%	32.2%	11.7%	60.3%
October 2016 to September 2017	21.3%	31.5%	11.5%	59.8%
July 2016 to June 2017	20.1%	31.1%	11.2%	58.6%
April 2016 to March 2017	18.5%	30.7%	11.1%	56.9%
January 2016 to December 2016	19.0%	30.1%	7.3%	55.9%
October 2015 to September 2016	18.6%	29.7%	0.4%	56.3%
July 2015 to June 2016	18.4%	29.2%	0.6%	54.8%
April 2015 to March 2016	17.0%	28.5%	0.6%	54.6%
January 2015 to December 2015	13.8%	27.6%	0.2%	54.7%
October 2014 to September 2015	12.5 %	26.6%	0.2%	53.5%
July 2014 to June 2015	12.4%	26.0%	0.0%	52.9%
April 2014 to March 2015	13.4%	25.7%	0.0%	50.9%
January 2014 to December 2014	14.3%	25.7%	0.0%	48.3%

October 2013 to September 2014	14.5%	25.3%	0.0%	49.4%
July 2013 to June 2014	10.7%	24.6%	0.0%	49.0%
April 2013 to March 2014	6.4%	23.6%	0.0%	48.5%

The Taunton and Somerset NHS Foundation Trust considers that this data is as described for the following reason:

- The national standard for coding requires the addition of the palliative care code whenever the palliative care team have been involved in the patient's episode of care. From November 2016 we have included the palliative care code for admissions where the patient has an assessment completed and is on a pathway. These have been specifically designed by the palliative care team to support clinicians in delivering high quality palliative care.

The Taunton and Somerset NHS Foundation Trust intends to take the following actions to improve on this rate, and the quality of its services by:

- monitoring palliative care rates at the mortality surveillance group meeting;
- auditing palliative care coding to ensure all admissions with assessment completed is coded;
- continuously auditing the use of the end of life care pathway for patients who die.

PROMS: PATIENT REPORTED OUTCOME MEASURES

Related domain (3) Helping people to recover from episodes of ill health or following injury

PROMs measure a patient's health status or health-related quality of life from their perspective. Typically, this is based on information gathered from a questionnaire that patients complete before and after surgery. The figures in the following tables show the percentages of patients reporting an improvement in their health-related quality of life following four standard surgical procedures, as compared to the national average.

Groin hernia surgery (EQ-5D Index)

(PROMS programme for groin hernia ended after September 2017)

Reporting Period	Adjusted average health gain	England	Lowest Trust	Highest Trust
April 2017 to September 2017	0.072	0.089	0.029	0.137
April 2016 to March 2017	0.077	0.087	-0.009	0.135
April 2015 to March 2016	0.076	0.088	0.021	0.157
April 2014 to March 2015	0.063	0.084	0.000	0.154
April 2013 to March 2014	0.097	0.085	0.008	0.139
April 2012 to March 2013	0.113	0.085	0.015	0.157
April 2011 to March 2012	0.075	0.087	-0.002	0.143
April 2010 to March 2011	0.075	0.085	-0.020	0.156

Taunton and Somerset NHS Foundation Trust considers that this data is as described for the following reasons:

- The Taunton and Somerset NHS Foundation Trust adjusted average health gain is within the expected range.

Taunton and Somerset NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services, by:

- Providing a full pre-operative assessment service to enable early identification of problems for management prior to admission for surgery and a range of verbal and written information about the procedure.
- Monitoring the adjusted average health gain through the Trust Data Outlier Review Meeting and sharing with the clinical and management teams.

Varicose vein surgery (EQ-5D Index)

(PROMS programme for varicose vein surgery ended after September 2017)

Reporting Period	Adjusted average health gain	England	Lowest Trust	Highest Trust
April 2017 to September 2017	0.130	0.096	0.035	0.134
April 2016 to March 2017	0.085	0.092	0.015	0.154
April 2015 to March 2016	0.075	0.096	0.018	0.150
April 2014 to March 2015	0.130	0.094	-0.009	0.154
April 2013 to March 2014	0.095	0.093	0.023	0.150
April 2012 to March 2013	0.119	0.093	0.023	0.175
April 2011 to March 2012	0.090	0.094	0.047	0.167
April 2010 to March 2011	0.086	0.091	-0.007	0.155

Taunton and Somerset NHS Foundation Trust considers that this data is as described for the following reasons:

- Taunton and Somerset NHS Foundation Trust adjusted average health gain is within the expected range.

The Taunton and Somerset NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services, by:

- Monitoring the adjusted average health gain through the Trust Data Outlier Review Meeting and sharing with the clinical and management teams.

Primary hip replacement surgery (EQ-5D Index)
(2017/18 finalised data due August 2019)

**data suppressed (not enough responses)*

Reporting Period	Adjusted average health gain	England	Lowest Trust	Highest Trust
April 2018 to September 2018	*	0.489	0.407	0.564
April 2016 to March 2017	0.435	0.445	0.310	0.293
April 2015 to March 2016	0.451	0.438	0.320	0.512
April 2014 to March 2015	0.464	0.436	0.331	0.524
April 2013 to March 2014	0.414	0.436	0.342	0.545
April 2012 to March 2013	0.460	0.438	0.128	0.315
April 2011 to March 2012	0.407	0.416	0.306	0.532
April 2010 to March 2011	0.415	0.405	0.264	0.503

Taunton and Somerset NHS Foundation Trust considers that this data is as described for the following reasons:

- The Taunton and Somerset NHS Foundation Trust adjusted average health gain is within the expected range.

The Taunton and Somerset NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services, by:

- Monitoring the adjusted average health gain through the Trust Data Outlier Review Meeting and sharing with the clinical and management teams.
- Improving our participation rate by giving more patients the opportunity to take part in PROMS.

Primary knee replacement surgery (EQ-5D Index)

(2017/18 finalised data due August 2019)

Reporting Period	Adjusted average health gain	England	Lowest Trust	Highest Trust
April 2018 to September 2018	*	0.345	0.227	0.426
April 2016 to March 2017	0.332	0.325	0.242	0.404
April 2015 to March 2016	0.320	0.320	0.198	0.398
April 2014 to March 2015	0.330	0.315	0.204	0.418
April 2013 to March 2014	0.277	0.323	0.215	0.416
April 2012 to March 2013	0.337	0.319	0.195	0.409
April 2011 to March 2012	0.316	0.302	0.180	0.385
April 2010 to March 2011	0.280	0.299	0.176	0.407

The Taunton and Somerset NHS Foundation Trust considers that this data is as described for the following reasons:

- The Taunton and Somerset NHS Foundation Trust adjusted average health gain is within the expected range.

The Taunton and Somerset NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services, by:

- Monitoring the adjusted average health gain through the Trust Data Outlier Review Meeting and sharing with the clinical and management teams.

READMISSIONS

Patients readmitted to a hospital within 28 days of being discharged

Related domain (3) Helping people to recover from episodes of ill health or following injury

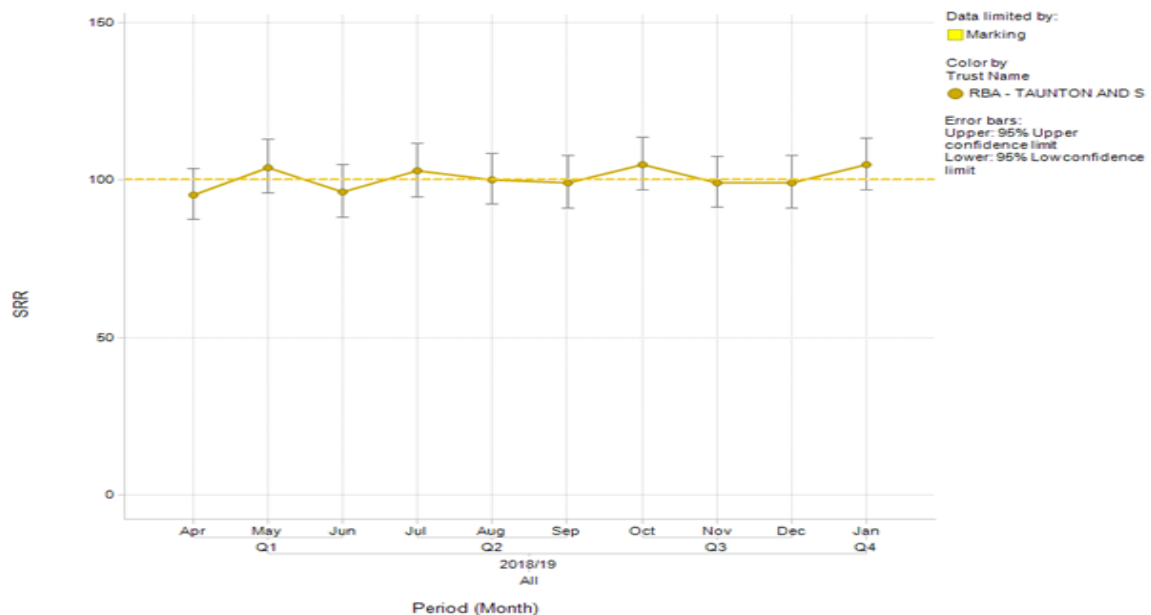
Whilst some emergency readmissions following discharge from hospital are an unavoidable consequence of the original treatment, others could potentially be avoided through ensuring the delivery of optimal treatment according to each patient's needs, careful planning and support for self-care. Because of the

complexities in collating data, national and local rates are significantly in arrears. It should also be noted that a readmission is counted for a patient within the 28 day period, even if it is for an entirely different problem, for example a discharge following a hip replacement and readmission due to a stroke.

This report includes information about children re-admitted to the Trust which show that they are broadly in line with the national average. Our adult readmission results for 2011/12 indicate that we were significantly better than average.

Our 30 day standardised readmission ratio is 99.7 for the period April to December 2018, with confidence limits well within the expected range. Diagnostic groups that are significantly above expected range are reviewed at the data outlier review meeting and investigated with directorates.

Trust-wide standardised readmission ratio by month



Percentage of patients aged 0 – 15 readmitted to the Trust within 28 days of being discharged

Note: Benchmark data relates to Medium Acute Trusts

Reporting Period	Percentage	England	Lowest Trust	Highest Trust
April 2011 to March 2012	10.54%	10.04%	0.00%	13.58%
April 2010 to March 2011	10.43%	9.87%	0.00%	13.78%
April 2009 to March 2010	9.75%	10.13%	0.00%	14.20%
April 2008 to March 2009	10.11%	10.14%	0.00%	17.34%

Taunton and Somerset NHS Foundation Trust considers that this data is as described for the following reasons:

- The Trust tends to accept a higher readmission rate because of its strategy to manage as many cases as possible as ‘ambulatory’ in order to minimise overall admission and length of stay.
- The Trust operates an open admission list system – there are approximately 100 children on the open admission list who have a chronic condition, e.g. epilepsy, chronic heart conditions and haematological conditions. These children have had consultant approval to attend the children’s unit in accordance with condition requirements. Open admission can be an ongoing process throughout the child’s life.
- Children with life limiting conditions, such as oncology related disorders and immune compromising disorders, have repeated admissions due to medical management of their condition.

Taunton and Somerset NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services, by:

- Reducing the number of ward reviews where appropriate.
- Implementation of the new community midwifery-led feeding protocol and assessment to prevent admissions for ‘poor feeding’ initially reduced inpatient admissions with only two admissions per month for the first six months. Subsequent months have shown a slight rise with on average four a month being managed as inpatients. It is noted that these admissions are the more complex cases with additional complications in addition to poor feeding.
- Regular assessment of the reasons for admission to ensure that, within specialties and conditions, there are no trends apparent or evidence of readmissions indicating a problem in clinical treatment or processes.

Percentage of patients aged 16 or over readmitted to the Trust within 28 days of being discharged

Note: Benchmark data relates to Medium Acute Trusts

Reporting Period	Percentage	England	Lowest Trust	Highest Trust
April 2011 to March 2012	10.61%	11.26%	0.00%	13.50%
April 2010 to March 2011	10.06%	11.17%	0.00%	13.00%

April 2009 to March 2010	9.77%	11.06%	0.00%	13.30%
April 2008 to March 2009	10.12%	10.82%	0.00%	13.08%

Taunton and Somerset NHS Foundation Trust considers that this data is as described for the following reasons:

- over a period of three years, the Trust has maintained an overall 28 day readmission rate of 0-2% below the national average for equivalent hospitals.
- this is indicative of good general care and appropriate clinical judgment with regards to patient discharges.
- this is during a period of the stepwise introduction of enhanced recovery programmes in various specialties, which would indicate that appropriate discharge criteria are being maintained.

Taunton and Somerset NHS Foundation Trust intends to continue to try to improve readmission rates, and so the quality of its services, by:

- Continuing to monitor readmission rates for various procedures and conditions, as this can provide information about clinical teams in greater detail. This would allow improvements to be directed at the areas that most require them.
- Increased use of ambulatory care and urgent clinics to manage emergency care pathways.
- Working with other health and care providers in Somerset to ensure alternatives to admission are accessed where appropriate.
- Readmission data has recently been to the data outlier review meeting and we were assured that recent increases in readmission rates are in line with those seen nationally, and that standardised readmission rates remain within the expected range.
- We have identified an administration error with patients who have a planned readmission for certain orthopaedic procedures being wrongly classed as an emergency readmission. The Trust is now taking steps to resolve this.

NOTE – although this indicator remains one of the indicators that the Trust is required to report on, recent data beyond 2012 is not available from the Health and Social Care Information Centre. In line with the change in national focus on readmission rates, the Trust is currently undertaking analysis to understand the differences in readmission rates within seven days of discharge, by day of the week of discharge from hospital.

RESPONSIVENESS TO THE PERSONAL NEEDS OF PATIENTS

(INPATIENT OVERALL PATIENT EXPERIENCE SCORE)

Related domain (4) Ensuring that people have a positive experience of care. Patient experience is a key measure of the quality of care.

Reporting Period	Score	England	Lowest Trust	Highest Trust
2018/19	Data not available until May/June 2019			
2017/18	72.2	68.6	60.5	85.0
2016/17	71.2	68.1	60.0	85.2
2015/16	72.6	69.6	58.9	86.2
2014/15	74.1	68.9	59.1	86.1
2013/14	72.5	68.7	54.4	84.2
2012/13	69.5	68.1	57.4	84.4
2011/12	68.9	67.4	56.5	85.0
2010/11	69.7	67.3	56.7	82.6
2009/10	68.3	66.7	58.3	81.9
2008/09	69.0	67.1	56.9	83.4
2007/08	67.6	66.0	54.6	83.1
2006/07	68.7	67.0	55.1	84.0

Data Source: NHS Outcomes Framework - Indicator 4.2 Responsiveness to inpatients' personal needs

Taunton and Somerset NHS Foundation Trust considers that this data is as described for the following reasons:

- The Trust scores consistently better than the national average due to the emphasis placed on listening to and learning from patient feedback.
- A focus on improvement, with patient experience a key part of that work.

Taunton and Somerset NHS Foundation Trust intends to take the following actions to improve this rate, and so the quality of its services, by:

- Focussing on increasing the response rates to the surveys, which include the Friends and Family question.

- Commence Phase 2 roll-out of the Patient Experience Collaboration project and ongoing learning around real-time measurement.
- Continuing to ensure the visibility of the results at directorate and board level on a monthly basis.
- Build on work already initiated to make learning from patient experience a key part of the improvement boards.

Rate of *Clostridium difficile* infection

Related domains (5) Treating and caring for people in a safe environment and protecting them from avoidable harm.

Clostridium difficile infection (CDI) can cause diarrhoea and sometimes severe inflammation of the bowel. It can occur when the normal bacteria in the gut are disturbed, usually by taking antibiotics. Although not all cases are preventable, the rate of CDI hospital onset cases (those detected four or more days after admission) are an important indicator of improvement in protecting patients from avoidable harm and provide a useful tool for making comparisons between organisations and tracking improvements over time.

Reporting Period	TSFT Trust-apportioned CDI rate per 100,000 bed days	National Average (England)	Lowest Trust	Highest Trust
April 2018 – March 2019	CDI hospital onset rates for 2018/19 will not be available until August, but are expected to be in line with the national average.			
April 2017 – March 2018	11.85	13.7	0.0	92.75
April 2016 – March 2017	5.6	13.2	0.0	82.7
April 2015 – March 2016	13.8	14.9	0.0	66.0
April 2014 – March 2015	7.4	15.1	0.0	62.2
April 2013 - March 2014	7.5	14.7	0.0	37.1
April 2012 - March 2013	10.4	17.3	0.0	30.8
April 2011 - March 2012	20.3	22.2	0.0	58.2
April 2010 - March 2011	41.1	29.6	0.0	71.8
April 2009 - March 2010	27.2	36.7	0.0	85.2

Taunton and Somerset NHS Foundation Trust considers that this data is as described for the following reasons:

- Since 2012, the Trust has had consistently lower rates than the national average. This is the result of sustaining the bundle of improvements implemented in 2011, which includes prompt isolation of patients, high standards of cleaning, reductions in the use of high-risk antibiotics and regular review of patients with CDI by a microbiologist and the infection prevention and control team.
- The CDI rate for 2018/19 is not yet known. However, the number of cases remains similar to last year, and rates are expected to be in line with the national average.

Taunton and Somerset NHS Foundation Trust intends to take the following actions to improve this rate, and so the quality of its services, by:

- Continuing to investigate all hospital onset cases to identify learning, sharing this learning in the organisation and driving further improvements. Also by investigating community onset cases where the case is detected within two days of admission and where the patient has been an inpatient within the previous four weeks
- Continuing to reduce the CDI risk associated with antibiotic treatment through robust antibiotic stewardships and further review of antimicrobial guidance, where appropriate.
- Prompt isolation of all symptomatic patients as well as previous CDI cases, where there is an increased risk of reoccurrence.
- Continuing to give scrupulous attention to hand hygiene, decontamination and cleaning practices.

Patient safety incidents reported to the National Reporting and Learning System

The National Reporting and Learning System (NRLS) collects and collates information from the incident databases of health service providers to provide thematic review and share wider learning about patient safety through a system of safety alerts sent to every organisation.

The Trust's safeguard incident software has an automatic process for uploading its incidents to the National Learning and Reporting System (NRLS). There is evidence of increasing numbers of reports being uploaded to the NRLS database, as indicated in the table below:

Reporting Period	Number of Incidents Reported	Rate per 1000 Bed Days			
		Taunton and Somerset	Median for Acute (Non-Specialist) Trusts	Lowest Trust	Highest Trust
Apr 2018 – Sep 2018	3,316	43.8	42.4	13.1	107.4
Oct 2017 – Mar 2018	3,218	40.3	40.8	24.2	124.0
Apr 2017 – Sep 2017	2,985	39.9	41.7	23.5	111.7
Oct 2016 – Mar 2017	3,334	44.4	40.1	23.1	69.0
Apr 2016 – Sep 2016	3,251	44.9	40.0	21.2	71.8
Oct 2015 – Mar 2016	3,156	41.7	39.3	14.8	75.9
Apr 2015 – Sep 2015	2,987	40.3	38.3	18.01	74.67
Oct 2014 – Mar 2015	3,171	36.0	35.3	3.6	82.2
Apr 2014 – Sep 2014	3292	38.2	35.1	0.2	74.96
Oct 2013 – Mar 2014	3116	35.9	32.4	5.8	74.9
Apr 2013 – Sep 2013	3004	6.95	7.2	3.5	14.5

The Taunton and Somerset NHS Foundation Trust considers that this data is as described for the following reasons:

- We actively encourage reporting of incidents to enable learning to be obtained.
- The Trust has been involved in a range of work-streams led by our in-house improvement network to improve specific aspects of patient safety and to reduce incidents.
- We have continually reviewed and improved our systems for reviewing and uploading incidents to the NRLS to ensure that they meet the data quality requirements, resulting in a higher proportion of incidents being successfully uploaded to the NRLS.

The Taunton and Somerset NHS Foundation Trust intends to take the following actions to improve this rate, and so the quality of its services, by:

- Working with Somerset Partnership NHS Foundation Trust as part of the alliance to identify best practice in incident reporting and management.

- Extending the use of “Excellence reporting” to enable both trusts to learn from when things go really well in addition to learning from when things don’t go so well.

Number of patient safety incidents that resulted in severe harm or death

The NHS National Patient Safety Agency (NPSA) provided the following definitions for severe harm or death:

- Severe – Any unexpected or unintended incident which caused permanent or long term harm, to one or more persons.
- Death – Any unexpected or unintended incident which caused the death of one or more persons.

Reporting Period	Number of Severe Harm / Death Incidents Reported	% of Total Incidents			
		Taunton and Somerset	Average for Acute (Non-Specialist) Trusts	Lowest Trust	Highest Trust
Apr 2018 – Sep 2018	13	0.4%	0.3%	0%	1.2%
Oct 2017 – Mar 2018	7	0.2%	0.3%	0%	1.5%
Apr 2017 – Sep 2017	2	0.1%	0.3%	0%	2.0%
Oct 2016 – Mar 2017	2	0.1%	0.3%	0%	2.1%
Apr 2016 – Sep 2016	7	0.2%	0.4%	0%	1.7%
Oct 2015 – Mar 2016	9	0.3%	0.4%	0%	2.0%
Apr 2015 – Sep 2015	5	0.2%	0.4%	0%	2.9%
Oct 2014 – Mar 2015	12	0.3%	0.5%	0%	6.2%
Apr 2014 – Sep 2014	11	0.3%	0.5%	0%	82.9%
Oct 2013 – Mar 2014	7	0.2%	0.7%	0%	2.3%
Apr 2013 – Sep 2013	3	0.1%	0.7%	0%	3.1%

The Taunton and Somerset NHS Foundation Trust considers that this data is as described for the following reasons:

- The Trust has continually been significantly below the median for the percentage of incidents that cause serious harm or death, in line with several streams of patient safety work started in 2007.

- Patient safety work-streams have focused successfully on reducing serious incidents related to delays in escalation for treatment and patient falls.

The Taunton and Somerset NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services, by

- A range of work-streams to improve specific aspects of patient safety and to reduce incidents.
- Improvements have also been made in the quality and general approach to action planning to learn from incidents, including processes for measurement and audit to ensure learning is embedded.
- Encouraging reporting of incidents and near misses and greater consistency in the rating of incidents.

Patients admitted to hospital who were risk assessed for thromboembolism (VTE)

Reporting Period	Taunton and Somerset	England	Lowest Acute Trust	Highest Acute Trust
January - March 2019	Data due to be published in June 2019			
October - December 2018	94.21%	95.65%	54.86%	100.00%
July - September 2018	94.06%	95.49%	68.67%	100.00%
April - June 2018	94.90%	95.63%	75.84%	100.00%
January - March 2018	94.97%	95.21%	67.04%	100.00%
October - December 2017	95.36%	94.28%	76.08%	100.00%
July - September 2017	94.24%	95.25%	71.88%	100.00%
April - June 2017	95.06%	95.20%	51.38%	100.00%
January - March 2017	95.53%	94.71%	63.02%	100.00%
October - December 2016	94.76%	95.64%	76.48%	100.00%
July - September 2016	93.89%	95.51%	72.14%	100.00%
April - June 2016	93.74%	95.73%	80.61%	100.00%
January - March 2016	91.18%	95.53%	78.06%	100.00%
October - December 2015	92.88%	95.48%	61.47%	100.00%
July - September 2015	95.64%	95.86%	75.04%	100.00%
April - June 2015	95.47%	96.04%	86.08%	100.00%
January - March 2015	94.74%	95.97%	79.23%	100.00%

October - December 2014	94.24%	95.96%	81.19%	100.00%
July - September 2014	94.69%	96.19%	86.36%	100.00%
April - June 2014	95.36%	96.16%	87.25%	100.00%
January - March 2014	95.56%	96.00%	78.86%	100.00%
October - December 2013	95.18%	95.84%	77.70%	100.00%
July - September 2013	95.45%	95.74%	81.70%	100.00%
April - June 2013	95.28%	95.45%	78.78%	100.00%

The Trust considers that this data is as described for the following reasons:

- Medical staff receive training as part of the induction programme in the protocol for risk assessment. This applies when patients are admitted as emergencies as well as for planned procedures.
- The data correlates with other sources of information such as the NHS Safety Thermometer and the root cause analysis completed for cases of hospital acquired VTE.

The Trust intends to take the following action to improve this rate, and the quality of its services, by:

- Continuing to report this data on a weekly basis across the Trust.
- Continuing to focus on improving the data collection on the wards and departments with low compliance.

STAFF, FRIENDS AND FAMILY

The Staff, Friends and Family test has been carried out since April 2014. The test comprises two questions, 'How likely are you to recommend this organisation to friends and family if they needed care or treatment?' and, 'How likely are you to recommend this organisation to friends and family as a place to work?'.

Colleagues are asked whether they are: 'extremely likely'; 'likely'; 'neither likely nor unlikely'; 'unlikely'; 'extremely unlikely'; or 'don't know'. The extremely likely and likely responses are added together and compared with the extremely unlikely and unlikely in calculating the results which are then benchmarked against other providers of this test nationally.

The figures are shown against the national average in the table below. National figures are not available for Quarter 3 as these figures are captured as part of the NHS Annual Staff Survey.

Percentage of staff responding to the question ‘How likely are you to recommend this organisation to friends and family if they needed care or treatment?’

	Trust Score		National Average	
	% Recommend	% Not Recommend	% Recommend	% Not Recommend
Quarter 1 (April - June 2018)	95%	1%	81%	6%
Quarter 2 (July - September 2018)	95%	1%	81%	6%
Quarter 4 (January - March 2019)	Figures not available until after publication			

Percentage of staff responding to the question ‘How likely are you to recommend this organisation to friends and family as a place to work?’

	Trust Score		National Average	
	% Recommend	% Not Recommend	% Recommend	% Not Recommend
Quarter 1 (April - June 2018)	82%	5%	66%	16%
Quarter 2 (July - September 2018)	78%	8%	64%	17%
Quarter 4 (January - March 2019)	Figures not available until after publication			

The annual NHS staff survey was carried out during Quarter 3 and provides the responses provided below compared with the national average.

The percentage of staff employed by, or under contract to, the Trust during the reporting period who would recommend the Trust as a provider of care to their family and friends.

Reporting Period	Score	Average (Acute Trusts)	Lowest Trust	Highest Trust
2018	83.6%	71.3%	39.8%	87.3%
2017	83.2%	70.8%	46.4%	85.3%
2016	84%	70%	49%	85%
2015	82%	70%	46%	89%
2014	78%	65%	38%	89%
2013	78%	64%	40%	89%
2012	72%	62%	35%	89%

The Trust scores above the national average for the recommend as a provider of care staff friends and family question.

The percentage of staff employed by, or under contract to, the Trust during the reporting period who would recommend the Trust as a place to work.

Reporting Period	Score	Average (Acute Trusts)	Lowest Trust	Highest Trust
2018	71.9%	62.6%	39.2%	81.1%
2017	70.9%	60.7%	42.7%	76.9%
2016	70.9%	61.1%	41.5%	76.1%
2015	74%	60.3%	41.6%	77.4%
2014	64.4%	58%	31.9%	77.1%

ANNUAL REPORT ON ROTA GAPS AND VACANCIES: DOCTORS AND DENTISTS IN TRAINING

This report was presented at Trust Board on 5 February 2019

Executive summary

Key points of this report:

- The level of exception reporting has proved to be an increasingly useful marker of areas of pressure on staff throughout the Trust.
- Rota gaps and vacancies appear to be a key factor influencing and driving the level of exception reporting at an individual ward level.
- This applies not only to rota gaps and vacancies relating to junior medical staff, but also in those groups of non-medical staff directly supporting their role.
- Recently, we have seen a significant increase in exception reporting across the Trust. This may be related to actions intended to prepare for winter pressures.
- The Board needs to consider how this relates to levels of staffing and their deployment across the Trust, especially in the out of hours period.
- The Board are asked to support initiatives to examine safe levels of staffing across the Trust, and to put in place long term plans to ensure adequate numbers of appropriate staff are provided throughout the 24/7 period to protect patient safety and staff wellbeing.

Introduction

The data presented below is designed to allow the Board to assess the current risks posed by rota gaps and vacancies, especially in the context of numbers of staff available to treat patients in the out of hours period.

This is followed by a qualitative summary of issues arising and actions taken to address these.

High level data

Number of doctors / dentists in training (total): 232
 Number of doctors / dentists in training on 2016 TCS (total): 202
 Annual vacancy rate among this staff group 2018: 2.41% (2017 94%)

Ratios of Junior Doctors to patients in out of hours period (Data provided by Chief Registrar):

Medicine including Haematology/Oncology: 2 x covering ward SHOs (+Med SpR)

	Number	Doctor ratio
Core beds	359	1:180
Escalation	387	1:194
+50 in Surgical beds	437	1:219

Surgery including Gynae (approx. 8 pts): 2 x F1s until 00:00 (+take SHO +Med SpR)

	Number	Doctor ratio
Core beds	173	1:173
Escalation	183	1:183
-50 if Medical patients in beds	133	1:133

Total Number of Exception Reports to date (Dec 2016-Jan2019: Data from Allocate Government Office South West (GoSW) Dashboard): 814

Exception Reports 2018: (Total 464)

Quarter 4	173	Equivalent 2017 (Total 209)	Quarter 4	62
Quarter 3	83		Quarter 3	101
Quarter 2	100		Quarter 2	38
Quarter 1	108		Quarter 1	89

Annual data summary relating to rota gaps

Specialty	Grade	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total gaps (average WTE)
Anaesthetics	CT1/2	1	0	0	0	0.25
Emergency Medicine	ST3+	0	0	1	0	0.25
	ST1/2	1	0	0	0	0.25
Max Fax	DCT2	0	0	1	0	0.25
Medicine	ST3+	0.2	0.2	0	0	0.05
	ST1/2	2	3	0	0	1.25

Obs & Gynae	ST3+	1	1	0	1	0.75
	ST1/2	1.6	1.6	1.6	1.6	1.6
Ophthalmology	ST1/2	1	1	1	1	1
Paediatrics	ST4+	0.6	0	0	0	0.15
	ST1-3	1	2	2	2	1.75

Issues arising

- It is clear that with increasing demand on the resources of the hospital, and the measures taken to try and anticipate such increasing demand (e.g. winter pressure planning), junior medical staff are now expected to provide significantly wider cover for patients. The implementation of this plan has coincided with a marked increase in levels of exception reporting in the last quarter of 2018.
- The numbers of patients covered by junior medical staff give concern that it is now difficult to provide safe and effective care for these patients in the Trust, especially over the out of hours period.
- Superimposed on this, any level of vacancy therefore bears increased significance and impact. It has been noted during 2018 that there was no Trust-wide data collected on levels of sickness absence for junior medical staff, which is a perceived increased contributor to rota gaps and vacancy.
- At a ward level, analysis of exception reporting for the most junior grades of doctor (F1/F2) show that rota gaps and vacancy in more senior medical staff grades, and in supportive roles (for example clinical nurse practitioners), increase their level of exception reporting.

We are aware of:

- Feedback from juniors (both through Immediate Safety Concern (ISC) exception reports, and emails to educational supervisors and rota coordinators) that raise concerns about the increasing intensity of out of hours work and numbers of patients to cover.
- Clinical incidents that may be related to this intensity and the effect on safe working.
- Marked increase in the level of exception reporting in 2018 compared to 2017, and especially in Quarter 4 of 2018 (October - December 2018).

Filling gaps is often challenging, given the geographical position of the Trust in relation to the major surrounding teaching centres, the limited control we have over Deanery allocations, and the national lack of suitable doctors to fill vacancies when they arise, often at short notice. However, the Trust has a very good reputation with junior medical staff, reflected in General Medical Council training surveys and feedback from the regional British Medical Association, for the care we extend to doctors in training, and the training/education we deliver.

Actions taken to resolve issues

- The GoSW has identified areas of need, advised and worked with clinical service leads, educational supervisors and junior doctors in areas of pressure to facilitate cover and support, whenever increased levels of exception reporting on the GoSW dashboard has raised concern over intensity.
- The GoSW has undertaken a detailed analysis of exception reporting related to seniority, rota and attendant rota gaps. Further specialty, seniority and ward based data will be included in the 2019 GoSW quarterly reports.
- The Trust has devolved approval for recruitment to fill rota gaps and vacancies to a directorate level, enabling more rapid action to resolve them – this has proved helpful for the medical workforce team, and appears to have delivered a significant improvement in overall vacancy levels from 7% in 2017 to 2.5% in 2018.
- The GoSW, via the Junior Doctors Implementation Group, previously asked the Board to support a quality improvement project to look at novel methods of skill mix and staffing to address long term pressures on safe working in the out of hours period.
- Given the increasing concerns reflected in several areas of feedback, the medical director has recently reconvened the Hospital at Night group to take this forward. This group met for the first time in January 2019.
- The Trust has directed the medical workforce team to centralise recording of junior medical staff sickness absence. The GoSW will include any

relevant data from this centralisation in future reports on rota gaps and vacancy.

Summary

- Rota gaps and vacancy have a direct effect on the most junior medical staff at a ward level.
- Winter planning measures appear to have directly increased the intensity of workload for junior medical staff, reflected in a significant increase in overall exception reporting
- The Trust is acting to collect collective data on sickness absence, and to examine staffing and skill-mix via the Hospital at Night group.

Questions for consideration

- The Board will need to consider the level of investment required, in both total human resource, and improved skill-mix, to deliver safe working related to patient care, especially for acute admissions, and especially in the out of hours period.
- The Board will need to consider data on sickness absence when reliably available, and consider the cause and effect related to intensity of workload and staff wellbeing.
- The Board will need to consider and act upon the findings of the Hospital at Night Group when delivered in 2019.

STATEMENTS OF ASSURANCE FROM THE BOARD

Review of services

During 2018/19 Taunton and Somerset NHS Foundation Trust provided, or sub-contracted, 79 relevant health services, including a comprehensive range of medical, surgical and specialist services in the following areas:

- Acute adult and paediatric care
- Maternity services
- Accident and Emergency treatment
- Diagnostic services
- Elective and emergency services
- Cancer care and radiotherapy.

Taunton and Somerset NHS Foundation Trust has reviewed all the data available to it on the quality of care in each of these relevant services.

The income generated by the relevant health services represents 100% of the total income generated from the provision of relevant health services by the Taunton and Somerset NHS Foundation Trust in 2018/19.

The Trust is engaged with NHS England and NHS Improvement regarding the implementation of the priority clinical standards for 7-day hospital services. There is regular performance monitoring against the standards, with a working group led by the Chief Medical Officer, charged with ensuring good performance. The Trust has participated fully in the national performance audits, which have shown full compliance with some areas of the priority standards, and highlighted areas where compliance has not yet been achieved. There is an action plan in place to achieve improvements, which includes linking to the Trust's Global Digital Exemplar work. The action plan forms the framework for regular discussions with NHS England and NHS Improvement on these issues. Both organisations are engaged and informed about the Trust's progress and of nationally-shared issues for compliance, such as the need for significant investment in consultant resource, in order to achieve some of the standards. There is also a good working relationship on 7-day services with NHS Somerset and other local providers, including the sharing of information and good practice.

Progress in implementing the priority clinical standards for 7-day hospital services

“There are 10 national clinical standards for 7-day hospital services. Four of these (Standards 2, 5, 6 and 8) are “priority” standards. The Trust is compliant with Standard 5 (access to diagnostics), Standard 6 (access to interventions) and Standard 8 (frequency of Ongoing Consultant Review).

However, it is not compliant with Standard 2, which records how quickly patients are seen by a consultant after admission, and mandates that 90% of patients have to be seen by a consultant within 14 hours. At the last audit, in spring 2018, the Trust scored 74%. An improvement plan has been agreed in discussion with NHS Improvement and NHS England, focusing on IT solutions to enable easier tracking of patients and to aid better recording of reviews in patient notes. There has also been a significant investment agreed with NHS Somerset CCG for the recruitment of additional consultants to provide a more robust staffing rota across all seven days of the week.

In the future, the Trust will provide regular assurance to the Board on progress against all 10 clinical standards, in accordance with the revised guidance from NHS England.”

INFORMATION ON PARTICIPATION IN CLINICAL AUDITS AND NATIONAL CONFIDENTIAL ENQUIRIES

National Clinical Audit Participation

During 2018/19, 49 national clinical audits and three national confidential enquiries covered relevant health services that Taunton and Somerset NHS Foundation Trust provides.

During that period Taunton and Somerset NHS Foundation Trust participated in 49/53 (92%) national clinical audits and 3/3 (100%) national confidential enquiries of the national clinical audits and national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries that Taunton and Somerset NHS Foundation Trust were eligible to participate in during 2018/19 are as follows:

National Audit Title	Participated	Coverage	Notes (where applicable)
Adult Community Acquired Pneumonia	Yes		Data collection in progress
BAUS Urology Audit – Female Stress Urinary Incontinence (SUI)	Yes		
BAUS Urology Audit - Nephrectomy	Yes		
BAUS Urology Audit - Percutaneous Nephrolithotomy (PCNL)	Yes		
Cardiac Rhythm Management (CRM)	Yes	100%	To date
Case Mix Programme (CMP)	Yes	100%	To date
Elective Surgery (National PROMs Programme)	Yes	21.8%	Q1 and Q2 2018/19
Fracture Liaison Service Database	Yes		
Inpatient Falls	Yes		Currently data collecting
National Hip Fracture Database	Yes		
Feverish Children (care in emergency departments)	Yes	100%	

National Audit Title	Partic- ipated	Coverage	Notes (where applicable)
Inflammatory Bowel Disease programme / IBD Registry	Yes		Delay in getting full data in due to system issues – in progress
Major Trauma Audit	Yes		
Maternal, Newborn and Infant Clinical Outcome Review Programme	Yes	100%	To date
Myocardial Ischaemia National Audit Project (MINAP)	Yes	100%	To date
National Asthma in Adults (NACAP)	Yes		Currently data collecting
National COPD (NACAP)	Yes		Currently data collecting
National Audit of Breast Cancer in Older People	Yes	100%	Cases taken directly from National Cancer Registration Services so presumed to be 100% case ascertainment
National Audit of Cardiac Rehabilitation	Yes	100%	Partial submission only, ceased participation due to this being covered by the community service
National Audit of Care at the End of Life (NACEL)	Yes	100%	Full clinical data submission, no quality survey participation
National Audit of Dementia	Yes	100%	
National Audit of Percutaneous Coronary Interventions (PCI)	Yes	100%	To date
National Audit of Seizures and Epilepsies in Children and Young People (Epilepsy 12 round 3)	Yes		Currently data collecting

National Audit Title	Participated	Coverage	Notes (where applicable)
National Bariatric Surgery Registry (NBSR)	Yes		
National Bowel Cancer Audit (NBOCA)	Yes		
National Cardiac Arrest Audit (NCAA)	Yes	100%	To date
National Clinical Audit for Rheumatoid and Early Inflammatory Arthritis (NCAREIA)	Yes		Currently data collecting
National Clinical Audit of Specialist Rehabilitation for Patients with Complex Needs following Major Injury (NCASRI)	Yes	100%	Data is pulled from HES, TARN and UKROC submissions
Management of Massive Haemorrhage	Yes	100%	100% of our cases noting that this was 70% of the requirement
National Diabetes Foot Care Audit	Yes	100%	Majority of these cases are picked up in the community
National Core Diabetes Audit	Yes	100%	Demographic data only
National Diabetes Transition	Yes	100%	Data taken from NPDA and NDA so presumed to have the same case ascertainment
National Emergency Laparotomy Audit (NELA)	Yes	75%	To date for year 6 data collection
National Heart Failure Audit	Yes	100%	To date
National Joint Registry (NJR)	Yes		Working with registry to resolve data quality issues
National Lung Cancer Audit (NLCA)	Yes		
National Maternity and Perinatal Audit (NMPA)	Yes		

National Audit Title	Participated	Coverage	Notes (where applicable)
National Neonatal Audit Programme (NNAP)	Yes		
National Oesophago-gastric Cancer (NAOGC)	Yes		
National Paediatric Diabetes Audit (NPDA)	Yes	100%	
National Prostate Cancer Audit	Yes		
National Vascular Registry	Yes		
Non-Invasive Ventilation - Adults	Yes		Currently data collecting
Sentinel Stroke National Audit Programme (SSNAP)	Yes		
Serious Hazards of Transfusion (SHOT): UK National Haemovigilance	Yes	100%	To date
Seven Day Hospital Services	Yes	100%	All cases entered for Spring survey
UK Cystic Fibrosis Registry	Yes	100%	To date
Vital Signs in Adults (care in emergency departments)	Yes	100%	
VTE Risk in Lower Limb Immobilisation (care in emergency departments)	Yes	100%	

National audits falling outside the scope of the Trust's services

These projects were active within the period but relate to service types other than those the Trust provides, included for completeness:

National Audit Title	Participated	Coverage	Notes
Adult Cardiac Surgery	No		Not performed at this Trust
BAUS Urology Audit - Cystectomy	No		Not performed at this Trust

BAUS Urology Audit – Radical Prostatectomy	No		Not performed at this Trust
Learning Disability Mortality Review Programme (LeDeR)	No		We review relevant cases as part of the M&M process, but the LEADER reviews are completed by Somerset CCG
National Audit of Anxiety and Depression	No		Mental health trust audit
National Audit of Intermediate Care	No		Previously advised not to participate by Somerset CCG
National Audit of Pulmonary Hypertension	No		Our cases are reviewed by one of the eight centres that do participate (Royal Brompton and Harefield NHS Foundation Trust)
National Clinical Audit of Psychosis	No		Mental health trust audit
Use of Fresh Frozen Plasma and Cryoprecipitate in neonates and Children	No		Very low numbers of applicable cases for our service so decision made not to participate
National Congenital Heart Disease (CHD)	No		Not performed at this Trust
National Diabetes Inpatient Audit (NaDia) - reporting data on services in England and Wales	No		We did complete their annual survey, but the clinical audit data collection did not happen nationally in this period
National Ophthalmology Audit	No		Set up to start data collection following implementation of Medisight in March

			2019
Neurosurgical National Audit Programme	No		Not performed at this Trust
Paediatric Intensive Care (PICANet)	No		Not relevant to us as not a stand-alone unit
Prescribing Observatory for Mental Health (POMH-UK)*	No		Mental health trust audit

National Confidential Enquiries with active participation during 2018/19

Name of Confidential Enquiry	Coverage	Notes
NCEPOD Bowel Obstruction Study		Still in progress
NCEPOD Long Term Ventilation Study		Still in progress
NCEPOD Pulmonary Embolism Study	83%	Clinician questionnaires 5/6

THE TRUST'S RESPONSE TO NATIONAL AND LOCAL AUDIT FINDINGS

National clinical audit

The reports of 27 national clinical audits were reviewed by the provider in 2018/19, and Taunton and Somerset NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:

(NOTE: Action plans are developed for all audits where significant issues are identified and the Trust intends to take actions to improve the quality of the healthcare provided. Amongst these are the following responsive actions, selected as an illustration of the service-specific improvement work initiated via audit during the 2018/19 period.)

British Thoracic Society (BTS) National Adult Bronchiectasis Audit 2017 (published June 2018)

Results are in line with current BTS quality standards when compared to the national average and in several key clinical areas, performance is better than the national average. The respiratory team offer a comprehensive bronchiectasis service that compares favourably to the national mean when measured against the BTS quality standards. Notable areas of performance above the national average

include appropriate use of antibiotics and provision of an individualised written management plan.

Improvement areas include: investigation for suspected common variable immunodeficiency (CVID) and allergic bronchopulmonary aspergillosis (ABPA), and investigation for suspected recurrent pulmonary aspiration, however, local review has indicated that in the vast majority of cases (91.5%), specific investigations were not clinically indicated in these patients.

National Fracture Liaison Service (FLS) audit report 2017 (published Dec 2018)

There were 11 key performance indicators (KPI) measured. The local FLS performed better than the national average in 4 KPIs, similar to national average in 5 KPIs, and performed below national average in 2 KPIs. The local FLS initiative for falls assessment has been used as a case study for excellent practice in the national report.

The key areas of improvement identified in this report include identification of vertebral fragility fractures (VFF), appropriate bone protection prescriptions, commencing strength and balance classes, and 12 & 52 week follow up following fragility fracture.

The FLS is involved with local and regional stakeholders to improve the identification of fractures especially VFF, as well as working to develop and implement a falls pathway in the community to help to decrease further falls, and increased engagement in strength and balance classes. The team will be meeting with the NOS (national osteoporosis service) delivery board in February 2019 to gain some advice and support for these improvements.

MINAP – MYOCARDIAL ISCHAEMIA NATIONAL AUDIT PROJECT 2018 report (2016/17 data)

The national audit for MINAP (Myocardial Ischaemia National Audit Project) shows that overall cardiac patients at Musgrove Park Hospital receive a good to excellent standard of care. Musgrove Park Hospital was above the national average for arrival to treatment ('Door to Balloon') times under 90 mins.

The audit also shows that due to circumstance beyond the control of the hospital, call to treatment times for STEMI patients has dropped year on year. The primary reason for this is increasing pressure on the ambulance service that transfers patients to Musgrove Park Hospital, increasing numbers of out of hospital arrest cases that are brought in for assessment for PPCI as well as transfers from a neighbouring hospital.

The Trust is below the national average for number of patients (with nSTEMI) who received angiography during admission. The primary reason is that these patients are generally elderly patients with multiple comorbidities (other conditions) where angiography is considered not to be a benefit.

National Diabetes Inpatient Audit 2017 (NADIA)

The audit highlighted several aspects of practice for attention and improvement including diabetes medication errors, insulin errors, glucose management and prescription errors. There was a comparatively higher rate of severe hypoglycaemic episodes. Findings were better than average for completion of foot risk assessments, patient meal experience and overall satisfaction with care.

Medication errors had increased in this audit year, prior to this they had shown year on year improvement from 2013-2016 and this will be subject to further examination to fully understand the causes. Whilst there were fewer mild episodes of hypoglycaemia reported, severe cases had increased.

The team had already secured funding for Inpatient Diabetes Specialist Nurse (DSN) time to work on improving patient outcomes and reducing length of stay. There is specific focus on improving outcomes for inpatients with diabetes in terms of hypoglycaemia avoidance and medication / insulin error avoidance. The DSN is running this ongoing project with input from the Quality Improvement team.

National Cardiac Arrest Audit – 2017/18 report

The results show that the Trust performed better than average in terms of survival to discharge for our cardiac arrest patients with the lowest incidence of ward-based cardiac arrest per 1,000 bed days amongst participating Trusts for this period. Performance will continue to be monitored via the Trust's Deteriorating Patient Committee.

National Emergency Laparotomy Audit (NELA) Year 4 report

Overall, the audit demonstrates that the Trust is practising in line with standards, and compares favourably to other local hospitals and national figures in terms of consultant involvement in care, routine HDU care, length of post-operative stay, unplanned HDU/ITU admission, reoperation and mortality. Areas for improvement include:

- Ensuring every patient has preoperative risk stratification and this should then improve admission rates to HDU/ITU post-operatively.
- Getting our patients to theatre faster.
- Issues around preoperative involvement of consultant anaesthetist/intensivist are being addressed via the clinical lead.

Although the POPS team has made a notable impact, the recent loss of consultant geriatrician time has potential to bring a decline in performance for future rounds.

National Hip Fracture Database 2018 report (2017 data)

The trauma and orthopaedic team has noted good and improving overall performance within the audit: The report confirmed a significant improvement in performance linked to increased orthogeriatric assessment, now achieved within 72hrs for 97.5% of patients. This is a result of altered work patterns and new consultant appointment.

As a result of improvements in most domains, time to theatre is now consistently the dominant cause of missing the (Best Practice Tariff) standard, accounting for about half the total. Delays with theatre are also being addressed by a new policy for cancellation of elective surgery at times of peak Trauma demand. Increasingly, minor trauma surgery is being managed via Day Surgery.

Mortality is closely monitored by the clinical team. There is now a better correlation of crude and adjusted measures with national data, suggesting more accurate recording of comorbidities - other conditions the patient has - at the time of the fracture.

Uplift in Physiotherapy input is being planned to enable hip fracture patients to be reviewed daily. Additionally, a new hip surgeon appointment during 2019 should improve the timeliness of surgery for fractures.

National Ophthalmology Database (NOD) report 2018

Until there is an electronic medical record (EMR) system in place at Musgrove Park Hospital, for use in cataract surgery, full submission of data to the National Ophthalmology Database will not be possible. There has been a big effort to implement a departmental EPR solution, and the first module to be used will be the cataract module. When this goes live, all cataract surgery (over 2,000 cases per year) will be linked to audit outcomes, and we will appear as a trust on the NOD report.

The results of our most recent local (departmental) cataract audit showed a favourable PCR complication rate (rupture of the posterior lens capsule or vitreous prolapse or both) of 1.08%, compared to the national benchmark of 1.4% published in the 2018 NOD audit report.

National oesophago-gastric cancer audit report 2018

All patients diagnosed with oesophago-gastric cancer are recommended to have an initial staging CT scan. The Trust's findings show that 78.9% of patients were recorded as having had a staging CT scan. An audit was conducted following the

publication of the report. Of 89 patients included in the audit 85 patients had a staging CT scan (95.5%), which would meet the recommended requirement.

National Paediatric Diabetes Audit 2016/17 (Report June 2018)

The paediatric diabetes team has conducted a full appraisal of the audit findings, and has identified improvement actions for all the main topics addressed within the recommendations. One area of focus has been completion of health checks, which are recommended annually. Improved annual review processes have been an aim for the team, resulting in year on year improvements. This includes screening for complications and identification of other risk factors e.g. smoking / alcohol. Annual review now includes a type 2 diabetes specific form. The annual screening target is 100% locally and this was achieved in the 2017/18 data. Review of screening for psychological issues is part of current work programme. An area identified from the audit feedback was to investigate improving retinopathy completion. Following review of outstanding patients, all patients will be offered appointments.

College of Emergency Medicine (CEM) - Pain in Children 2017

The findings suggested a need for some concerted improvement work. Pain assessment in children is part of the triage process using a child-friendly scoring method, and Emergency Department nurses have specific processes in place for administration of simple analgesia for pain score 4-6/10. Stronger, fast-acting analgesics are used for pain score 7 or more, and are prescribed by doctors. The audit results are likely to reflect recognised issues with clear documentation of pain assessment.

Review has been via the departmental clinical governance meeting, and the actions will be part of a quality improvement project. Since the audit, a paediatric safety check list has been developed and introduced. This includes a pain score at triage and a reassessment of this score after one hour. Use of the checklist will enhance the ability to audit our progress with all CEM audit standards.

In the longer term, the team has requested that e-triage is introduced for children as part of the electronic record development and this will include a mandatory pain score. Training provision has also been subject to review, with key staff attending a paediatric pain management day run at the regional centre in Bristol.

Sentinel Stroke National Audit Programme 2017/18

The Trust compares well to standards and national figures in most key indicators and there has been improvement or sustained audit scores compared to the last annual period. There are however three key aspects where improvement could be made when compared to national figures:

- The number of patients thrombolysed within one hour of arrival
- Consultant review within 24 hours
- Days seen by speech and language therapists.

Modelling is currently underway looking to extend stroke consultants' hours in keeping with South West Stroke Network requirements.

Royal College of Radiologists (RCR) national audit of seven-day acute care diagnostic radiology

It is proposed that the NHS moves towards a seven-day service. Severe shortage of consultant radiologists poses a particular challenge with an 8.5% consultant vacancy rate and only 43% of advertised consultant posts leading to a successful appointment. RCR 2018 publication "Standards for providing a seven-day acute care diagnostic radiology service" highlight the significant management, administrative and IT support that radiologists require to provide such a service.

This audit evaluates the extent to which diagnostic and interventional radiology is provided to acute and non-acute care patients seven days a week within the UK, and will inform development of business cases on workforce and service issues.

Royal College of Radiologists national audit of radiology involvement in cancer multidisciplinary team meetings

Radiologists are essential contributors to cancer multidisciplinary team meetings (MDTMs). They review relevant imaging and provide a specialist opinion to guide cancer diagnosis and treatment. In 2014 RCR published "Cancer Multidisciplinary Team Meetings - Standards for Radiologists." This audit assesses compliance with these standards. Identifying deficiencies will aid development of solutions to improve the quality and consistency of radiology input towards MDTMs, thereby improving the standardisation of cancer treatment in the NHS.

Royal College of Radiologists national audit of safety checks for radiology interventions

Human error is an inevitable cause of patient harm. Safety checks are a simple method of reducing the risk of harm using routine checks to reduce the likelihood of error. A document was published by the RCR in 2013 offering guidance on the implementation of the World Health Organisation surgical safety checklists for radiological procedures. The audit assessed whether radiology departments had improved implementation and met national standards for safety checklists across the UK. A second objective was to examine difficulties in implementation.

Local clinical audit

The reports of 68 local clinical audits were reviewed by the provider in 2018/19 and Taunton and Somerset NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided.

The following are examples of projects conducted by clinical teams across the hospital and the changes proposed as a result of them:

Breast Care

Re-excision of margins

From national audit, the team noted a higher than average rate of re-excision compared to other centres. Examining this via local audit found that this included a subset of cases whose condition would not be seen using breast imaging. In these cases the re-excision was considered unavoidable. A further sub-group was identified that should have been excluded from the national audit dataset and with these accounted for the findings were in line national average.

Post-operative infection rate

Post-operative infection rate was 3.8% (12/316 patients over a six month period) and only a minority required readmission to hospital. However, not all high risk patients received perioperative antibiotics. The audit led to reinforcement of the perioperative breast antibiotic guidelines to drive improvements and ensure reliable antibiotic prescribing.

Dermatology

Teledermatology

The audit examined the teledermatology service provided for inpatients to support on call care of people admitted with skin diseases to Musgrove Park Hospital. Communication was improved as an outcome of the audit, with additional safeguards put in place to ensure that the teledermatology report was directed correctly to ensure timely action by the clinical team. There has also been a drive to improve documentation of care of patients with complex skin diseases needing treatment.

Anaesthetics

Acute Kidney Injury (AKI) in elective orthopaedic patients

The available data suggests that AKI rate amongst this large patient group has been halved in the past year due to simple approaches such as early risk scoring, stopping ACE-inhibitors, and early involvement of the High Dependency Unit (HDU) team.

Central line checklist completion

The audit was undertaken to ensure that central line checklists are completed reliably. The feedback helped to ensure the team followed the standards of aseptic insertion and proper documentation after insertion.

Postoperative TTO analgesia prescribing in day surgery patients

The audit helped with appropriate selection of the patients in need of analgesia at home and reduced the amount of overprescribed drugs.

Management and follow up of hypotension after orthopaedic surgery

This audit was part of a project designed to improve decision making, focussing on identifying which patients need to be followed up on the ward or are in need of more specialised care in the High Dependency Unit.

Recovery Handover Documentation and Standardisation

As a result of this audit, the department changed the anaesthetic charts, adding new content to ensure a clearer and safer handover from theatre to recovery area, and to the ward. Re-auditing is planned to assess ongoing success with this change.

Ophthalmology

Retinal detachment / CVI / Glaucoma / Macula hole / Retinopathy of prematurity audits

This core set of audits for the department were used to provide assurance that standards are met.

Cataract audit

This local audit (supporting the National Cataract Audit as above), demonstrated an efficient system, with good success rates for the procedure.

Corneal treatment guidance compliance

As a result of an audit of corneal procedures, the team identified efficiencies in the process of care, implementing a more standard approach to delivery of the care pathway.

Retinal and glaucoma virtual clinic audits

The audits were undertaken to assess the impact of the virtual clinics and demonstrate their benefit.

Orthodontics

Child did not attend policy and child safeguarding audit

The audit indicated that the orthodontics department was not fully adhering to the Trust protocol for managing children not attending, and clinicians were informed of their obligations with regard to children who are not brought to their clinic appointments. A revised approach has been implemented within the team for children who are not brought to their appointments – either new patient consultations or follow-up appointments. The team plans to re-audit this area, to monitor and ensure improvement.

Number of visits and treatment length

The team wanted to review the efficiency of treatment provided to patients undergoing upper and lower fixed orthodontic appliance treatment. The average treatment time was found to be 22 months and the average number of visits was 13. This was found to be the same as the results reported in 2013. The findings indicated that when there was a change in operator, treatment length and number of visits increased. Other factors that increased treatment time were missed appointments and emergency appointments.

Peer Assessment Rating (PAR) score (re-audit)

This audit is undertaken on an annual basis to quality assure orthodontic treatment. The results showed that the standard of treatment outcome is very high, the team exceeded all of the standards that were set, with 71% of patients achieving a greatly improved outcome and 28% in the improved category.

Quality of X-rays

It is a requirement that the team reviews radiographs to check the quality of the radiographs taken. The results showed that the departments in Yeovil and Taunton are easily achieving the standards required by Ionising Radiation (Medical Exposure) Regulations 2000. Extra training is to be provided for certain X-rays where the standard was lower than other views to try and improve technique in these areas.

Radiotherapy

Radiotherapy Bladder Scanner Audit

Overall the audit showed that the introduction of the ultrasound bladder scanner had reduced the need for additional radiation doses and revealed that fewer imaging variances (deviation from protocol) were being issued. This resulted in more patients being treated in adherence to protocol. The audit also recommended that a more robust protocol for the use of the bladder scanner be created, which staff would be trained to follow. This is currently under

development, with plans for staff training to be rolled out, with the intention of re-auditing the use of the bladder scan in the future.

Diagnostic imaging

Audit of compliance with NICE guidelines (2014) for CT head imaging in traumatic head injury

NICE CT head imaging guidance published in 2014 uses clinical features to identify patients requiring urgent CT head scans within one hour or within eight hours, recommending a provisional written CT report within one hour.

The audit was performed to assess compliance with NICE guidelines and to explore opportunities to improve efficiency/compliance. The majority of scans were requested in accordance with NICE guidance and performed and reported within one hour. However, several areas for development were highlighted, including:

- improving completion of relevant vital information re NICE criteria on CT head requests
- education of junior A&E staff
- minimising delays prior to scan and report.

Changes in practice being developed:

- A&E to clearly triage relevant CT head requests as per NICE guidance (urgent/required within one hour vs within eight hours)
- plans to increase vetting by CT radiographers
- plan to re-audit following implementation of changes.

Percutaneous Transhepatic Cholangiogram (PTC) outcomes (re-audit)

This was a re-audit of complications and success of PTC interventions (drainage/stent placement) compared to 2014/2015. PTC intervention is usually a palliative procedure and thus it is essential to minimise associated morbidity. Significant improvements were seen in morbidity and mortality 30 days following percutaneous biliary intervention. This was achieved through changes in practice initiated following the previous audit. In particular, positive impacts were seen via improved communication with consultant to consultant discussion regarding patient selection. Simple measures were seen to significantly reduce complications – i.e. locking drains; pre and post procedure care on a GI specialist ward and increased anaesthetic support.

Audit of critical results notification

The purpose of this audit was to ensure that all serious unexpected diagnoses are dealt with efficiently and effectively via the alerts system in diagnostic imaging.

This is in line with a new procedure. Overall, results were very positive, demonstrating that the implemented new system for alerts in communication of critical, urgent and unexpected findings is efficient and effective. Regular yearly re-audits planned.

Naso-gastric tube audit

The audit assessed compliance with National Patient Safety Agency (NPSA) 2011 guidance, reviewing chest X-rays for naso-gastric tube position and demonstrating areas for improvement in imaging and reporting. An action plan has been formed and includes:

- a training presentation at radiographers' meetings
- NPSA guideline posters distributed within the department, with a reminder regarding clear communication to clinical team/ward
- documentation if the tube is shown to be misplaced - this topic has been highlighted for re-audit.

Audit of pathway for arranging MRI following GP-requested Ultrasound

The audit was undertaken due to a view that the pathway created for GP-referred patients with soft tissue masses requiring MRI characterisation (and subsequent referral to sarcoma MDT) could be improved.

Findings demonstrated scope for improving the care pathway, by clarifying the ultrasound scan report and by the subsequent completion of the management/urgency and MRI safety questionnaire. A new pathway was developed with two streams, depending on whether patients are still within the department, allowing immediate completion of the MRI safety questionnaire. As follow-up, radiologists have been trained on the new pathway; posters have been provided within the department; and GPs notified of the new pathway. A re-audit is planned to assess success.

Haematology and oncology

Single nurse check audit

The single nurse check audit has been completed over two years and this has also led to a change in practice. This check has now been rolled out to all band 5 nurses.

Re-audit of the documentation following the use of Patient Group Directions to manage hypersensitivity reactions in the Beacon Day Unit

Several actions have been taken to respond to the findings, including a focus on documentation practice, instructions given to the patient who experienced a hypersensitivity reaction regarding the use of oral antihistamine and discharge advice. There has been enhanced effort to determine the number of patients who receive treatment for a hypersensitivity reaction and who are receiving rituximab /

paclitaxel. These patients receive Hydrocortisone and antihistamine intravenously (IV) as part of their pre-treatment to reduce the risk of a hypersensitivity reaction.

Physiotherapy

Documentation quality

Physiotherapist records of care are audited to assess eleven national standards. It was found that six out of eleven standards were met with either acceptable level or above required level of compliance. The areas consistently not meeting the standards include the recording of relevant past medical history, including history of falls and goal setting. Feedback has been provided in order to support any training needs, with an aim to improve these results. The therapy team's workload has increased significantly following the introduction of the 'Home First' pathway discharge system – and the audit will support monitoring of whether additional pressures are impacting record keeping quality.

Gynaecology

Use of mesh

In accordance with NICE guidance, all mesh used in gynaecology should only be offered when clear governance arrangements are in place. The purpose of this audit was to ensure compliance with the national guidance.

Prolapse procedure in day surgery

The service has moved towards offering some prolapse surgery that was traditionally offered as inpatient procedures to be performed in day surgery. The purpose of this audit was to measure the outcomes.

Management of gynaecological emergency admission to Surgical Admission Unit

The admission and management of gynaecological emergencies has always been a matter for concern, as priority is often given to obstetric emergencies. Further to previous auditing, there have been recent appointments of new consultants with specific time within their job plan in order to prioritise gynaecological emergencies. This audit showed a very satisfactory outcome and reduced number of admissions compared to a previous audit three years ago, which highlighted the need for consultant cover.

The management of ectopic pregnancy and the use of Methotrexate

Use of Methotrexate in managing ectopic can potentially result in adverse outcomes if misused. This audit was conducted to ensure the team adheres to the guidance and policy.

Gynaecological oncology

Colposcopy re-audit - conservative management of High-Grade Cervical Intraepithelial neoplasia (HG CIN)

The audit has identified a continued need to focus on improving recognition of these patients. It was highlighted that the departmental guideline for this pathway of care is not being reliably followed. In response, all colposcopists were made aware of the findings and new ways of highlighting these patients were discussed. Ongoing audits are being planned to monitor improvements.

Paediatrics

Sepsis in the Paediatric Department

This is a monthly audit assessing whether all acute admissions are screened for possible sepsis, and monitoring the time taken to administer intravenous (IV) antibiotics in those patients screened as a possible 'red flag' for sepsis. National guidance from Sepsis Trust and NICE inform the standards of care assessed.

The main overall benefit has been culture change on the unit, whereby sepsis is recognised as important and needs to be identified and treated promptly. The screening audit shows that acute admissions are consistently screened. The time to administration of IV antibiotics has fluctuated and remains an area for improvement. Further work needs to try to identify where the delays are happening how these can be reduced.

CLINICAL RESEARCH

Last year saw significant enactment of the Government's ambitions to embed research in NHS services. The National Institute for Health Research (NIHR) and NHS England are jointly driving system-wide changes to speed up the process of conducting research and disseminating and adopting the results of research for the benefit to the NHS and its patients, whilst capitalising on fiscal savings to support long-term sustainability. This effort has been further augmented by the Care Quality Commission (CQC) working in partnership with the Health Research Authority (HRA), the National Institute for Health Research (NIHR) and the Medicines and Healthcare Products Regulatory Agency (MHRA). The aim is to develop new assessment guidance and indicators as part of the 2018 update of the well-led framework of the CQC's monitoring and inspection programme. This approach demonstrates the belief and growing body of evidence that research-active hospitals have better patient outcomes. There will also now be a question in the CQC annual patient survey on whether patients have been offered a research opportunity during their time in hospital.

Commercial collaborations

The Trust's first commercial research collaboration, capturing and processing circulating tumour cells, was led by chief investigator Dr Fred Mayall, and completed successfully, having proved the concept. The project aim was to test whether circulating tumour cells in patients with cancer of an unknown primary could be captured and analysed to aid diagnosis. A further related project is currently being developed to test whether the same process works for diagnosing lymphoma.

The Trust has recently gone live with TrinetX. TrinetX is a commercial data warehouse that makes anonymised data available to approved research partners. This enables patients with rarer conditions, who are eligible for trials, to be identified more readily so that researchers can target setups in locations with the relevant patient population.

The Trust joined a prime site collaboration with IQVIA (previously IMS Health and Quintiles). This means the Trust will be able to influence commercial trial development at an early stage, to enhance the deliverability of the research within the NHS and to join new trials sooner. The Trust, along with the other trusts across the South West Peninsula, has become a partner organisation of Pfizer's Inspire Programme; a global network of strategic partnerships with research centres (Investigator Networks, Site Partnerships and Infrastructure for Research Excellence). It is thought that the development of this relationship will lead to potential growth opportunities in future.

Academic grants

The Trust has a number of academic, grant supported studies in various stages. Respiratory clinician, Dr Justin Pepperell, will shortly commence recruitment to a new study, in collaboration with the University of Oxford, for patients with mild to moderate sleep apnoea. Dr Pepperell was awarded a grant of £317,184 by the NIHR Research for Patient Benefit Programme to set up and run the trial.

Mr Nick Burns-Cox, Consultant Urologist, has successfully led recruitment of 100 patients to a study validating a new blood test for diagnosing prostate cancer in a Trust-sponsored, collaborative study with the world renowned Karolinska Institute in Sweden. This ground-breaking research, if successful, could lead to fewer men having to undergo intrusive biopsies in future.

Professor Rob Andrews' trial, EXTOD education, has developed and tested an education programme for enabling patients with type I diabetes to undertake exercise safely. The work will be published towards the end of the year.

The Trust has continued to work with its local health community partners in Yeovil District Hospital NHS Foundation Trust and Somerset Partnership NHS Foundation Trust to develop the Somerset Research Collaborative; several staff

have been seconded to continue to develop this work. The lead research nurse and research manager work on behalf of Taunton and Somerset NHS Foundation Trust and Somerset Partnership Foundation Trusts.

Charitable sector

The research team has appointed their first research ambassador, Emeritus Professor Mike Fowler, who is working strategically with the leadership team to scope and investigate further research funding opportunities to help develop local chief investigators.

Quality improvement

The department continues to review whether research delivery provides a good patient experience. This year our focus group was held with cardiology research patients to hear about their experiences. This prompted changes in several aspects of how cardiology research is undertaken, such as the environment where research activities take place.

Funding and activity

In 2018/19, the Trust was allocated £994,055 to support research staffing and infrastructure via the NIHR Clinical Research Network: South West Peninsula, with a further £29,390 directly from the Department of Health. Revenue from the conduct of research of £647,371 has been invoiced for, as at 31 March 2019.

The number of patients receiving relevant health services provided or sub-contracted by Taunton and Somerset NHS Foundation Trust in 2018/19 that were recruited during that period to participate in research approved by a research ethics committee was 1,590 (in 110 studies).

Trust employees have demonstrated the vibrancy and innovative practice of a research active organisation in the last twelve months by producing an extremely high volume of successes, conference abstracts and publications in high quality academic journals.

The Emergency Department won South West Research Team of the year, which is testament to the hard work and dedication of the whole department, led by Dr James Gagg.

Ninety four articles and abstracts were produced. The topics were wide ranging across specialities and also across the whole range of professions. Analysis of data provided by the Library Service demonstrates that the most prolific specialities for successful publications are bariatric medicine and respiratory medicine.

Speciality	Number of publications
Bariatrics	14
Respiratory	7
Obstetrics and Gynaecology	6
Emergency Medicine	6
Surgery	6
Orthopaedics	6
Cardiology	6
Paediatrics	4
Management	4
Gynae Oncology	4
Oncology	5
Maxillofacial and Dental	4
General Medicine	3
Rheumatology	3
Mental Health	2
Diabetes	2
Anaesthetics	2
Urology	2
Radiotherapy	2
Ophthalmology	1
Vascular	1
Primary Care	1
Biochemistry	1
Neurology	1
Haematology	1
Total	94

The Trust continues to host the coordinating centre of the NIHR Research Design Service – South West, prior to its relocation to Exeter in March 2019.

COMMISSIONING FOR QUALITY AND INNOVATION FRAMEWORK (CQUIN)

Taunton and Somerset NHS Foundation Trust's income in 2018/19 was not conditional on achieving quality improvement and innovation goals through the Commissioning for Quality and Innovation framework as the Trust agreed a block contract. However, a number of improvement and innovation goals were agreed between Taunton and Somerset NHS Foundation Trust and Somerset Clinical Commissioning Group. Key leads were identified for all of the goals and a

monitoring group was established to review progress on a monthly basis. The Trust's overall compliance was monitored by commissioners and discussed in detail at quarterly cross-county, multiagency meetings. 2.5% of income for 2017/18 was also conditional on achieving quality and innovation goals.

Further details of the agreed goals for 2018/19 and for the following 12 month period are available electronically at

<http://www.musgroveparkhospital.nhs.uk/about-your-hospital/our-quality-improvement-priorities-and-cquins/>

CARE QUALITY COMMISSION (CQC)

Taunton and Somerset NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is unconditional.

The Care Quality Commission did not carry out any inspections at the Trust during 2018/19. The last inspection of the Trust was carried out between the 30 August and 28 September 2017, with unannounced inspections of four core services and a review of the well-led key question at trust-level. The Trust continues to be rated as "Good" overall, and "Excellent" for the caring domain.

Taunton and Somerset NHS Foundation Trust has not participated in any special reviews or investigations by the Care Quality Commission during the reporting period.

The Care Quality Commission has not taken enforcement action against Taunton and Somerset NHS Foundation Trust during 2018/19.

INFORMATION ON THE QUALITY OF DATA

Taunton and Somerset NHS Foundation Trust submitted records during 2018/19 to the Secondary Uses Service (SUS) for inclusion in the Hospital Episode Statistics, which are included in the latest published data. The percentage of records in published data with valid NHS numbers and GP practitioner code were as follows:

Indicator	Accident and Emergency care	Admitted Patient Care	Outpatient Care
Number of records which included the patient's valid NHS Number			
% of valid NHS Numbers received from EPR	95.9	99.5	99.6
% of valid NHS Numbers sent to SUS	98.6	99.8	100

Number of records which included the patient's valid General Medical Practice Code			
% of valid GP Practice Codes received from EPR	99.6	99.9	99.8
% of valid GP Practice Codes sent to SUS	99.8	100	100

There has been an improvement across the board in the completeness of data submitted to SUS with a high correlation in most areas between the data contained within the core Electronic Patient Record (EPR).

Taunton and Somerset NHS Trust will be taking the following actions to improve data quality:

- Extending current data quality dashboard reporting on data quality issues;
- Monitoring compliance with new data quality policy;
- Extending the use of Spine Mini Services through the Trusts Integration engine to improve completeness of data;
- Investigating Spine Connectivity for Core PAS System.

Taunton and Somerset NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during 2018/19 by the Audit Commission.

INFORMATION GOVERNANCE

Taunton and Somerset NHS Foundation Trust's Data Security and Protection Toolkit submission for 2018/19 was completed by the end of March 2019 with all mandatory evidence items provided and an assessment status of 'standards exceeded'.

CLINICAL CODING ERROR RATE

The Clinical Coding Audit for Data Security and Protection Standard1 Data Quality purposes was performed internally on a sample of 240 records across all specialties.

The results for the clinical coding audit showed good overall figures. The diagnoses coding, with both the primary diagnosis (92.89%) and the secondary diagnosis (91.07%), are exceeding the 90% and 80% respective recommendations given for the Data Security and Protection Standard1 Data Quality. The procedure coding also exceeded the recommended target, with the primary procedure correct at 94.89% and the secondary procedures at 86.57%.

	Percentage achieved	DSPT standard 1
Primary Diagnosis	92.89%	90.0%
Secondary Diagnosis	91.07%	80.0%
Primary Procedure	94.89%	90.0%
Secondary Procedure	86.57%	80.0%

RECOMMENDATIONS

All of the following recommendations from the 2017/18 IG 505 audit have been reviewed and have either been actioned or are in the process of being actioned

The clinical coding managers are to remind the coders of the importance of coding all conditions which affect the care of the patient.

- This reminder is to be actioned immediately by the clinical coding managers.

The clinical coding managers are to re-remind the coders of the national standards regarding the coding of oncology conditions.

- This reminder is to be actioned immediately by the clinical coding managers.

The clinical coding managers are to re-audit the oncology day case coding.

- This audit is to be performed within the same financial year (2017/18).

The clinical coding managers to liaise with the EPR team so the clinical coding team can be kept up to date with changes prior to implementation.

- This contact to be established immediately.

The clinical coding managers are to feedback to the coders the positive outcome of the audit.

- This feedback is to be given immediately by the clinical coding managers.

In addition to the yearly audit the coding managers undertake validation of sepsis and vascular coded data monthly basis. These are checked on a monthly basis and any coding corrections needed are made within the same calendar month.

LEARNING FROM DEATHS

1. The number of patients who have died during the reporting period, including a quarterly breakdown of the annual figure

During April 2018 to March 2019, 1,303 patients at Taunton and Somerset NHS Foundation Trust died (including inpatients and patients in the Emergency

Department). This comprised the following number of deaths which occurred in each quarter of that reporting period:

Quarter	Number of Deaths
Quarter 1: April – June 2018	302
Quarter 2: July – September 2018	294
Quarter 3: October – December 2018	323
Quarter 4: January – March 2019	384

Note – These include deaths of patients whilst an inpatient or in the Emergency Department only.

2. The number of deaths included in section 1 which the provider has subjected to a case record review or an investigation to determine what problems (if any) there were in the care provided to the patient, including a quarterly breakdown of the annual figure

By 26 February 2019, 492 case record reviews and nine investigations have been carried out in relation to 456 of the deaths included above.

In five 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 or an investigation was carried out are provided below.

Quarter	Number of Deaths
Quarter 1: April – June 2018	208
Quarter 2: July – September 2018	173
Quarter 3: October – December 2018	145
Quarter 4: January – March 2019	49

A single death may be reviewed by more than one clinical team. There is often a delay between the death occurring, and the case reviewed and reported to the mortality surveillance group (MSG), hence the total of reviews conducted toward the end of the reporting period will not be the final total.

3. An estimate of the number of deaths during the reporting period included in section 2 for which a case record review or investigation has been carried out which the provider judges as a result of the review or investigation were more likely than not to have been due to problems in the care provided to the patient (including a quarterly breakdown), with an explanation of the methods used to assess this

Three, representing 0.7% of the patient deaths during the reporting period, are judged 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:

Quarter	Number of Deaths
Quarter 1: April – June 2018	2 (0.7%)
Quarter 2: July – September 2018	1 (0.3%)
Quarter 3: October – December 2018	1 (0.3%)
Quarter 4: January – March 2019	2 (0.5%)

These numbers have been estimated using a locally designed tool to assess quality of care developed in line with the principles of Structure Judgement Review Methodology as the method or review advocated nationally.

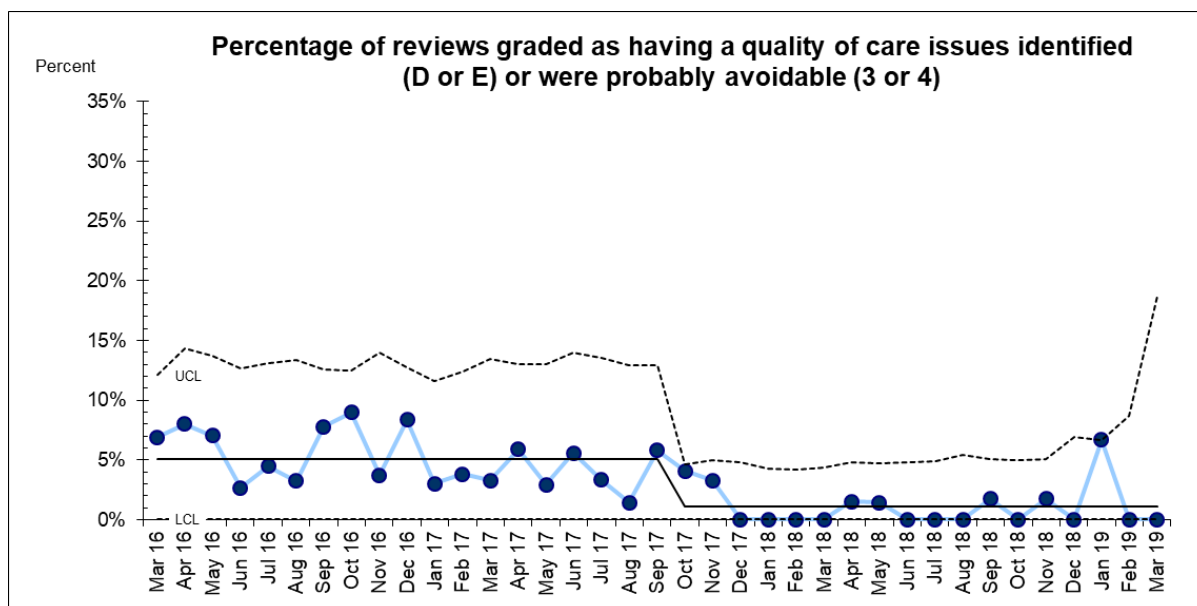
The reviewer records the key aspects of care for which concerns are judged to have occurred and rates the quality of care at Taunton and Somerset NHS Foundation Trust using the below scale:

- A. No significant care issues identified and care considered to be excellent despite the outcome
- B. No significant care issues identified
- C. Some care issues identified but not related to death
- D. Care issues identified which may have contributed to death
- E. Serious issues identified (failure to follow procedures/ unacceptable standards of care).

Deaths with at least one review with a score of D or E are included in the percentage above.

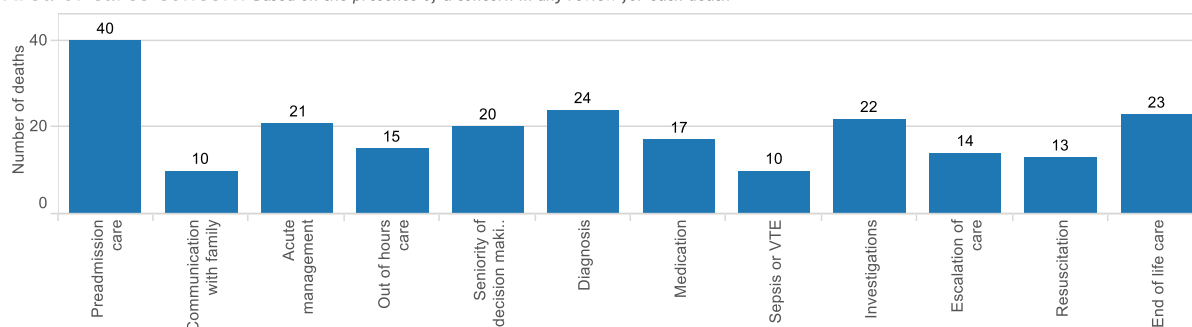
4. A summary of what the provider has learnt from case record reviews and investigations conducted in relation to the deaths identified in section 3

The numbers of mortality case note reviews that have demonstrated significant care concerns that may have been related to death have been low. The mortality surveillance group use this information to track the number of care concerns on a monthly basis. This gives the MSG oversight into significant changes within 'care concerns' throughout the Trust over time. This information can be used to further investigate potential changes related to decline or improvement in care for mortality cases. The run chart (see below) has shown a decrease in number of cases with quality care concern issues and probable avoidability identified since October 2017.



The mortality case review process is also used to identify any potential causes for concern relating to clinical care at any stage in the patient’s final admission. This is performed for all mortality cases reviewed regardless of whether there have deemed to be care concerns contributing towards death. A summary of these themes is displayed below.

Area of cares concern *Based on the presence of a concern in any review for each death*



During the 2018/19 period the MSG has sought to understand the issues that contribute to some of these concerns. To do this, a full thematic analysis of the most frequent concern categories identified, using the above methodology, was conducted - acute management and end of life. (Preadmission care was reviewed in the previous period).

5. A description of the actions which the provider has taken in the reporting period, and proposes to take following the reporting period, as a result of what the provider has learnt during the reporting period (see section 4)

The Trust continues to refine the process around learning from cases where there is thought to be a care concern contributing to death. In cases where there are serious care issues identified (E on care scale – see section 3) the mortality review

case is automatically referred through to the Serious Incident Review Group (SIRG) and, as appropriate, a serious incident investigation is undertaken. This involves a full root cause analysis (RCA) into the care issues, and action to address the issues are monitored in a formal action plan.

There has been significant work around the identification of sepsis as a consequence of a mortality review which was investigated as a serious incident. Whilst there has been an improvement overall in the organisation's response to sepsis the investigation identified that the organisation requires further education, especially to empower staff on what to do in terms of specific clinical and non-clinical actions when sepsis is identified. Ward based simulation training is being implemented to support the overarching sepsis improvement work that is currently being undertaken.

Since the last reporting period a new Somerset countywide Treatment Escalation Plan and Resuscitation Decision Policy has been written, alongside two new admission documents relating to the Treatment Escalation Plan and Caring with Compassion for the Dying Person. These are in current use within the Trust and have offered guidance on treatment escalation and appropriate palliation respectively.

In mortality cases where significant care concerns are identified, but the impact on the contribution to death is not known (D/C on care scale), the cases are referred back to the relevant directorate team to review the learning points, manage any actions, and disseminate appropriately. The Trust continues to work on the governance processes for these cases to ensure process of learning is robust and the outputs are demonstrable. The mortality surveillance group continues to develop the mortality review policy.

The Trust actively promotes the use of mortality and morbidity meetings to begin the learning process when discussing mortality review cases. These are a combination of single speciality (e.g. respiratory), multidisciplinary (e.g. cardiology) and multi-specialty (e.g. general surgery) meetings, and are part of the consultant core supporting professional activities. They are well attended by the consultant body and the junior medical teams, and cases are discussed with appropriate learning for clinical teams distributed at this time. Most learning and action is taken at specialty level and there is variation in the way this learning and action is recorded. During 2018/19 the Trust has developed a module to its incident management system that will support the facilitation of mortality reviews and help document specific examples of action undertaken.

The MSG use the findings of mortality reviews in a number of ways to improve patient care and provide assurance of good practise. As well as providing an indication of Trust level trends, mortality review data is regularly cross referenced

with standardised mortality data for specific diagnosis groups to understand whether there are any clinical concerns for specific cohorts of patients.

The findings of the thematic analysis are provided to relevant clinical groups to support the work to improve patient care. For example, one of the main findings of the thematic analysis for acute management was issues with the identification of patients with sepsis and the administration of timely treatment. This data has been provided to the clinical leads for the deteriorating patient and sepsis to support their actions to improve process.

6. An assessment of the impact of the actions described in section 5 which were taken by the provider during the reporting period

It is very difficult to assess the impact resulting directly from mortality reviews due to a number of different factors. These include:

- the process of identifying learning which is still under development
- a considerable overlap with emerging themes to work already being undertaken within the Trust (eg sepsis, end of life, palliative care)
- challenges with co-ordinating local (directorates) governance and learning with Trust-wide processes.

The Trust monitors the quality of the services it provides, and in terms of mortality, the indicators show that the number of cases with significant care concerns has decreased from October 2018 and that the standardised mortality indicator HSMR has returned to the expected range. SHMI has maintained its position as below the expected range. The Trust has seen a number of other significant improvements in work areas that overlap with concerns identified in mortality review such as sepsis and end of life care planning.

7. The number of case record reviews or investigations finished in the reporting period which related to deaths during the previous reporting period but were not included in section 2 in the relevant document for that previous reporting period

341 case record reviews were completed after 1 April 2018 which related to 330 deaths which took place before the start of the reporting period

8. An estimate of the number of deaths included in section 7 which the provider judges as a result of the review or investigation were more likely than not to have been due to problems in the care provided to the patient, with an explanation of the methods used to assess this

One case, representing 0.3% of the patient deaths before the reporting period, is judged to be more likely than not due to problems in care provided to the patient. This number has been derived using the locally designed tool and methodology described above.

9. **A revised estimate of the number of deaths during the previous reporting period stated in section 3 of the relevant document for that previous reporting period, taking account of the deaths referred to in section 8.**

Twenty, representing 3.4% of the patient deaths during 2017/18, are judged to be more likely than not due to problems in the care provided to the patient.

PART THREE - OTHER INFORMATION

Part three of the Quality Account provides an overview of the Trust's achievements and progress within quality indicators that have been selected by the board in consultation with stakeholders, including CQUINs. The data reviewed covers the three dimensions of quality – patient safety, clinical effectiveness and patient experience. This demonstrates that the Trust has provided high quality of care, but with room for further improvement as highlighted below.

In addition, part three also includes further information on a number of key work-streams that the Trust is currently focussing on to improve quality and a review of performance against national targets and regulatory requirements.

PATIENT SAFETY

Hand washing

A key component in the reduction of infection is thorough hand hygiene by all clinical staff. This is an important issue for the Trust and patients.

Monthly hand hygiene compliance audits are carried out in all areas. The infection prevention and control team also undertake hand hygiene validation audits to check the reliability of the data collected and identify areas for improvement. Results are fed back to directorate managers, senior nurses and the ward sisters and teams.

Local Target: 90% compliance

Actual 2018/19 – 92%

Sustaining reductions in healthcare associated infections

Methicillin resistant staphylococcus aureus (MRSA) bloodstream infections

Methicillin resistant staphylococcus aureus is an organism which is resistant to the antibiotics usually used to treat infections caused by the staphylococcus aureus bacterium. Infections caused by the bacterium can range from mild to life threatening and can be particularly hard to treat as special antibiotics have to be used. The Trust's aim for 2018/19 was to have no MRSA Trust-apportioned bloodstream infections (specimen taken on or after the third day of admission in line with the standard national definition), as agreed with the Trust's commissioners.

Unfortunately, the Trust had two cases of MRSA bloodstream infections in 2018/19. Multi-disciplinary reviews were completed to identify the source of the infection and any areas of sub-optimal practice that may have contributed to the case. Areas identified for improvement included hand hygiene and MRSA screening and actions were put in place and this learning shared across the organisation.

Clostridium difficile Infection (CDI)

Clostridium difficile is a bacterium that is present in the gut of up to 3% of healthy adults and does not normally cause any harm. CDI can occur when the normal bacteria in the gut are disturbed, usually by taking antibiotics. This allows the bacterium to multiply rapidly in the gut and produce toxins which cause diarrhoea, and in some cases severe inflammation of the bowel.

The Trust continues to implement a number of actions to help reduce the risk to patients, which includes:

- Robust antibiotic stewardship to help reduce the unnecessary use of antibiotics
- Prompt Isolation of patients with diarrhoea and / or a confirmed CDI
- Isolation of patients with a history CDI, if they are at an increased risk of developing symptoms
- Scrupulous hand washing with soap and water following contact with patients with CDI
- Regular review of patients with CDI by a microbiologist and the Infection;
- Prevention and control team to support medical management and isolation practice
- Enhanced cleaning of rooms with hydrogen peroxide based technology to help eradicate CDI spores
- Enhanced cleaning of equipment with a sporicidal agent

- Working closely with the Trust’s partners in the community to help reduce the risk of CDI in primary care.

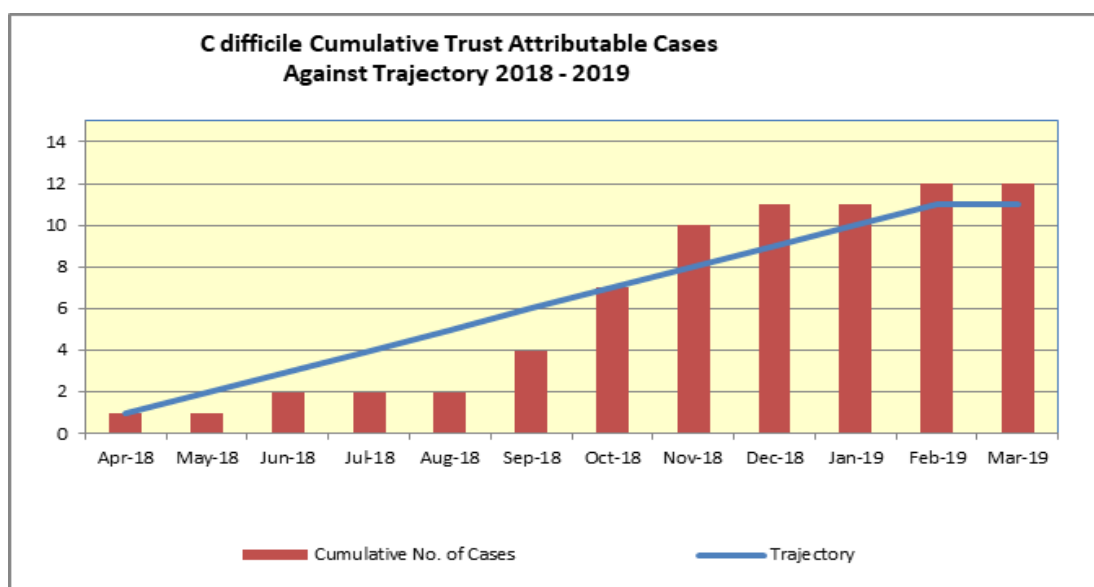
In 2018/19, the Trust had a total of 12 hospital onset cases (those detected four or more days after admission). This was a reduction from the previous year when there were 18 cases identified.

All cases of Trust-apportioned CDI are thoroughly investigated to assess whether there was any lapse in care that may have contributed to the case. These assessments are subsequently peer reviewed and validated with the Trust’s commissioners. In nine of the 12 cases a lapse of care that could have contributed towards the case was identified, and these included cleaning and hand hygiene practices being below the expected standard, both key infection control practices for CDI.

A number of improvement actions have been taken. These include a Trust-wide hand hygiene campaign and the purchasing of two new automated hydrogen peroxide cleaning machines, which compared to manual cleaning are superior for eradicating environmental contamination.

To ensure the optimal use of antibiotics, antimicrobial stewardship remains a high priority in the Trust. A regular review is undertaken of broad spectrum antimicrobial prescribing on both medical and surgical wards by a consultant microbiologist and antimicrobial pharmacist.

The use of high risk broad-spectrum antibiotic prescribing has significantly reduced in favour of lower risk combination therapy with narrow spectrums agents. The Trust remains amongst the lowest users of these agents in the region.



Norovirus

Norovirus is one of the most common causes of infective gastroenteritis in the UK. It is highly infectious and causes regular outbreaks of diarrhoea in the community and hospitals. Norovirus outbreaks can occur at any time of the year, but are more common in the winter months, with hospital outbreaks often leading to ward closure and disruption in hospital activity.

In 2018/19 there were 16 confirmed norovirus outbreaks in the Trust, resulting in restrictions being put in place on wards. Outbreaks were managed in line with the Trust's 'Management of Norovirus' policy and the *Guidelines for the management of norovirus outbreaks in acute and community and social care settings* (DH Norovirus Working Party December 2011).

PATIENT EXPERIENCE

DIETETICS - ENSURING PATIENTS RECEIVE ADEQUATE AND NOURISHING FOOD

Nourishment is a key element in recovery from illness or surgery and maintenance of good health. Food and nutrition is a priority for high quality care and the Trust knows that it needs to maintain the programme for continual improvement of food services, food availability, staff education and practice. The Trust provides patients with a range of nourishing foods, as needed, and aims to ensure that they are given the assistance as required.

Food availability

Availability of food, including hot meals and snacks, 24 hours a day enables patients to have flexible access to nutrition in order to meet their needs. In addition to the wide menu of both hot and cold food served at the usual mealtimes, the Trust has the facilities required to provide hot meals 'out of hours' for patients who are unable to eat at the usual mealtimes or would prefer a hot meal at a different time, whether this is day or night. To provide this flexibility, the Trust has microwaves on every ward and freezers which are stocked with balanced nutritious meals. These meals can cater for a range of diets, including gluten free, vegetarian, modified textures, milk free etc.

An iPad system for food ordering is in use. This has a number of benefits, including a safer system for ordering special diets and immediate electronic delivery of patient meal choices from wards to the kitchen. The iPad has been

further refined with the addition of nutritional information for each menu item. We understand that many patients prefer time to peruse the menus in order to make their meal choices and viewing an iPad does not suit all. Therefore to support a better patient experience in food choice and ordering, laminated menus which can be kept at the patient's bedside will be introduced by April 2019. Once the patient has made their food choices, staff can input this in to the iPad.

Staff knowledge

Staff education on nutrition and food provision continues to be a priority with the requirement that a minimum of 80% of the ward staff have the knowledge they need about food availability in order that patients receive what they need. A ward food folder, detailing information on food provision and special diets is available on each ward. This is supplemented by menus and special diet information available on the ward iPads and is for use by both staff and patients to ensure that patients are able to receive the food they need and would like.

With the change in December 2017 of staff roles and responsibilities for patient food ordering and service, the priority has been to provide food safety awareness and food hygiene training for relevant staff. A continuing programme of course dates is enabling the key staff to receive this important training. Current figures show that in the past year we have doubled the number of clinical staff who have received face to face training on nutrition awareness and food hygiene training.

Help with eating

The aim for patients receiving sufficient food within or outside mealtimes focused on ensuring those who needed assistance with eating reported that they had been helped. The Trust aims for 95% (good) achievement for this. The target was set in the context of improving assistance to patients, between and at mealtimes, by:

- ensuring they could reach their food and drinks
- opening packaging
- offering finger foods
- providing prompting, or
- fully helping them to eat where this was needed.

A bespoke survey to gain feedback from patients on their experience with 'Help with Eating' is undertaken throughout the year. In 2018/19 three surveys have taken place. In July 2018, 100% of patients reported receiving the help they needed. In January 2019, the figure was 89%. However, this improved to 100% in March 2019. The Trust continues to compare well from the 2017 National Inpatient Survey with the question patients are asked, 'Did you get enough help from staff to eat your meals?' The results when benchmarked show that the Trust is similar compared to other trusts on this question.

Improvements achieved in the last year

- Following the successful trial of the Droplet system, the Trust has now introduced these dementia-friendly mug and plastic tumblers across all the adult hospital wards. With a special base that plays a series of pre-set messages to patients or has a small flashing light on the base, these mugs and tumblers serve as reminder for people to drink and supports adequate hydration.
- Improved nursing care plans have been introduced for patients at risk of malnutrition. These include more focus on hydration and include the use of the Droplet system. A new, separate, care plan has been developed for patients requiring special diets or assistance with eating but who aren't considered at risk of malnutrition. These new and improved care plans were launched as part of Nutrition and Hydration week (see below).
- New hospital menus were introduced in August 2018. They include a choice of hot finger foods and special small, but energy dense, meals to support patients on our Care of Older People wards. Also, to provide for those patients for whom healthier (lower fat and sugar) food choices are appropriate during their hospital stay, there is now a wider range of meal options available.
- To support the increasing numbers of children with eating disorders being admitted to our children's unit, special hospital menus have been developed. These include carefully selected meals to ensure the children receive good nutrition for their recovery and fit with a specific treatment pathway that has developed in conjunction with the Child and Adolescent Mental Health Services (CAMHS) team in Somerset Partnership NHS Foundation Trust.
- The Trust has now introduced menu clerks who help ward teams to collate patient's food choices and input these to the iPads so we can achieve same day food ordering yet meet deadlines for the food delivery and service. Also, any patients who have just been admitted or have moved wards can be supported by the menu clerks to ensure that they get the meal they want, as the ordering deadline is at a time when often nursing teams will be very busy with other duties.
- We are working towards a consistent approach with all our food providers within the Trust. This includes the private patient ward and the commercial food and drink outlets. We have been successful in aligning to the NHS standards for the percentage of non-sugary drinks on sale on our hospital site.

- Once again the Trust has actively participated in the international Nutrition and Hydration week, held in March 2019. This year, there were a wide range of activities with a focus for each weekday. This included:
 - ‘Thirsty Thursday’ which promoted hydration; and use of the Droplet system
 - Launch of the new nutrition and hydration care plans
 - Swallowing Awareness Day, which included information on the new dysphagia descriptors and the opportunity to try new modified texture meals
 - The ‘Big Tea Party’ when cakes are supplied to the wards for a special afternoon tea event and celebration.
- The Trust continues to have a group of highly committed ‘Nutrition Champions’. These are ward staff who work to improve nutrition in their ward areas with support from the dietitians and dietetic assistants.
- Work continues to ensure that the Trust meets the requirements of national patient safety alerts and an international improvement programme for patients requiring tube feeding.
- Working with our Speech and Language colleagues from Somerset Partnership NHS Foundation Trust, modified texture menus and support materials have been revised to meet the requirements for new coding of food and drink for patients with swallowing difficulties (dysphagia). This was implemented in March 2019 with support resources, staff awareness and training including through Nutrition and Hydration week and beyond.
- Within the new ‘Prepare to Care’ course, aimed at new health care assistants, there are two sessions dedicated to nutrition. Within these sessions there is a focus on nutrition awareness, supporting patients with eating and drinking as well as how to identify risk of malnutrition.

Further improvement identified

- Patient surveys will be taking place during 2019 to gain further feedback from our patients on the food we are offering and the meal ordering systems. This feedback will enable us to ensure that future changes are based on what patients are telling us.
- Further audits will be undertaken to ensure that food availability meets the standards we expect.
- Working with ward teams we aim to ensure that food services and mealtime systems continue to improve to meet our patients’ needs. This will include a programme called ‘Mealtimes Matter’, which will be introduced to ensure

that focus on mealtimes is maintained, particularly ensuring that all patients needing help with eating always receive it.

- Further auditing of compliance and accuracy of nutritional screening with a plan for regular education and training for ward staff, including an e-learning programme

SEEKING AND LEARNING FROM FEEDBACK

With an ambition to provide high quality patient and family centred care, it is fundamental in planning and delivering services to gather people's views and experiences and act upon these to shape and improve the service and culture.

As part of this it is vitally important to seek out and actively engage with a diverse group of people who have experience of the services delivered by Taunton and Somerset NHS Foundation Trust.

In 2018 the feedback below was gathered - 4.5 Stars



NHS.UK user rating

Unfortunately my wife and I cannot remember the names of the people involved because we were obviously in a daze and worried. Nevertheless, staff who had admitted me and were going off shift, came by and enquired how I was doing. Fortunately, all tests came back negative regarding a Heart Attack, with the prognosis that it was an Angina attack. Nevertheless, at all stages, we were told not to feel guilty calling an ambulance, and that we had certainly undertaken the correct action.

My wife and I, although Somerset natives, live in Essex now but remember Musgrove Park from over 50 years ago. What an evolution! You have a wonderful hospital and fantastic staff who deserve every accolade possible.

Many, many thanks and best wishes for the future.

Visited in December 2018. Posted on 09 January 2019

My Elderly mother received excellent care from a super doctor with a kind and caring bedside manner . 100 percent attention to privacy and dignity Follow up appointment was just as good with the consultant listening to our concerns and taking action . Wonderful care

Visited in December 2018. Posted on 31 December 2018

*Recently got admitted to AMU. I was struggling with my mental health, I was stressed and felt sad and lonely, I felt I would be judged, however I was wrong. A lovely female nurse spoke to me and reassured me. Such a lovely nurse and person. Genuinely cares and is fantastic at her job... Working nights on AMU and she still tried to reassure and talk to me so I felt at ease. AMU you should be proud of such a wonderful valuable member of staff.
Thank you*

Think Positive...

Visited in November 2018. Posted on 30 November 2018

I was given an appointment to have a mammogram and arrived approximately 10mins early. I was told to wait in the designated area and then I would be called through. I sat in the waiting area for over 40 mins and at no point during this time did anyone mention that the Breast Care Centre was running behind schedule. Eventually I gave up waiting and explained to reception that I needed to return to work. At this point she then explained that there was only one room available for scanning therefore they were behind schedule. Why wasn't this mentioned on arrival? Musgrove always fail when it comes to communication, this is very poor customer service!!

Visited in March 2018. Posted on 28 March 2018



The Trust has continued its subscription to Care Opinion. There are responders trained and in place at a local level allowing local responses and thus visibility and actions to stories posted.

Summary of activity between 1 April 2018 and 1 April 2019 for Taunton and Somerset NHS Foundation Trust (TSFT) and Warwick House Medical Centre

189 Stories have been submitted about Taunton and Somerset NHS Foundation Trust (Musgrove Park Hospital) 0 stories about Warwick House Medical Centre

The stories have been viewed 33,400 times on care opinion.
All stories have a response from the Trust.

69 Members of staff are able to respond to stories directly.

04/04/2018 18:12:44

'I was admitted to the Radiography Dept for an angioplasty on my leg and wish to comment on the care that I received.

From the moment I arrived I was treated with good humour, courtesy and kindness by all those that I came into contact with and was reassured by their knowledgeable, professional but friendly approach to the job in hand. Special mention goes to Judy, Susan, Flo and Carol but all were better than I could have hoped. The surgeon was deft, assured and positive in all that she did and I am feeling better already!

This is not my first encounter with the staff of Musgrove Park and I am always mightily impressed by the attitude and professionalism of the staff - at all levels. The care you offer is second to none and I am most appreciative'

18/05/2018 10:34:30

'my daughter came to the day care centre to have 9 baby teeth removed. she was extremely nervous and anxious about this. but she was made to feel very welcome and comfortable by the staff at the centre. they were so good with her that she didnt feel anxious or nervous but very happy. the nurse that helped her also walked with us back to the car at the front of the hospital still keeping her very calm. this to me was amazing and went above and beyond. the nhs does not get enough credit for the amazing work they do and I am so grateful that we in this country have such an amazing healthcare service. so thank you very much for being so good with my little girl it is greatly appreciated'

17/07/2018 12:01:14

'I had occasion to visit the A& E Department recently, a Saturday, because of a nosebleed that I could not stop. When I arrived at 6. 30 pm the department was very busy. I booked in and it was not long before I was seen by the Triage Nurse and directed to a room. A Healthcare Assistant came and took bloods, then I waited until a doctor came. the doctor was very reassuring and professional. I left feeling much better and reassured. I cannot fault the staff or the treatment received. I feel very lucky to have the hospital and it's excellent care so close. Many thanks to all'

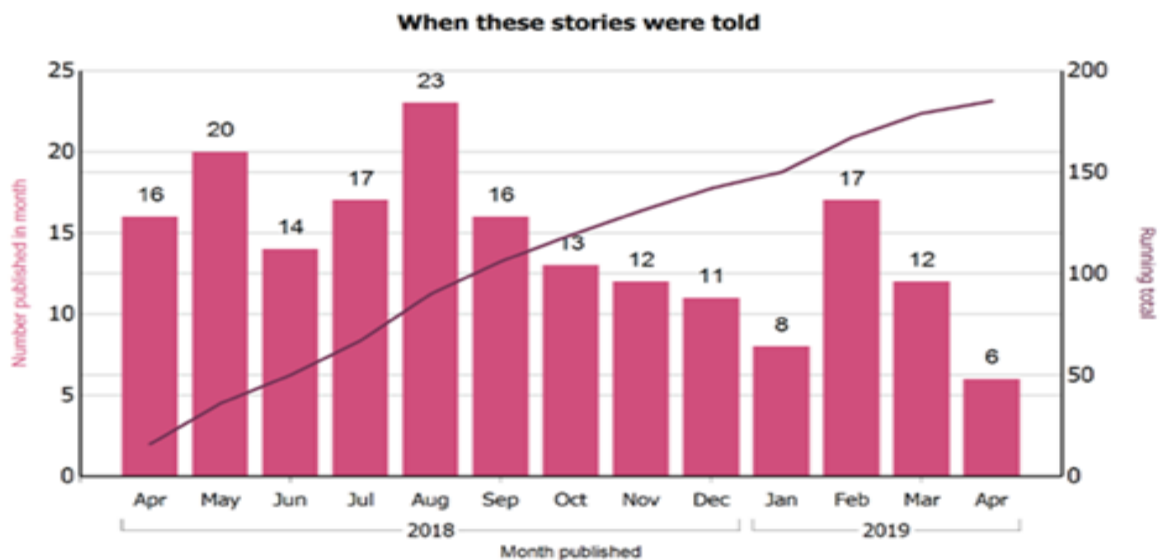
27/08/2018 08:42:26

'My appointed visit to the Day Surgery began at 8am and I was soon taken through to the waiting area by a very welcoming student nurse. At the waiting area the usual paperwork and obs were carried out. Another nurse who could clearly see how nervous and terrified I was came and sat with me and reassured me. It wasn't long before I was taken through for my procedure, the lady Consultant was understanding, empathetic and down to earth. The whole atmosphere in the room was relaxed, professional, I was talked through each step and before I knew it the

procedure was completed. The 3 ladies in the room definitely made me feel at ease and made the situation so much calmer and straightforward. So thank you very much. It was also lovely to be given a hot cup of tea afterwards! So from start to finish all the staff I encountered were superb'

16/01/2019 10:37:07

'During my radiotherapy it is a constant issue with the delay of machines when I have to ensure my bladder is full and the delays are not displayed on the screen causing discomfort, delay and frustration. When it comes to reviews they never appear to be on time and when you ask the answer is always they will be with you in five minutes. On a good note the staff are all so friendly and very helpful and understanding thank you to all in the department'



Patient-led assessments of the care environment (PLACE) assessment August 2018

Patient Led Assessments for the Care Environment provide motivation for improvement by providing a clear message, directly from patients, about how the environment or services might be enhanced. The assessments apply to hospitals, hospices and day treatment centres providing NHS funded care.

Each year the PLACE assessments give opportunity to invite local people to go into hospitals as part of teams to assess how the environment supports patient's privacy and dignity, food, cleanliness and general building maintenance. This is a vital part of the assessment; linking our teams with volunteers, governors and patients as well as external verifiers to give a true account of the current position.

The assessments take place every year, and results will be reported publicly to help drive improvements in the care environment. The results will show how hospitals are performing nationally and locally.

In recent years Musgrove Park Hospital has performed very well and the hospital is proud to announce that in this year's assessment scores have reflected very positively; six out of eight areas are above the national average. This is an outstanding achievement showing that all services can impact on the patient experience of care.

It is important to note that the scored areas for dementia, disability and privacy and dignity have improved significantly; this gives great encouragement and importance to work that has taken place in the Trust to improve our facilities for all patients.

Of course, there are areas where we need to continue our improvement – structurally some of our buildings are in a state of repair and our busy public areas require constant dusting/cleaning.

Topic Area	National Average	Musgrove Park Hospital Score
Cleanliness	98.50%	97.09%
Food (Nutrition and Hydration)	90.20%	95.74%
Organisational Food (Service of Meals)	90.01%	93.13%
Ward Food (Availability)	90.50%	96.55%
Privacy, Dignity and Well-being	84.20%	93.74%
Condition, Appearance and Maintenance	94.30%	92.01%
Dementia	78.90%	96.25%
Disability	84.20%	92.40%

This is our chance to say thank you to those that lead and support the assessments. Our volunteers, governors and patient representatives are instrumental in ensuring that comments and qualifications are correct and their skill in recognising our strengths and challenges should be commended.

The assessments would not be possible without the necessary engagement. Staffing from a number of areas supported the PLACE process. We appreciate the time, efforts and input into the assessments and hope that all involved will be prepared to give their support in future assessments.

Patient Experience Collaboration

For the past 12 months we have been testing a method named 'real-time measurement' to listen to our patient's views and their stories of the care we provide. We have tested this on eight wards in total across Musgrove Park Hospital (MPH) and Somerset Partnership NHS Foundation Trust (Sompar).

The feedback tool was developed by Northumbria HealthCare NHS Foundation Trust, an 'Outstanding Trust', and has been successful in improving their position of 144th in the national inpatient survey to being consistently in the top ten. They have been the only non-specialist hospital to achieve this.

The process has been tested in different environments at MPH and Sompar, as part of a collaboration of ten hospitals across the UK, led by Northumbria and the Patient Experience Network (PEN), over the last 12 months.

The process included a conversation between patients and members of staff who are not directly involved in the patient's care, during which 25 standard questions are answered. The questions are grouped into domains covering key aspects of care and a score is given for each domain each month. They are taken from the National inpatient survey which was co-designed with patients as the most important aspects of inpatient care. The patients were made aware that their feedback is anonymised and those undertaking the surveys encouraged patients to be open and honest with their feedback.

The aim was to survey a minimum of 50% of the ward occupancy each month. The scores were inputted, a report run, and a summary poster produced. This is shared with the designated ward colleagues on the same day that the required minimum numbers of patients are surveyed. Any named individuals have the comments shared with them directly and any issues raised are taken straight to the ward lead on the day the feedback was received for immediate action.

Specialist services seeking feedback

Cancer Services' patient surveys

There is a rolling programme of patient feedback from the cancer services:

- Paediatric patient experience
- Prostate cancer
- Gynaecological
- Anti-cancer treatment.

The surveys are undertaken and reviewed by the cancer services team based in the Beacon Centre through the patient experience groups led by the patient and staff experience lead, Joanna Wilson.

Friends and Family test - Two Minutes of Your Time survey and One Quick Question surveys

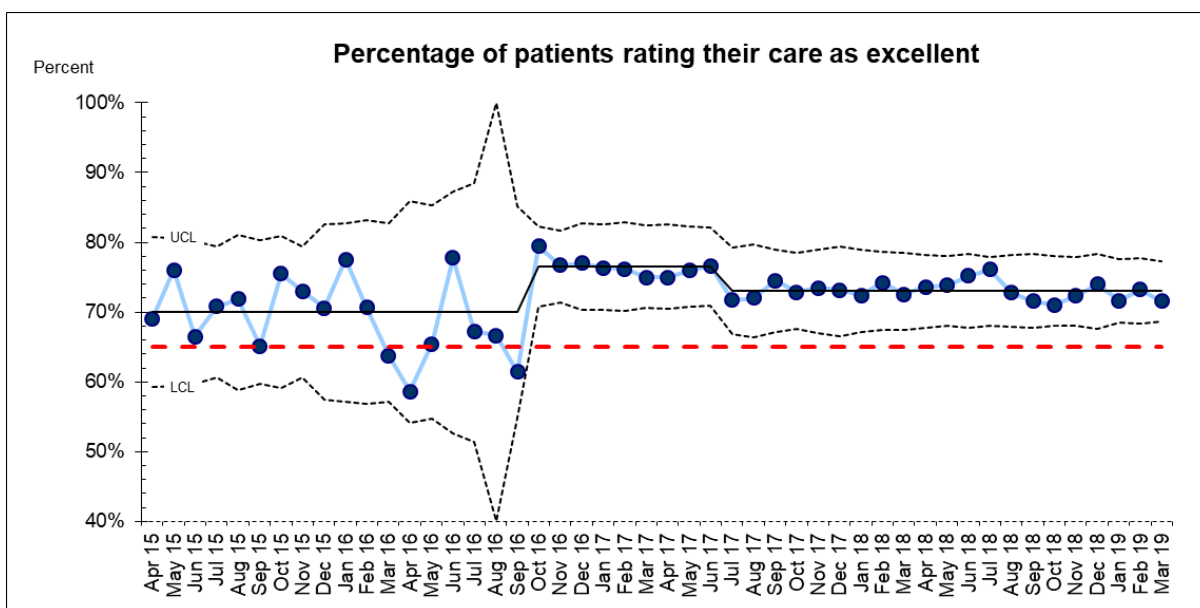
The Friends and Family Test (FFT) is one of the ways that we listen to our patients. It is a national measure that gives patients an opportunity to provide feedback. The results give wards/departments feedback on their care, but are also reviewed nationally to understand the Trust’s performance alongside other trusts.

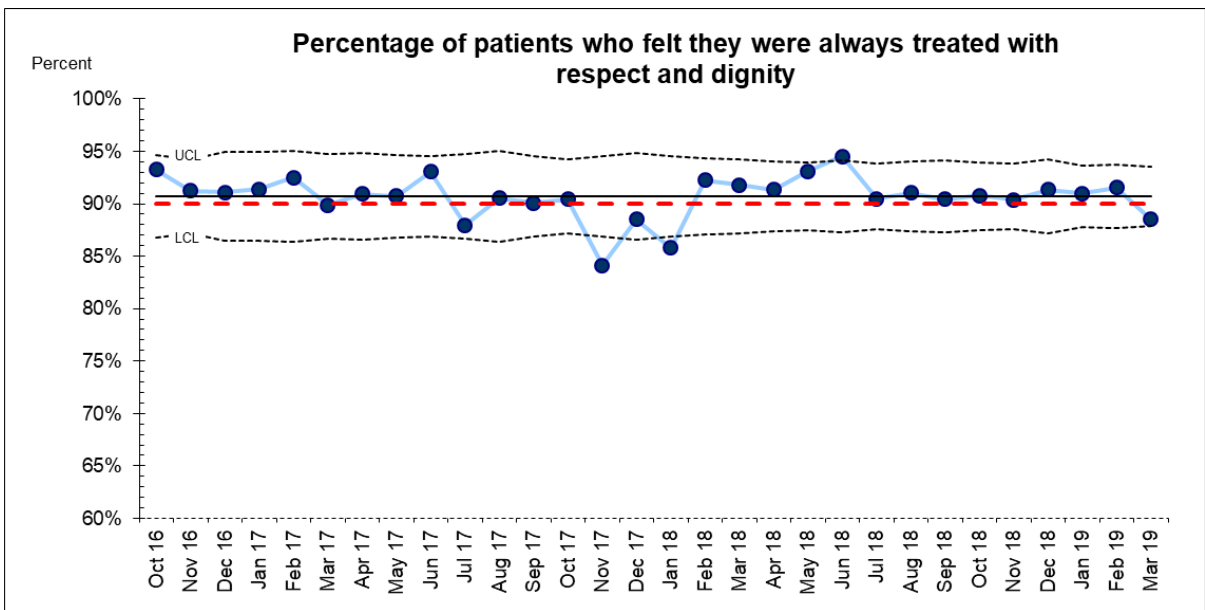
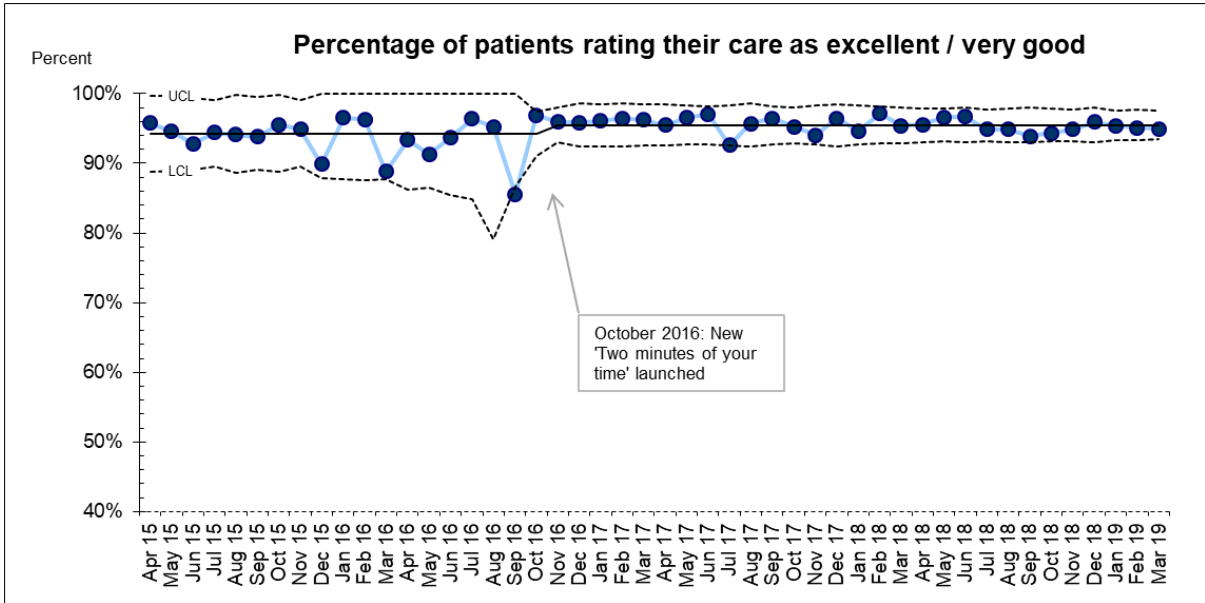
At Taunton and Somerset NHS Foundation Trust, the FFT questionnaire is now a part of the two minutes of your time survey for all inpatients, and the one quick question survey for all other areas. This allows the potential for all patients to provide feedback on their experience.

The patient and public involvement team has been working closely with departments to improve the response rates and plan to target additional support in maternity and the Emergency Department in the coming weeks.

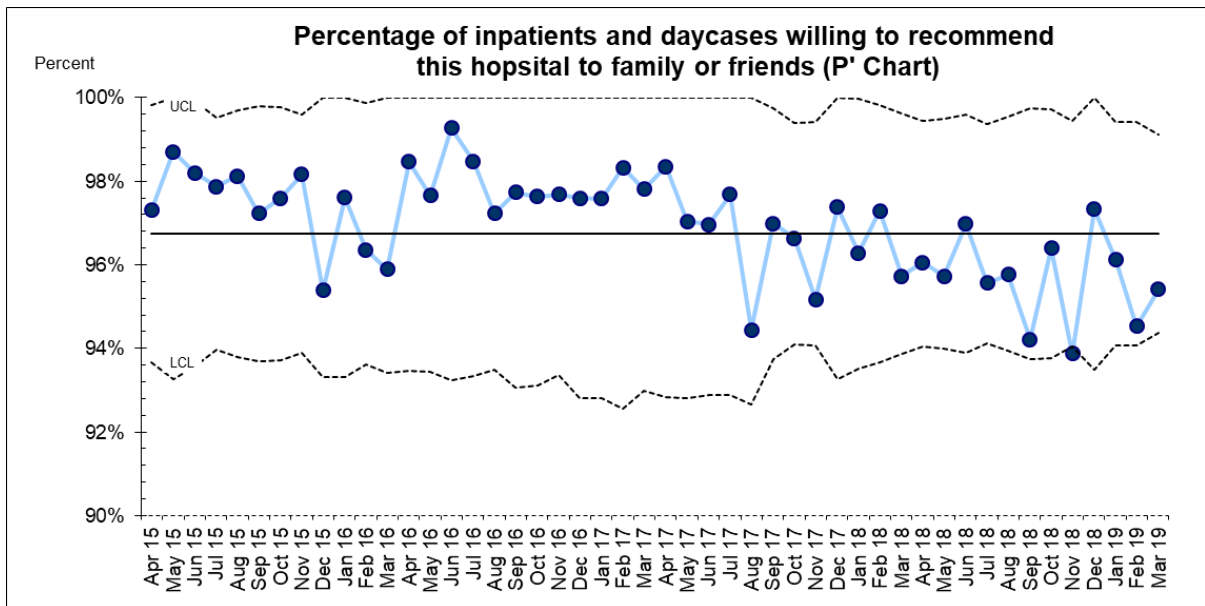
A planned change to the Friends and Family Test will enable a relaunch of the process as well as utilisation of Questback to input the data.

The following charts illustrate the Trust’s overall rating from patients over time.

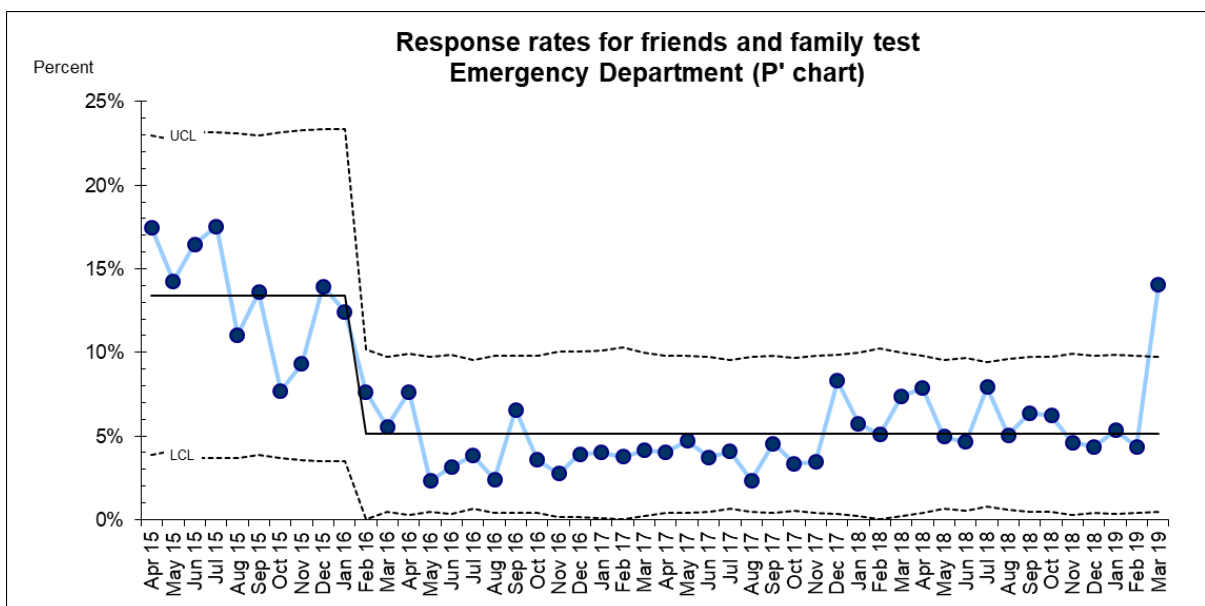




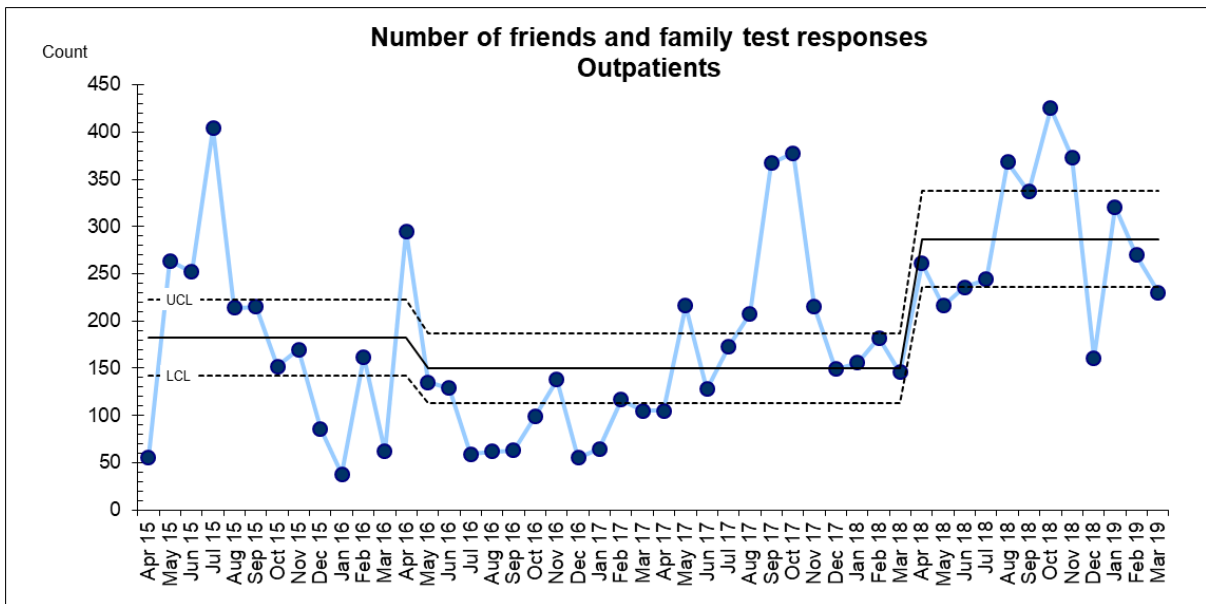
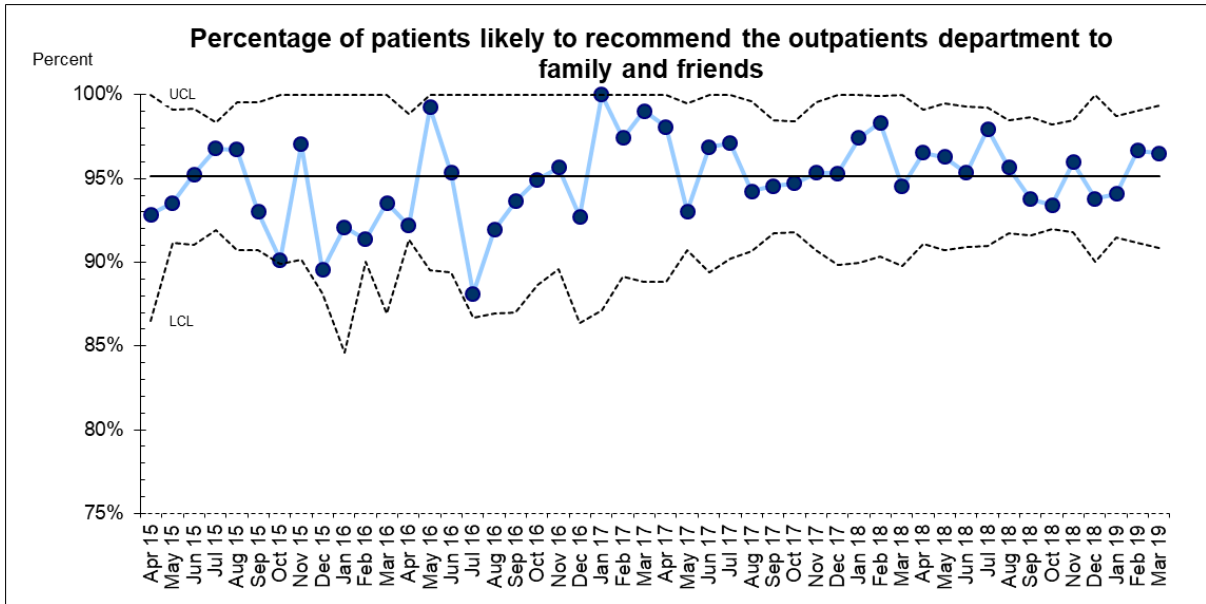
Friends and Family Inpatients



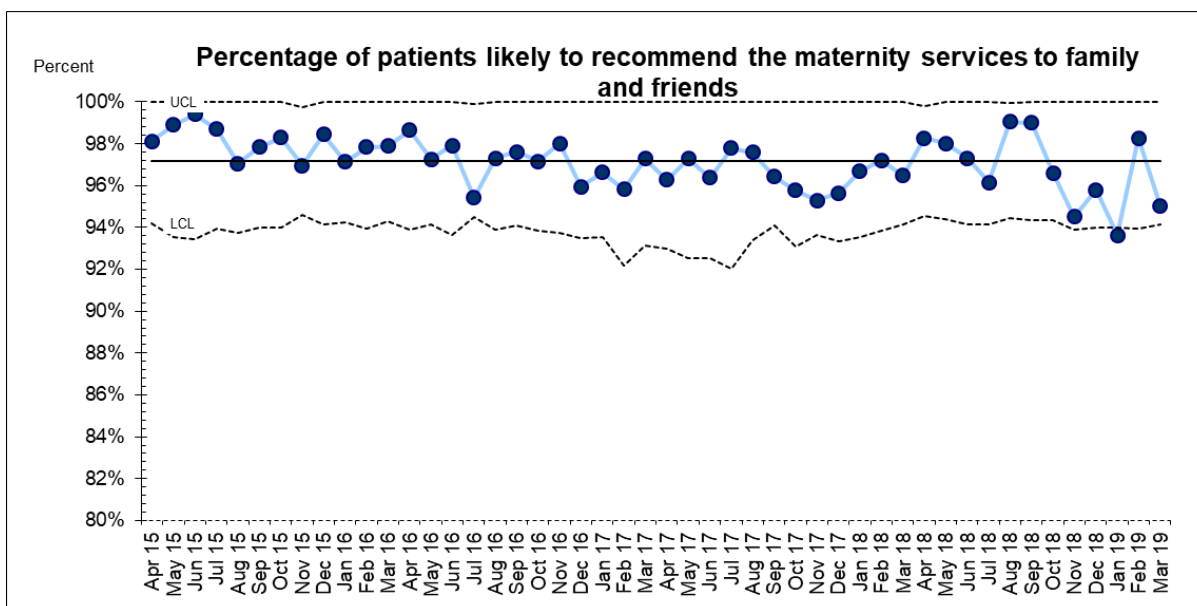
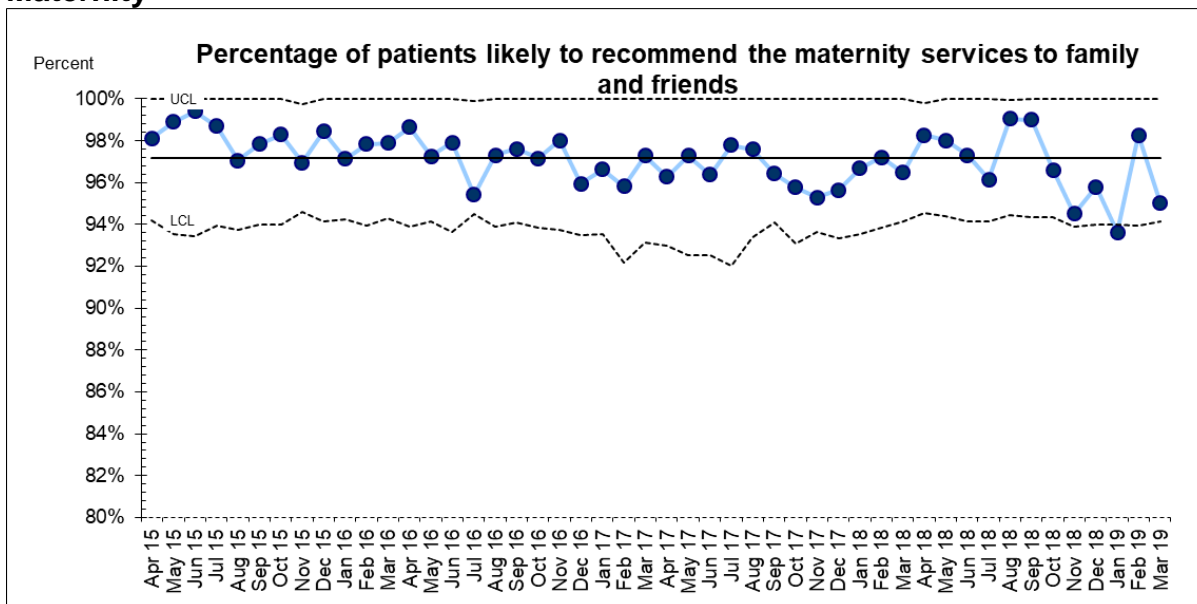
Emergency Department



Outpatients



Maternity



NATIONAL SURVEYS

Participation in national surveys

During 2018/19 five surveys were run nationally: inpatient, Emergency Department (ED), children and young people, cancer and maternity.

Summary of results published in 2017/18

National inpatient survey 2017 - Published in June 2018

Inpatients 2018 due to be published May/June 2019

No. of responses	586 (50.3%)	Inpatients discharged in July 2017
Overall experience	8.4/10	about the same as other trusts
All topic areas measured scored about the same as other trusts		

There were ten areas that the Trust scored better than other trusts:

While you were in the A&E Department, how much information about your condition or treatment was given to you?	8.6/10
Did you get enough help from staff to wash or keep yourself clean?	8.2/10
In your opinion, were there enough nurses on duty to care for you in hospital?	8.1/10
In your opinion, did the members of staff caring for you work well together?	8.8/10
Were you given enough privacy when discussing your condition or treatment?	8.8/10
Do you think the hospital staff did everything they could to help control your pain?	8.7/10
Beforehand, did a member of staff answer your questions about the operation or procedure in a way you could understand?	9.0/10
After the operation or procedure, did a member of staff explain how the operation or procedure had gone in a way you could understand?	8.1/10
Discharge delayed due to wait for medicines/to see doctor/for ambulance	7.6/10
How long was the delay?	8.6/10

There were no areas that the Trust scored worse.

Related specifically to feedback:

Asked to give views about the quality of care	1.1/10
Information explaining how to complain	2.3/10

Both of these are consistent with the national picture, but remain a focus for the patient experience team to improve.

The national cancer patient experience survey 2017 – Published in September 2018. The 2018 survey is due to be published in September 2019.

There were 25 areas that the Trust scored better than other trusts:

Overall care	9.0/10
Received all the information needed about the test	98%
The length of time waiting for the test to be done was about right	92%
Given complete explanation of test results in understandable way	84%
Patient given easy to understand written information about the type of cancer they had	81%

Patient given practical advice and support in dealing with side effects of treatment	71%
Patient definitely involved in decisions about care and treatment	84%
Patient found it easy to contact their CNS	91%
Get understandable answers to important questions all or most of the time	93%
Hospital staff gave information about impact cancer could have on day to day activities	87%
Hospital staff told patient they could get free prescriptions	89%
Groups of doctors or nurses did not talk in front of patient as if they were not there	87%
Patient's family or someone close definitely had opportunity to talk to doctor	81%
Patient had confidence and trust in all ward nurses	85%
Always / nearly always enough nurses on duty	81%
Always given enough privacy when discussing condition or treatment	91%
Patient was able to discuss worries or fears with staff during visit	61%
Hospital staff definitely did everything to help control pain	90%
Always treated with respect and dignity by staff	93%
Patient was able to discuss worries or fears with staff during visit	77%
Hospital staff gave family or someone close all the information needed to help with care at home	65%
Practice staff definitely did everything they could to support patient	68%
Hospital and community staff always worked well together	66%
Overall the administration of the care was very good / good	94%
Length of time for attending clinics and appointments was right	85%

National Maternity Survey 2018 - Published in January 2019

No. of responses	145 (49.3%)	
Labour and birth	Summary score 9.1/10	about the same as other trusts
Staff during labour and birth	Summary score 9.1/10	about the same as other trusts
Care in hospital after the birth	Summary score 7.7/10	about the same as other trusts

There were six areas that the Trust scored better than other trusts:

At the very start of your labour, did you feel that you were given appropriate advice and support when you contacted a midwife or the hospital?	9.2/10
If your partner or someone else close to you was involved in your care	9.8/10

during labour and birth, were they able to be involved as much as they wanted?	
Looking back, do you feel that the length of your stay in hospital after the birth was...	7.1/10
If you needed attention while you were in hospital after the birth, were you able to get a member of staff to help you within a reasonable time?	8.3/10
Were you given a choice about where your postnatal care would take place?	3.8/10
Did a midwife tell you that you would need to arrange a postnatal check-up of your own health with your GP? (Around 6-8 weeks after the birth)	9.5/10

There were no areas that the Trust scored worse.

The Children and Young Person survey 2018 is due to be published in October/November 2019 and the Emergency Department Survey 2018 is due to be published in August 2019.

PATIENT AND PUBLIC INVOLVEMENT (PPI)

Contribution from governors, Musgrove Partners and Healthwatch

The Trust's governors support the continued patient engagement and feedback agenda, particularly learning from feedback. The governors Patient Care Group regularly reviews feedback from patients/relatives from the local community, which is included in "The Good to Know" log report at their meeting.

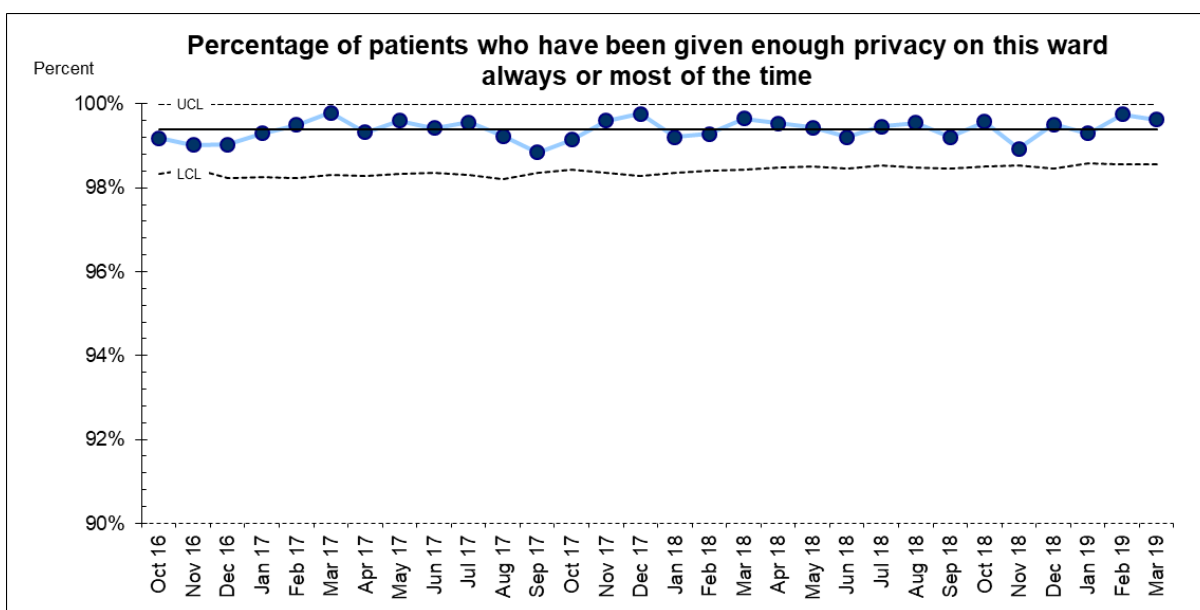
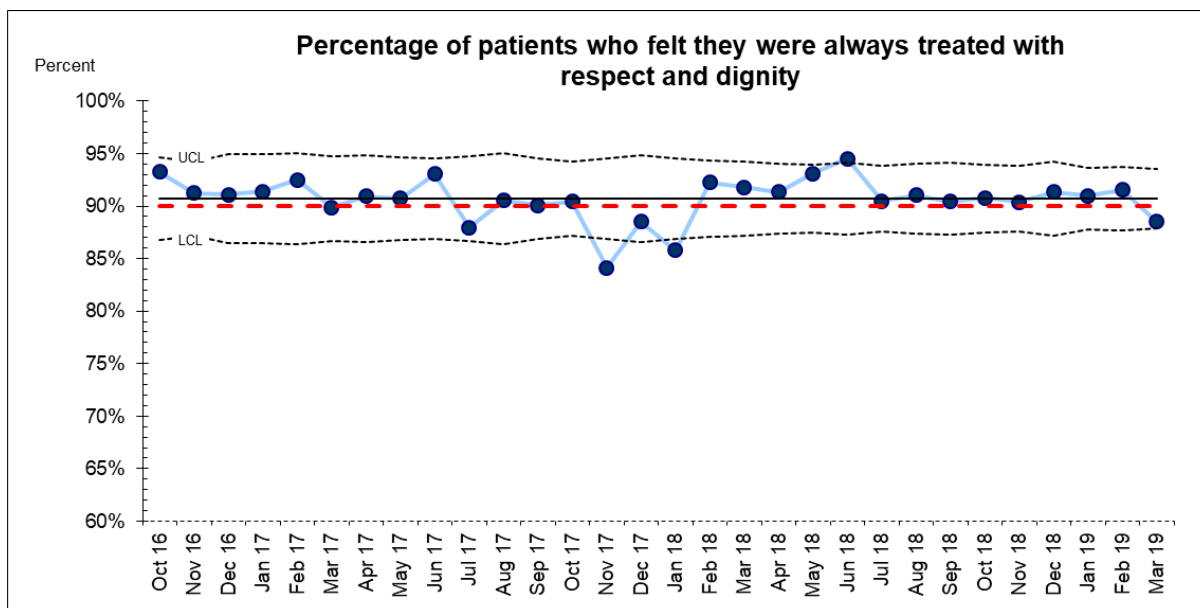
The Trust has established links with Healthwatch, and listens to feedback from this route and engages with Healthwatch to support engagement activities particularly with the groups that may be seldom heard.

The Musgrove Partners are a group of "patient voice volunteers" who support engagement and participate in activities from recruitment of staff to focus groups. They review serious incidents and work within improvement boards and projects. The patient experience team also supports observations, shadowing, emotional mapping, focus groups and other engagement events for specific topics.

PRIVACY AND DIGNITY

We recognise that dignity, respect and privacy in care is an important issue for patients who come to us for care and treatment. We are committed to maintaining patient privacy, and treating individuals with dignity and respect. To monitor this

we survey our patients and set ourselves the target of 90% positive response. The results are reviewed monthly by the directorates and board.



LEARNING FROM CONCERNS AND COMPLAINTS

Feedback from patients and their families and carers is very important. This helps the Trust to continuously learn and improve what it does. During the year the Trust received 166 formal complaints and 2,102 concerns which were raised through the Patient Advice and Liaison Service (PALS).

All of these concerns are investigated and feedback given to the person who raised the issue. This includes setting out what staff have learnt and any changes made as a result of the questions raised. The Trust aims to avoid cause for

concerns or complaints in the first instance, and when concerns and complaints are raised, to address them thoroughly and in a timely way.

Every complaint is reviewed to identify the issues raised by the complainant. This is to ensure that we can learn and continuously improve. The categorisation of issues identified for all complaints is recorded and reviewed to allow wider learning and identification of trends. This information is considered alongside other patient information such as incidents and feedback we gain from our monthly patient surveys.

In addition to a monthly integrated performance report, which includes a range of quality indicators, the Trust Board receives a detailed report every quarter throughout the year. This provides the Board with a detailed analysis of issues arising from complaints and concerns and action being taken.

During the year, learning from complaints has been shared across the hospital in a number of ways; including the use of patient stories and hearing directly from our patients and their relatives about their experience.

Information from complaints and stories from patients enhances staff training and helps to improve our services and care. The public Trust Board meeting begins with a patient story.

The following are just a few examples of the learning and improvements we have made over the year:

- Feedback gained from concerns can highlight the need to introduce or review patient information given. One example relates to the length of time it took for a patient to receive her biopsy results. Investigation revealed that there was a gap between a report being written and authorised. As a result, learning was taken forward by the department to prevent this from happening again. A system was implemented which lets all consultants know on a weekly basis of any reports that have not yet been authorised.
- One complaint revealed that a patient was not given written information from the orthotics team regarding how to care for and manage his ankle-foot orthosis; nor was he given contact details should problems arise. As a result, going forward, orthotics clinicians now provide all inpatients with written contact details and product caring and troubleshooting advice about their device.
- Sometimes a complaint can produce learning for more than one specialty, in this case, gynaecology and admissions. A patient complained because her surgery was cancelled at the last minute. The reason was that the patient was undergoing two procedures and the second required a specialist surgeon but the booking clerk was unaware. The learning for the

teams involved was that (a) the admissions team must check if a second procedure is indicated and (b) The procedure requiring a specialist consultant is listed as the primary procedure to avoid cancellation.

THE PARLIAMENTARY AND HEALTH SERVICE OMBUDSMAN (PHSO)

The Parliamentary and Health Service Ombudsman provides an independent complaints handling service for a range of public bodies. Should any of our complainants be dissatisfied with the handling and outcome of their complaint they have the right to request the Ombudsman to undertake an independent review of their complaint. We ensure that every complainant is given information about the role of the Ombudsman.

This year the Ombudsman's office contacted the Trust regarding five complaints, requesting information regarding how the Trust had responded to those complainants. As a result of the information we supplied, a record of our investigations and responses (response letter or local resolution meeting), the Ombudsman decided not to carry out official investigations for four of these complaints, indicating that they were satisfied with the Trust's responses. However, they will be taking forward one investigation regarding a daughter who does not agree with the Trust's explanation of the cause of her mother's unexpected death.

Although the number of complaints the Trust receives each year from the Ombudsman is low by overall English standards, the Trust regrets that any complaints should have to escalate to such a level.

CLINICAL EFFECTIVENESS

LENGTH OF STAY

The Trust strives to ensure that patients do not stay in hospital for any longer than is clinically necessary. This ensures patients receive the best care in the right setting, whilst also ensuring the Trust uses its resources effectively.

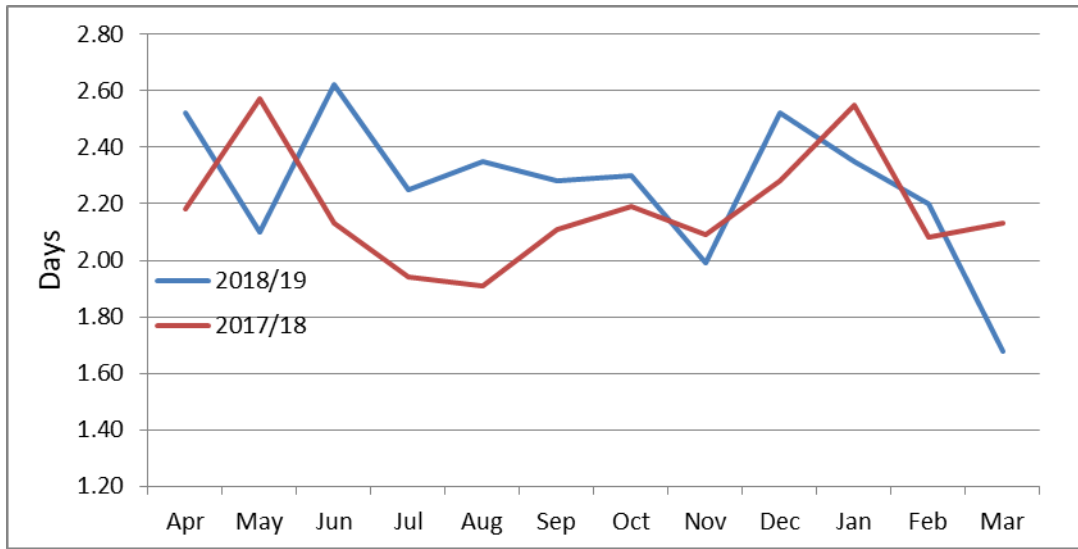
Reports on average length of stay are monitored in regular Trust Board reports and at a more detailed level by each directorate in their monthly Performance Assurance Framework (PAF) reviews.

The following charts show the average length of stay for elective and non-elective patients in 2018/19 and the previous year. The Trust would typically expect average elective length of stay to be below non-elective as elective activity is more

predictable and planned. Non-elective cases (i.e. emergencies and urgent transfers from other trusts) are often more complex and so need longer treatment and recovery periods.

Elective average length of stay

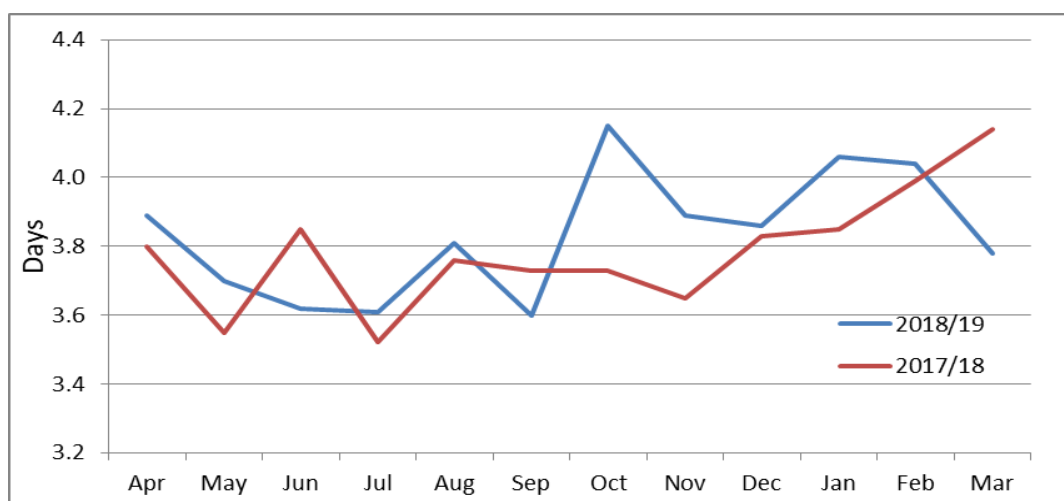
The average length of stay for patients admitted for elective operations during 2018/19 has been above the level reported in the same month in 2017/18, for most months.



This is likely due to an increase in the complexity of operations undertaken due to a 21% increase in referrals to the Trust for patients with a suspected cancer. The conversion rate from referral into a diagnosed cancer has stayed the same, meaning more patients have undergone cancer surgery this year, for which patients would usually stay longer in hospital.

Non-elective average length of stay

The average length of stay in hospital for patients admitted non-electively during 2018/19 has been broadly similar to those patients admitted during 2017/18.



The Somerset A&E Delivery Board is overseeing a programme of work which commenced in 2018/19, which should reduce the number of emergency admissions to the Trust and should also reduce the length of stay in hospital for certain groups of patients. This programme of work includes the following schemes:

- 7-day working
- rapid response hubs
- single point of access arrangements
- continued work with care homes
- reduction in patients with a long length of stay
- full implementation of Home First (discharge to assess).

The impact of these schemes on non-elective length of stay should be seen in full during the latter half of 2019/20.

CANCER WAITING TIMES

There are eight cancer waiting standards that hospitals need to meet. Four out of the eight were met in 2018/19.

The four standards that were met relate to the 31 day standards, which cover the waiting times between decision to treat and treatment, whether first treatment or subsequent treatments. The good performance against these standards demonstrates the commitment of the Trust to treat patients promptly once diagnosed and once treatments have been agreed.

The Trust did not however meet the standards that relate to the time between referral and a patient being 'first seen', which should be no more than two weeks for patients with suspected cancer and for any patients with breast symptoms. This standard was narrowly missed in 2018/19, largely due to capacity constraints for

CTs and endoscopy which are a common first appointment for many cancer types. These capacity-related delays are being addressed and it is anticipated that waiting times will shorten through 2019. Another common delay factor for this standard is that patients will frequently decline the first appointments offered them; the Trust is working with primary care to ensure that GPs make patients fully aware that they are being referred to hospital on pathways designed to rule out or diagnose cancer quickly, and asking for their support in ensuring that patients accept offered appointments within the tight timeframes.

The Trust also did not meet either of the two standards that cover the time between referral into the hospital (either by GP or via a screening programme) and treatment, which should be no more than 62 days. The screening standard was narrowly missed (89.0% against the 90% target), whilst 77.5% of patients referred in by their GPs were treated within 62 days (against the 85% target). The reasons for the failure to achieve the standard include the complexity of patients being referred, high levels of referrals, especially for diagnostic tests such as CT, MRI and endoscopy; patients choosing to delay diagnostic tests or treatment, and delays for patients being seen for specialist treatment at other providers.

The Trust did however make incremental improvements each quarter against this standard and has plans in place for further improvement through 2019/20.

All standards were more challenging to meet in 2018/19 because of marked increases in referral rates; there were 2,074 more patients referred on suspected cancer pathways in 2018/19 than in the previous year, representing a 20.2% increase in referrals. Colorectal, breast, gynaecology and head and neck referrals showed the largest increases, and it is an ongoing challenge for these services to flex capacity in order to meet this demand.

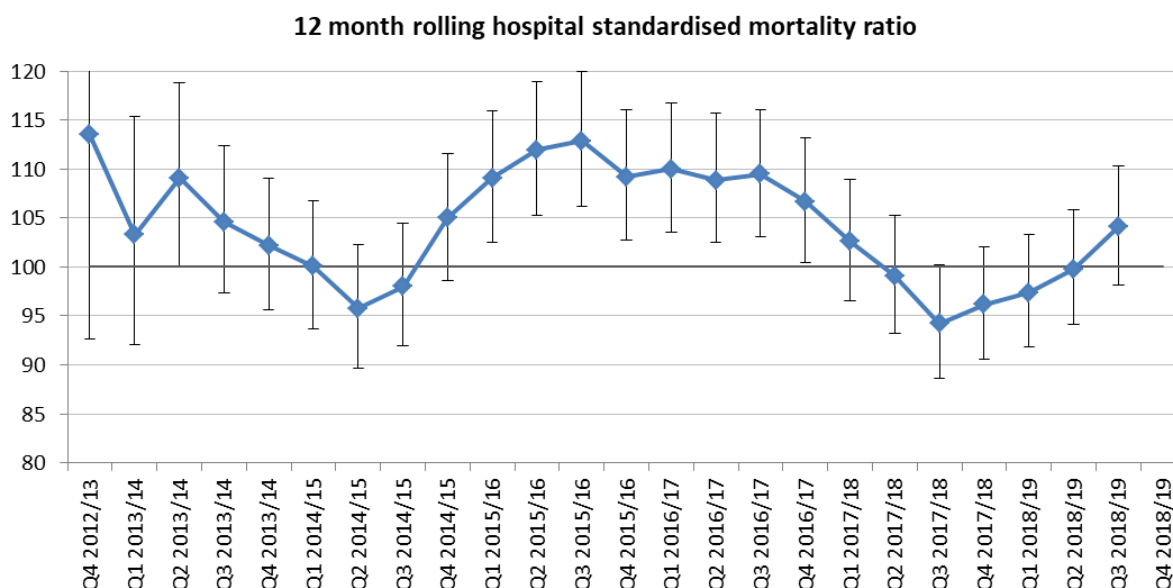
Compliance with all cancer targets continues to be closely monitored by the Trust Board and is a key area of focus for improvement.

HOSPITAL STANDARDISED MORTALITY RATIO (HSMR)

The hospital standardised mortality ratio (HSMR) is a method of comparing mortality against the predicted national average but taking into account a range of factors such as the case-mix of patients, palliative care cases and differences in populations. It is calculated on 56 diagnosis groups that account for around 80% of in-hospital deaths. The ratio is of actual deaths to expected deaths, multiplied by 100. If the number of deaths is higher than would be expected, the HSMR will be greater than 100. Mortality rates show considerable variation over the short-term which means that observing them over longer periods of time (12 months) provides a better perspective on genuine trends. Whilst the methodology for

HSMR may take into account factors such as palliative care, there are differences in the way trusts code this data which may make comparisons less reliable.

The following graph illustrates the Trust's quarterly overall rolling 12-month HSMR over the last three years. The HSMR is currently in the 'as expected banding', suggesting the Trust's in-hospital mortality rate is not significantly different than the national average.



HSMR is presented alongside the 95% confidence intervals. Where the lower confidence interval exceeds 100, the HSMR is said to be significantly higher than expected. Where the confidence interval spans 100, the HSMR is within the expected range.

In order to explore the root causes for this position, the Trust reviews individual diagnostic groups and conducts investigations to identify the causes when these are different from those expected. It should be noted that small variations are not necessarily accurate reflections of changes in the standard of care as these are statistical representations with certain inherent errors. It is most valuable in detecting major deviations or trends.

During 2018/19 the Trust has conducted a number of reviews into its high standardised mortality ratios within certain diagnostic groups that contribute to the overall high HSMR. These diagnosis groups include pleurisy, pneumothorax and pulmonary collapse. The investigations consist of a review of coding practices, case mix and the structure of our services. It also includes a review of the quality of the care the Trust was delivering. The reviews found no significant causes for concern relating to the quality of care being delivered. During the year,

improvements have continued to be made in co-morbidity and palliative care coding.

ORGAN DONATION

The Trust continues to implement national and regional best practice and remains compliant with NICE guidance (CG 135).

2018/19 has been a busy year. An outstanding referral rate of 22 potential organ donors has been achieved (100%); 14 families have been approached to explore organ donation and all of these approaches have been collaborative (100%). This exceeds the national average.

The overall consent rate for organ donation within the Trust is 86%; the national average is 67%. As a result, the Trust continues to perform well in terms of organ donation with a total of 23 transplants enabled over the year.

Key work for 2019/20 will be a focus on the NHS Blood and Transplant regional strategy to try and minimise the length of the donation process, in part by expediting the testing of patients with suspected death as diagnosed by neurological criteria.

NHS STAFF SURVEY 2018 / PULSE CHECK

Taunton and Somerset NHS Foundation Trust continues to hold at its core the culture and organisation development programme that person-centred care can only be delivered through a person-centred culture. The Trust continues to place significant value on the insight provided by the internal engagement measure “Pulse Check” and the NHS Annual Staff Survey.

2018 NHS staff survey

The 2018 NHS Staff Survey results have been slightly amended this year. The key changes have involved a shift in 2018 from key findings to 10 themes and the scoring move from a 5 point scale to a 10 point scale. Overall, staff engagement for the Trust in 2018 is 7.2 compared to an overall score in 2017 of 7.3. This is a slight decrease from 2017 and is a slight increase on the acute trust average for 2018, which is 7.0.

The staff engagement theme questions which make up the overall engagement score relate to:

- staff members’ perceived ability to contribute to improvements at work

- their willingness to recommend the Trust as a place to work or receive treatment
- the extent to which they feel motivated and engaged with their work.

The table below sets out the specific questions which make the key findings with the results for 2015 - 2018.

Question	2018	2017	2016	2015	Acute hospitals (2018)	Difference against national benchmark +/-
I look forward to going to work	61.0%	61%	60%	67%	59.3%	+1.7%
I am enthusiastic about my job	75.5%	77%	76%	78%	74.8%	+0.7%
Time passes quickly when I am working	77.7%	79%	78%	78%	76.8%	+1.1%
Question	2018	2017	2016	2015	Acute hospitals (2018)	Difference against national benchmark +/-
There are frequent opportunities for me to show initiative in my role	72%	75%	75%	78%	73%	-1%
I am able to make suggestions to improve the work of my team / department	75%	78%	79%	78%	75%	-
I am able to make improvements happen in my area of work	56%	58%	57%	60%	56%	-
Care of patients / service users is my organisation's top priority	82%	84%	84%	85%	77%	+5%
I would recommend my organisation as a place to work	72%	72%	71%	74%	63%	+9%
If a friend or relative needed treatment, I would be happy with the standard of care provided by this organisation	84%	84%	84%	82%	71%	+13%

Harassment, bullying or abuse from staff in last 12 months and equal opportunities for career progression

One of the themes in the 2018 NHS Staff Survey is safe environment – bullying and harassment. This sets out the score using the new 10 point scale indicating staff experiencing harassment, bullying or abuse from staff and patients/service users over the last 12 months. In 2018 this stands at 8.1 compared to 8.2 in 2017 with the average for acute trusts in 2018 standing at 7.9. This theme is made up of the following three questions:

Question	2018	2017	2016	2015	Acute Hospitals 2018	Difference against National Benchmark +/-
% never experiencing harassment, bullying or abuse at work from managers in the last 12 months	90%	91%	90%	88%	86%	+4%
% never experiencing harassment, bullying or abuse at work from other colleagues in the last 12 months	81%	82%	83%	76%	80%	+1%
% never experiencing harassment, bullying or abuse at work from patients/service users, their relatives or other members of the public	72%	73%	70%	71%	72%	-

In 2019/20 there will be a focus on the safe environment – bullying and harassment theme in line with the year 2 priorities of the People Strategy. The aim is to reduce this through development of resilience, management development and other programmes of work to support colleagues. We will be working alongside the Freedom to Speak up guardians as well as the people partners to support this.

Equality, Diversity and Inclusion

In the 2018 NHS Annual Staff Survey, equality, diversity and inclusion was one of the 10 themes and overall the score for 2018 for this theme is 9.2 which is the same as 2017. This theme is made up of the following four questions:

Question	2018	2017	2016	2015	Acute Hospitals 2018	Difference against National Benchmark +/-
Does your organisation act fairly with regard to career progression /promotion, regardless of ethnic background, gender, religion, sexual orientation, disability or age?	85.2%	87.9%	87.9%	93.3%	83.9%	+1.3%
In the last 12 months have you personally experienced discrimination at work from patients / service users, their relatives or other members of the public?	5.6%	6.3%	6.7%	6.4%	6.1%	+0.5%
In the last 12 months have you personally experienced discrimination at work from manager / team leader or other colleagues?	6.2%	6.0%	6.5%	6.2%	7.7%	+1.5%
Has your employer made adequate adjustment(s) to enable you to carry out your work?	76.7%	79.2%	82.4%	72.4%	72%	+4.7%

Staff conversations / listening to staff

The people partner team, alongside the leadership and organisational development team continue to support the directorates and divisions across both Taunton and Somerset NHS Foundation Trust and Somerset Partnership NHS Foundation Trust, with interventions to ensure that colleagues across both trusts feel listened to, and have an opportunity to have their voices heard. The teams have run listening events on the back of Pulse Check results to understand from colleagues what drives the results and what changes would help. As well as providing support for colleagues to do this they also provide the challenge about the role colleagues have to play in making changes and what support they may

need to enable this to happen. These types of interventions with teams are ongoing.

Freedom to Speak Up

The role of the Freedom to Speak Up guardian is to provide a service for all colleagues to speak about any concerns regarding patient safety or their experience at work. The guardians are also required to provide reports to the National Guardian Office and Trust Board. Within the Trust there are two Freedom to Speak Up guardians providing this service and they are supported within the People Services. Alongside this there is support from the Executive Director of People and Organisational Development and a Non-Executive Director for the Trust.

The role of the Freedom to Speak Up guardian has been in place since 2017 and in this time the service has dealt with the following number of cases:

Figures below are from April 2018 – March 2019

Number of cases raised	Number of cases raised anonymously	Number of cases with an element of patient safety	Number of cases with an element of behaviours including bullying and harassment	Number of cases where there was a suffering of detriment
57	1	37	39	3

During 2018 the promotion of the Freedom to Speak Up service was a year one priority arising out of the People Strategy which was approved in April 2018. In order to create awareness across the Trust, work has been undertaken to promote the service, including posters of the process from the Freedom to Speak Up policy. In October 2018 there was a month-long National Freedom to Speak Up campaign, which saw the guardians, alongside executives and non-executive directors, doing walk arounds in all areas of the hospital talking to colleagues about the service.

As well as responding to speaking up concerns, the guardians have been proactive in terms of raising awareness of the service through a number of Trust channels, as well as building relationships with the People Partner team which support the guardians once a colleague has spoken up.

Plans for the future include extending the hours for the Freedom to Speak Up service. This will ensure more availability, which in turn will enable the guardians to embed the culture of speaking up across the hospital with a focus on understanding the barriers to speaking up and to support the removal of these by working with the People Services team.

Pulse Check

Now in its sixth year, Pulse Check continues to be the survey we use to measure leadership and wellbeing across the Trust. There remains a strong focus on leadership and wellbeing from immediate managers. This provides two key focuses from the results of Pulse Check. There have been no changes to the way Pulse check runs. The survey continues to be run twice a year across both Taunton and Somerset NHS Foundation Trust and Somerset Partnership NHS Foundation Trust. This gives the directorates, along with the support of the People Partner team, six months between each Pulse Check to make some changes and then see the impact this has had by comparing these results.

As part of the people metrics for the Trust, five of the 14 questions are amalgamated into the leadership capability index, which is the key measurement used to identify how well managers are leading their teams in line with the Trust's leadership behaviours.

The five questions used to make up this index are:

- I think that it is safe to speak up and challenge the way things are done
- My immediate manager motivates and inspires me to do a great job
- My immediate manager recognises and acknowledges when I have done my job well
- My immediate manager makes time to see me when I need support or direction
- I receive regular and constructive feedback on my performance.

The following table shows the percentage of respondents responding positively to the questions during 2018/2019 for the Trust as a whole:

	Q1 & Q2 April – Sept	Q3 & Q4 Sept – March
Leadership Capability Index (Amalgamation of following five questions)	74.4%	73.6%
I think that it is safe to speak up and challenge the way things are done	72.3%	72.4%
My immediate manager motivates and inspires me to do a great job	73.5%	72.8%

My immediate manager recognises and acknowledges when I have done my job well	74.4%	73.5%
My immediate manager makes time to see me when I need support or direction	84.2%	82.7%
I receive regular and constructive feedback on my performance	67.5%	66.8%

The following table below shows the results from 2018/19 for the Wellbeing Index for the Trust as a whole. This index incorporates the following two questions:

	Q1 & Q2 April – Sept	Q3 & Q4 Sept – March
Wellbeing Index (Amalgamation of following two questions)	65.5%	64.7%
My Immediate manager places a strong emphasis on promoting safety and wellbeing of colleagues	76.4%	75.9%
I felt work related stress within the last 12 months	54.6%	53.4%

Preceptees –Newly qualified registered Nurses, AHPs, Assistant Practitioners and Nursing Associates

Quality improvement continues to be supported in the Trust’s preceptorship programme.

New preceptees come into the hospital with fresh eyes, energy and new ideas that encourage staff to think differently and challenge the way they work. The preceptees may not feel that they have the skills to challenge or to suggest new innovations, yet they see problems and want to work on solutions. The preceptees have structured time around quality improvement during their programme which allows them to develop their ideas in a structured and supported environment.

The preceptees present their projects to invited guests from the improvement network, senior nurses, line managers and to those staff helping with the transition and sustainability of the work.

Examples of some of the Improvement projects that have been presented from the last two courses are:

- To improve and standardise mouth care in ventilated patients on intensive care
- Food record chart – can we do better?
- The use of name boards in the operating department
- End of life symptom observations
- Clinical care alert tile – memory management aid.

The Leadership Talent Programme 2018/19

In September 2018 the Trust introduced a new leadership programme called Compass for Leadership. This programme is designed for all Band 6 and above colleagues across both Taunton and Somerset NHS and Somerset Partnership NHS Foundation Trust. It is an opportunity for all leaders across both trusts to come together to learn and share experiences. The content of the programme is designed around the three values:

- Listening and leading
- Working together
- Outstanding care



The format of the programme is four modules which are broken down as follows:

- Module 1 - Introduction and Change
- Module 2 - Listening and Leading
- Module 3 - Working Together
- Module 4 - Outstanding Care

Modules 2 – 4 will look at leadership in terms of each of our values and how we can bring to life the values we have created so they become the way we are and set the culture of the Trust.

Module 1 is now complete with nearly 1,100 colleagues having attended the module. Module 2 started is well under way with modules 3 and 4 planned to be completed prior to December 2019.

NATIONAL TARGETS AND REGULATORY REQUIREMENTS

Key Targets	Standard	2014/ 15	2015/ 16	2016/ 17	2017/ 18	2018/ 19~
Maximum 18 Week waits from point of Referral to Treatment in aggregate – patients on an incomplete pathway** 	92%	91.95%	91.24%	85.5%	83.6%	78.0%
Number of patients waiting over 52 weeks from Referral to Treatment	Zero	N/A	0	18	40	41
A&E maximum waiting times of four hours from arrival to admission /transfer / discharge* 	95%	95.1%	94.1%	91.8%	90.8%	88.9%
Cancer: two week wait from referral to date first seen – all urgent referrals (cancer suspected)	93%	89.3%	92.5%	93.4%	91.1%	92.7%
Cancer: two week wait from referral to date first seen – for symptomatic breast patients (cancer not suspected at referral)	93%	90.0%	95.8%	91.9%	90.9%	91.4%
All cancers: 31-day wait from diagnosis to first treatment	96%	94.9%	97.9%	97.8%	97.6%	97.3%
Maximum waiting time of 31 days for subsequent treatments where subsequent treatment is surgery	94%	94.0%	96.0%	97.2%	96.5%	95.2%
Maximum waiting time of 31 days for subsequent treatments where subsequent treatment is Drugs	98%	99.9%	100%	100%	100%	99.7%
Maximum waiting time of 31 days for subsequent treatment where	94%	99.2%	98.3%	97.5%	96.8%	96.0%

Key Targets	Standard	2014/ 15	2015/ 16	2016/ 17	2017/ 18	2018/ 19~
subsequent treatment is Radiotherapy						
All cancers: 62 day wait for first treatment from urgent GP referral for suspected cancer	85%	82.6%	83.2%	80.8%	77.4%	77.5%
All cancers: 62 day wait for first treatment from NHS Cancer screening service referral	90%	89.5%	91.3%	87.9%	95.2%	89.0%
MRSA	Zero	0	0	1	3	2
Clostridium Difficile - meeting the Clostridium Difficile objective	(Variable)	13 (11)	22 (12)	8 (12)	18 (12)	12 (11)
Cancelled Operation: Offered another binding date within 28 days	95%	97.3%	97.7%	92.7%	92.1%	88.0%
% Stroke patients direct admission to Stroke Unit within 4 hours	80%	71.7%	71.9%	66.7%	69.7%	67.9%
Summary Hospital-Level Mortality Indicator (also included in quality accounts regulations)	100%	99.4	101.1	97.0	82.8	91.1%
Maximum 6-week wait for diagnostic procedures	99%	93.2%	92.6%	92.8%	91.3%	77.8%
Venous thromboembolism (VTE) risk assessment	95.0%	94.8%	93.7%	94.3%	94.9%	94.5%

~ Figures for 2018/19 are for the full year with the exception of cancer, which is up to the end of February 2019 due to national reporting of March's performance being in early May, Stroke figures are up to the end of January 2019, and SHMI figures are up to the end of December 2018.

**A&E maximum waiting times - the indicator is expressed as a percentage of all A&E attendances where the patient spends four hours or less in A&E from arrival to transfer, admission or discharge*

*** RTT incomplete pathways – the indicator is expressed as the percentage of patients on an incomplete pathway (i.e. those still awaiting first consultant led treatment) who have waited less than 18 weeks from referral.*

ANNEXES

Annex 1: Statements from Stakeholders

NHS Somerset Clinical Commissioning Group Report

NHS Somerset Clinical Commissioning Group is the lead commissioner of health services from the Taunton and Somerset NHS Foundation Trust (T&S), we welcome the opportunity to provide this statement and comment on the Trusts Quality Account.

The Quality Account presents a summary and balanced overview on the progress at of the Taunton and Somerset NHS Foundation Trust local and national quality priorities and quality improvement work undertaken within 2018/19 as well as reporting on the required content as set out by NHS Improvement's Quality Account reporting requirements.

Throughout 2018/19, there have been robust arrangements in place between Taunton and Somerset NHS Foundation Trust and the CCG to agree, monitor and review the quality of services through the Clinical Quality Review meeting and the Contract Review Group meetings.

Taunton and Somerset NHS Foundation Trust has launched numerous quality improvements during the year, these include learning from complaints and incidents. It is notable that the Trust has participated in the full range of national and local clinical audits and that this has resulted in actions to improve quality. Our review will detail comments on the three key areas patient experience, patient safety and clinical effectiveness.

Patient Experience

The CCG is pleased to see the focus of the user experience and very positive engagement with individuals and organisations in developing these quality accounts. The Trust has a well-developed Musgrove Friends who help ensure the voice of users is integral to future service development. The Trust has begun to work collaboratively with patients and families to co-design and shape the services provided and improve patient outcomes and experiences. On NHS Choice's the Trust scored 4 stars with comments from a variety of the services, one recent review thanked all the staff saying "hospital appointments are anxious occasions, but everyone looking after me. All introduced themselves by name and explained clearly what I should do, and what they would do. I was particularly impressed by the HCA, whom I saw at the start and at the end of my two hours in the department. Not only was she great with me, I saw her taking special care over an older patient with additional needs, and obviously briefed the next member of staff about that patient."

The Trust shares learning from complaints across the hospital through the use of patient stories and feedback from patients and their relatives, enhancing staff training and improving care and services. The CCG congratulates the Trust on its continued improved performance with Patient Led Assessments on the Care Environment (PLACE). PLACE is a system for assessing the quality of the hospital environment and the Trust had six out of eight areas scoring above the national average. Best performing areas included Ward Food (Availability), Dementia, Food (Nutrition & Hydration), Privacy, Dignity & Well-being, Organisational Food (Service of Meals) and Disability.

The Trust has acknowledged the importance of nourishment in recovery from illness or surgery and to maintain good health and have therefore made food and nutrition a priority area for improvement. Quality Improvement projects include dementia-friendly mugs and plastic tumblers across all the adult hospital wards, care plans for patients at risk of malnutrition, improved food menus plus menu clerks who help collate patient's food choices and support for children with eating disorders. The Trust also participated in International Nutrition and Hydration week and has plans for further improvement in 2019/20.

A nation campaign, launched by England's chief nursing officer, to end "pyjama paralysis" has helped reduce falls and pressure ulcers and cut the length of time people spent in hospital. The trust has taken part in national campaigns to highlight the benefits of patients getting dressed as soon as possible when they are in hospital.

Patient Safety

The Trust continues to work closely with the CCG and other stakeholders in Somerset to improve infection prevention and control through shared learning. A key component in the Trust's reduction of infection is thorough good hand hygiene by all clinical staff. For 2018/19 the Trust had an overall compliance of 92% compared to the Local Target of 90%.

The Trust aim was to have no Methicillin-Resistant Staphylococcus Aureus (MRSA-bacteria) Trust-apportioned bloodstream infections but unfortunately had two cases in 2018/19. Multi-disciplinary reviews identified improvements in hand hygiene and MRSA screening; actions were put in place and this learning was shared across the organisation.

In 2018/19 there were 12 Trust attributed cases of Clostridium *difficile* Infection (CDI) with 9 of the cases suggesting a lapse in care. The Trust addressed this by implementing a Trust-wide hand hygiene campaign and the purchasing of two new automated hydrogen peroxide cleaning machines. Musgrove Park Hospital continues to drive quality improvements to reduce the number of Clostridium

difficile cases with projects including antibiotic stewardship, prompt isolation of patients, regular review of patients with CDI by a microbiologist and the Infection Prevention and Control team and through enhanced cleaning of rooms and equipment. The Trust continues to work closely with the partners in the community to help reduce the risk of CDI in primary care.

The CCG acknowledges that the Trust has begun to investigate community onset cases, where the case is detected within two days of admission, and where the patient has been an inpatient within the previous four weeks. This is good practice and is in line with expectations for 2019/20.

In 2018/19 there were 16 confirmed Norovirus outbreaks in the Trust resulting in restrictions being put in place on wards and management in line with local and national policy.

During 2018/19, the Trust reported 10 Serious Incidents, three of which were Never Events. The three Never Events relate to the Wrong Implant/prosthesis, Wrong Site Surgery and Retained Foreign Object. Only one of these reports has been completed to date and although there were no adverse consequences to the patient, learning includes embedding the prosthesis verification stage within the whole process.

Of the 7 serious incidents, three related to maternity, two were diagnostic issues and two were surgical. Reporting for the 2018/19 financial year was up 4 from the previous year however, Taunton and Somerset are classified as low reporters the regulator and commissioners will be working with the Trust to understand this position better.

Clinical Effectiveness:

In a bid to improve staff retention, the Trust is undertaking several projects to improve the Health and Wellbeing of staff and having scored 6 out of 10 in this section of the 2018 Annual Staff Survey, this is compared to the national average of 5.9.

Musgrove Park Hospital saw a 1% decrease in performance in the A&E maximum waiting time of four hours from arrival to admission/transfer/discharge (91.8% in 2017/18 compared to 90.8% in 2018/19); this is also compared to the national standard of 95%.

The Trust is to be congratulated on its success in the field of clinical research which has been recognised through numerous publications in academic journals and in receiving the award of South West Research Team of the Year.

The Trust has implemented the second version of the National Early Warning Score (NEWS2) as a hard copy form. Conversion to an electronic format has been delayed due to technical issues with the trust's system provider. Sepsis screening compliance has been variable throughout the year. Sepsis screening for children has improved in 2018/19. The trust has developed an electronic App called POPS (V2) (Paediatric Observation Priority Score) which has been commended by other services. Nevertheless, the trust is also working with University Hospitals Bristol to trial the Bristol Paediatric Early Warning Score (BPEWS), helping to work towards a new nationally validated tool to replace the current PEWS tool published by NICE. The use of sepsis screening will continue to be monitored in 2019/20 through the quality contract meetings.

The CCG notes the improvements around mental health and holistic care and in particular the increase in the number of staff who have received enhanced training to further understand and support mental health issues. The CCG also notes the improvements in the availability of psychiatric liaison services which is now accessible 24/7.

Building on previous work delivered in 2018/19, the Trust has achieved an overall reduction in the length of stay, from 3.7 days to 3.5 days, through maintaining sustainable changes to discharge pathways including the implementation of 7-day services. The CCG notes the continued good performance in reducing delayed transfers of care through successful collaborative working with partners across the county.

The Trust continues to work well with commissioners and other stakeholders in delivering the National Home First discharge project which, in Somerset, is funded through the Joint Commissioning Board (Somerset Local Authority and the CCG). The project aims to support frail, vulnerable people, post-discharge. This is delivered either at home with assessment and support, with community hospital enablement or care home enablement. The Trust has reported that, as of January 2019, 1,999 patients have used the Home First service from its hospital site with 1,181 of these being discharged directly home from hospital.

At the time of writing, the final data against the eight cancer standards was not yet available however the Trust anticipates that four out of the eight were met in 2018/2019. The four cancer targets met related to the 31-day 'decision to treat to receiving treatment' waiting time standards.

The Trust did not meet the standards that relate to the time between referral and a patient being 'first seen', or either of the two standards that cover the time between referral into the hospital (either by GP or via a screening programme) and treatment (no more than 62 days). The Trust has stated that the cancer standards were more challenging to meet in 2018/19 due to increased referral rates, complexity of patients being referred, patients choosing to delay tests or treatment

and the delay in patients receiving specialist treatment from other providers. There were 2,074 more patients referred on suspected cancer pathways in 2018/19 than in the previous year, representing a 20.2% increase. Colorectal, breast, gynaecology and head and neck referrals showed the largest increases. Compliance with cancer targets will continue to be a key area for improvement.

Following national guidance, the Mortality Surveillance Group (MSG) meets monthly to review deaths, establish if avoidable, identify learning, initiate investigation if significant concerns and cascade learning to Trust staff. By February 2019, the MSG reviewed 492 deaths with five subjected to a case record review and investigation. The number of deaths that have demonstrated significant care concerns was low and there has continued to be a steady decrease since October 2017. The Trust will continue to improve the mortality review process in 2019/20.

Quality Improvement Priorities for 2019/20

The CCG supports the Quality Improvements identified by the Trust for 2019/20:

- Delivering parity of esteem between physical and mental health services
- Learning from incidents, complaints and mortality reviews
- Improving the quality of discharge summaries
- Improving sepsis recognition
- Improving implementation of the Rapid Response Service
- Developing co-design and service-user involvement.

It is clear that the Trust has demonstrated numerous areas of effective improvement in patient safety and quality initiatives. The CCG recognises the Trust's continued commitment to working in partnership with commissioners, the public and other key stakeholders and we look forward to again working with the Trust in the forthcoming year.

Please contact me at the address above if you wish to discuss the CCG comments or statement further.

Sandra Corry
Director of Quality, Safety and Engagement

Healthwatch Somerset's Response to Taunton & Somerset NHS Foundation Trust Quality Account 2018/19



Introduction

Healthwatch Somerset welcomes the opportunity to comment on the draft Taunton & Somerset Hospital NHS Foundation Trust Quality Account for 2018-19. Healthwatch Somerset exists to promote the voice of patients and the wider public with respect to health and social care services. Over the past year we have continued to work with Taunton and Somerset NHS Foundation Trust to ensure that patients and the wider community are appropriately involved in providing feedback and that this feedback is taken seriously.

Healthwatch Somerset welcomed the opportunity to meet with the Trust over the last year and comment on last year's priorities. We have read this document in the knowledge that it has been a difficult document to put together ahead of the merger with Somerset Partnership Foundation Trust.

Healthwatch Somerset would welcome understanding how this year's priorities have been developed and whether this has been done in collaboration with representatives of the patient voice. We also note that there is minimal comment on how well the Trust has performed against last year's priorities.

Priority Areas for 2019-20

Priority 1 - Delivering parity of esteem between physical and mental health services

Healthwatch Somerset has not been supplied narrative to comment on, however, we know that the benefits of integrated care across boundaries (health, social care, employment and housing) are understood although integrated care for people with mental health conditions is often the exception rather than the rule. This can lead to poor patient experience and reduced quality of care. We would like to see the Trust improve the ability of staff to recognise and respond appropriately, to those patients with mental health needs (children, adults in crisis, and older people). The developing partnership with Somerset Partnership NHS Foundation Trust should mean closer working between physical and mental health care services and a greater opportunity for better mental health training for hospital staff.

Priority 2 - Learning from incidents, complaints and mortality reviews

We support any action by the Trust to ensure that, when things go wrong, a proper investigation, with full input of the patient/their relatives or carers, takes place. We note that the Serious Incident Review Group will have a key role to play in ensuring that learning takes place as a result of its overview responsibility. We would welcome regular conversations with the Trust about how complaints are being used to shape services going forward.

Priority 3 - Improving the quality of discharge summaries

Healthwatch Somerset has not been supplied narrative to comment on. Healthwatch Somerset is aware that discharge is a continuing area of concern for patients and carers, and has been pleased to be involved in a number of workshops in Somerset to identify areas of concern, and to develop good practice to improve discharge planning.

Priority 4 - Improving sepsis recognition

We support any action by the Trust to raise awareness of sepsis and to ensure that prompt and appropriate treatment takes place. We note that inpatient performance results have improved since the Care Quality Commission inspection in December 2018 with over 82% of inpatients screened for sepsis, compared to less than 20% a year before. We applaud the work that the Trust have already undertaken on Sepsis recognition, and would welcome better understanding of the plans to develop this further in the year ahead.

Priority 5 - Improving implementation of the Rapid Response Service

We note that the new Rapid Response Service has been operational since November 2018, and new relationships built with adult social care and Home First to enable patients to move onto appropriate services where needed. We welcome the collaboration of services to meet patient need.

Priority 6 - Developing co-design and service user involvement

By listening to people who use and care about health and social care services the Trust can understand their health needs better and focus on, and respond to, what matters to them. Groups such as Musgrove Partners and the Patient Care Group, as well as volunteer groups, are key to enabling a partnership with patients and the public to ensure that patient and public involvement is genuine and meaningful. We would welcome a seat on the Patient Care Group to ensure we can share patient feedback and understand the actions taken from it.

Summary

Overall, we feel that this is a balanced report covering both past performance and proposals for future priorities. We look forward to working with the Trust over the coming year to ensure that the experiences of patients, their families, and carers are heard and taken seriously.

Somerset County Council's Report

The accounts were a thoroughly robust, interesting and encouraging document.

Scrutiny for Adults and Health Committee

Taunton and Somerset NHS Foundation Trust Governors' Report

Musgrove Park Hospital is a very well respected Trust, servicing a population of over 340,000 within Somerset as well as providing specialist and tertiary services for the whole county – amounting to a catchment population of over 544,000. The majority of the Somerset population recognise how lucky they are to have such a caring and efficient hospital within their reach.

Over the years, the Musgrove teams have improved overall operational efficiency, quality of health and patient care, whilst at the same time are continually fighting the battle of increasing patient numbers and costs against financial constraints.

These pressures, along with the continual need to provide a safe healthcare service, have led to the Trust continually focussing on the need to learn from, and improve on, its services. This has included projects to improve quality of care, cleanliness and hospital food, lengths of stay, efficiency of the individual's discharge and the implementation of a lot of lateral thinking. Most importantly, the Trust makes a point of learning from its mistakes – incidents, complaints and reviews of performance such as mortality, sepsis, etc. This Quality Account report well illustrates the high level of analysis and reports carried out to support decision making.

None of this could have been achieved without the support of the Trust's staff. This has been encouraged by programmes to improve recruitment, working practices, removing duplication and the introduction of a programme to support the emotional, physical and mental wellbeing of colleagues. This is being measured by the monitoring of activities such as sickness, staff turnover and temporary staffing costs.

Over the years it has become increasingly obvious that closer working between physical and mental health services would improve overall patient care and at the same time help improve physical and financial efficiency. As a consequence, the

Trust is now in the process of merging with the Somerset Partnership NHS Foundation Trust (provider of mental and community hospital care).

The Trust has continually recognised areas for quality improvement and assurance and, despite outside pressures, has achieved and maintained targets as required throughout the year - despite work pressures due to increased admission rates. The quality indicators continue to show a consistent improvement and remain within the expected range.

The overall patient experience score from the Friends and Family questionnaire continues to improve. It is good to note that there is a focus on increasing the response rate and the improvement boards are implementing learning from patient experience in their work.

The collaboration between Taunton and Somerset NHS Foundation Trust and Somerset Partnership NHS Foundation Trust is well evidenced in the report. Despite the challenges presented it appears that new initiatives are actively encouraged, thus recognising the advantages of a closer alliance.

The introduction of the liaison psychiatry team in the Emergency Department, together with the activity coordinators based on the care of the elderly wards, has ensured interaction between the physical and mental health needs of the patient, thus improving the patient experience within the acute hospital.

The increased teaching around end of life care has ensured that the care of patients, their families and those in the caring role, are given the support they need. This allows the experience to be as holistic and empowering as possible for all involved.

Due to the increased collaboration between the community and the hospital, delayed discharges have been drastically reduced, with the Trust consistently over achieving against the national target. This, together with other initiatives such as 'Home First', has had an overall effect on recovery and increased independence of patients following discharge.

With ever increasing numbers of patients, especially via the Accident and Emergency route, the Trust and its employees are under continual strain. The priority in any decision making is – patient first. This is a very good hospital with a loyal staff. Mistakes are made, as with any organisation, but the Trust endeavours to learn from them for the overall benefit of future patients.

The overall picture of this document is one of encouragement. All areas of the community and acute trusts are working to ensure that the continued delivery of care for all patients throughout Somerset is of the highest standard.

Members of the Patient Care Group

Annex 2: Statement of Directors' Responsibilities in respect of the Quality Report

The directors are required under the Health Act 2009 and the National Health Service Quality Accounts Regulations 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 10/05/2019
 - Feedback from governors dated 13/05/2019
 - Feedback from Local Healthwatch organisations dated 06/05/2019
 - Feedback from overview and scrutiny committee dated 09/05/2019
 - The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS complaints Regulations 2009, dated 26/04/2019.
 - The 2018 national patient survey report dated 26/02/2019
 - The 2018 national staff survey report dated 26/02/2019
 - The Head of Internal Audit's annual opinion over the Trust's control environment dated May 2019
 - The Care Quality Commission (CQC) report dated 05/12/2017

- The Quality Report presents a balanced picture of the Taunton and Somerset 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 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 that they have complied with the above requirements in preparing the Quality Report.

By order of the Board

NB: sign and date in any colour ink except black

23/05/2019 Date..........Chairman
COLIN DRUMMOND

23/05/2019 Date..........Chief Executive
PETER LEWIS

Independent Auditors' Limited Assurance Report to the Council of Governors of Taunton and Somerset NHS Foundation Trust on the Annual Quality Report

We have been engaged by the Council of Governors of Taunton & Somerset NHS Foundation Trust to perform an independent assurance engagement in respect of Taunton & Somerset NHS Foundation Trust's Quality Report for the year ended 31 March 2019 (the 'Quality Report') and certain performance indicators contained therein.

Scope and subject matter

The indicators for the year ended 31 March 2019 subject to limited assurance consist of the following two national priority indicators:

- A&E: maximum waiting time of four hours from arrival to admission, transfer or discharge; and
- maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers.

We refer to these national priority indicators collectively as the 'indicators'.

Respective responsibilities of the directors and auditors

The directors are responsible for the content and the preparation of the Quality Report in accordance with the criteria set out in the NHS Foundation Trust Annual Reporting Manual issued by NHS Improvement.

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in the Detailed requirements for quality reports for foundation trusts 2018/19 ('the Guidance'); and
- the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the Guidance.

We read the other information contained in the Quality Report and consider whether it is materially inconsistent with:

- Board minutes and papers for the period April 2018 to May 2019;
- papers relating to quality reported to the board over the period April 2018 to May 2019;
- feedback from commissioners, dated 02 May 2019;
- feedback from governors, dated 02 May 2019;
- feedback from local Healthwatch organisations, dated 06 May 2019;
- feedback from Overview and Scrutiny Committee, dated 09 May 2019;
- the latest national patient survey, dated 03 May 2018;
- the latest national staff survey, dated 28 February 2019;
- Care Quality Commission Inspection, dated 5 December 2017;
- the 2018/19 Head of Internal Audit's annual opinion over the trust's control environment, dated 09 May 2019; and
- any other information included in our review.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with those documents (collectively, the 'documents'). Our responsibilities do not extend to any other information.

We are in compliance with the applicable independence and competency requirements of the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics. Our team comprised assurance practitioners and relevant subject matter experts.

This report, including the conclusion, has been prepared solely for the Council of Governors of Taunton & Somerset NHS Foundation Trust as a body, to assist the Council of Governors in reporting the NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2019, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicator. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and Taunton & Somerset NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) – ‘Assurance Engagements other than Audits or Reviews of Historical Financial Information’, issued by the International Auditing and Assurance Standards Board (‘ISAE 3000’). Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicator;
- making enquiries of management;
- testing key management controls;
- limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation;
- comparing the content requirements of the NHS Foundation Trust Annual Reporting Manual to the categories reported in the Quality Report; and
- reading the documents.

A limited assurance engagement is smaller in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable measurement techniques which can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these criteria, may change over time. It is important to read the quality report in the context of the criteria set out in the NHS Foundation Trust Annual Reporting Manual and supporting guidance.

The scope of our assurance work has not included governance over quality or the non-mandated indicator, which was determined locally by Taunton & Somerset 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 is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in the Guidance; and
- the indicators in the Quality Report subject to limited assurance have not been reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the Guidance.

KPMG LLP
Chartered Accountants
66 Queen Square
Bristol
BS1 4BE

23 May 2019

**Annual accounts for the year ended
31 March 2019**

Annual accounts for the year ended 31 March 2019

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Foreword to the accounts

Taunton & Somerset NHS Foundation Trust

These accounts, for the year ended 31 March 2019, have been prepared by Taunton & Somerset NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.

Signed



Name	Peter Lewis
Job title	Chief Executive
Date	23 May 2019



Independent auditor's report

to the Council of Governors of Taunton & Somerset NHS Foundation Trust

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

1. Our opinion is unmodified.

We have audited the financial statements of Taunton & Somerset NHS Foundation Trust ("the Trust") for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash Flows, and the related notes, including the accounting policies in note one.

In our opinion:

- the financial statements give a true and fair view of the state of the Trust's affairs as at 31 March 2019 and of its income and expenditure for the year then ended; and
- the Trust's financial statements have been properly prepared in accordance with the Accounts Direction issued under paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006, the NHS Foundation Trust Annual Reporting Manual 2018/19 and the Department of Health and Social Care Group Accounting Manual 2018/19.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Trust in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Overview

Materiality:	£6.0 million
Financial statements as a whole	1.9% of total income from operations

Risks of material misstatement

Recurring risks	Valuation of land and buildings
	Recognition of NHS and non-NHS income
	Non-Pay and Non-Depreciation Expenditure recognition

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below the key audit matters, in decreasing order of audit significance, in arriving at our audit opinion above, together with our key audit procedures to address those matters and our findings ("our results") from those procedures in order that the Trusts governors as a body may better understand the process by which we arrived at our audit opinion. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

	The risk	Our response
<p>Land and Buildings</p> <p>(£136.7 million; 2018: £141.6 million)</p> <p><i>Refer to page 9 (Audit Committee Report), page 9 (accounting policy) and page 26 (financial disclosures)</i></p>	<p>Subjective valuation</p> <p>Land and buildings are required to be held at current value. As hospital buildings are specialised assets and there is not an active market for them they are usually valued on the basis of the cost to replace them with an equivalent asset.</p> <p>When considering the cost to build a replacement asset the Trust may consider whether the asset would be built to the same specification or in the same location. Assumptions about changes to the asset must be realistic.</p> <p>Valuations are completed by an external expert, engaged by the Trust using construction indices and so accurate records of the current estate are required. Full valuations are completed every five years, with interim desktop valuations completed in interim periods.</p> <p>The Trust had a desktop valuation undertaken as at 31 March 2019.</p> <p>Valuations are inherently judgemental, therefore our work focused on whether the valuer's methodology, assumptions and underlying data, were appropriate and correctly applied.</p> <p>The effect of these matters is that, as part of our risk assessment, we determined that the valuation of land and buildings has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> — Assessing valuer's credentials: We considered the scope, qualifications and experience of the Trust's valuer, to identify whether the valuer was appropriately experienced and qualified to undertake the valuation; — Test of details: We undertook the following tests of details: <ul style="list-style-type: none"> ▪ We tested the completeness of the estate covered by the valuation to the Trust's underlying records of the estate held, including additions to land and buildings during the year; ▪ We critically assessed the assumptions used within the valuation by assessing the assumptions used to derive the carrying value of assets against BCIS all in tender price index and industry norms; ▪ We re-performed the calculation of gain or loss on revaluation for all applicable assets and checked whether the accounting entries were consistent with the NHS Group Accounting Manual; and ▪ For a sample of assets added during the year we agreed that an appropriate valuation basis had been adopted when they became operational and that the Trust would receive future benefits. <p>Our results:</p> <ul style="list-style-type: none"> — From the evidence obtained, we considered the valuation of land and buildings to be acceptable.

2. Key audit matters: our assessment of risks of material misstatement (cont.)

	The risk	Our response
<p>Recognition of NHS and non-NHS income</p> <p>(£322.5 million; 2018: £308.9 million)</p> <p><i>Refer to page 10 (Audit Committee Report), page 8 (accounting policy) and page 16 (financial disclosures).</i></p>	<p>Effects of Irregularities</p> <p>Of the Trust's reported total income, £284.4 million came from commissioners (Clinical Commissioning Groups (CCGs) and NHS England). Income from CCGs and NHS England makes up 88% of the Trust's income. The majority of income is contracted on an annual basis, but actual income is based on completing the planned level of activity and achieving key performance indicators (KPIs). If the Trust does not meet its contracted KPIs then Commissioners are able to impose fines, reducing the level of income from contracts.</p> <p>An agreement of balances exercise is undertaken between all NHS bodies to agree the value of transactions during the year and the amounts owed at the year end. 'Mismatch' reports are available, setting out discrepancies between the submitted balances from each party in transactions and variances over £300,000 are required to be reported to the National Audit Office to inform the audit of the Department of Health consolidated accounts.</p> <p>The Trust reported total income of £39.4 million (2018: £40.6 million) from other activities, principally, education and training and non-patient care activities. Much of this income is generated by contracts with other NHS and non-NHS bodies which are based on varied payment terms, including payment on delivery, milestone payments and periodic payments. The amount also includes £6.2 million (2018: £6.7 million) Provider Sustainability Funding (PSF) received from NHS Improvement. This is received subject to achieving defined financial and operational targets on a quarterly basis.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> — Control observation: We tested the design and operation of process level controls over revenue recognition; — Test of details: We undertook the following tests of details: <ul style="list-style-type: none"> — We agreed Commissioner income to the signed contracts and selected a sample of the largest balances (comprising 88% of income from patient care activities) to agree that they had been invoiced in line with the contract agreements and payment had been received; — We inspected invoices for material income in the month prior to and following 31 March 2019 to determine whether income was recognised in the correct accounting period, in accordance with the amounts billed to corresponding parties; — We assessed the outcome of the agreement of balances exercise with CCGs and other NHS providers and compared the values they are disclosing within their financial statements to the value of income captured in the financial statements. We sought explanations for any variances over £300,000, and all balances in dispute, and challenged the Trust's assessment of the level of income they were entitled to and the receipts that could be collected; — We assessed the Provider Sustainability Fund recorded in the financial statements and the Trust's performance against the required targets to confirm eligibility for the income and agreed bonus amounts to correspondence from NHSI; and — We tested material other income balances by agreeing a sample of income transactions through to supporting documentation and/or cash receipts.
		<p>Our results:</p> <ul style="list-style-type: none"> — The results of our testing were satisfactory and we found the recognition of NHS and non-NHS income to be acceptable.

2. Key audit matters: our assessment of risks of material misstatement (cont.)

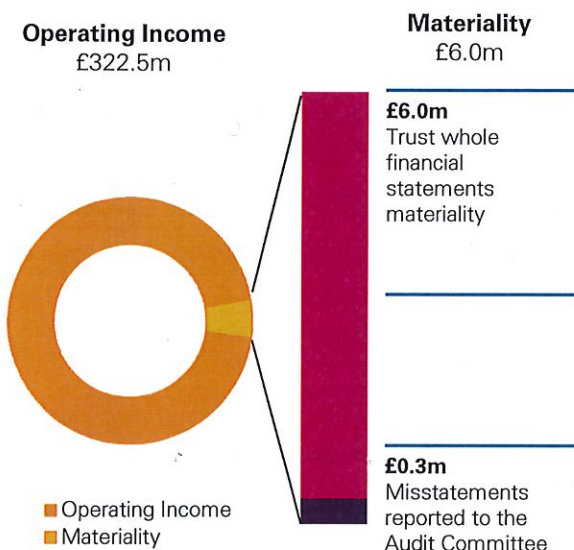
	The risk	Our response
<p>Non-pay expenditure accruals (£18.8 million; 2018: £12.6 million)</p> <p><i>Refer to page 12 (Audit Committee Report), page 8 (accounting policy) and page 19 (financial disclosures)</i></p>	<p>Effects of Irregularities</p> <p>In the public sector, auditors also consider the risk that material misstatements due to fraudulent financial reporting may arise from the manipulation of expenditure recognition (for instance by deferring expenditure to a later period). This may arise due to the audited body manipulating expenditure to meet externally set targets. As most public bodies are net spending bodies, then the risk of material misstatement due to fraud related to expenditure recognition may in some cases be greater than the risk of material misstatements due to fraud related to revenue recognition and so we had regard to this when planning and performing our audit procedures.</p> <p>This risk does not apply to all expenditure in the period. The incentives for fraudulent expenditure recognition relate to achieving financial targets and the key risks relate to the manipulation of recognition of non-pay expenditure at the year-end.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> — Control observation: We tested the design and operation of process level controls over expenditure approval; — Test of detail: Test of details: We undertook the following tests of details: <ul style="list-style-type: none"> ▪ We agreed a sample of accruals to underlying calculations and supporting post-year end evidence; ▪ We inspected invoices for material expenditure in the month prior to and following 31 March 2019 to determine whether expenditure was recognised in the correct accounting period relevant to when services were delivered; ▪ We assessed the completeness and judgements made within the expenditure balance, specifically accrued expenditure; and ▪ We assessed the outcome of the agreement of balances exercise with CCGs and other NHS providers and compared the values they are disclosing within their financial statements to the value of expenditure captured in the financial statements. We sought explanations for any variances over £300,000, and all balances in dispute.
		<p>Our results:</p> <ul style="list-style-type: none"> — The results of our testing were satisfactory and we found the recognition of non-pay expenditure accruals to be acceptable.

3. Our application of materiality

Materiality for the Trust financial statements as a whole was set at £6.0 million, determined with reference to a benchmark of operating income (of which it represents approximately 1.9%). We consider operating income to be more stable than a surplus- or deficit-related benchmark.

We agreed to report to the Audit Committee any corrected and uncorrected identified misstatements exceeding £300,000, in addition to other identified misstatements that warranted reporting on qualitative grounds.

Our audit of the Trust was undertaken to the materiality level specified above and was performed at Musgrove Park Hospital, Taunton.



4. We have nothing to report on going concern

The Accounting Officer has prepared the financial statements on the going concern basis as they have not been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

Our responsibility is to conclude on the appropriateness of the Accounting Officer's conclusions and, had there been a material uncertainty related to going concern, to make reference to that in this audit report. However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Trust will continue in operation.

In our evaluation of the Accounting Officer's conclusions, we considered the inherent risks to the Trust's business model, including the impact of Brexit, and analysed how those risks might affect the Trust's financial resources or ability to continue operations over the going concern period. We evaluated those risks and concluded that they were not significant enough to require us to perform additional audit procedures.

Based on this work, we are required to report to you if we have anything material to add or draw attention to in relation to the Accounting Officers statement in Note 1.2 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Trust's use of that basis for a period of at least twelve months from the date of approval of the financial statements.

We have nothing to report in these respects, and we did not identify going concern as a key audit matter.

5. We have nothing to report on the other information in the Annual Report

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

In our opinion the other information included in the Annual Report for the financial year is consistent with the financial statements

Remuneration report

In our opinion the part of the remuneration report to be audited has been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2018/19.

Corporate governance disclosures

We are required to report to you if:

- we have identified material inconsistencies between the knowledge we acquired during our financial statements audit and the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for stakeholders to assess the Trust's position and performance, business model and strategy; or
- the section of the annual report describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee; or
- the Annual Governance Statement does not reflect the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2018/19, is misleading or is not consistent with our knowledge of the Trust and other information of which we are aware from our audit of the financial statements.

We have nothing to report in these respects.

6. Respective responsibilities

Accounting Officer's responsibilities

As explained more fully in the statement set out on page 76, the Accounting Officer is responsible for the preparation of financial statements that give a true and fair view. They are also responsible for: such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

We have nothing to report on the statutory reporting matters

We are required by Schedule 2 to the Code of Audit Practice issued by the Comptroller and Auditor General ('the Code of Audit Practice') to report to you if:

- any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006.
- any matters have been reported in the public interest under Schedule 10(3) of the National Health Service Act 2006 in the course of, or at the end of the audit.

We have nothing to report in these respects.

Our conclusion on the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources is qualified/adverse

Under the Code of Audit Practice we are required to report to you if the Trust has not made proper arrangement for securing economy, efficiency and effectiveness in the use of resources.

Qualified conclusion

Subject to the matters outlined in the basis for qualified conclusion paragraph below we are satisfied that in all significant respects Taunton & Somerset NHS Foundation Trust put in place proper arrangements for securing economy, efficiency and effectiveness in the use of resources for the year ended 31 March 2019.

Basis for qualified conclusion

As at 31 March 2019, the Trust reported a £14.9 million deficit against a planned deficit for the year of £3.2 million.

The main drivers of the deficit were persistently high agency spend, underperformance of £2.3 million against Cost Improvement Plans for the year and a reduction in funding of £1.9m from commissioners that was agreed as part of system-wide working. This deterioration in financial performance resulted in a loss of Provider Sustainability Funding for Q4.

The Trust obtained working capital/revenue support loans from DHSC in February and March 2019 in order to manage its cash flow. This demonstrates weaknesses in the Trust's arrangements to plan its finances effectively to support the sustainable delivery of its strategic priorities and maintain its statutory functions.

Respective responsibilities in respect of our review of arrangements for securing economy, efficiency and effectiveness in the use of resources

The Trust is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of resources.

Under Section 62(1) and Schedule 10 paragraph 1(d), of the National Health Service Act 2006 we have a duty to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in the use of resources .

We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the specified criterion issued by the Comptroller and Auditor General (C&AG) in November 2017, as to whether the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. We planned our work in accordance with the Code of Audit Practice and related guidance. Based on our risk assessment, we undertook such work as we considered necessary.

Report on our review of the adequacy of arrangements for securing economy, efficiency and effectiveness in the use of resources

We are required by guidance issued by the C&AG under Paragraph 9 of Schedule 6 to the Local Audit and Accountability Act 2014 to report on how our work addressed any identified significant risks to our conclusion on the adequacy of the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources. The 'risk' in this case is the risk that we could come to an incorrect conclusion in respect of the Trust's arrangements, rather than the risk of the arrangements themselves being inadequate.

We carry out a risk assessment to determine the nature and extent of further work that may be required. Our risk assessment includes consideration of the significance of business and operational risks facing the Trust, insofar as they relate to 'proper arrangements'. This includes sector and organisation level risks and draws on relevant cost and performance information as appropriate, as well as the results of reviews by inspectorates, review agencies and other relevant bodies.

The significant risks identified during our risk assessment are set out below together with the findings from the work we carried out on each area.

Significant Risk	Description	Work carried out and judgements
Financial Sustainability	<p>Whilst the context of the financial challenges within the NHS is noted, the forecast deficit of £13.2 million and stretching Cost Improvement Plan target of £12.3 million presents a risk to our assessment of the adequacy of arrangements in place at the Trust specifically in relation to planning finances effectively.</p> <p>In order to deliver the control total deficit, the Trust needs to mitigate the risk of continued high levels of agency spend and identify Cost Improvement Plans to address the current gap of £3.3 million.</p>	<p>Our work included:</p> <ul style="list-style-type: none"> — Assessing the Trust’s arrangements for managing working capital, including the processes for forecasting and monitoring cash flows and delivering cash savings. — Considering the arrangements in place to deliver recurrent cost improvements by assessing the Trust Cost Improvement Plan delivery against the planned Cost Improvement Plan target and the use of recurrent and non-recurrent savings. — Comparing the Trust use of agency staff against the agency cap set by NHS Improvement. — Evaluating the Trust position as at 31 March 2019 against the forecast position and considering the future financial plans to assess the ongoing financial sustainability. <p>Our findings on this risk area:</p> <ul style="list-style-type: none"> — As at 31 March 2018 the Trust has reported a £14.9 million deficit against an original planned deficit of £3.2 million. — The Trust was required to take out working capital/revenue support loans with DHSC in February and March 2019 in order to manage the cash flow. — The Trust delivered £10.1 million of the £12.3 million Cost Improvement Plans for 2018/19, of which 35% are recurrent savings. — The Trust has incurred £10.5 million of agency expenditure against an agreed agency cap of £5.7 million. <p>These findings demonstrated weaknesses in the Trust’s arrangements to plan its finances effectively to support the sustainable delivery of its strategic priorities and maintain its statutory functions.</p>

THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006 and the terms of our engagement by the Trust. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust, as a body, those matters we are required to state to them in an auditor’s report, and the further matters we are required to state to them in accordance with the terms agreed with the Trust, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust, as a body, for our audit work, for this report, or for the opinions we have formed.

CERTIFICATE OF COMPLETION OF THE AUDIT

We certify that we have completed the audit of the accounts of Taunton & Somerset NHS Foundation Trust in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice issued by the National Audit Office.



Jonathan Brown

for and on behalf of KPMG LLP (Statutory Auditor)

Chartered Accountants
66 Queen Square,
Bristol, BS1 4BE
24 May 2019

Statement of Comprehensive Income for the Year Ended 31 March 2019

		2018/19	2017/18
	Note	£000	£000
Operating income from patient care activities	3	283,132	268,339
Other operating income	4	39,374	40,560
Operating expenses	6, 8	<u>(332,211)</u>	<u>(308,164)</u>
Operating (deficit)/Surplus from continuing operations		<u>(9,705)</u>	<u>735</u>
Finance income	11	82	30
Finance expenses	12	(1,634)	(1,726)
PDC dividends payable		<u>(3,859)</u>	<u>(3,967)</u>
Net finance costs		<u>(5,411)</u>	<u>(5,663)</u>
Other gains / (losses)	13	(4)	(177)
Share of profit of associates / joint arrangements	16	<u>236</u>	<u>90</u>
(deficit) for the year from continuing operations		<u>(14,884)</u>	<u>(5,015)</u>
(deficit) for the year		<u>(14,884)</u>	<u>(5,015)</u>
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Revaluations	15	<u>(1,120)</u>	<u>9,360</u>
Total comprehensive income / (expense) for the period		<u>(16,004)</u>	<u>4,345</u>

The notes on pages 14 to 58 form part of these accounts.

Statement of Financial Position as at 31 March 2019

		31 March 2019	31 March 2018
	Note	£000	£000
Non-current assets			
Intangible assets	14	13,071	11,418
Property, plant and equipment	15	171,107	169,967
Investments in associates and joint ventures	16	109	104
Receivables	19	1,340	1,301
Total non-current assets		185,627	182,790
Current assets			
Inventories	18	3,987	3,635
Receivables	19	17,047	12,436
Cash and cash equivalents	21	8,166	4,905
Total current assets		29,200	20,976
Current liabilities			
Trade and other payables	22	(38,119)	(28,234)
Borrowings	24	(6,934)	(1,975)
Provisions	26	(101)	(114)
Other liabilities	23	(4,987)	(2,808)
Total current liabilities		(50,141)	(33,131)
Total assets less current liabilities		164,686	170,635
Non-current liabilities			
Trade and other payables	22	(441)	(539)
Borrowings	24	(31,841)	(26,861)
Provisions	26	(769)	(832)
Other liabilities	23	(2,976)	(3,235)
Total non-current liabilities		(36,027)	(31,467)
Total assets employed		128,659	139,168
Financed by			
Public dividend capital		88,192	82,697
Revaluation reserve		53,482	54,724
Income and expenditure reserve		(13,015)	1,747
Total taxpayers' equity		128,659	139,168

The notes on pages 14 to 58 form part of these accounts.



Name	Peter Lewis
Position	Chief Executive
Date	23 May 2019

Statement of Changes in Equity for the year ended 31 March 2019

	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' equity at 1 April 2018 - brought forward	82,697	54,724	1,747	139,168
Surplus/(deficit) for the year	-	-	(14,884)	(14,884)
Revaluations	-	(1,120)	-	(1,120)
Transfer to retained earnings on disposal of assets	-	(122)	122	-
Public dividend capital received	5,495	-	-	5,495
Taxpayers' equity at 31 March 2019	88,192	53,482	(13,015)	128,659

* Following the implementation of IFRS 9 from 1 April 2018, the 'Available for sale investment reserve' is now renamed as the 'Financial assets reserve'

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

	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' equity at 1 April 2017 - brought forward	78,382	45,765	6,361	130,508
Surplus/(deficit) for the year	-	-	(5,015)	(5,015)
Revaluations	-	9,360	-	9,360
Transfer to retained earnings on disposal of assets	-	(401)	401	-
Public dividend capital received	4,315	-	-	4,315
Taxpayers' equity at 31 March 2018	82,697	54,724	1,747	139,168

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 and Social Care as the public dividend capital dividend.

Revaluation reserve

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

Income and Expenditure Reserve

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

Statement of Cash Flows for the Year Ended 31 March 2019

	2018/19	2017/18
Note	£000	£000
Cash flows from operating activities		
Operating surplus / (deficit)	(9,705)	735
Non-cash income and expense:		
Depreciation and amortisation	6.1 9,615	8,754
Net impairments	7 4,271	1,981
Income recognised in respect of capital donations	4 (804)	(964)
Amortisation of PFI deferred credit	(259)	(259)
(Increase) / decrease in receivables and other assets	(4,497)	(1,271)
(Increase) / decrease in inventories	(352)	134
Increase / (decrease) in payables and other liabilities	10,144	34
Increase / (decrease) in provisions	(75)	(63)
Other movements in operating cash flows	-	-
Net cash generated from / (used in) operating activities	8,338	9,081
Cash flows from investing activities		
Interest received	82	30
Purchase of intangible assets	(2,713)	(3,681)
Purchase of property, plant, equipment and investment property	(10,558)	(7,063)
Sales of property, plant, equipment and investment property	-	1,020
Receipt of cash donations to purchase capital assets	804	964
Net cash generated from / (used in) investing activities	(12,385)	(8,730)
Cash flows from financing activities		
Public dividend capital received	5,495	4,315
Movement on loans from the Department of Health and Social Care	8,609	(648)
Capital element of finance lease rental payments	(611)	(567)
Capital element of PFI, LIFT and other service concession payments	(768)	(1,026)
Interest on loans	(302)	(274)
Interest paid on finance lease liabilities	(350)	(394)
Interest paid on PFI, LIFT and other service concession obligations	(982)	(1,019)
PDC dividend (paid) / refunded	(4,014)	(3,963)
Cash flows from (used in) other financing activities	231	103
Net cash generated from / (used in) financing activities	7,308	(3,473)
Increase / (decrease) in cash and cash equivalents	3,261	(3,122)
Cash and cash equivalents at 1 April - brought forward	4,905	8,027
Cash and cash equivalents at 31 March	21.1 8,166	4,905

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 (IFRS) 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, intangible assets, inventories and certain financial assets and financial liabilities.

Note 1.2 Going concern

These accounts have been prepared on a going concern basis.

International Accounting Standards (IAS1) require the directors to assess, as part of the accounts preparation process, the Foundation Trust's ability to continue as a going concern. In accordance with the NHS Foundation Trust Annual Reporting Manual paragraph 3.20, the accounts should be prepared on a going concern basis unless the directors either intend to apply to the Secretary of State for the dissolution of the Foundation Trust without the transfer of the services to another entity, or have no realistic alternative but to do so.

The Trust has developed detailed financial plans for the financial year to the end of March 2020 and these show a deficit position of £6,000,000 on the NHS Improvement control total basis and £5,652,000 after taking account of donated asset related movements. The planned level of deficit will potentially require the use of interim revenue support loan facilities from the Department of Health and Social Care. The Trust has utilised interim revenue support loan facilities during both the 2017/18 and 2018/19 financial years and expects these facilities to continue to be available. For this reason, the Directors consider it appropriate to continue to adopt the going concern basis in preparing the accounts.

The accounts do not include any adjustments that would result if the Foundation Trust was unable to continue as a going concern.

Note 1.3 Interests in other entities

Joint ventures

Joint ventures are arrangements in which the Trust has joint control with one or more other parties, and where it has the rights to the net assets of the arrangement. IFRS 11 specifies that since the Trust does not have subsidiaries that are consolidated and does not therefore produce consolidated accounts, the Trust is required to prepare 'economic interest' accounts in which interests in joint ventures are accounted for using the equity method.

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). There was no overall impact on the income and expenditure position of the Trust.

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for health care services. A performance obligation relating to delivery of a spell of health care is generally satisfied over time as healthcare is received and consumed simultaneously by the customer as the Trust performs it. The customer in such a contract is the commissioner, but the customer benefits as services are provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligns with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that are substantially the same and have a similar pattern of transfer. At the year end, the Trust accrues income relating to activity delivered in that year, where a patient care spell is incomplete.

Revenue 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. No significant contract challenges have been received this financial year.

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. No penalties have been incurred in this financial year.

NHS injury cost recovery scheme

The Trust receives income under the NHS injury cost recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

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 the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider, the corresponding notional expense is also recognised at the point of recognition for the benefit.

Note 1.4.3 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.

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.
- it forms part of the initial equipping and setting up costs of a new build or refurbishment of a ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, 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 corporate 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.

Property assets

The fair value of land and buildings is determined by valuations carried out by the Trust's valuer GVA. The valuations are carried out in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual and are carried out primarily on the basis of Depreciated Replacement Cost (DRC) which is measured on a Modern Equivalent Asset basis for specialised operational property. Non-specialised operational property is measured on an Existing Use Value.

A full valuation (excluding assets under construction/work in progress) was undertaken as at 1 April 2016. A subsequent desktop valuation has been carried out for 31 March 2019. This value, together with indexation applied to buildings in line with the Valuers advice has been included in the closing Statement of Financial Position.

The component elements of each property asset are depreciated individually where the value of the component parts are judged to be material in relation to the overall value of that asset and where the useful economic lives of the components are significantly different from that of the overall property asset. The component parts that are individually depreciated by the Trust are building structures, engineering elements and external works.

The value of land for existing use purposes is assessed at existing use value. For non-operational properties including surplus land, the valuations are carried out at open market value. GVA have supplied amended estimates of the diminution in value relating to operational buildings scheduled for imminent closure and subsequent demolition. These buildings have been written down in the accounts to these values. Open market values have also been provided for land and residences.

It is impracticable to disclose the extent of the possible effects of an assumption or another source of estimation uncertainty at the end of the reporting period. On the basis of existing knowledge, outcomes within the next financial year that are different from the assumption around the valuation of our land, property, plant and equipment could require a material adjustment to the carrying amount of the asset or liability recorded in note 15

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.

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' cease 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 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.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of operating expenses.

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.

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 1.7.3 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 1.7.4 Private Finance Initiative (PFI) and Local Improvement Finance Trust (LIFT) transactions

PFI transactions which meet the International Financial Reporting Interpretations Committee (IFRIC) 12 definition of a service concession, as interpreted in HM Treasury's Financial Reporting Manual (*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 service charge is recognised in operating expenses and the finance cost is charged to finance costs in the Statement of Comprehensive Income.

Lifecycle replacement

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

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

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

Note 1.7.5 Useful lives of property, plant and equipment

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	Min life Years	Max life Years
Land	-	-
Buildings, excluding dwellings	4	61
Dwellings	8	16
Plant & machinery	5	25
Transport equipment	5	10
Information technology	5	8
Furniture & fittings	4	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. Purchased computer software licences are capitalised as intangible non-current assets where expenditure of at least £5,000 is incurred and these are amortised over the shorter of the term of the licence and their useful lives.

Note 1.8.2 Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 of IFRS 5.

Intangible assets held for sale are measured at the lower of their carrying amount or “fair value less costs to sell”.

Amortisation

Intangible assets are amortised over their expected useful lives in a manner consistent with the consumption of economic or service delivery benefits.

Note 1.8.3 Useful economic life of intangible assets

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	Min life Years	Max life Years
Software licences	8	10

Note 1.9 Inventories

Inventories are valued at the lower of cost and net realisable value. Due to the high turnover of stocks within the Trust, current costs are used as a fair estimate of first in/ first out valuation.

Note 1.10 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

Note 1.11 Financial assets and financial liabilities

Note 1.11.1 Recognition

Financial assets and financial liabilities arise where the Trust is party to the contractual provisions of a financial instrument, and as a result has a legal right to receive or a legal obligation to pay cash or another financial instrument. The GAM expands the definition of a contract to include legislation and regulations which give rise to arrangements that in all other respects would be a financial instrument and do not give rise to transactions classified as a tax by ONS.

This includes the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements and are recognised when, and to the extent which, performance occurs, 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 are classified as subsequently measured at amortised cost.

Financial liabilities classified as subsequently measured at amortised cost.

Financial assets and financial liabilities at amortised cost

Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable.

After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income and a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

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.

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.

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 27.2 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 26 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 26, 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 Trust is a Health Service Body within the meaning of s986 Corporation Taxes Act 2010. Accordingly it is not liable to corporation tax. The Trust is also exempt from tax on chargeable gains under s271(3) Taxation of Chargeable Gains Act 1992.

There is, however, a power for HM Treasury to submit an order to Parliament which will dis-apply the corporation tax exemption in relation to particular activities of an NHS Foundation Trust (s987 Corporation Taxes Act 2010).

Accordingly, the Trust is potentially within the scope of corporation tax in respect of activities to be specified in the order which are not related to, or ancillary to, the provision of healthcare, and where the profits therefrom exceed £50,000 per annum. Until such an order is approved by Parliament, the Trust has no corporation tax liability.

Note 1.18 Foreign exchange

The functional and presentational currency of the trust is sterling.

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

Where the trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

- monetary items are translated at the spot exchange rate on 31 March
- non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction and
- non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

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

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

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.

Note 1.22 Critical judgements in applying accounting policies

The following are the judgements, apart from those involving estimations (see below) that management has made in the process of applying the trust accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Value of land, buildings and dwellings £136.7 million (2017-18 £141.5million): This is the most significant estimate in the accounts and is based on the professional judgement of the Trust's independent valuer with extensive knowledge of the physical estate and market factors. The value does not take into account potential future changes in market value which cannot be predicted with any certainty. Note 1.7.2 gives details of the valuation methods used in these accounts. Note 7 and Note 15 give details of Impairment and Revaluation movements.

Note 1.23 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2018/19.

Note 1.24 Standards, amendments and interpretations in issue but not yet effective or adopted

IFRS 16 came into force on the 1 January 2019. However as per guidance from HM Treasury, NHS Providers are able to defer the implementation of this standard until 1 January 2020. No early adoption is allowed and the requirements will be applicable to the public sector for the 2020/21 financial year.

Note 2 Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board that makes strategic decisions. The Taunton and Somerset NHS Foundation Trust is managed by the Board of Directors, which is made up of both Executive and Non-Executive Directors. The Board is responsible for strategically and operationally leading the work of the hospital. The Non-Executive Directors bring external expertise to the organisation and provide advice and guidance to the Executive Directors. The Executive Directors take care of the day to day running of the hospital.

The Board is therefore considered to be the Chief Operating Decision Maker (CODM) of the hospital.

The monthly financial information presented to the Board includes a trust level Statement of Comprehensive Income, a Statement of Financial Position, a Statement of Cash flows and other financial indicators such as the continuity of service risk rating. For the majority of the year, the segmental expenditure data is included in the overall performance report by way of a separate note which summarises the contributions of the directorates, and separately identifies reserves and central budgets. The detail includes current period and year to date data, in each case comparing actual data to plan. The commentary also includes the Directorates' contribution to trust wide initiatives, such as cost improvement programmes. Other information reported to the Board is specifically analysed for its purpose, for example trust pay spend against budget analysed by employee groups and income stream expectations by type (NHS Clinical, non NHS etc) compared to actual achieved. Information such as delivery of the savings plan is a trust wide position paper but detailed into the areas tasked with implementing savings.

The Trust has used three key factors in its identification of its reportable operating segments. The key factors are that the reportable operating segment:

- a) engages in activities from which it earns revenues and incurs expenses;
- b) reports financial results which are regularly reviewed by the Trust's board of directors to make decisions about allocation of resources to the segment and to assess its performance; and
- c) has discrete financial information.

The Trust's reportable segments and services provided are:

Acute Medicine

The services provided by this operating segment include A&E, Cardiology, Care of the Elderly, Endocrinology, Neurology, Rehabilitation, Respiratory and Stroke.

Surgery and Critical Care

The services provided by this operating segment include Gastroenterology, Upper and Lower GI Surgery, Nephrology, Vascular, Breast Care Centre, Dermatology, Genitourinary Medicine (GUM), Urology, Orthopaedics, Rheumatology, Theatres, ITU/HDU, Anaesthetics, Sterile Services, Pre-op Assessment, Surgical Admissions and Pain Services.

HOPE and Clinical Support

The services provided by this operating segment include the dedicated cancer centre, Haematology & Oncology, Pharmacy, Therapies, Pathology, Imaging and other diagnostic testing. It is responsible for the management of the Trusts Clinical Trials/Research Unit.

Corporate

This segment provides corporate management for the Trust and includes the administrative aspects of governance and professional management of all clinical staff, the Trust Board, Finance, Information and IT, Organisational Development, Performance Development, Operational Management and Education and Training.

Operational Management

The service provided by this segment include central clinical functions of operational managers, clinical site managers, discharge coordination, patient transport, home first activities and winter response actions.

Women & Children

The services provided by this operating segment include Reproductive Medicine, EPAC, Gynaecology, Maternity and Paediatrics (including SNICU).

Note 2.1 Operating Segments

For the year ended 31 March 2019

	Acute Medicine £000	Hope - Clinical Support £000	Corporate £000	Operational Management £000	Surgery and Critical care £000	Women and Children £000	Total £000
Income	78,371	54,621	40,318	2,460	109,355	37,712	322,837
Non Pay	(14,482)	(46,470)	(44,288)	(2,430)	(26,608)	(3,543)	(137,821)
Pay	(48,303)	(28,806)	(36,330)	(4,770)	(60,818)	(20,873)	(199,900)
Surplus/ (Deficit)	15,586	(20,655)	(40,300)	(4,740)	21,929	13,296	(14,884)

For the year ended 31 March 2018

	Acute Medicine £000	Hope - Clinical Support £000	Corporate £000	Operational Management £000	Surgery and Critical care £000	Women and Children £000	Total £000
Income	76,250	51,707	34,649	2,021	107,177	37,235	309,039
Non Pay	(13,195)	(42,490)	(46,751)	(1,714)	(26,174)	(3,542)	(133,866)
Pay	(45,911)	(27,145)	(26,360)	(3,182)	(57,169)	(20,421)	(180,188)
Surplus/ (Deficit)	17,144	(17,928)	(38,462)	(2,875)	23,834	13,272	(5,015)

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
Elective income	44,112	41,936
Non elective income	89,245	84,751
First outpatient income	22,977	20,853
Follow up outpatient income	23,585	22,218
A & E income	10,580	9,709
High cost drugs income from commissioners (excluding pass-through costs)	30,054	29,245
Other NHS clinical income	54,632	54,436
All services		
Private patient income	2,225	2,421
Agenda for Change pay award central funding	2,826	-
Other clinical income	2,896	2,770
Total income from activities	283,132	268,339

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	58,095	54,861
Clinical commissioning groups	217,369	208,287
Department of Health and Social Care	2,830	-
Other NHS providers	91	106
NHS other	51	335
Non-NHS: private patients	2,181	2,421
Non-NHS: overseas patients (chargeable to patient)	44	-
Injury cost recovery scheme	638	870
Non NHS: other	1,833	1,459
Total income from activities	283,132	268,339
Of which:		
Related to continuing operations	283,132	268,339

NHS Injury Scheme income is subject to a provision for doubtful debts of 21.89% (22.84% in 2017/18) to reflect expected rates of collection.

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

	2018/19	2017/18
	£000	£000
Income recognised this year	44	-

Note 4 Other operating income

	2018/19	2017/18
	£000	£000
Other operating income from contracts with customers:		
Research and development (contract)	1,852	1,666
Education and training (excluding notional apprenticeship levy income)	14,262	14,475
Non-patient care services to other bodies *	14,239	14,083
Provider sustainability / sustainability and transformation fund income (PSF / STF)	6,223	6,712
Income in respect of employee benefits accounted on a gross basis	487	520
Other contract income	739	1,440
Other non-contract operating income		
Education and training - notional income from apprenticeship fund	228	168
Receipt of capital grants and donations	804	964
Rental revenue from operating leases	281	273
Amortisation of PFI deferred income / credits	259	259
Total other operating income	39,374	40,560
Of which:		
Related to continuing operations	39,374	40,560

* Non patient care services to other bodies includes income for Pharmacy, Estates, HR and IT services provided to other NHS bodies.

Note 5.1 Additional information on revenue from contracts with customers recognised in the period

	2018/19
	£000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	1,072
Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods	-

The trust has exercised the practical expedients permitted by IFRS 15 paragraph 121 in preparing this disclosure. Revenue from (i) contracts with an expected duration of one year or less and (ii) contracts where the trust recognises revenue directly corresponding to work done to date is not disclosed.

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	278,015	263,148
Income from services not designated as commissioner requested services	42,130	45,751
Total	<u>320,145</u>	<u>308,899</u>

Note 5.2 Profits and losses on disposal of property, plant and equipment

One item of medical equipment with a net book value of £4,000 was written off during the year

Note 6.1 Operating expenses

	2018/19	2017/18
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	1,102	2,875
Purchase of healthcare from non-NHS and non-DHSC bodies	15,507	14,575
Staff and executive directors costs	200,246	186,074
Remuneration of non-executive directors	145	141
Supplies and services - clinical (excluding drugs costs)	26,036	25,482
Supplies and services - general	3,025	3,329
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	33,820	32,354
Consultancy costs	601	237
Establishment	2,857	1,694
Premises	14,556	10,310
Transport (including patient travel)	395	1,149
Depreciation on property, plant and equipment	7,975	7,417
Amortisation on intangible assets	1,640	1,337
Net impairments	4,271	1,981
Movement in credit loss allowance: contract receivables / contract assets	(73)	-
Movement in credit loss allowance: all other receivables and investments	-	46
Change in provisions discount rate(s)	(12)	9
Audit fees payable to the external auditor		
audit services- statutory audit	64	85
other auditor remuneration (external auditor only)	8	2
Internal audit costs	153	96
Clinical negligence	10,060	10,738
Legal fees	319	388
Insurance	225	229
Research and development	54	87
Education and training	914	970
Rentals under operating leases	610	540
Redundancy	23	96
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT)	3,537	2,822
Hospitality	40	40
Losses, ex gratia & special payments	16	33
Other services, eg external payroll	375	424
Other*	3,722	2,604
Total	332,211	308,164
Of which:		
Related to continuing operations	332,211	308,164

* Other expenditure includes non-pay expenditure on South West Psychology Students £565,000 (2017/18 £0), Overseas Nurses recruitment including visas £379,000 (2017/18 £0), Alliance & potential merger costs £210,000 (2017/18 £0), apprenticeship levy costs £815,000 (2017/18 £641,000) and Somerset Home First Service £750,000 (2017/18 £0).

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	8	2
Total	<u>8</u>	<u>2</u>

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 surplus / deficit resulting from:		
Other	4,271	1,981
Total net impairments charged to operating surplus / deficit	<u>4,271</u>	<u>1,981</u>
Impairments charged to the revaluation reserve	-	-
Total net impairments	<u>4,271</u>	<u>1,981</u>

The Trust's land, buildings and dwellings were revalued by GVA as at 31 March 2019 based on a desktop review. A full valuation was undertaken as at 1 April 2016. The Trust's specialised buildings and associated land have been valued using the depreciated replacement cost method, based upon provision of a modern equivalent asset (MEA). A fundamental principle of MEA valuations is that a hypothetical buyer would purchase the least expensive site that would be suitable and appropriate for the existing operations. The valuation of the Trust's specialised land and buildings has therefore been based upon the Trust hypothetically being located on a suitable alternative site away from the town centre, where the cost of the land would be significantly lower, but where the Trust would still be able to re-provide its services. Applying these MEA revaluations has resulted in a net overall decrease of £5,391,000 in the value of the Trust's estate. This decrease in value of the Trust's estate is recorded in property, plant and equipment. £4,271,000 has been recognised as a net impairment charged to the Statement of Comprehensive Income and the remaining £1,120,000 has been recognised as an decrease to the revaluation reserve.

Note 8 Employee benefits

	2018/19	2017/18
	Total	Total
	£000	£000
Salaries and wages	156,949	147,461
Social security costs	15,353	13,394
Apprenticeship levy	757	704
Employer's contributions to NHS pensions	19,051	17,768
Pension cost - other	-	-
Other post employment benefits	-	-
Other employment benefits	7	-
Termination benefits	23	96
Temporary staff (including agency)	10,538	8,793
Total gross staff costs	202,678	188,216
Recoveries in respect of seconded staff	(487)	(520)
Total staff costs	202,191	187,696
Of which		
Costs capitalised as part of assets	1,915	1,525

Note 8.1 Retirements due to ill-health

During 2018/19 there were no early retirements from the trust agreed on the grounds of ill-health (1 in the year ended 31 March 2018). The estimated additional pension liabilities of these ill-health retirements is £0k (£40k 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	2017/18
	Total	Total
	£000	£000
Salary	1,232	977
Employer's National Insurance contributions	153	128
Employer's pension contributions	152	127
Total	1,537	1,232

Further details of directors' remuneration can be found in the remuneration report.

Benefits are accruing under the NHS defined benefit pension scheme to 9 of the Directors (2017/18: 9). No benefits are accruing under any money purchase schemes.

There were no other advances or guarantees existing with any of the Directors as at 31 March 2019 (2017/18: Nil).

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 in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

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

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2019, is based on valuation data as 31 March 2018, updated to 31 March 2019 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019. The Department of Health and Social Care have recently laid Scheme Regulations confirming that the employer contribution rate will increase to 20.6% of pensionable pay from this date.

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgment from the Court of Appeal in December 2018 Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process.

Note 10 Operating leases

Note 10.1 Taunton & Somerset NHS Foundation Trust as a lessor

This note discloses income generated in operating lease agreements where Taunton & Somerset NHS Foundation Trust is the lessor.

Income is generated from catering concessions.

	2018/19 £000	2017/18 £000
Operating lease revenue		
Other	281	273
Total	<u>281</u>	<u>273</u>
	31 March 2019 £000	31 March 2018 £000
Future minimum lease receipts due:		
- not later than one year;	281	273
- later than one year and not later than five years;	926	1,092
- later than five years.	-	122
Total	<u>1,207</u>	<u>1,487</u>

Note 10.2 Taunton & Somerset NHS Foundation Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where Taunton & Somerset NHS Foundation Trust is the lessee.

	2018/19 £000	2017/18 £000
Operating lease expense		
Minimum lease payments	610	540
Total	<u>610</u>	<u>540</u>
	31 March 2019 £000	31 March 2018 £000
Future minimum lease payments due:		
- not later than one year;	454	425
- later than one year and not later than five years;	1,070	356
- later than five years.	2,150	2,486
Total	<u>3,674</u>	<u>3,267</u>
Future minimum sublease payments to be received	-	-

Note 11 Finance income

Finance income represents interest received on assets and investments in the period.

	2018/19	2017/18
	£000	£000
Interest on bank accounts	82	30
Total finance income	82	30

Note 12.1 Finance expenditure

Finance expenditure represents interest and other charges involved in the borrowing of money.

	2018/19	2017/18
	£000	£000
Interest expense:		
Loans from the Department of Health and Social Care	327	296
Finance leases	326	372
Main finance costs on PFI and LIFT schemes obligations	982	1,019
Total interest expense	1,635	1,687
Unwinding of discount on provisions	(1)	39
Total finance costs	1,634	1,726

Note 12.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015

	2018/19	2017/18
	£000	£000
Total liability accruing in year under this legislation as a result of late payments	-	-
Amounts included within interest payable arising from claims under this legislation	-	-
Compensation paid to cover debt recovery costs under this legislation	-	-

Note 13 Other gains / (losses)

	2018/19	2017/18
	£000	£000
Gains on disposal of assets	-	-
Losses on disposal of assets	(4)	(177)
Total gains / (losses) on disposal of assets	(4)	(177)

Note 14.1 Intangible assets - 2018/19

	Software licences £000	Intangible assets under construction £000	Total £000
Valuation / gross cost at 1 April 2018 - brought forward	13,503	3,335	16,838
Additions	960	2,333	3,293
Reclassifications	3,670	(3,670)	-
Disposals / derecognition	(2,003)	-	(2,003)
Valuation / gross cost at 31 March 2019	16,130	1,998	18,128
Amortisation at 1 April 2018 - brought forward	5,420	-	5,420
Provided during the year	1,640	-	1,640
Disposals / derecognition	(2,003)	-	(2,003)
Amortisation at 31 March 2019	5,057	-	5,057
Net book value at 31 March 2019	11,073	1,998	13,071
Net book value at 1 April 2018	8,083	3,335	11,418

Note 14.2 Intangible assets - 2017/18

	Software licences £000	Intangible assets under construction £000	Total £000
Valuation / gross cost at 1 April 2017 - as previously stated	11,521	1,646	13,167
Prior period adjustments	-	-	-
Valuation / gross cost at 1 April 2017 - restated	11,521	1,646	13,167
Additions	78	3,611	3,689
Reclassifications	1,922	(1,922)	-
Disposals / derecognition	(18)	-	(18)
Valuation / gross cost at 31 March 2018	13,503	3,335	16,838
Amortisation at 1 April 2017 - as previously stated	4,101	-	4,101
Provided during the year	1,337	-	1,337
Disposals / derecognition	(18)	-	(18)
Amortisation at 31 March 2018	5,420	-	5,420
Net book value at 31 March 2018	8,083	3,335	11,418
Net book value at 1 April 2017	7,420	1,646	9,066

Note 15 Property, plant and equipment - 2018/19

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation/gross cost at 1 April 2018 - brought forward	8,546	130,672	2,338	5,116	48,294	81	8,627	5,707	209,381
Additions	-	1,168	-	8,938	2,078	-	1,752	625	14,561
Impairments	-	(4,879)	(85)	-	-	-	-	-	(4,964)
Reversals of impairments	15	-	-	-	-	-	-	-	15
Revaluations	102	(3,802)	27	-	-	-	-	-	(3,673)
Reclassifications	-	2,663	80	(5,207)	1,422	-	967	75	-
Disposals / derecognition	-	(51)	-	-	(6,963)	(18)	(1,300)	(1,552)	(9,884)
Valuation/gross cost at 31 March 2019	8,663	125,771	2,360	8,847	44,831	63	10,046	4,855	205,436
Accumulated depreciation at 1 April 2018 - brought forward	-	11	-	-	30,091	45	5,887	3,380	39,414
Provided during the year	-	3,171	96	-	3,101	5	1,279	323	7,975
Impairments	-	(637)	(9)	-	-	-	-	-	(646)
Reversals of impairments	-	(32)	-	-	-	-	-	-	(32)
Revaluations	-	(2,466)	(87)	-	-	-	-	-	(2,553)
Reclassifications	-	-	-	-	(1)	-	-	1	-
Disposals / derecognition	-	-	-	-	(6,959)	(18)	(1,300)	(1,552)	(9,829)
Accumulated depreciation at 31 March 2019	-	47	-	-	26,232	32	5,866	2,152	34,329
Net book value at 31 March 2019	8,663	125,724	2,360	8,847	18,599	31	4,180	2,703	171,107
Net book value at 1 April 2018	8,546	130,661	2,338	5,116	18,203	36	2,740	2,327	169,967

Note 15.1 Property, plant and equipment - 2017/18

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation / gross cost at 1 April 2017 - as previously stated	8,156	122,462	2,150	5,841	45,439	110	12,423	5,828	202,409
Additions	-	1,119	1	6,389	1,987	-	32	39	9,567
Impairments	-	(4,534)	(40)	-	-	-	-	-	(4,574)
Reversals of impairments	390	1,443	18	-	-	-	-	-	1,851
Revaluations	-	6,967	169	-	-	-	-	-	7,136
Reclassifications	-	3,215	40	(7,105)	2,684	-	1,123	43	-
Transfers to / from assets held for sale	-	-	-	-	(1,765)	-	-	-	(1,765)
Disposals / derecognition	-	-	-	(9)	(51)	(29)	(4,951)	(203)	(5,243)
Valuation/gross cost at 31 March 2018	8,546	130,672	2,338	5,116	48,294	81	8,627	5,707	209,381
Accumulated depreciation at 1 April 2017 - as previously stated	-	24	-	-	27,606	69	9,767	3,301	40,767
Provided during the year	-	2,876	77	-	3,109	5	1,068	282	7,417
Impairments	-	(103)	(3)	-	-	-	-	-	(106)
Reversals of impairments	-	(632)	(4)	-	-	-	-	-	(636)
Revaluations	-	(2,154)	(70)	-	-	-	-	-	(2,224)
Transfers to / from assets held for sale	-	-	-	-	(578)	-	-	-	(578)
Disposals / derecognition	-	-	-	-	(46)	(29)	(4,948)	(203)	(5,226)
Accumulated depreciation at 31 March 2018	-	11	-	-	30,091	45	5,887	3,380	39,414
Net book value at 31 March 2018	8,546	130,661	2,338	5,116	18,203	36	2,740	2,327	169,967
Net book value at 1 April 2017	8,156	122,438	2,150	5,841	17,833	41	2,656	2,527	161,642

Note 15.2 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	8,663	104,099	2,360	7,944	9,824	4	2,934	1,866	137,694
Finance leased	-	-	-	-	4,551	-	-	326	4,877
On-SoFP PFI contracts and other service concession arrangements	-	20,413	-	-	1,335	-	1,235	-	22,983
Owned - donated	-	1,212	-	903	2,889	27	11	511	5,553
NBV total at 31 March 2019	8,663	125,724	2,360	8,847	18,599	31	4,180	2,703	171,107

Note 15.3 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	8,546	108,541	2,338	5,116	9,678	4	2,715	1,701	138,639
Finance leased	-	-	-	-	4,935	-	-	367	5,302
On-SoFP PFI contracts and other service concession arrangements	-	20,855	-	-	690	-	10	-	21,555
Owned - donated	-	1,265	-	-	2,900	32	15	259	4,471
NBV total at 31 March 2018	8,546	130,661	2,338	5,116	18,203	36	2,740	2,327	169,967

Note 15.4 Revaluations of property, plant and equipment

The Trust's land, buildings and dwellings were revalued by GVA as at 31 March 2019. The Trust's specialised buildings and associated land have been valued using the depreciated replacement cost method, based upon provision of a modern equivalent asset (MEA). A fundamental principle of MEA valuations is that a hypothetical buyer would purchase the least expensive site that would be suitable and appropriate for the existing operations. The valuation of the Trust's specialised land and buildings has therefore been based upon the Trust hypothetically being located on a suitable alternative site away from the town centre, where the cost of the land would be significantly lower, but where the Trust would still be able to re-provide its services. The valuation was carried out in accordance with the terms of the Royal Institute of Chartered Surveyors valuation standard and in accordance with the revaluation model set out in IAS 16.

As shown in note 7, this identified a £5.391m decrease in the value of the Trust's land, buildings and dwellings. Of this decrease, (£4.271m) has been accounted for as an impairment to the Statement of Comprehensive income and the remaining £1.120m has been recognised as an decrease to the revaluation reserve.

Note 16 Investments in associates and joint ventures

	2018/19	2017/18
	£000	£000
Carrying value at 1 April - brought forward	104	117
Share of profit / (loss)	236	90
Disbursements / dividends received	(231)	(103)
Carrying value at 31 March	109	104

The Trust holds a 51.4% share of each of Southwest Pathology Services LLP (SPS LLP), Southwest Path Services LLP (services LLP) and SPS Facilities LLP (LLP). The joint venture, Southwest Pathology Services LLP (SPS LLP), was established to deliver and develop laboratory based pathology services throughout the region. Laboratory processing of tests is carried out by SPS LLP, whilst responsibility for the interpretation of the test results remains with the Trust. The Trust has retained customer contracts for the provision of a complete pathology service with GPs, independent sector providers and other third parties and SPS LLP charges the trust for the cost of processing those tests. During 2013/14 the trust entered into another Joint Venture partnership with Integrated Pathology Partnerships Ltd and Yeovil District Hospital NHS Foundation trust. This 'sister' joint venture, Southwest Path Services LLP, was established to deliver a range of additional testing services to trusts, including point of care testing of patients' glucose levels. These entities are jointly controlled by the Trust, Yeovil District Hospital NHS FT and Integrated Pathology Partnership Ltd. The arrangements are treated as a joint venture and are accounted for using equity accounting, such that 51.4% of the surplus / (deficit) made is included in the trust's SOCI and 51.4% of the net assets of the Joint Venture are included in the SOFP of the trust. In 2014/15 SPS LLP was restructured to form SPS LLP and SPS Facilities LLP.

	SPS LLP		Southwest Path Services		Southwest Facilities LLP		Combined	
	2018/19	2017/18	2018/19	2017/18	2018/19	2017/18	2018/19	2017/18
	£000	£000	£000	£000	£000	£000	£000	£000
Profit and loss account								
Turnover	7,782	7,223	211	353	7,299	6,501	15,292	14,077
Cost of sales	(7,183)	(6,787)	(210)	(348)	(6,775)	(6,142)	(14,168)	(13,277)
Gross Profit	599	436	1	5	524	359	1,124	800
Operating Expenditure	(326)	(326)	(5)	(3)	(298)	(300)	(629)	(629)
Profit before tax	273	110	(4)	2	226	59	495	171
Trust's share of profit in Statement of Comprehensive Income	140	57	(2)	1	116	30	254	88
Statement of Financial Position								
Non current assets								
Current assets	189	290	44	89	231	233	464	612
	189	290	44	89	231	233	464	612
Payables: amounts due within one year	(103)	(191)	(11)	(52)	(138)	(167)	(252)	(410)
	0	0	0	0	0	0	0	0
	(103)	(191)	(11)	(52)	(138)	(167)	(252)	(410)
Net Assets	86	99	33	37	93	66	212	202
Statement Of Financial Position	44	51	17	19	48	34	109	104

Note 17 Disclosure of interests in other entities

On 20 January 2015, a company called Openmaxims Community Interest Company was incorporated and registered with Companies House. The Trust owned 1 of 3 £1 shares in this company. The other two shares were owned by Blackpool Teaching Hospitals NHS Trust and St Helens and Knowsley NHS Teaching Hospitals NHS Trust.

The objects of the company were to carry out activities that benefit the community and particularly, but not exclusively, to drive the development of "open source" software in a clinical setting, support research and encourage user participation on a not for profit basis.

The company did not carry out any activities during the financial year and has now been struck off after application to Companies House.

Note 18 Inventories

	31 March	31 March
	2019	2018
	£000	£000
Drugs	1,160	1,300
Consumables	17	23
Energy	222	198
Other	2,588	2,114
Total inventories	3,987	3,635
of which:		

Inventories recognised in expenses for the year were £38,579k (2017/18: £45,888k). Write-down of inventories recognised as expenses for the year were £0k (2017/18: £0k).

Note 19.1 Trade receivables and other receivables

	31 March 2019 £000	31 March 2018 £000
Current		
Contract receivables*	13,659	-
Trade receivables*	-	4,095
Capital receivables	60	62
Accrued income*	-	6,261
Allowance for impaired contract receivables / assets*	(176)	-
Allowance for other impaired receivables	-	(243)
Prepayments (non-PFI)	2,901	1,421
PDC dividend receivable	210	55
VAT receivable	393	785
Total current trade and other receivables	<u>17,047</u>	<u>12,436</u>
Non-current		
Contract receivables*	1,709	-
Trade receivables*	-	1,680
Capital receivables	5	5
Allowance for impaired contract receivables / assets*	(374)	-
Allowance for other impaired receivables	-	(384)
Total non-current trade and other receivables	<u>1,340</u>	<u>1,301</u>
Of which receivables from NHS and DHSC group bodies:		
Current	11,082	8,546

*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.

Non-current receivables relate to NHS Injury Cost Recovery Scheme. This income is subject to a provision for doubtful debts of 21.89% (22.84% in 2017/18) to reflect expected rates of collection.

Note 19.2 Allowances for credit losses - 2018/19

	Contract receivables and contract assets	All other receivables
	£000	£000
Allowances as at 1 Apr 2018 - brought forward		550
Impact of implementing IFRS 9 (and IFRS 15) on 1 April 2018	627	(627)
Reversals of allowances	(73)	-
Utilisation of allowances (write offs)	(4)	-
Allowances as at 31 Mar 2019	550	(77)

Note 19.3 Allowances for credit losses - 2017/18

IFRS 9 and IFRS 15 are adopted without restatement therefore this analysis is prepared in line with the requirements of IFRS 7 prior to IFRS 9 adoption. As a result it differs in format to the current period disclosure.

	All receivables
	£000
Allowances as at 1 Apr 2017 - as previously stated	627
Prior period adjustments	-
Allowances as at 1 Apr 2017 - restated	627
Transfers by absorption	-
Increase in provision	
Amounts utilised	(73)
Unused amounts reversed	(4)
Allowances as at 31 Mar 2018	550

Note 20 Non-current assets held for sale and assets in disposal groups

	2018/19	2017/18
	£000	£000
NBV of non-current assets for sale and assets in disposal groups at 1 April	-	-
Assets classified as available for sale in the year	-	1,187
Assets sold in year	-	(1,187)
NBV of non-current assets for sale and assets in disposal groups at 31 March	-	-

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	2017/18
	£000	£000
At 1 April	4,905	8,027
Net change in year	3,261	(3,122)
At 31 March	8,166	4,905
Broken down into:		
Cash at commercial banks and in hand	366	364
Cash with the Government Banking Service	7,800	4,541
Total cash and cash equivalents as in SoFP	8,166	4,905
Bank overdrafts (GBS and commercial banks)	-	-
Drawdown in committed facility	-	-
Total cash and cash equivalents as in SoCF	8,166	4,905

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	31 March
	2019	2018
	£000	£000
Bank balances	2	9
Total third party assets	2	9

Note 22.1 Trade and other payables

	31 March 2019 £000	31 March 2018 £000
Current		
Trade payables	8,287	6,897
Capital payables	6,995	4,831
Accruals	18,762	12,649
Social security costs	4,009	3,613
Other taxes payable	66	-
Accrued interest on loans*	-	244
Total current trade and other payables	<u>38,119</u>	<u>28,234</u>
Non-current		
Capital payables	441	539
Total non-current trade and other payables	<u>441</u>	<u>539</u>
Of which payables from NHS and DHSC group bodies:		
Current	3,485	4,368

*Following adoption of IFRS 9 on 1 April 2018, loans are measured at amortised cost. Any accrued interest is now included in the carrying value of the loan within note 24. 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	4,728	2,549
PFI deferred income / credits	259	259
Total other current liabilities	4,987	2,808
Non-current		
PFI deferred income / credits	2,976	3,235
Total other non-current liabilities	2,976	3,235

Note 24 Borrowings

	31 March 2019 £000	31 March 2018 £000
Current		
Loans from the Department of Health and Social Care*	5,203	648
Obligations under finance leases*	809	610
Obligations under PFI, LIFT or other service concession contracts (excl. lifecycle)	922	717
Total current borrowings	6,934	1,975
Non-current		
Loans from the Department of Health and Social Care	16,688	12,528
Obligations under finance leases	3,190	3,849
Obligations under PFI, LIFT or other service concession contracts	11,963	10,484
Total non-current borrowings	31,841	26,861

*Following adoption of IFRS 9 on 1 April 2018, any accrued interest is now included in the carrying value of the loan within the above. IFRS 9 is applied without restatement therefore comparatives have not been restated.

Loans from the Department of Health and Social Security are made up of 6 individual loans with principal amounts of: £4,416,000 at an interest rate of 1.5% repayable in full in January 2020, £4,824,000 at an interest rate of 1.5% repayable in full in April 2021, £2,883,000 at an interest rate of 1.5% repayable in February 2022, £950,000 at an interest rate of 1.5% repayable in March 2022, £8,112,000 at an interest rate of 2.7% repayable in 6 monthly instalments with final payment in June 2031 and £600,000 at an interest rate of 1.2% repayable in equal twice yearly installment from February 2020 to August 2028.

Note 24.1 Reconciliation of liabilities arising from financing activities

	Loans from DHSC £000	Finance leases £000	PFI and LIFT schemes £000	Total £000
Carrying value at 1 April 2018	13,176	4,459	11,201	28,836
Cash movements:				
Financing cash flows - payments and receipts of principal	8,609	(611)	(768)	7,230
Financing cash flows - payments of interest	(302)	(350)	(997)	(1,649)
Non-cash movements:				
Impact of implementing IFRS 9 on 1 April 2018	70	174	-	244
Additions	-	-	2,467	2,467
Application of effective interest rate	327	326	982	1,635
Other changes	11	1	-	12
Carrying value at 31 March 2019	21,891	3,999	12,885	38,775

Note 25 Finance leases

Note 25.1 Taunton & Somerset NHS Foundation Trust as a lessee

Obligations under finance leases where Taunton & Somerset NHS Foundation Trust is the lessee.

	31 March 2019 £000	31 March 2018 £000
Gross lease liabilities	4,800	5,760
of which liabilities are due:		
- not later than one year;	960	960
- later than one year and not later than five years;	3,840	3,840
- later than five years.	-	960
Finance charges allocated to future periods	(801)	(1,301)
Net lease liabilities	3,999	4,459
of which payable:		
- not later than one year;	809	610
- later than one year and not later than five years;	3,190	2,958
- later than five years.	-	891

Leases for energy infrastructure:

During 2011/12, the Trust entered into a contract with a private sector partner, Schneider Electric, for the provision and installation of energy infrastructure assets. The total value of the contract was £7,867,000 and the installation work commenced in June 2011 and was completed during the 2012/13 financial year. The overall leasing commitment for the contract amounts to £7,867,000 and repayments commenced in December 2012 and will be paid annually over the 12 year term of the lease. This is a standard lease paid in periodic fixed annual payments and there are no restrictions or renewable options.

Note 26.1 Provisions for liabilities and charges analysis

	Pensions: early departure costs £000	Pensions: injury benefits* £000	Legal claims £000	Total £000
At 1 April 2018	213	684	49	946
Change in the discount rate	(3)	(9)	-	(12)
Arising during the year	72	19	38	129
Utilised during the year	(21)	(43)	(49)	(113)
Reversed unused	(19)	(60)	-	(79)
Unwinding of discount	-	(1)	-	(1)
At 31 March 2019	242	590	38	870
Expected timing of cash flows:				
- not later than one year;	20	43	38	101
- later than one year and not later than five years;	61	171	-	232
- later than five years.	161	376	-	537
Total	242	590	38	870

* In 2018/19 the analysis of provisions has been revised to separately identify provisions for injury benefit liabilities. In previous periods, these provisions were included within early departure costs.

Pensions - early departure costs relate to Pre1995 early retirements. These are calculated on figures supplied by the NHS Pensions Agency and a significant amount of the payments are expected to be greater than one year.

Other legal claims comprises Personal Injury and Injury Benefit claims. Personal Injury provisions are based on the expected values and probabilities quantified by the NHS Resolution. The outcome of these cases are inherently uncertain and the timing of payments is dependent on the progression of each case. The figures included in the summary are based purely on the trust's excess, reflecting the fact that the NHS Resolution make the majority of payments direct. The Injury Benefit provisions are based on figures supplied by the NHS Pensions Agency. A significant amount of the payments are expected to be for a period greater than 1 year.

Note 26.2 Clinical negligence liabilities

At 31 March 2019, £223,002k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Taunton & Somerset NHS Foundation Trust (31 March 2018: £156,564k).

Note 27 Contingent assets and liabilities

	31 March 2019 £000	31 March 2018 £000
Value of contingent liabilities		
NHS Resolution legal claims	(13)	-
Other	(539)	-
Gross value of contingent liabilities	(552)	-
Amounts recoverable against liabilities	-	-
Net value of contingent liabilities	(552)	-
Net value of contingent assets	-	-

Other contingent liabilities relates to a challenge that a Trust supplier has received from HMRC regarding the issue of VAT exempt invoices. The supplier is defending the challenge robustly and there has been no indication of retrospective VAT being charged to the Trust. An assessment of Retrospective VAT has been disclosed on the basis of the uncertain outcome of the challenge to the HMRC ruling currently being taken by the supplier and the unknown nature of any subsequent retrospective enforcement action by HMRC.

Note 28 Contractual capital commitments

	31 March 2019 £000	31 March 2018 £000
Property, plant and equipment	2,600	759
Intangible assets	2,509	6,141
Total	5,109	6,900

Contractual commitments on property, plant and equipment relate to work to be performed by the Trusts P22 construction partner on the development of the full business case for the theatres and critical rebuild scheme over the period to the end of March 2020. Intangible assets relate to the Global Digital Exemplar project which was agreed in June 2017 and is funded through external PDC funding from the Department of Health and Social Care. Expenditure will be completed by 31 March 2021.

Note 29 On-SoFP PFI, LIFT or other service concession arrangements

Note 29.1 The Beacon Centre

The project agreement is with the Taunton Linac Company Limited (the operator) for the provision of an Oncology and Haematology Centre on the Musgrove Park Hospital site (The Beacon Centre) including the supply and maintenance of the building and major medical equipment within the facility. The facility opened in May 2009 and provides state of the art non-surgical cancer services to the residential population of Somerset, in a suitable location and setting at Taunton and Somerset NHS Foundation Trust. The new Oncology and Haematology Centre provides:

- Two Linear Accelerators (a third has been purchased by the Trust)
- One simulation suite with processing and treatment planning facilities
- 18 bed Oncology Ward
- Chemotherapy suite for 22 day patients
- Outpatients suite with 4 consulting and 8 examination rooms

Key Features of the Scheme:

In return for an agreed monthly payment, the following facilities are provided to the Trust by the Operator plus associated hard Facilities Management and asset renewal services:

- Inpatient and Outpatient facilities
- Radiotherapy treatment area
- Administrative offices
- Public spaces

Under the Project Agreement, the above facilities are provided at a pre-determined level of quality for the 30 year term (excluding the construction period).

The operator has also procured, installed, and will maintain and replace major medical equipment for the full 30 years of the operating period. The major equipment requirements include two Linear Accelerators. However, soft Facilities Management services such as portering, catering and cleaning are provided by the Trust and are outside the scope of this PFI project.

Nature of Payment

The Operator provides the services in return for an annual service charge. In covering payment for facilities, other services and financing, the annual service charge is unitary in nature. The Trust has agreed a payment mechanism that incorporates the principles of the NHS Standard Form contract. This relates payment to the successful (or otherwise) achievement of the service and quality standards set out in the output specification. The unitary payment can be abated for instances of non-performance against the standards in the output specification up to a maximum of 100% of the unitary fee, which fall into three areas:

- i) Failure events – where there is a failure to meet a specific service standard relating to a particular area of the hospital.
- ii) Failure events – relating to the Radiotherapy Equipment.
- iii) Quality failures – where there is a failure to supply a service across a wider range of parameters, which cannot be attributed to a specific area of the hospital.

The unitary payment relating to the Beacon Centre is set by the contract between the Trust and the operator and is subject to an inflationary uplift based on the Retail Price Index (RPI). The total unitary payment for 2018/19 amounted to £3,741,000 (2017/18 £3,614,000) and for 2019/20 will be £3,867,000. The value of the liability at 31 March 2019 was £11,569,000 (31 March 2018 £10,802,000) and the net book value of the assets was £14,786,000 (31 March 2018 £13,864,000).

Property ownership

The site on which the new Oncology facilities have been built is in the freehold ownership of the Trust.

Expiry of contract

On expiry of the contract (May 2039), the facility will revert to the ownership of the Trust for no payment.

Note 29.2 Provision of Multi-Storey Car Park

This is a public private partnership project (PPP). It relates to the building of a car park (completed in October 2006) and the provision of services for 25 years. The ownership of the building will pass to the Trust after the 25 year concession period. The residual value (assessed by professional valuation) is £4,468,000. Throughout this period, the operator pays an agreed proportion of the car parking fees to the Trust; no other financial transactions take place. Since 2009/10, this has been accounted for under International Financial Reporting Standards and the asset together with the outstanding liability is required to be accounted for in the Statement of Financial Position. The asset and liability are summarised below:

	31 March 2019 £000	31 March 2018 £000
Net Book Value of asset (included in property, plant and equipment, note 15)	<u>6,867</u>	<u>6,991</u>
Liability (see deferred PFI income, note 23)	<u>2,976</u>	<u>3,235</u>

Note 29.3 Managed Equipment Solution for Diagnostic Imaging

On 20 July 2017 the Trust entered into a contract for the provision of a managed service contract within diagnostic imaging. The contract is for the following services:

- A Facilities Infrastructure Replacement Programme (FIRP), which includes the replacement, installation and decommissioning of all assets within the department along with an increase of modalities for ultrasound, MRI and CT scanning;
- The provision of a fully inclusive “Gold Standard” maintenance cover for the department, that includes all parts, durables and labour;
- The provision of a guaranteed uptime availability of the facility to perform diagnostic testing and reporting;
- A consumables management service;
- A full inventory management service;
- Technical training for all modalities;
- Professional training availability for radiographer reporting courses;
- Data collection and analysis to allow for patient level costing within the department;
- Market, professional, technical and analytical intelligence to work in partnership with the Trust, for the purposes of delivering continual improvement in quality and practice across the diagnostic imaging department;

The service provider receives payment in two elements:-

- A managed facility service paid for through a unitary payment fixed for the duration of the contract apart from annual RPI indexation, paid quarterly in advance.
- A consumables management service paid for through a quarterly payment in advance based on an estimate of annual consumption. An assessment of actual Consumables provided is made each quarter and either a balancing invoice or credit note raised as appropriate.

A set of performance parameters has been agreed with the managed service provider. Penalties will apply if performance failures are not corrected within the agreed remedial period.

The accountancy treatment is that ownership of the Trust’s existing asset portfolio within the scope of the managed service has been transferred to the managed service provider at fair market value. The assets have been recapitalised to the balance sheet under IFRIC 12. New equipment bought by the service provider has been capitalised under IFRIC 12 where their useful lives are fully utilised during the 10 years of the managed equipment solution agreement. Where new asset lives extend beyond the 10 years of the agreement equipment has been accounted for as operating leases.

The total unitary payment made to the managed equipment solution provider during the 2018/19 financial year for the managed facility service was £1,733,000 (2017/18 £1,259,000) and consumables management service of £1,088,000 (2017/18 £435,000). The values of payments due for 2019/20 for the managed facility service is £1,975,000.

Note 29.4 Imputed finance lease obligations

Taunton & Somerset NHS Foundation Trust has the following obligations in respect of the finance lease element of on-Statement of Financial Position PFI and LIFT schemes:

	PFI Schemes	Other Service Concessions	31 March 2019	31 March 2018
	£000	£000	£000	£000
Gross PFI, LIFT or other service concession liabilities	26,035	1,536	27,571	26,631
Of which liabilities are due				
- not later than one year;	1,676	286	1,962	1,656
- later than one year and not later than five years;	5,393	792	6,185	5,181
- later than five years.	18,966	458	19,424	19,794
Finance charges allocated to future periods	(14,465)	(221)	(14,686)	(15,430)
Net PFI, LIFT or other service concession arrangement obligation	11,570	1,315	12,885	11,201
- not later than one year;	688	234	922	717
- later than one year and not later than five years;	1,385	662	2,047	1,080
- later than five years.	9,497	419	9,916	9,404

The obligations above relates to the Beacon Centre (PFI cancer facility) which opened in May 2009 and the radiology managed facility service (other service concessions) which commenced 1 August 2017.

Note 29.5 Total on-SoFP PFI, LIFT and other service concession arrangement commitments

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

	PFI Schemes	Other Service Concessions	31 March 2019	31 March 2018
	£000	£000	£000	£000
Total future payments committed in respect of the PFI, LIFT or other service concession arrangements	77,537	16,309	93,846	94,641
Of which liabilities are due:				
- not later than one year;	3,860	1,975	5,835	5,453
- later than one year and not later than five years;	15,441	7,900	23,341	21,811
- later than five years.	58,236	6,434	64,670	67,377

operator

This note provides an analysis of the unitary payments made to the service concession operator:

	PFI Schemes	Other Service Concessions	2018/19	2017/18
	£000	£000	£000	£000
Unitary payment payable to service concession operator	3,553	1,733	5,286	4,867
Consisting of:				
- Interest charge	923	59	982	1,019
- Repayment of finance lease liability	605	162	767	1,026
- Service element and other charges to operating expenditure	2,025	1,512	3,537	2,737
- Revenue lifecycle maintenance	-	-	-	85
Total amount paid to service concession operator	3,553	1,733	5,286	4,867

Note 30 Off-SoFP PFI, LIFT and other service concession arrangements

Taunton & Somerset NHS Foundation Trust incurred the following charges in respect of off-Statement of Financial Position PFI and LIFT obligations:

Staff Nursery

This is accounted for off the Statement of Financial Position. The operator is required to provide childcare facilities over the concession period, of 30 years from 2003, therefore the arrangement has 14 years to run. The services are provided to trust employees in the first instance and to the public thereafter. The land was provided by the trust on a 99 year lease. Other than this, there is no financial cost to the trust. The land and building will revert to trust ownership at the end of the 99 year lease.

Note 31 Financial instruments

Note 31.1 Financial risk management

Financial reporting standard IFRS 7, dealing with financial instruments, requires disclosure of the role that financial instruments have had during the period in creating or changing the risks the Trust faces in undertaking its activities. Because of the continuing service provider relationship that the Trust has with local Clinical Commissioning Groups and the way those Clinical Commissioning Groups are financed, the Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standard mainly applies.

The Trust has the ability to borrow funds and to invest surplus cash. The risks resulting from transactions of this nature are mitigated by the Trust's treasury and investment policies and protocols and by the reporting of performance against financial targets to the Foundation Trust regulator, NHS Improvement.

Currency risk

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

Interest rate risk

The Trust has the power to borrow for capital expenditure, subject to affordability as confirmed by NHS Improvement, the independent regulator.

Some of the financial instruments have a fixed interest rate which means the Trust may be exposed to interest rate risk. If the interest rate moves interest paid could be higher than the market rates, and/or interest received could be lower than the market rates. Of the financial assets and liabilities set out in notes 31.2 and 31.3, all are denominated in sterling.

Credit risk

Because the majority of the Trust's revenue comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. Other credit risk is provided for by the continuous processes of reviewing debt management and ensuring that debts that are unlikely to be collected are appropriately impaired.

The vast majority of the Trust's cash balances are held on deposit with the Government Banking Service, and as such the credit risk on these balances is considered to be negligible.

Liquidity risk

The Trust's operating costs are incurred under contracts with Clinical Commissioning Groups and Specialist Commissioners, which are financed from resources voted annually by Parliament. The introduction of Payment by Results has created an inherent risk of performing below the planned activity levels, thereby endangering income. The Trust has mitigated this risk through risk share arrangements within the Somerset Health Community. This arrangement covers the principal commissioner in respect of the majority of its services.

The Trust currently finances its capital expenditure from funds made available from cash surpluses generated by the Trust's activities. The PFI project relating to the Beacon Centre has created liabilities on the Statement of Financial Position that the Trust is committed to meeting for the duration of the service concession. This liability is subject to an annual inflationary uplift. Similarly, the Trust is committed to the Energy Project which added a leasing liability to the Trust's SOFP in 2011/12 and which increased in 2012/13. The Trust is committed to the payment of this leasing obligation for the duration of the 12 year lease term. The Trust has also entered into a radiology managed facility service for a period of 10 years and is committed to meeting the liabilities created on the statement of financial position for the duration of the agreement. In addition, the Trust completed the new surgical ward development (the Jubilee Building) during 2013/14 and supported existing cash reserves to fund this development by drawing against a £12 million loan facility from the Foundation Trust Financing Facility. The approval of major capital projects such as the Jubilee Building are subject to comprehensive project development processes involving the creation of separate project boards, continuous scrutiny by the Trust Board and also through the involvement of NHS partners including the Trust's principal CCG, NHS Improvement and the Area Team of NHS England.

The Trust invests surplus funds in line with its treasury and investment policies. The Trust produces a twelve month rolling cash flow to manage liquidity risk. Where liquidity is identified as a risk the Trust has the ability to apply for distressed loan finance from the Department of Health and Social Care. The deficit delivered by the Trust in the 2018/19 financial year required the drawdown of loans amounting to £8,657,000.

Investment Risk

The Trust has the ability to invest surplus cash. The risks resulting from transactions of this nature are mitigated by the Trust's treasury and investment policies and protocols and by the reporting of performance against financial targets to NHS Improvement.

Note 31.2 Carrying values of financial assets

IFRS 9 Financial Instruments is applied retrospectively from 1 April 2018 without restatement of comparatives. As such, comparative disclosures have been prepared under IAS 39 and the measurement categories differ to those in the current year analyses.

	Held at fair			Total book value £000
	Held at amortised cost £000	value through I&E £000	Held at fair value through OCI £000	
Carrying values of financial assets as at 31 March 2019 under IFRS 9				
Trade and other receivables excluding non financial assets	14,883	-	-	14,883
Cash and cash equivalents at bank and in hand	8,166	-	-	8,166
Total at 31 March 2019	23,049	-	-	23,049

	Assets at fair value				Total book value £000
	Loans and receivables £000	through the I&E £000	Held to maturity £000	Available-for-sale £000	
Carrying values of financial assets as at 31 March 2018 under IAS 39					
Trade and other receivables excluding non financial assets	11,476	-	-	-	11,476
Other investments / financial assets	103	-	-	-	103
Cash and cash equivalents at bank and in hand	4,905	-	-	-	4,905
Total at 31 March 2018	16,484	-	-	-	16,484

Note 31.3 Carrying value of financial liabilities

IFRS 9 Financial Instruments is applied retrospectively from 1 April 2018 without restatement of comparatives. As such, comparative disclosures have been prepared under IAS 39 and the measurement categories differ to those in the current year analyses.

	Held at fair		
	Held at amortised cost £000	value through the I&E £000	Total book value £000
Carrying values of financial liabilities as at 31 March 2019 under IFRS 9			
Loans from the Department of Health and Social Care	21,891	-	21,891
Obligations under finance leases	3,999	-	3,999
Obligations under PFI, LIFT and other service concession contracts	12,885	-	12,885
Trade and other payables excluding non financial liabilities	34,485	-	34,485
Provisions under contract	865	-	865
Total at 31 March 2019	74,125	-	74,125

	Held at fair		
	Other financial liabilities £000	value through the I&E £000	Total book value £000
Carrying values of financial liabilities as at 31 March 2018 under IAS 39			
Loans from the Department of Health and Social Care	13,176	-	13,176
Obligations under finance leases	4,459	-	4,459
Obligations under PFI, LIFT and other service concession contracts	11,201	-	11,201
Trade and other payables excluding non financial liabilities	25,160	-	25,160
Provisions under contract	946	-	946
Total at 31 March 2018	54,942	-	54,942

Note 31.4 Maturity of financial liabilities

	31 March 2019 £000	31 March 2018 £000
In one year or less	41,074	27,199
In more than one year but not more than two years	1,649	5,461
In more than two years but not more than five years	7,125	5,818
In more than five years	24,277	16,464
Total	74,125	54,942

Note 32 Losses and special payments

	2018/19		2017/18	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
Losses				
Cash losses	1	-	4	20
Bad debts and claims abandoned	27	4	58	9
Total losses	28	4	62	29
Special payments				
Ex-gratia payments	24	10	28	12
Total special payments	24	10	28	12
Total losses and special payments	52	14	90	41
Compensation payments received		-		-

Note 33.1 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.

Under IFRS 9, borrowings from the Department of Health and Social Care, which were previously held at historic cost, are measured on an amortised cost basis. Consequently, on 1 April 2018 borrowings increased by £70k, and trade payables correspondingly reduced.

Reassessment of allowances for credit losses under the expected loss model resulted in a £0k decrease in the carrying value of receivables.

The GAM expands the definition of a contract in the context of financial instruments to include legislation and regulations, except where this gives rise to a tax. Implementation of this adaptation on 1 April 2018 has led to the classification of receivables relating to Injury Cost Recovery as a financial asset measured at amortised cost. The carrying value of these receivables at 1 April 2018 was £0k.

Note 33.2 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 was no overall impact on Statement of Comprehensive Income or Statement of Financial Position.

Note 34 Related parties

Transactions between the Trust and its related parties are reviewed each year and declared below.

During the year, none of the Board Members or members of the key management staff or parties related to them has undertaken any material transactions with the Trust.

The Department of Health and Social Care is regarded as a related party. During the year, the Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department. A summary of these transactions is listed below.

These transactions represent income and expenditure from a range of services and supplies. Expenditure, for example, includes the purchase of an ambulance service. Income relates to the commissioning of patient care services, the provision of estates services and the sale of drugs.

	Receivables		Payables	
	2018/19	2017/18	2018/19	2017/18
	£000	£000	£000	£000
NHS Somerset CCG	331	2,255	1,673	2,523
Yeovil District Hospital NHS Foundation Trust	148	392	337	446
NHS England	7,667	4,144	0	496
Somerset Partnership NHS Foundation Trust	1,772	467	1,470	485
NHS NEW Devon CCG	0	179	266	15
Charitable Funds	37	140	8	5
Other Related Parties (NHS and Government)	1,696	2,120	8,550	8,038
South West Pathology Services LLP	0	15	0	0
SPS Facilities Limited	15	15	0	0
Intergrated Pathology Partnerships Limited	64	0	0	22
Total	11,730	9,727	12,304	12,030

	Income		Expenditure	
	2018/19	2017/18	2018/19	2017/18
	£000	£000	£000	£000
NHS Somerset CCG	205,166	196,993	164	1,032
Yeovil District Hospital NHS Foundation Trust	1,290	1,502	1,262	1,043
NHS England	66,099	63,883	3	182
Somerset Partnership NHS Foundation Trust	6,002	4,433	2,802	2,912
NHS NEW Devon CCG	7,765	7,534	0	0
Charitable Funds	1,629	761	0	0
Other Related Parties (NHS and Government)	27,852	23,340	50,427	47,910
South West Pathology Services LLP	185	185	6,545	6,343
SPS Facilities Limited	185	185	6,303	5,525
Intergrated Pathology Partnerships Limited	814	676	145	123
Total	316,987	299,492	67,651	65,070

The audited accounts of the funds held on Trust have not been consolidated in this annual report and accounts on the grounds of materiality. The aggregate amount of the charity's capital and reserves as at the financial year end is £2,123,000 (31 March 2018: £2,148,000) and the deficit for the year is £27,000 (surplus £362,000 in 2017/18).

Note 35 Events after the reporting date

During 2017/18 the Trust entered into an Alliance with Somerset Partnership NHS Foundation Trust. This has been extended during 2018/19 to move towards a potential merger with Somerset Partnership. Approval of the Strategic Case has been received from NHS Improvement and the Trust is currently developing a Full Business Case for submission to NHS Improvement in the autumn with final approval expected in early 2019/20. Full merger is expected in the spring of 2020.

On 1 April 2019, the Trust took on the running of the Creech Medical Centre. The GP practice will be managed and controlled in the same manner as the Trust's current Medical Centre at Warwick House.

